



*Charter Point*

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COMMUNITY ASSOCIATION  
P.O. BOX 4005 TUSTIN, CA. 92781

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BYLAWS

BYLAWS  
OF  
CHARTER POINT COMMUNITY ASSOCIATION, INC.

I  
NAME AND LOCATION

The name of the corporation is CHARTER POINT COMMUNITY ASSOCIATION, INC., hereinafter referred to as the "Association." The principal office of the Association shall be located at such place in the County of Orange, State of California, as the Board of Directors may designate from time to time; meetings of members and directors may be held at such places within the State of California, County of Orange, as may be designated by the Board of Directors.

II  
DEFINITIONS

Section 1. "Tract" shall mean all of that certain real property located in the County of Orange, State of California, and more particularly described as follows:

Lots 1 thru 21, inclusive, of Tract No. 8797, in the County of Orange, State of California, as per Map recorded in Book           , Pages            to           , inclusive, of Miscellaneous Maps in the office of the County Recorder of said County;

and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 2. "Declaration" shall mean that certain Declaration of Covenants, Conditions and Restrictions applicable to the Tract and filed in the office of the Recorder of the County of Orange, State of California.

Section 3. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Tract.

Section 4. Other terms used herein shall have the meaning given to them in the Declaration, and are hereby incorporated by reference and made a part hereof.

### III

#### QUALIFICATIONS FOR MEMBERSHIP

Section 1. Proof of Membership. No person or persons shall exercise the rights of membership until satisfactory proof has been furnished to the Secretary of the Corporation of qualification as a member pursuant to the terms of the Declaration. Such proof may consist of a copy of a duly executed and acknowledged grant deed or title insurance policy showing said person is qualified in accordance therewith, which said deed or policy shall be deemed conclusive in the absence of a conflicting claim based upon a later deed or policy. The sole qualification for membership shall be ownership of a lot in the Tract. The voting shares appurtenant to the membership shall be determined according to the terms set forth in Article II of the Declaration. No membership may be separated from the property to which it is appurtenant.

Section 2. No Additional Qualifications. No initiation fees, costs or dues shall be assessed against any person as a condition upon his exercise of the rights of membership except such assessments, levies, and charges as are specifically

authorized under the Articles of Incorporation or the Declaration.

#### IV

#### VOTING RIGHTS

Section 1. Exercise of Voting Rights. Any person entitled to vote may attend and vote at meetings in person, or by proxy holder duly appointed by a written proxy and signed by the member and filed with the Secretary. Votes may be cast either viva voce or by ballot, except that all voting at elections of directors shall be by secret ballot. Any proxy shall be for a term of not to exceed eleven (11) months unless otherwise expressly provided therein and may be revoked at any time by written notice to the Secretary. It shall be deemed revoked when the Secretary shall receive actual notice of the death or judicially declared incompetence of such member or any person holding an undivided interest in such membership or upon disqualification of the member to exercise the rights of membership pursuant to the terms hereof. Where a membership is owned by more than one person, any proxy with respect to such membership shall be signed by a majority in interest of all such persons. Any of such persons may attend meetings but they shall only be entitled to exercise the vote attributable to such membership upon the consent of a majority in interest of all such persons

having an interest in such membership; provided, however, that if only one co-owner is present at an Owner's meeting, he may vote all of the shares jointly owned.

Section 2. Suspension of Voting Rights. Notwithstanding any other provisions of these Bylaws to the contrary, the Board shall have the right to suspend the voting rights of any member or members of this Association for the period during which any assessment against the Lot owned by such member or members and giving rise to such membership remains unpaid and delinquent. The Board shall also have the right to suspend such voting rights for a period not to exceed thirty (30) days for any infraction of the rules and regulations of the Association adopted by the Board committed by any Owner of the particular Lot giving rise to the voting rights being suspended, his servants, guests, tenants, invitees or the members of his family; provided that any suspension of voting rights, except for a suspension due to failure to pay assessments, shall be made by the Board only after a meeting of the Board at which a quorum of the Board is present duly called and held for such purpose in the same manner as provided in these Bylaws for the noticing, calling and holding of a special meeting of the Board. Written notice of such meeting shall be given to the member whose voting rights are being sought to be suspended at least three (3) days prior to the holding of such meeting. Such notice shall be given either by personal delivery or deposited in the United States Mail, certified or

registered, postage and fees prepaid, return receipt requested, addressed to such member either at the address of his Lot in the Tract or the address given to the Association by him for the purpose of giving notice. Such notice, if mailed, shall be deemed given and received twenty-four (24) hours after being so deposited in the United States mail in the manner aforesaid, and said member whose voting rights are being sought to be suspended shall be entitled to appear at such meeting and present his case as to why such voting rights should not be suspended. The decision as to whether such rights should be suspended in accordance with the provisions of this Section shall be made by a majority of the members of the Board present at such meeting and shall be binding upon all members of the Association. No action taken at such meeting shall be effective unless a quorum of the Board is present at such meeting.

## V

### MEETINGS OF MEMBERS

Section 1. Place of Meetings. All meetings of the members shall be held at the principal office of the Association as set forth in these Bylaws, or at such other reasonable place as may be designated by the Board from time to time.

Section 2. Quorum. Unless otherwise expressly provided herein, or in the Declaration, the presence at any meeting in person or by proxy of the members having forty-five percent (45%)

of the votes of each class of membership shall constitute a quorum. Unless otherwise expressly provided herein, or in the Declaration, any action may be taken at any meeting of the members upon the affirmative vote of a majority of the total votes present at such meeting in person or by proxy. If any meeting cannot be held because a quorum is not present, the Owners present, either in person or by proxy, may, as otherwise provided by law, adjourn the meeting to a time not less than forty-eight (48) hours nor more than thirty (30) days from the time the original meeting was called, at which time the quorum requirement shall be at least twenty-five percent (25%) of the total votes.

Section 3. Annual Meeting. There shall be a meeting of the members on the second Wednesday of March each year at 8:00 p.m. Written notice of the meeting shall be delivered to the members not less than ten (10) nor more than sixty (60) days prior to the date fixed for said meeting and shall specify the date, time and place of the meeting.

Section 4. Special Meetings. Special meetings of the members may be called at any time for the purpose of considering matters which, by the terms of the Declaration, Articles of Incorporation, or these Bylaws, require the approval of all or some of the members, or for any other reasonable purpose. Said meetings shall be called by written

notice, signed by the President or by any two or more members of the Board of Directors, or by the members having one-third (1/3) of the total votes and delivered not less than fifteen (15) nor more than thirty (30) days prior to the date fixed for said meeting. Said notices shall specify the date, time, and place of the meeting and the matters to be considered thereat.

## VI

### NOTICES

Section 1. Method for Giving Notice. Any notice permitted or required to be delivered as provided herein may be delivered either personally or by mail. If delivery is by mail, it shall be deemed to have been delivered seventy-two (72) hours after a copy of same has been deposited in the United States mail, postage prepaid, addressed to each such person at the address given by such person to the Secretary of the governing body for the purpose of service of such notice or to the Lot of such person if no address has been given to the Secretary. Such address may be changed from time to time by notice in writing to the Secretary.

## VII

### POWERS

Section 1. Exercise of Powers. The powers of the Association shall be vested in, exercised by, and under the authority of, and the affairs of the Association shall



be controlled by the Board of Directors consisting of three (3) directors, who need not be members of the Association.

## VIII

### ELECTION, TENURE, AND PROCEEDINGS OF THE BOARD OF DIRECTORS

Section 1. Election. At each annual meeting, the members shall elect a Board of Directors for the forthcoming year, consisting of three (3) persons. Every member entitled to vote at any election may cumulate his votes and give one candidate a number of votes equal to the number of directors to be elected, multiplied by the number of votes to which such members are otherwise entitled, or distribute his votes on the same principle among as many candidates as he thinks fit. The candidates receiving the highest number of votes up to the number of directors to be elected shall be deemed elected. All voting at elections shall be by secret ballot.

Section 2. Term and Removal. Members of the Board shall serve for a term of one (1) year and until the respective successors are elected, or until the death, resignation, or removal, whichever is the earlier. Any Board member may resign at any time by giving written notice to the President or Secretary. The entire Board of Directors of the Association or any individual director may be removed by a vote of the Owners holding a majority of the outstanding membership entitled to vote at an election of directors.

For the purpose of this proceeding, however, cumulative voting procedures must be followed, and thus no director may be removed unless the affirmative votes for his removal exceed all or at least equal to the minimum number of votes required to elect a director under cumulative voting procedures. If any director is removed in the manner authorized above, a new director may be elected at the same meeting.

Section 3. Vacancies. Vacancies on the Board shall be filled by a majority of the remaining Board members though less than a quorum, and each Board member so elected shall hold office until his successor is elected by the Owners. Upon tender of resignation by a Board member, the Board shall have the power to elect his successor to take office at such time as the resignation becomes effective.

Section 4. Conduct of Business. A majority of the Board shall constitute a quorum and, if a quorum is present, the decision of a majority of the members present shall be the act of the Board. Meetings of the Board may be called, held, and conducted in accordance with such regulations as the Board may adopt. The Board may also act without a meeting by unanimous written consent of its members.

Section 5. Tenure of Initial Board. The Board members named in the Articles of Incorporation shall serve until the first meeting which shall be held thirty (30) days after

a date when Lots representing sixty percent (60%) of the voting power of the Owners have been sold, or until a date six (6) months from the sale of the first Lot, whichever occurs first. The President shall call the first special meeting for the purpose of electing a new Board pursuant to the terms hereof.

## IX

### POWERS AND DUTIES OF THE BOARD OF DIRECTORS

#### Section 1. Powers and Duties Set Forth in Declaration.

The Board of Directors shall have the exclusive right and responsibility to perform diligently all of the obligations and functions of the Association as set forth in the Declaration and shall have all rights of the Association in connection therewith.

Section 2. Accounting for Maintenance Fund. At the annual meeting, the Board shall present to the members a written statement of the maintenance fund, itemizing receipts and disbursements for the preceding calendar year, the allocation thereof to each member, and the estimated maintenance for the coming calendar year. Within five (5) days after the annual meeting, said statement shall be mailed to each member not present in the manner provided for giving of notices hereunder. The Board shall cause to be maintained a full set of books and records showing the financial

condition of the affairs of the Association in a manner consistent with generally accepted accounting principles.

Any Owner may at any time at his own expense cause an audit or inspection to be made of the books and records of the Board. The Board, at the expense of the maintenance fund, shall obtain an accounting statement reflecting all books and records pertaining to the Tract at no greater than annual intervals and shall furnish copies thereof to the Owners within thirty (30) days of receipt of said statement, but no later than ninety (90) days after the end of the fiscal year.

Section 3. Other Books and Records. The Board shall cause to be maintained a complete record of all the minutes and acts and of the proceedings of the members. Such records and documents shall be kept and maintained in a manner consistent with reasonably prudent practice which would be applicable to a business for profit.

Section 4. Appointment and Removal of Directors. The Board shall appoint and remove at pleasure all officers, agents, and employees of the Association, prescribing their duties, fixing their compensation, and requiring from them security or fidelity bonds for faithful performance of the duties to be prescribed for them to the extent deemed reasonably necessary by the Board.

Section 5. Supervision of Officers. The Board shall supervise all officers, agents, and employees of the Association and see that their duties are properly performed.

X

Basic Maximum Amount of Regular  
Monthly Assessment

Section 1. Initial Regular Monthly Assessment. The first day of the month immediately following the conveyance by Declarant to an Owner of the first Lot in the Tract shall be hereinafter referred to as the "Initiation Date." Until January 1 of the year immediately following the Initiation Date the Regular Monthly Assessment shall be \$ per lot per month and shall commence on the date set forth in the Declaration.

Section 2. Increase of Monthly Assessment by Board. From and after January 1 of the year immediately following the Initiation Date, the Regular Monthly Assessment may be increased prior to, but effective as of, January 1 of each year by the Board without a vote of the members of the Association, provided that any such increase shall not be more than twenty percent (20%) of the Regular Monthly Assessment in effect during the previous year. All Regular Monthly Assessments shall continue in effect until the end of the calendar year during which they become effective, and for each calendar year thereafter unless increased in accordance with these Bylaws at the time and in the manner provided for by these Bylaws.

Section 3. Increase by Association. From and after January 1 of the year immediately following the Initiation Date, the Regular Monthly Assessment may be increased by the Board in an amount greater than provided for in Section 2 of this Article X for the next succeeding twelve (12) calendar months, and at the end of each such period, for each succeeding period of twelve (12) months, such increase to be made prior to but effective as of January 1 of each year, provided that any such change shall first be approved by two-thirds (2/3) of the members present in person or by proxy, and entitled to vote at a meeting held prior to the commencement of the calendar year for which such increase is to be made and duly called for such purpose, at which a quorum is present, written notice of which shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting, setting forth the purpose of the meeting. Notice of increase pursuant to this Section 3 shall be given by the Board to each Owner prior to the commencement of the calendar year for which such increase is to be effective.

## XI

### OFFICERS

Section 1. Enumeration of Officers. The officers of this Association shall be a President and Vice President, who shall at all times be members of the Board of Directors,

and a Secretary and Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Term. The officers of this Association, except such officers as may be appointed in accordance with Section 3 or 5 of this Article, shall be chosen annually by the Board and each shall hold his office for one (1) year unless he shall sooner resign or shall be removed, or otherwise disqualified to serve.

Section 3. Special Appointments. The Board may appoint such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may from time to time determine.

Section 4. Resignation and Removal. Any officer may be removed from office either with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect at the date of receipt of such notice or at any later time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Upon resignation or removal of an officer, the position shall be filled in the manner prescribed in the Bylaws for regular appointment to such office. The appointee to such vacated office shall serve the remainder of the term

of the officer he replaces.

Section 5. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall be appointed to more than one of any of the other offices except in the case of special offices created pursuant to Section 3 of this Article.

## XII

### PRESIDENT

Section 1. Election. At its first meeting, the Board shall elect one of its members to act as President.

Section 2. Duties. The President shall:

- (a) Preside over all meetings of the members and of the Board;
- (b) Sign as President all deeds, contracts, and other instruments in writing which have been first approved by the Board, unless the Board, by duly adopted resolution, has authorized the signature of a lesser officer;
- (c) Call meetings of the Board whenever he deems it necessary in accordance with rules and upon notice agreed upon by the Board. The notice period shall, with the exception of emergencies, in no event be less than three (3) days.
- (d) Have, subject to the advice of the Board, general supervision, direction, and control of the affairs of the Association and discharge such other duties as may be



required of him by the Board.

### XIII

#### VICE PRESIDENT

Section 1. Election. At its first meeting, the Board shall elect one of its members to act as Vice President.

Section 2. Duties. The Vice President shall:

(a) Act in the place and in the stead of the President in the event of his absence, inability, or refusal to act;

(b) Exercise and discharge such other duties as may be required of him by the Board. In connection with any such additional duties, the Vice President shall be responsible to the President.

### XIV

#### SECRETARY

Section 1. Election. At its first meeting, the Board shall elect a Secretary.

Section 2. Duties. The Secretary shall:

(a) Keep a record of all meetings and proceedings of the Board and of the members.

(b) Keep the seal of the Association and affix it on all papers requiring said seal;

(c) Serve such notices of meetings of the Board and the members required either by law or by these Bylaws;

(d) Keep appropriate current records showing the members of this Association together with their addresses;

(e) Sign as Secretary all deeds, contracts, and other instruments in writing which have been first approved by the Board if such instruments require a second Association signature unless the Board has authorized another officer to sign in the place and stead of the Secretary by duly adopted resolution.

XV

TREASURER

Section 1. Election. At its first meeting, the Board shall elect a Treasurer.

Section 2. Duties. The Treasurer shall:

(a) Receive and deposit in such bank or banks as the Board may, from time to time, direct all of the funds of the Association;

(b) Be responsible for and shall supervise the maintenance of books and records to account for such funds and other Association assets;

(c) Disburse and withdraw said funds as the Board may from time to time direct and in accordance with prescribed procedures.

XVI

SUBORDINATE OFFICERS

Section 1. Appointment. The Board may appoint such subordinate officers as it deems desirable from time to time.

Section 2. Duties. Such subordinate officers shall have the duties that the Board may, from time to time, prescribe, including the right to act in the place and stead of such officers, other than the President, as the Board may designate.

XVII

CERTIFICATES OF MEMBERSHIP

Section 1. Issuance of Certificates. The Board of Directors may provide for the issuance of certificates evidencing membership in the Association which shall be in such form as may be determined by the Board. All certificates evidencing membership shall be consecutively numbered. The name and address of each member and the date of issuance of the certificate shall be entered on the records of the Association maintained by the Secretary. If any certificate shall become lost, mutilated, or destroyed, a new certificate may be issued therefor upon such terms and conditions as the Board may direct.

XVIII

MISCELLANEOUS

Section 1. Inspection of Books and Records. The books, records, and such papers as may be placed on file by the members of the Board shall, at all times during reasonable business hours, be open to inspection by any member.

Section 2. Seal. The Association shall have a seal

in circular form having within its circumference the name of the Association, its date of incorporation, and such other matters as may be required by the laws of California.

Section 3. Amendment of These Bylaws. Bylaws may be adopted, amended, or repealed by the vote or written assent of members holding a majority of the total votes, and if otherwise required by law, the written consent of the Real Estate Commissioner of the State of California.

Section 4. Consent to Waiver of Notice. The transactions of any meeting of the members, however called or noticed, shall be as valid as though made at a meeting duly held after regular call and notice if a quorum be present, in person or by proxy, if either before or after the meeting, each member entitled to vote but not present thereat signs a written waiver of notice, or a consent to the holding of such meeting, or approval of the true and correct minutes thereof. All such waivers, consents, or approvals shall be filed with the corporate records and made a part of the minutes of the meeting.

Section 5. Conflicts. In the event of any inconsistency between these Bylaws and the Articles, the Articles shall control; and in the event of any inconsistency between these Bylaws, the Articles, or the Declaration, the Declaration shall control.

XIX

CERTIFICATE OF SECRETARY

I, the undersigned, certify that:

(1) I am the presently elected and acting secretary of CHARTER POINT COMMUNITY ASSOCIATION, INC., a California corporation; and

(2) The above Bylaws, consisting of twenty (20) pages, are the Bylaws of this Association as adopted at a meeting of the Board of Directors held on \_\_\_\_\_.

\_\_\_\_\_  
Secretary