

DISCOVERY BAY PROPERTY OWNERS' ASSOCIATION

ACTION BY WRITTEN BALLOT TO AMEND THE ASSOCIATION BYLAWS

Pursuant to section 7513 of the California Corporations Code, the undersigned member of Discovery Bay Property Owners' Association, a California nonprofit mutual benefit corporation, hereby acts by written ballot with respect to the matters described below.

AMENDMENT OF ASSOCIATION BYLAWS

FOR

AGAINST

The Amended Bylaws of the Discovery Bay Property Owners' Association in the form presented to me together with this ballot, should be adopted.

Name of Association Member

Address of Member's Residence

Signature of Member

Date Signed

This written ballot must be returned to the Association no later than May 5, 2000; provided, however, that in the event responses to the ballot campaign are not forthcoming, the Board of Directors is authorized to extend the balloting period for at least two additional periods of 30 days each. The Board's action to extend the ballot period shall be posted prominently at the Dash Market in Discovery Bay.

With the exception of the amendment to Article II, Section 5(a) of the current Bylaws (which amendment is found in Article II, Section 5 A. (1) of the proposed Bylaws), the proposed amended Bylaws must receive approval from at least a majority of those members who cast ballots. Furthermore, in order to be a valid vote, ballots must be received from at least a quorum of the members. That quorum is fixed in the current Bylaws at twenty percent (20%) of the members of the corporation who are in good standing. The proposed amendment to Article II, Section 5(a) of the current Bylaws must be approved by two-thirds or more of the members in good standing of the corporation. Accordingly, if a majority of a quorum of the members vote to approve the proposed Bylaws, but the affirmative vote is less than two-thirds of the members in good standing, the text of Article II, Section 5 A. (1) of the proposed Bylaws will read as set forth in Article II, Section 5(a) of the current Bylaws.

**EACH MEMBER MUST PERSONALLY EXECUTE AND RETURN THIS BALLOT
PROXY VOTING IS NOT PERMITTED**



Discovery Bay Property Owners' Association, Inc.

P.O. Box 1977 • Discovery Bay, CA 94514 • (925) 634-7585 • FAX (925) 634-5532

March 2000

TO: MEMBERS IN GOOD STANDING OF THE D.B.P.O.A., INC.

Clarification of the Bylaws of this Corporation by vote of the members has been a topic of discussion by many previous Boards of Directors. Your current Board has made amending our Bylaws one of its goals for this year. The enclosed proposed Bylaws amendments represent a consolidation of prior recommendations, current recommendations by this Board and suggestions from the Association's attorneys.

There is a considerable amount of material for you to consider and decide upon. Although you are encourage to read the entire document before voting, below is a summary of the most important proposed changes:

- **MEMBERSHIP, VOTING AND ASSESSMENTS** (See Article II, Section 1.)
Redefines definition of membership and amends the current one vote and one dues assessment, no matter how many lots are owned, to one vote and one dues assessment for each lot owned.
- **ANNUAL AND SPECIAL ASSESSMENTS** (See Article II, Section 5, A & B)
Current Bylaws limit the annual assessment to \$25.00 per year to operate the Corporation; and, provides for other assessments, but does not elaborate. Proposed amendments limit future increases to a maximum of 3% per year, clarifies other assessments and include safeguards including approval by the membership.
- **COLLECTION OF ASSESSMENTS** (See Article II, Section 5, C)
Establishes the procedures to be used for the liening of properties for non-payment of the annual assessment to operate the Association as provided for in the CC&Rs.
- **VOTING BY MEMBERS** (See Article III, various sections)
The current Bylaws that provide for balloting at polls, at membership meetings and by mail contain several ambiguities. Proposed amendments expand on this subject, remove ambiguities and incorporate recent State Code requirements.
- **NOMINATION, ELECTION AND REMOVAL OF DIRECTORS** (See Article IV, Sections 6 & 9)
Proposed amendments expand the duties of the Election Committee to also serve as a Nominating Committee, and clarifies the role of the members of the Board of Directors, Officers of the Association, and how they may be removed.
- **DISCIPLINE OF MEMBERS** (See Article IX)
Although the Covenants, Conditions and Restrictions (CC&Rs) include reference to this subject and the Association has therefore been operating under approved disciplinary procedures since 1993, the current Bylaws contain no reference. The proposed amendments bring the CC&Rs and Bylaws into agreement.

If you have any questions about this material, please call any of the Board of Directors whose name and telephone numbers appear on the back of this letter. Then, after consideration of the proposed amendments, please join your Board of Directors and **VOTE IN FAVOR OF THEM!** Your vote of approval will help to further the prosperity and development of Discovery Bay, its environs, and the property owners thereof.

This Board (and previous Boards) regards the adoption of the proposed Bylaws a must. These new Bylaws will go a long way in helping our Association adequately and fairly enforce the CC&Rs. For your convenience, we have enclosed a self-addressed stamped envelope for returning your ballot (yellow sheet enclosed).

Sincerely,

DISCOVERY BAY PROPERTY OWNERS' ASSOCIATION, INC.
BOARD OF DIRECTORS

Enclosures