

RESTATED BY-LAWS OF
REEF GATE WEST ASSOCIATION, INC.
A California Non-Profit Corporation

ARTICLE I

REEF GATE WEST ASSOCIATION, INC. (hereinafter referred to as ASSOCIATION), is a membership association of all of the owners of all of the seventy-two (72) Condominium Units referred to in the original Declaration of Covenants, Conditions, Reservations, Easements, Liens and Restrictions recorded July 26, 1973 and subsequent amendments (hereinafter referred to as DECLARATION).

ARTICLE II

The ASSOCIATION shall have its principal office in the City of San Clemente in the County of Orange, California, or at such other office within said County as the Board of Directors of the ASSOCIATION may determine or as the affairs of the ASSOCIATION may require from time to time.

ARTICLE III

The purposes of the ASSOCIATION shall be those set forth in the Articles of Incorporation and in the DECLARATION, and to carry out, exercise, discharge, operate, manage and enforce for the mutual benefit of the members of the ASSOCIATION, the provisions of such DECLARATION, as the same may, from time to time, be amended and supplemented, and the provisions of these By-laws, as the same may, from time to time, be amended, regarding the management, administration, maintenance, preservation, repair and operation of the real property, together with all the above-mentioned Condominium Units and the Common Area.

ARTICLE IV

The names, words and phrases used herein shall have the same meaning as set forth in the said DECLARATION, and the definitions therein contained are hereby incorporated by this reference.

ARTICLE V

The provisions of these By-laws are applicable to the operation of the ASSOCIATION, and the occupancy, ownership, maintenance and use of the real property described in the said DECLARATION, and to all present and future Owners, members of their families, tenants, guests and invitees and to any other person or persons who may use said real property or its facilities in any manner. The acceptance of a deed to any Condominium situated on said real property and/or the entering into occupancy or the use of any such Condominium shall constitute (1) an acceptance and ratification of these By-laws and the said DECLARATION and (2) an agreement to be bound by and comply with the provisions of these By-laws and the said DECLARATION as either or both may, from time to time, be amended.

ARTICLE VI

(a) Every Owner of a Condominium situated on said real property shall automatically, upon becoming such Owner of a Condominium, become a member of the ASSOCIATION, and shall remain a member thereof until such Owner shall cease to be an Owner. The foregoing is not intended to include persons or entities that hold such an interest in a Condominium merely as security for the performance of an obligation. Each member of the ASSOCIATION shall be, except as otherwise provided in the said DECLARATION and in these

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By-laws, subject to and shall comply with each and all of the provisions of these By-laws and the said DECLARATION as the same or any or all of them may, from time to time, be amended.

(b) Membership is appurtenant to the Condominium situated on said real property. The membership of each Owner in the ASSOCIATION is for the benefit of and appurtenant to, the Condominium to which it relates, and consequently, membership may not be separated from the Ownership of such Condominium.

ARTICLE VII

MEETINGS OF MEMBERS

(a) **Annual Meeting.** There shall be a meeting of the Owners on the second Saturday of September of each year upon the Common Area or at such other reasonable place or time (not more than sixty (60) days before or after such date).

(b) **Special Meetings.** Special meetings of the Owners for any purpose may be called by a majority of a quorum of members of the Board or upon receipt of a written request for a special meeting signed by Owners representing at least five (5%) percent of the total voting power of the ASSOCIATION.

(c) **Notices of Meetings.**

(1) Whenever Owners are required or permitted to take any action at a meeting, a written notice of the meeting shall be given not less than 10 nor more than 90 days before the date of the meeting to each Owner who, on the record date for notice of the meeting, is entitled to vote thereat; provided, however, that if notice is given by mail, and the notice is not mailed by first-class, registered, or certified mail, that notice shall be given not less than 20 days before the meeting. The notice shall state the place, date and time of the meeting and (1) in the case of a special meeting, the general nature of the business to be transacted, and no other business may be transacted, or (2) in the case of the annual meeting, those matters which the board, at the time the notice is given, intends to present for action by the members, but any proper matter may be presented at the meeting for the action. The notice of any meeting at which directors are to be elected shall include the names of all those who are nominees at the time the notice is given to Owners.

(2) Upon request in writing to the president, vice president, or secretary by any person (other than the Board) entitled to call a special meeting of members, the officer forthwith shall cause notice to be given to the Owners entitled to vote that a meeting will be held at a time fixed the Board not less than 35 nor more than 90 after the receipt of the request. If the notice is not given within 20 days after receipt of the request, the persons entitled to call the meeting may give the notice.

(3) When a meeting of the Owners is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. No meeting may be adjourned for more than 45 days. At the adjourned meeting the ASSOCIATION may transact any business that might have been transacted at the original meeting. If after the adjournment a new record date is fixed for notice or voting, a notice of the adjourned meeting shall be given to each Owner who, on the record date for notice of the meeting, is entitled to vote at the meeting.

(4) Notice of a meeting of the Owners shall be given either personally or by mail or other means of written communication, addressed to an Owner at the address of the

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Owner appearing on the books of the ASSOCIATION or given by the Owner to the ASSOCIATION for purpose of notice; or if no such address appears or is given, at the place where the principal office of the ASSOCIATION is located. An affidavit of giving of any notice in accordance with this paragraph, executed by the secretary shall be *prima facie* evidence of the giving of the notice.

(d) Quorum

(1) A majority of the voting power, represented in person or by proxy, shall constitute a quorum at a meeting of Owners. If a quorum is present, the affirmative vote of the majority of the voting power represented at the meeting, entitled to vote, and voting on any matter shall be the act of the Owners unless the Articles of Incorporation or the By-laws require the vote by a greater number.

(2) The Owners present at a duly called or held meeting at which a quorum is present may continue to transact business until adjournment notwithstanding the withdrawal of enough Owners to leave less than a quorum, if any action taken (other than adjournment) is approved by a least a majority of the members required to constitute a quorum.

(3) In the absence of a quorum, any meeting of members may be adjourned from time to time by the vote of a majority of the votes represented either in person or by proxy, but no other business may be transacted. At a subsequent meeting, one-third (1/3) of the voting power represented in person or by proxy shall constitute a quorum.

(e) Acts Without Meeting: Written Ballot

(1) Any action (except election of directors) that may be taken at any regular or special meeting of Owners may be taken without a meeting if the ASSOCIATION distributes a written ballot to every member entitled to vote on the matter. Such ballot shall set forth the proposed action, provide an opportunity to specify approval or disapproval of any proposal, and provide a reasonable time within which to return the ballot to the corporation.

(2) Approval by written ballot shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds a majority of the voting power unless the vote by a greater number is required by the Articles of Incorporation or the By-laws.

(3) Ballots shall be solicited in a manner consistent with the requirements of Article VI(c) (Notices of Meetings). All such solicitations shall indicate the number of responses needed to meet the quorum requirement and shall state the percentage of approvals necessary to pass the measure submitted. The solicitation must specify the time by which the ballot must be received in order to be counted.

(4) A written ballot may not be revoked.

(f) Proxies. Every Owner shall have the right to vote either in person or by written proxy filed with the Secretary of the ASSOCIATION. No proxy shall be valid after the expiration of eleven (11) months from the date of its execution unless otherwise provided in the proxy, except that the maximum term of a proxy shall be three (3) years after the date of execution.

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ARTICLE VIII

FEES, DUES AND ASSESSMENTS

The fees, dues and assessments applicable to the Owners shall be as specified in the said DECLARATION.

ARTICLE IX

DIRECTORS

(a) Board Members. The Board shall consist of seven (7) Owners, unless provided otherwise by an amendment of these By-laws.

(b) Election. The Board shall be elected as provided in the said DECLARATION.

(c) Indemnification of Directors, Officers and Employees.

(1) For the purposes of the Section, "agent", means any person who is or was a director, officer, employee or other agent of the ASSOCIATION, or is or was serving at the request of the ASSOCIATION as a director, officer, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise; "proceeding" means threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative, and "expenses" includes without limitation, attorney's fees and any expenses of establishing a right to indemnification under paragraph (d) or subparagraph (e) (3) of this Section.

(2) The ASSOCIATION shall indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding (other than an action by or in the right of the ASSOCIATION to procure a judgment in its favor) by reason of the fact that such person is or was an agent of the ASSOCIATION, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding if such person acted in good faith and in a manner such person reasonably believed to be in the best interest of the ASSOCIATION and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction or upon a plea of *nolo contendere* or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interest of the ASSOCIATION or that the person had reasonable cause to believe that the person's conduct was unlawful.

(3) The ASSOCIATION shall indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action by or in the right of the ASSOCIATION to procure a judgment in its favor by reason of the fact that such person is or was an agent of the ASSOCIATION, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of such action if such person acted in good faith, in a manner such person believed to be in the best interests of the ASSOCIATION and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. No indemnification shall be made under this paragraph (3):

(a) In respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the ASSOCIATION in the performance of such person's duty to the ASSOCIATION, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the

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case, such person is fairly and reasonably entitled to indemnity for the expenses which such court shall determine;

(b) Of amounts paid in settling or to otherwise disposing of a threatened or pending action, with or without court approval; or

(c) Of expenses incurred in defending a threatened or pending action, which is settled or otherwise disposed of without court approval.

(4) To the extent that an agent of the ASSOCIATION has been successful on the merits in defense of any proceeding referred to in paragraph (b) or (c) or in defense of any claim, issue or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

(5) Except as provided in paragraph (d), any indemnification under this Section shall be made by the Association only if authorized in the specific case, upon a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in paragraph (b) or (c), by:

(a) A majority vote of a quorum consisting of directors who are not parties to such proceeding;

(b) Approval of the Members. For purposes of determining the required quorum of any meeting of Members called to approve indemnification of an agent and the vote or written consent required therefore, the vote of any Owner to be indemnified shall not be considered outstanding and shall not be entitled to be cast thereon; or

(c) The court in which such proceeding is or was pending, upon application made by the ASSOCIATION or the agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney or other person is opposed by the ASSOCIATION.

(6) Expenses incurred in defending any proceeding may be advanced by the ASSOCIATION prior to the final disposition of such proceeding upon receipt of an undertaking by or on behalf of the agent to repay such amount unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized in this Section.

(7) This Section shall create a right of indemnification for each person referred to in this Section, whether or not the proceeding to which the indemnification related arose in whole or in part prior to adoption of this Section, and in the event of the death of such agent, whether before or after initiation of such proceeding, such right shall extend to such person's legal representatives. This Section does not apply to any proceeding against any trustee, investment manager or other fiduciary of any employee benefit plan in such person's capacity as such, even though such person may also be an agent of the ASSOCIATION as defined in paragraph (a). Nothing contained in this Section shall limit any right to indemnification to which such a trustee, investment manager or other fiduciary may be entitled by contract or otherwise, which shall be enforceable to the extent permitted by applicable law other than this Section. In addition, to the maximum extent permitted by applicable law, the right of indemnification hereby given shall not be exclusive of or otherwise affect any other rights such agent may have to indemnification, whether by law or under any contract, insurance policy or otherwise.

(8) No indemnification or advance shall be made under this Section, except as provided in paragraph (d) or subparagraph (e) (3), in any circumstance where it appears:

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(a) That it would be inconsistent with a provision of the Articles, these By-laws, a resolution of the Owners or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification;

(b) That it would be inconsistent with any condition expressly imposed by a Court in approving a settlement.

(9) Upon determination by the Board, the ASSOCIATION may purchase and maintain insurance on behalf of any agent of the ASSOCIATION against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the ASSOCIATION would have the power to indemnify the agent against such liability under the provisions of this Section.

(10) Upon the written request of any agent of the ASSOCIATION who was or is a party, or is threatened to be made a party, to any threatened, pending or completed proceeding, the Board shall meet within ten (10) days of such request and shall determine whether indemnification of such agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in paragraph (b) or (c).

ARTICLE X

MEETINGS OF DIRECTORS

(a) **Place of Meetings.** All meetings of the Board shall be held at the site of the real property described in said DECLARATION, or at any other reasonable place with the County of Orange, State of California, designated at any time by resolution of the Board or by the vote of written consent of the members of the board.

(b) **Regular Meetings.** Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Board, provided that no less than four (4) such regular meetings shall be held during the fiscal year.

(c) **Special Meetings.** Special meetings of the Board may be called at any time by the President or if he is unable or refuses to act, by any Vice President, or by any two (2) Directors. Written notice of the time and place of special meetings shall be given at least four (4) days prior to the meeting date if by first-class mail or forty-eight (48) hours' notice if delivered personally or by telephone or telegraph prior to the holding of the meeting.

(d) **Waiver of Notice.** The transaction of any meeting of the Board, however called and noticed or wherever held, shall be as valid as though had a meeting duly held after regular call and notice if a quorum is present and if either before or after such meeting each the Board members not present executes a written waiver of notice or a consent to the holding of such meeting or an approval of the minutes thereof. All such waivers, consents, and approvals shall be filed with the records of the ASSOCIATION or made a part of the minutes of the meeting. Attendance by a Board member at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all of the Board members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

(e) **Quorum.** At all meetings of the Board, a majority of the Board members shall constitute a quorum for the transaction of business, and the acts of a majority of the Board present at a meeting at which a quorum is present shall constitute the acts of the Board. Members of the Board may participate in a meeting through use of conference telephone or

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similar communications equipment, so long as all members participating in such meeting can hear one another. Participation in a meeting pursuant to this subdivision constitutes presence in person at such meeting.

(f) Adjournment. A quorum of the Board members may adjourn any Board meeting to meet again at a stated day and hour. In the absence of a quorum, a majority of the Board members present may adjourn from time to time to meet again at a stated day and hour prior to such time as may be fixed for the next regular meeting of the Board. The motion for adjournment shall be recorded in the minute book, and notice of the time and place of the adjourned meeting need not be given to any Board member present at the meeting adjourned if the time and place were fixed at the meeting adjourned.

(g) Action Without a Meeting. Any action required or permitted to be taken by the Board may be taken without a meeting, if all of the members of the Board shall individually or collectively consent in writing to such action. Such written consent shall be filed with the minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as a unanimous vote of such Board members.

ARTICLE XI

OFFICERS

(a) Enumeration. The officers of the ASSOCIATION shall be a President, a Vice-President, a Secretary, a Treasurer, and such other officers as are elected by the Board including in its discretion, assistant officers. When the duties do not conflict any two (2) offices except those of President and Secretary may be held by the same person. The President, Vice-president Secretary and Treasurer must each be a Board member; other officers need not be Board members.

(b) Election and Tenure. Except with respect to subordinate officers described in ARTICLE XI (c) hereof, the officers of the ASSOCIATION shall be elected annually by the Board at the annual organization meeting of the Board, provided that new offices may be created and filled at any meeting of the Board. Each officer shall hold office until his successor shall have been elected and shall have been qualified.

(c) Subordinate Officers. The Board may, from time to time, appoint such other officers as necessary for the management and administration of the ASSOCIATION, including a Manager, each of whom shall hold such office and shall have such authority and shall perform such duties as are set forth in the said DECLARATION and as the Board may from time to time determine.

(d) Removal and Resignation. Any officer elected or appointed by the Board may be removed, with or without cause, by a majority of the Board whenever in their judgment the best interests of the ASSOCIATION would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed. Any officer may resign at any time by giving written notice to the Board or to the President or to the Secretary of the ASSOCIATION. Any such resignation will take effect at the date of receipt of such notice or at any later date specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

(e) Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise may be filled by the Board for the unexpired term of the officer replaced.

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(f) **President.** The President of the ASSOCIATION shall, if present, preside at all meeting of the Owners of the ASSOCIATION and of the Board, and exercise and perform such other powers and duties as may, from time to time, be assigned to him by the Board. He shall be the principal executive officer of the ASSOCIATION and shall, subject to control of the Board, supervise, direct and control all of the business and affairs of the ASSOCIATION and the officers thereof. He shall designate a member of the Board to be responsible for carrying out the provisions of the DECLARATION relative to insurance and contracts. He may sign, together with the Secretary or any other officer of the ASSOCIATION duly authorized by the Board, any deeds, mortgages, bonds, contracts, agreements or other instruments which the Board has authorized to be executed except in such case where the signing and execution thereof shall be expressly delegated by the Board or by these By-laws, the said DECLARATION, or by statute to some other officer or agent of the ASSOCIATION, and shall have all the general powers and perform all the duties usually vested in the principal executive officer of an organization.

(g) **Vice President.** In the absence of the President or in the event of his inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting shall have all the powers and be subject to all the restrictions upon the President. The Vice President shall have such other powers and perform such other duties as from time to time may be assigned to him by the President or by the Board.

(h) **Secretary.** The Secretary shall keep the minutes of all meetings of the Owners of the ASSOCIATION and of all meetings of the Board in one or more books provided for that purpose. The Secretary shall cause all notices to be duly given to the Owners and to the members of the Board in accordance with the provisions of these By-laws and the said DECLARATION, or as otherwise required by law. The Secretary shall be the custodian of the ASSOCIATION'S records and shall keep a register of the post office address of each Owner, Board member and officer, and shall perform all duties incident to the office of Secretary and such other duties as may be required of him by the provisions of these By-laws, the said DECLARATION, or as, from time to time, may be assigned to him by the President or by the Board, including but not limited to the filing, recordance and issuance of any notice, document, certificate, or other instrument described in the said DECLARATION or these By-laws.

(i) **Treasurer.** As required by the Board, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board shall determine. The Treasurer shall have charge and custody and be responsible for all funds, securities, proceeds collected or owned or received the ASSOCIATION. He shall receive and give receipts for monies due and payable to the ASSOCIATION from any source whatsoever and deposit all such monies in the name of the ASSOCIATION, in such banks, trust companies or other depositories as shall be selected in accordance with the provision of these By-laws and the said DECLARATION. The Treasurer shall keep and maintain the assessment rolls and the accounts of the Owners, keep and maintain the books of the ASSOCIATION in accordance with generally accepted accounting principles and shall perform all other duties incident to the duties of the office of treasurer and such other duties as from time to time may be assigned to him by the President or the Board.

(j) **Compensation.** The Board shall fix the compensation for all officers and employees of the ASSOCIATION. There shall be no compensation paid for serving as a Board member.

(k) **Committees.** There may also be such Committees as shall be determined from time to time by the Board, consisting of those persons who may be selected therefore and invited to become members thereof by the Board, and having such powers and duties as may be delegated by the Board. Any such committee shall exist and the members thereof shall serve at the pleasure of the Board.

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ARTICLE XII

MISCELLANEOUS

(a) Place of Keeping. The books, records and papers of the ASSOCIATION shall be kept at the principal place of business of the ASSOCIATION, and shall at all times during reasonable business hours be subject to the inspection by any Owner or his representative if such representative be an attorney or an accountant.

(b) Accounting Reports. The Board shall cause to be maintained in a manner consistent with generally accepted accounting principles, a full set of books and records showing the financial condition of the ASSOCIATION. At least once a year an independent, certified audit of such books and records shall be conducted. A copy of each such audit shall be made available, within 120 days following the close of the ASSOCIATION's fiscal year for delivery, upon request, to any Owner. The ASSOCIATION shall notify each Owner yearly of the right to receive an annual report of the ASSOCIATION.

(c) Fiscal Year. The fiscal year of the ASSOCIATION shall begin on January 1 and end on December 31 of each calendar year, unless otherwise determined by the Board by resolution.

(d) Assessment Rolls. Assessment rolls shall be maintained in a set of accounting books in which there shall be an account for each Condominium. Such account shall designated the Condominium number, its Owner, the amounts of any or all assessments and delinquencies with respect to the said Owner and his Condominium, and the dates and amounts in which assessments become due, the amounts paid upon accounts thereof and the balance due upon any assessment.

(e) Checks, Drafts, etc. All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness issued in the name of or payable to the ASSOCIATION, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by resolution of the Board.

(f) Contracts. The Board, except as otherwise provided in these By-laws and the said DECLARATION, may authorize any officer, manager, agent, or employee to enter into any contract, as herein provided, or execute any instrument in the name of or on behalf of the ASSOCIATION and such authority may be general or confined to specific instances. Unless so authorized by the Board, no officer, manager, agent or employee shall have any power or authority to bind the ASSOCIATION or Board by any contract, agreement or engagement or to pledge the credit of the ASSOCIATION or to render the ASSOCIATION liable for any purpose or to any amount. No contract may be entered into for more than one year unless it contains a 30-day cancellation clause, with or without cause.

(g) Deposits. Any funds of the ASSOCIATION shall be deposited from time to time to the credit of the ASSOCIATION in such banks, savings and loan associations or other depositories as the Board may select in accordance with the provisions of the said DECLARATION.

(h) Gifts. The Board may accept on behalf of the ASSOCIATION any contribution, gift, bequest or devise for any general or special purpose of the ASSOCIATION.

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ARTICLE XIII

POWERS OF BOARD OF DIRECTORS

(a) Powers. The Board, as provided in the said DECLARATION, shall exercise all of the powers of the ASSOCIATION. The powers of the Board include those specifically stated in the said DECLARATION, and all powers reasonably necessary to carry out the duties of the board as provided in said DECLARATION. The Board shall have no power to do any act contrary to the requirements of the said DECLARATION or these By-laws.

(b) Duties. The duties of the Board shall be to manage and administer the affairs of the ASSOCIATION, as provided in the said DECLARATION, to enforce the terms and provisions thereof, to adopt Rules and Regulations pursuant thereto, and to enforce fines for violations.

ARTICLE XIV

RULES AND REGULATIONS

(a) Procedure for Adoption. The Board, as authorized in the said DECLARATION, may adopt Rules and Regulations concerning the Common Area and Units. Any such Rules shall have prospective application only, and shall not apply retroactively. A copy of all Rules and Regulations in effect shall be regularly posted in a conspicuous place on the real property described in said DECLARATION. No Rules shall take effect sooner than thirty (30) days from the date of adoption by the Board, provided that if the Board unanimously agrees that the Rule or Regulation is an urgency measure, and so states in the Regulation, it may take effect within four (4) days from the date of adoption. No Rule shall subject an Owner to fine or other Board action unless a copy thereof has been regularly posted as indicated above. A current copy of the Rules shall be supplied any Owner upon the Board's receipt of a written request therefor. The adoption of Rules and Regulations shall not require the approval of the Owners, but the Owners may, at a regular or special meeting called for that purpose, by a seventy-five (75%) percent vote of all of the Owners, rescind and nullify any Rule or Regulation adopted by the Board.

(b) Imposition of Fines and Other Penalties.

(1) Notice. When the Board is to meet to consider or impose discipline upon an Owner, the Board shall notify the Owner in writing by either personal delivery or first-class mail, at least 15 days prior to the meeting. The notification shall contain, at a minimum, the date, time and place of the meeting, the nature of the alleged violation for which discipline may be imposed, and a statement that the member has a right to attend and may address the Board at the meeting. If the Board imposes discipline on an Owner, the Board shall provide a notification of the disciplinary action by either personal delivery or first-class mail to the member within 10 days following the action. A disciplinary action shall not be effective against a member unless the Board fulfills the requirements of this paragraph.

(2) Delegation to Tribunal. The Board may appoint a Tribunal Committee, consisting of three (3) Owners, and may delegate to the committee its power to call and conduct such hearings, and the imposition of discipline. If the Tribunal Committee imposes discipline, the affected Owner shall have the right to appeal to the full Board by written request to the board issued with ten (10) days of the decision of the Tribunal Committee; the Board shall then review the matter at its next regular or special meeting.

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ARTICLE XV

(a) Conflicts. If there are any conflicts or inconsistencies between the provisions of the said DECLARATION and these By-laws, the terms and provision of the said DECLARATION shall prevail. If there are any conflicts or inconsistencies between the provision of the By-laws and Rules and Regulations adopted by the Board, the terms and provisions of the By-laws shall prevail. If there are any conflicts or inconsistencies between the provisions of the said DECLARATION and the Rules and Regulations adopted by the Board, the terms and provisions of the said DECLARATION shall prevail.

(b) Amendments to By-laws. These By-laws may be amended by a majority of the Owners present, in person or by proxy, at a meeting duly held for such purpose, provided that wherever a paragraph hereof specifies a higher percentage vote, that paragraph may not be amended with less than the percentage of votes required under such paragraph.

(c) Inspection of By-laws. The Board shall keep in its principal office a true and correct copy of these By-laws as the same may, from time to time, become amended, which shall be open to inspection by the Owners at all reasonable times during office hours.

(d) Parliamentary Rules. Robert's Rules of Order (latest edition) shall govern the conduct of all ASSOCIATION and Board meetings when not in conflict with the said DECLARATION or these By-laws, or with the statutes of the State of California.

(e) Notice and Waiver of Notice. Whenever any notice is required by these By-laws to be given, personal notice is not meant unless it is expressly so stated, and any notice so required shall be deemed to be sufficient if given by depositing the same in a post office box in a sealed and postpaid envelope addressed to the person entitled thereto at his last known post office address and such notice shall be deemed to have been given forty-eight (48) hours after such mailing. Any notice required to be given by these By-laws may be waived by the person entitled thereto.