

**BYLAWS
OF
DISCOVERY BAY PROPERTY OWNERS ASSOCIATION, INC.
NON-PROFIT ORGANIZATION**

**ARTICLE I
OFFICES**

The principal office of the corporation for the transaction of its business is located in the County of Contra Costa, California.

**ARTICLE II
MEMBERS**

Section 1. Classes of Membership and Rights

The corporation shall have one (1) class of members only, and the property and other rights, interests, and privileges of each member in good standing shall be equal. No member shall hold more than one (1) membership in the corporation.

Section 2. Qualifications

Every owner of residential property situated in the area known as Discovery Bay, sometimes hereinafter referred to as the "defined area," in Byron, County of Contra Costa, California, which area is more particularly described in the exhibit attached hereto, marked Exhibit "A", and incorporated herein, shall be eligible for membership in this corporation.

Section 3. Admission

The member shall be bound, upon payment of annual dues as further outlined, by the Articles of Incorporation of this corporation, by these Bylaws, and by any amendments thereto, and by the policies, rules and regulations at any time adopted, by the corporation in accordance with these Bylaws.

Section 4. Termination of Membership

Membership in this corporation shall terminate when a member is no longer the legal owner of the property within the defined area.

Section 5. Dues

(a) Annual dues shall be in an amount determined by the Board of Directors, provided, however, that such dues shall not exceed the sum of \$25.00 per year. Notwithstanding any other provision in these Bylaws, this Bylaw can be amended or repealed only by the vote of two-thirds (2/3) or more of the members in good standing of the corporation.

(b) Dues shall be payable upon eligibility and renewable on the first (1st) day of January in each year.

(c) Any member who fails to pay dues plus late charge of \$2.00 per month or any part thereof for a period of ninety (90) days from the date on which such dues become payable, or who fails to pay any assessment in full, as hereinafter provided, on or prior to the delinquent date thereof, shall, for the purposes of voting, be considered a member not in good standing.

(d) Any member who fails to pay such dues for a period of ninety (90) days from the date on which dues become payable, or who fails to pay any assessment in full within ninety (90) days after the delinquent date thereof, shall be dropped from active membership and his name shall not be reinstated to good standing in the corporation until he has paid all dues and assessments in full from the date on which they became delinquent. All members other than those described in this paragraph are members in good standing.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings

The members shall meet annually in September at such time and place as shall be fixed by the Board of Directors for the purpose of electing Directors and transacting such other business as may come before the meeting, provided, however, that if the Board so determines,

Directors may be elected as provided in Section 4 of Article IV of these Bylaws, instead of at the annual meeting.

Section 2. Regular Meetings

In addition to the annual meeting, members shall meet regularly at such time and place as shall be determined by the Board of Directors.

Section 3. Special Meetings

Special meetings of members may be called and held at such time and place as may be ordered by the Board of Directors. Special meetings of the members shall be called by the President or by the Board within fourteen (14) days after receiving a written request for such meeting signed by the holders in good standing of not less than five (5) percent of the voting power of the corporation.

Section 4. Notice

Public notice shall be posted not less than seven (7) days prior to the date of such meeting, by or at the direction of the Secretary.

Section 5. Contents of Notice

Notice of meetings of members shall specify the place, the day, and the hour of the meeting, and in the case of special meetings, the general nature of the business to be transacted.

Section 6. Quorum

The presence in person or by proxy of not less than twenty (20) percent of the voting power of the corporation shall constitute a quorum for annual meeting and special meetings as cited in Section 1 and Section 3 of Article III.

Section 7. Adjournment for Lack of Quorum

In the absence of a quorum, the annual meeting or special meetings may be adjourned by the vote of a majority of the members in good standing present in person or by proxy, but no other business shall be transacted until a new meeting date is announced by the Board of Directors not to exceed thirty (30) days.

Section 8. Loss of Quorum

The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment notwithstanding the withdrawal of enough members to leave less than a quorum.

Section 9. Voting Rights

(a) Each member in good standing shall be entitled to one (1) vote as specified in Article II, Section 1 on each matter submitted to a vote of the members.

(b) Two (2) or more members owning a single multiple dwelling will be entitled to one (1) vote.

(c) No single vote shall be split into fractional votes.

(d) Voting at meetings, other than to elect Directors, shall be by voice vote except as otherwise expressly provided in these Bylaws. Election of Directors shall be by secret ballot and may be by written ballot. Any provisions in these Bylaws which is inconsistent with the right to elect directors by written ballot is hereby superseded.

Section 10. Proxy Voting

Members in good standing may vote in person or by written proxy executed and filed with the Secretary.

Section 11. Conduct of Meetings

(a) Meetings of members shall be presided over by the President of the corporation or, in his absence, by the Vice President, or in the absence of both, by a Chairperson chosen by a majority of the members in good standing in person or by proxy. The Secretary of the corporation shall act as Secretary of all meetings of members, provided that in his absence the presiding officer shall appoint another person to act as Secretary of the meeting.

(b) Meetings shall be governed by Robert's Rules of Order, as such rules may be revised from time to time, insofar as such rules are not inconsistent or in conflict with these Bylaws, with the Articles of Incorporation of this corporation, or with law.

ARTICLE IV
DIRECTORS

Section 1. Number

The corporation shall have seven (7) Directors and collectively they shall serve as the Board of Directors.

Section 2. Powers

The Directors shall, subject to the limitations set forth in the Articles of Incorporation, exercise the powers of the corporation, control its property, and conduct its affairs.

Section 3. Qualifications

Each Director shall be a member of the corporation.

Section 4. Terms of Office

The term of office shall be two (2) years. The Directors shall be eligible for re-election without limitations on the number of terms they may serve, provided they continue to meet the qualifications therefor.

Section 5. Election

The Directors shall be elected at the annual meetings as set forth in Section 1 of Article III of these Bylaws, or by proxy or at the polls as provided in Section 7 of this section. However, if the election is to be held other than at the annual meeting, at least thirty (30) days written notice thereof must be delivered to each member either personally or by mail addressed to him at his address as it appears on the books of the corporation. Any election by mail or polling shall be held in the month specified in Section 1 of Article III hereof for the holding of the annual meeting.

In the even numbered years, three (3) Directors will be elected and in odd numbered years, four (4) Directors will be elected.

Section 6. Nomination

The Board of Directors shall appoint an election committee composed of five (5) members, sixty (60) days prior to the annual meeting. A candidate for office of Directors shall

file an application with the chairperson of the election committee no later than thirty (30) calendar days prior to the date of the annual meeting as specified in Section I or Article III of these Bylaws.

Section 7. Polls

Where votes are to be cast at polls, the place of such polls shall be the defined area and written notice of such place shall be given to each member not less than seven (7) days in advance of the election date. Such poll shall be open from 7:30 P.M. to 9:00 P.M. on the evening of the election. Ballots shall be provided at each polling place and shall contain the names of all candidates qualifying as such under the provisions of this section and Section 3 of Article IV. Members shall be entitled to cast their votes secretly at polls. On written application therefore received by the chairperson at least fifteen (15) days prior to the election, absentee ballots shall be furnished to those members who will be absent on election day. The complete ballot must be delivered to, or mailed to and received by, the chairperson before 9:00 P.M. on election day. If a member receives an absentee ballot and appears at the polling place on the day of election, he must first surrender his absentee ballot before casting his vote. No absentee ballots received at the polls later than 9:00 P.M. on the day of the election shall be valid. No absentee ballots to be opened prior to the counting of votes by the election committee.

Section 8. Election

Candidates receiving the highest number of votes up to the number of Directors to be elected are elected.

Section 9. Vacancies

Any vacancies occurring on the Board of Directors and any vacancy created by reason of an increase in the number of Directors shall be filled by majority of the remaining Directors, though less than a quorum or by a sole remaining Director. A Director elected to fill a vacancy shall serve the unexpired term of his predecessor.

Section 10. Board of Directors Meeting

(a) Place - Meetings of the Directors shall be held as designated.

(b) Regular Meetings - The Board of Directors shall meet regularly at least once each year on such day and at such time as it shall be resolution specify.

(c) Special Meetings - Special Meetings of the Board of Directors may be called by or at the request of the President or any two (2) Directors.

(d) Notice - Notice of the time and place of special meetings shall be given by, or at the direction of, the Secretary to each Director personally or by United States mail addressed to him at his address as it appears on the books of the corporation at least seven (7) days prior to the date of the meeting.

(e) Quorum - A majority of four (4) Directors shall constitute a quorum for the transaction of business.

(f) Conduct of Meetings - The Board of Directors shall consider no business at any meeting at which a quorum is not present, and the only motion which the Chair shall entertain at such meeting is a motion to adjourn and to reschedule the next Board meeting.

(g) Meetings of the Directors shall be governed by Robert's Rules of Order, as such rules may be revised from time to time, insofar as such rules are not inconsistent or in conflict with these Bylaws, with the Articles of Incorporation or with the law.

(h) Meetings of Directors shall be presided over by the President of the corporation or in his absence by the Vice President or, in the absence of both, by a chairman chosen by a majority of the Directors present. The Secretary of the corporation shall act as Secretary of the Board, provided, however, that in the absence of the Secretary, the presiding officer shall appoint a person to act as Secretary for the meeting.

Section 11. Majority Action as Board Action

Every act or decision done or made by a majority of the Directors present at any meeting duly held at which a quorum is present is the act of the Board of Directors, unless the law, the Articles of Incorporation or these Bylaws require a greater number.

ARTICLE V

OFFICERS

Section 1. Numbers and Titles

The officers of the corporation shall be a President, a Vice President, a Secretary and a Treasurer and three (3) additional voting Directors.

Section 2. Qualifications, Election and Term Of Office

Officers shall be members of the corporation and elected annually by the Board of Directors at the first regular meeting of the Board following the annual election of Directors, and each officer shall hold office until he resigns, or is removed or is otherwise disqualified to serve, or until his successor shall be elected, whichever occurs first.

Section 3. Removal and Resignation

Any officer may be removed as such with or without cause by a majority of the Directors at the time in office, and such officers shall be removed as such should he cease to be qualified for the office as in these Bylaws provided. Any officer may resign at any time by giving a written notice to the Board of Directors or to the President or Secretary of the corporation. Any such resignation shall become effective on the date of receipt of such notice or at such later time as may be specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be required to make it effective.

Section 4. Vacancies

A vacancy in any office caused by the death, resignation, removal, disqualification, or otherwise, shall be filled by the Board of the Directors for the unexpired portion of the term.

Section 5. Duties of the President

The President shall exercise general supervision of the affairs and activities of the corporation, shall preside at all meetings of the members and Board of Directors at which he is present, and shall serve as an ex-officio member of all standing committees.

Section 6. Duties of the Vice President

The Vice President shall assume the duties of the President whenever the latter is absent or is unable or refuses to act.

Section 7. Duties of the Secretary

The Secretary shall keep the minutes of all meetings of the members and of the Board of Director and shall be the custodian of all corporate records.

Section 8. Duties of the Treasurer

The Treasurer shall receive all funds of the corporation, shall deposit such funds as provided in Section 3 of Article VII of these Bylaws, and shall pay out funds only on the written directive of the Board of Directors signed by the President. The Treasurer shall be an ex-officio member of the Finance Committee.

Section 9. Duties of the Membership Director

The Membership Director shall keep a membership book containing the name and address of each member, and, in any case where membership has been terminated, record such fact in the book together with the date on which the membership ceased.

Section 10. Compensation

Officers of the corporation shall serve without compensation, except that they shall be allowed and paid their actual and necessary expenses incurred in attending meetings of the Directors and members.

**ARTICLE VI
COMMITTEES**

Section 1. The corporation shall have such committees as established by the President.

Section 2. Chairmen of Standing Committees shall serve until the next annual election of Directors and until their successors are appointed unless they are removed earlier by the President or cease to be a Director. Members of Committees shall serve at the pleasure of the respective Chairmen.

Section 3. Any vacancy on any Committee may be filled in the same manner as provided in the case of the original appointment and any such appointee shall serve the unexpired portion of his predecessor's term.

ARTICLE VII

INSTRUMENTS, DEPOSITS, AND FUNDS

Section 1. Contracts

The Board of Directors may authorize any officer or agent of the corporation, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of, and on behalf of, corporation, and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent nor employee shall have any power or authority, except as in these Bylaws provided, to bind the corporation by any contract or engagement or to pledge its credit or to render it liable pecuniary for any purpose or in any amount.

Section 2. Checks

All checks, drafts or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the corporation shall be signed by the Treasurer and countersigned by the President unless otherwise directed by resolution of the Board of Directors as provided in Section 1 of Article VII hereof.

Section 3. Deposits

All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

ARTICLE VIII

BYLAWS

Section 1. Effective Date

These Bylaws shall become effective immediately on their adoption. Amendments to these Bylaws shall become effective immediately on their adoption unless the Board of Directors, or members, in adopting them, provide that they are to become effective at a later date.

Section 2. Amendment

Except as otherwise expressly provided herein, new Bylaws may be adopted or these Bylaws may be amended or repealed by the vote or written assent of members entitled to exercise a majority of the voting power of the corporation, or by a vote of a majority of a quorum at a meeting duly called and noticed for the purpose, and subject to the power of the members to change or repeal them, and subject to the Articles of Incorporation of this corporation and to law, by the vote of a majority of the Directors.

Section 3. Certification and Inspection

The original, or a copy of the Bylaws as amended or otherwise altered to date, certified by the Secretary of the corporation, shall be recorded and kept in a book which shall be kept in the principal office of the corporation, and such book shall be open to inspection by the members at all reasonable times during office hours.

ARTICLE IX

MISCELLANEOUS PROVISIONS

Section 1. Corporate Seal

The Board of Directors shall provide a corporate seal, which shall be in the form of two concentric circles with the words "Discovery Bay Property Owners Association, Inc." and the words and figures "Incorporated August 6, 1973, California." Such seal shall be affixed to all corporate instruments, but failure to affix it shall not affect the validity of any such instrument.

Section 2. Fiscal Year

The fiscal year of the corporation shall be from October 1 to September 30.

Section 3. Construction

As used in these Bylaws:

(a) The present tense includes the past and the future tenses, and the future tense includes the present.

(b) The masculine gender includes the feminine and the neuter.

(c) The singular number includes the plural, and the plural number includes the singular.

(d) The word "shall" is mandatory and the word "may" is permissive.

(e) The words "Directors" and "Board," as used in the Articles of Incorporation or in these Bylaws in relation to any power or duty requiring collective action, mean the Board of Directors.

(f) "Defined Area" is the area known as Discovery Bay in the City of Byron, County of Contra Costa, California, and is that area particularly described in Exhibit "A", attached hereto.

(g) The word "lot" means those lots so designated in the Discovery Bay subdivision.

(h) The terms "member in good standing" and "member in not good standing" have the meaning stated in Section 6 of Article II, Paragraph (d) of these Bylaws.

ARTICLE X

DISSOLUTION

Section 1. Upon dissolution of the corporation, all assets of the corporation shall be used for the general improvement, betterment and or beautification of the residential community known as Discovery Bay.

Section 2. No individual member of the corporation shall be entitled to, nor shall there be distributed to any individual member, any of the assets of the corporation upon dissolution.

EXHIBIT A

DISCOVERY BAY

UNIT ONE

MAP RECORDED

DATE: 9/11/68

BOOK: 123

PAGES: 19 thru 36

ORIGINAL CC&Rs RECORDED

10/1/70

6225

283 thru 311

ALL REFERENCES ARE TO CONTRA COSTA COUNTY RECORDS