

BYLAWS OF THE SUMMIT RECREATION AND SOCIAL CLUB, INC.

ARTICLE I – NAME

The name of this corporation is and shall be “Summit Recreation and Social Club, Inc.” and for convenience shall be referred to hereinafter as the “Club.”

ARTICLE II – OFFICE

The principal office for the transaction of the business of the Club is hereby fixed and located in Cobb, the County of Lake, State of California, at the real property owned by the Club, and the Board of Directors is hereby granted full power and authority to change said principal office from one location to another in said county; provided, however, that such change shall not be more than ten miles from the Club’s location on Cobb Mountain. Any such change shall be noted on the bylaws opposite this section, or this section may be amended to state the new location.

ARTICLE III – OBJECTS AND PURPOSE

The objects and purposes of the Club shall be to further and promote the community welfare of owners or residents of real property within the various subdivisions located in Lake County, California and to operate and maintain social and recreational facilities for the benefit of such owners and their families. The Club shall be authorized to do whatever may be deemed necessary, conducive, incidental or advisable to accomplish and promote said objects or purposes (except carrying on business, trade, avocation or profession for profit), including but not limited to:

- A. acquiring real or personal property by gift, purchase, or other means;
- B. constructing, leasing, maintaining and operating community and recreational facilities;
- C. improving and maintaining park or other areas owned by the Club;
- D. paying all taxes, utilities, charges, assessments and other levies upon property owned or managed by the Club;
- E. making and collecting dues by which to further the foregoing objects and purposes; and to do any other act or thing in any way connected with the foregoing or related to the objects and purposes of the Club.

ARTICLE IV – MEMBERSHIP

SECTION 1 – Membership in the Club shall be limited to the owners or residents of the aforementioned real property located in Lake County, California. Only one (1) of any number of co-owners or residents of any such property or properties shall be a voting member of the Club.

SECTION 2 – All persons who become owners or residents of said properties shall, by reason of such ownership, become eligible for membership in the Club, subject, however, to all other qualifications for membership as outlined in these bylaws.

ARTICLE V – CERTIFICATES OF MEMBERSHIP AND TRANSFER

SECTION 1 – Certificates of membership in the Club shall be in such form as the Board of Directors shall designate and shall be issued over the signature of the president or vice president and secretary or assistant secretary. A certificate log shall be maintained which shall show the number, date and name of the member, as set forth in the corresponding certificate.

SECTION 2 – Certificates of membership shall be appurtenant to said member's name.

SECTION 3 – Regardless of any qualification for membership in the Club as herein outlined, a person shall not become a member of the Club unless and until he or she has been approved for such membership by a majority of the Board of Directors. No person shall be entitled to exercise any of the rights or privileges of membership, nor shall any person be subject to any of the obligations or liabilities of membership unless and until a certificate of membership has actually been issued pursuant to SECTION 1 hereof.

SECTION 4 – Membership in the Club is not transferrable or assignable except as specifically provided by these bylaws.

ARTICLE VI – MEETING OF MEMBERS

SECTION 1 – The annual meeting of the general membership shall be held at the Club on the first Monday in September of each year or at such other time as the Board of Directors may determine. Written notice of this (and any) meeting of the general membership shall be mailed to each member entitled to vote at his last known post office address at least seven days prior to the date of said meeting.

SECTION 2 – Special meeting of members may be called at any time by a majority of the Board of Directors or by written petition of not less than 20 percent of the members of the Club entitled to vote. The secretary shall fix a time and place for such meeting and written notice shall be sent to the members of the Club not less than 10 or more days after receipt of such request for a special meeting.

SECTION 3 – The legal quorum for transacting business at this (or any) meeting of the general membership shall be 20 percent of the members; however, if less than that number attends, they may fix a new date and adjourn the meeting without further notice thereof being given.

SECTION 4 – At the annual meeting the president and treasurer shall make reports concerning their accounts and the general business of the Club and such other reports will be made and business transacted as may be properly brought before the meeting.

Business transacted by a majority vote by a meeting so constituted shall be valid for all purposes except as otherwise set forth in these bylaws.

ARTICLE VII – DIRECTOR

SECTION 1 – The business, property and affairs of the Club shall be managed by a Board of Directors composed of five members. In order to provide continuity in the management and government of the Club, directors shall be elected on a staggered basis. Three directors will be elected in odd numbered years and two will be elected on the even numbered years. Directors shall be elected to serve for two-year terms. Beginning with the election of 1987, however, the two directors receiving the least number of votes shall only serve for a one-year term.

SECTION 2 – The annual election of directors shall be conducted by regular mail in December of each year by secret ballot. Ballots are to be mailed by the secretary to all full voting members of the Club no later than December 5. The completed ballots must be returned to the Club office no later than midnight of the third Saturday of December. All directors shall take office at the first regular meeting in January.

SECTION 3 – The Board of Directors shall have the general management and control of the business and affairs of the Club and shall exercise any and all of the powers that may be exercised or performed by the Club under the law, the Articles of Incorporation, and by these bylaws. The Board of Directors may make and enforce such rules and regulations as they deem necessary, conducive, incidental or advisable to accomplish or promote the objects and purposes of the Club and the use of its property, assets and facilities. The Board of Directors shall meet quarterly on the first Tuesday of January, March, June and September, or at any other time which the president or any two directors may call. The Board may also hold special meeting at any time when called by the secretary upon order of the president or any two directors, and notice of such meetings must be received at least one day in advance of the special meeting. Oral communication, notice by mail, telegraphic messages or electronic mail messages are acceptable notice. Notice for a special meeting may be waived if all directors are present at such meeting.

SECTION 4 – A majority of the directors shall constitute a quorum for the transaction of business, and a majority of such a quorum shall determine any questions except as otherwise provided by law, the Articles of Incorporation or these bylaws; provided, however, that if a quorum not be present the majority of the directors present may adjourn to such future time and place as they shall determine, notice of such adjournment to be given to each director as herein provided for meetings of the Board of Directors.

SECTION 5 – No director shall serve for more than two successive two-year terms. However, a director is eligible for re-election after a lapse of one year. A director may be discharged from the Board by an affirmative vote of the majority of the directors at any meeting of the Board or of not less than three-fourths of the membership of the Club by written ballot, as hereinbefore described. A director so removed must be replaced

forthwith in accordance with the following section. However, if no new persons run for election, a director's term may be extended until the following year's election.

SECTION 6 – Any unexpired term of a director who has resigned or become incapacitated or who has been removed shall be filled by the unsuccessful candidate, if willing to serve, with the highest number of votes at the last annual election. That director shall complete the unexpired term of the director he or she replaced. If the unexpired term cannot be filled with an unsuccessful candidate from the last election, or there has been a tie, the Board of Directors, by majority vote, shall select a new director. The person so selected must meet all the requirements of director nominees as herein set forth.

SECTION 7 – Subject to the limitations of the Articles of Incorporation, these bylaws, and the General Non-profit Corporation Law of the State of California, and in addition to any powers therein granted, the directors shall have the following specific powers, to-wit:

FIRST – To conduct, manage and control the business of the Club and make rules and regulations not inconsistent with the Articles of Incorporation and bylaws, regulating from time to time the affairs and conduct of the Club.

SECOND – Create such committees as in its judgment are necessary for properly conducting the affairs of the Club, and remove any member of such committees. Each of these committees may be composed as the Board determines.

THIRD – Appoint and remove all officers, agents and employees, prescribe their duties, fix their compensation, and require from them security for faithful service if deemed necessary.

FOURTH – Call a special meeting of the members upon written request of at least 20 percent of the members.

FIFTH – Meet regularly, quarterly, for the transaction of the business of the Club. If at any regular or special meeting a quorum not be present, the Board may adjourn from time until a quorum shall be present.

SIXTH – Incur such indebtedness or borrow money for the conduct of business, issue note or bonds of the Club, and sell, convey or lease or encumber real or personal property of the Club, levy and collect assessments (subject to the provisions of these bylaws) upon the membership for the purpose of paying expenses, conducting business, paying debts, or carrying out the purpose of the Club; generally do and perform every act and thing whatsoever that may be given by law to boards of directors.

SEVENTH – Keep a record of all its meetings and acts and of the proceedings of the members, and shall maintain accounts showing that the assets and liabilities of the Club and, generally, the condition of its affairs.

EIGHTH – Reprimand, suspend or expel members or impose other penalties or disciplinary measures upon members or persons enjoying the privileges of the Club upon guest cards or otherwise for any infraction or violation of these bylaws, or any of the rules or regulations of the Club, or cause shown.

NINTH – Fix the qualifications by rule or otherwise for the admission or rejection of all applicants for membership of any kind.

TENTH – Provide by general rule for the issuance of guest cards and the use of the Club by guests.

ELEVENTH – Determine the type and number of membership dues and fees.

TWELFTH – Directors shall serve without compensation.

SECTION 8 – At the September meeting of the Board of Directors, a nominating committee shall be appointed which shall not include any member of the Board. All members of the nominating committee must be members in good standing. The committee shall consist of three members who shall nominate the candidates for the Club the first day the Club is open following the meeting. The list shall contain a minimum of two names for each vacancy on the Board of Directors. A notice of said vacancies shall accompany the annual renewal notices. Other candidates, however, may be nominated by regular members of the Club, provided such candidates meet all the requirements for election to the Board. Candidates so nominated must be by written petition of at least 15 members in good standing, not including the signature of the nominee, and be submitted to the nominating committee at least three weeks before the vote.

ARTICLE VIII – OFFICERS

SECTION 1 – The officers of the Club shall be a president, vice president, secretary and a treasurer, and sergeant at arms. At the option of the Board of Directors, the offices of secretary and treasurer may be held by one person. At the first regular meeting in January or each year the Board of Directors shall elect officers of the Club. These officers shall hold offices for a term of one year or until their successors are duly elected. These officers shall perform the duties prescribed by the bylaws and all other duties usually required for the conduct of the Club's business or mandated by the Board of Directors. Upon vacancy of any officer ship for whatever cause, the Board shall elect a successor within 30 days of the vacancy to serve the remainder of the one-year term. Officers are subject to removal from office by the affirmative vote of three directors at any meeting of the Board, or not less than three-quarters of the full voting members present at a special meeting called for that purpose. The duties of the officers are as follows:

1. The president, or in his absence the vice president, shall:
 - A. Preside at all meetings of the members of the Club and of the directors.

- B. Follow and enforce the bylaws and such rules and regulations that may be adopted by the directors and members.
 - C. Call such meetings as are herein provided for to be called by him.
 - D. Have general supervision over the affairs of the Club.
 - E. Sign all certificates of membership, obligations and evidence thereof, contracts, and all other instruments in writing which have been first approved by the Board of Directors.
 - F. Call special meetings of the members or the Board of Directors at any time upon such notice as may be provided for in the bylaws.
 - G. Generally discharge such other duties as may be required by the bylaws or imposed upon him by order of the Board of Directors. If at anytime the president is unable to act, another member of the Board shall be appointed by a majority vote of the Board to serve as acting president until the president can once again act.
 - H. Appoint all chairmen of all committees with the approval of the Board.
2. The vice president shall perform such duties as are assigned to him by the president, and in the absence of the president, preside at all meetings of the members and of the Board of Directors, and otherwise perform the duties of the president.
3. The secretary shall:
- A. Keep a record of the proceeding of the members and of the Board of Directors.
 - B. In the absence of the president and vice president at any meeting call same to order to permit the appointment of a director to serve as acting president for the conduct of the meeting.
 - C. Give notice of all meetings and maintain the official correspondence of the Club.
 - D. Affix the corporate seal of the Club to such documents as these bylaws or as the Board of Directors shall direct, and keep a log of membership certificated and complete and countersign all certificates issued, keep the necessary books therefore, and sign on behalf of the Club all contracts, obligations and evidence thereof, and all other instruments or writings provided for in these bylaws, or which may be directed to be signed by the Board of Directors, and perform such other duties as the Board of Directors shall from time to time require of him.
4. The treasurer shall:
- A. Have a general charge of the books and accounts of the Club.
 - B. Maintain a chart of accounts showing in detail revenues and expenditures as assets and liabilities of the Club and generally the condition of its financial affairs.

5. The sergeant at arms shall oversee volunteer coordination under the control of the board for special projects including maintenance, lifeguards, snack bar coordinator, groundskeeper, janitor, and other duties as assigned.

ARTICLE IX – MEMBERSHIP, DUES, FEES AND OTHER ASSESSMENTS

SECTION 1 – The membership of the Club shall be comprised of two types of membership: active members and non-active members. Both active and non-active members shall be property owners as hereinbefore described, and the active members shall be those members entitled to use all of the facilities of the Club by virtue of the dues which they pay.

SECTION 2 – Dues, as fixed by the Board of Directors, shall be paid by the members of the Club, both active and inactive, on an annual basis in order to maintain their certificate of ownership in the Club. The annual dues to be paid by all members shall be fixed by the Board of Directors on or before April 1 of each year and shall be based upon a proration of the actual cost of maintaining and preserving the property and assets of the Club.

SECTION 3 – In addition to the dues set forth in SECTION 2, the Board of Directors shall fix annual dues to be paid by the active members for the use of the facilities of the Club. These dues shall be based upon a proration of the actual costs for the active dues include short-term consumable costs with a life expectancy of less than one year, as opposed to the long-term maintenance and preservation of the facilities as set forth in SECTION 2 above.

SECTION 4 – Written notices of membership dues and the time and manner of paying the same shall be sent to each member of the Club at least one month prior to the time such dues shall become due and payable. The time and place of payment shall be fixed by the Board of Directors.

SECTION 5 – Delinquent dues will be deducted from the cost of the member's certificate if not paid within 30 days from the date they are due and payable according to written notice provided by these bylaws. Such deductions for delinquent dues shall constitute a lien against said member's certificate and preclude the transfer or sale of such certificate. Should such deduction for nonpayment of dues at any time exceed or equal the original value of the member's certificate, said certificate is to be cancelled and all rights and privileges appurtenant thereto are cancelled and revoked and the record of said certificate must be returned to the Club within 30 days of the notice of such termination. Should any member whose certificate has been encumbered pursuant to the above procedure requests the removal of such encumbrance prior to the termination of said certificate as hereinabove provided, said member shall pay to the Club all sums due for delinquent dues or any other indebtedness, and such encumbrances shall be released forthwith.

SECTIONS 6 – The Board of Directors shall have at all time the power to assess all members not to exceed \$100.00 in any given calendar year and to describe the terms under which assessment is to be paid.

The Board of Directors shall also have at all times the power to assess the members in excess of \$100.00 in any given calendar year: provided, however, that any such assessment shall have been obtained, or until said proposed assessment shall have been approved by a majority of the total of those members present in person or by proxy at a special or regular meeting of the Club, the notice for which states the proposed assessment is an item of business.

ARTICLE X – DISCIPLINARY ACTION

Any member of the Club may be expelled, suspended, or terminated as a member and his/her membership rights terminated by the Board of Directors for unbecoming conduct or for other good cause; provided, however, that before any such order is made, such member shall be provided an opportunity to be heard orally or in writing at least five days prior to the effective date of such order, and such member shall be notified at least fifteen (15) days prior to the effective date of such order. The notice shall be in writing and the reasons for such order stated.

ARTICLE XI – DISSOLUTION

Upon dissolution, either voluntary or involuntary, of the Club after payment of all Club debts, its property shall be sold and converted into money and said money shall be distributed to each member in such proportion as the said member bears to the aggregate number of members.

