

BY-LAWS OF RANCHO PALMERAS
PROPERTY OWNERS ASSOCIATION, INC
RESTATED AND AS AMENDED ON APRIL 19, 2012

ARTICLE 1. OFFICERS

Principal Office

Section 1.01 The principal office of the corporation for the transaction of business is located in the City of Indian Wells, County of Riverside, California. Presently, said corporation uses as its mailing address Post Office Box 997, Indian Wells, California, as its corporate office. The Board of Directors may, however, change the principal office from one location to another within the named City by noting the changed address and effective data below, and such change of address shall not be deemed an amendment of these By-Laws.

PO Box 863, Palm Desert, CA. 92661

Dated _____

Dated: _____

Dated: _____

ARTICLE 2. MEMBERS

Classes of Membership and Rights

Section 2.01. 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.

Qualifications

Section 2.02. Every beneficial owner (as distinguished from a security owner) of real property situated in the area known as RANCHO PALMERAS ESTATES, sometimes hereinafter referred to as the "defined area", in Indian Wells, Riverside County, California, which area is more particularly described in the exhibit attached hereto, marked Exhibit A, and incorporated herein, is eligible for membership in the corporation.

Admission

Section 2.03. Application for membership shall be made to the Board of Directors. The making of such application for membership shall impliedly accept an undertaking by the applicant to comply with and be bound by the Articles of Incorporation of this corporation, by these By-Laws, and any amendments thereto, and by the policies, rules and regulations at any time adopted by the corporation in accordance with those By-Laws. Such applications shall be accompanied by the annual dues as in those By-Laws provided, unless such dues have been paid by the applicant's predecessor in title to the property, and shall be acted on promptly by the Board of Directors. No initiation fee, as such, shall be charged and members shall be

required to pay only those sums at the time specified as set forth in Section 2.06 of these By- laws.

Termination of Membership

Section 2.04. Membership in this corporation shall terminate on the death of the member or on his ceasing to be a beneficial owner of property within the defined area.

Assignability of Membership

Section 2.05. Membership in this corporation shall not be transferable or assigned. Provided, however, that when any member sells, transfers, or otherwise disposes of his property within the defined area which property qualifies him for membership, he may require as a condition to said transfer that the purchaser, transferee, or subsequent holder in interest thereof, apply for membership herein and undertake to be bound by the Articles of Incorporation of this corporation and by these By-Laws, and by any amendments thereto, and by the rules and regulations at any time adopted by the corporation in accordance with these By-Laws.

Fees and Dues

Section 2.06. (a) Neither application fee nor transfer fees shall be imposed or required.

(b) Annual dues shall be in an amount determined by the Board of Directors. The annual dues of \$50.00 per year may be increased from time to time subject to any increases approved by the Board may not exceed the greater twenty (20) percent at any one time. Notwithstanding any other provision in these By-Laws, this By-Law, maybe amended by the vote of a majority of the directors of this corporation.

(c) Annual dues shall be payable in advance on the 1st day of January in each year.

(d) Any member who fails to pay dues for a period of sixty (60) days from the date on which such dues become payable, shall, for the purposes of voting, be considered a member not in good standing. Any member who fails to pay such dues for a period of ninety (90) days from the date on which such dues become payable, shall be dropped from active membership and his or her name shall be placed on the inactive roll. Such member shall not be reinstated to good standing in the corporation until he or she has paid all dues in full from the date on which they became delinquent. All members other than those described in this paragraph are members in good standing.

(e) In the event that any member whose dues are paid should terminate his membership as provided in Section 2.05 of these By-Laws, his successor in title can acquire the benefit of such paid up dues by applying for and becoming a member of this corporation.

ARTICLE 3. MEUINGS OF MEMBERS

Annual Meetings

Section 3.01 The members shall meet annually on the first Friday of January 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 of Directors so determines, directors may be elected as provided in Section 4.04 hereof, instead of at the annual meeting.

Regular Meetings

Section 3.02. In addition to the annual meeting, members shall meet regularly at such time and place as shall be determined by the Board of Directors, provided, however, that there shall be no regular meetings held during the months of June, July and August.

Special Meetings

Section 3.03. Special meetings of members may be called and held at such times and places 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 ten (10) percent of the voting power of the corporation.

Notice

Section 3.04. Written, typed or printed notice of such meeting shall be delivered either personally or by mail to each member in good standing addressed to him at his address as it appears on the books of the corporation, not less than seven (7) days prior to the date of such meeting, by or at the direction of the Secretary.

Contents of Notice

Section 3.05. 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.

Quorum

Section 3.06. The presence in person or by proxy of holders in good standing of not less than fifty (50) percent of the voting power of the corporation shall constitute a quorum.

Adjournment for Lack of Quorum

Section 3.07. 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 members in good standing present in person or by proxy, but no other business shall be transacted.

Notice of Adjourned Meeting

Section 3.08. When a meeting of members is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of the original meeting. When a meeting is adjourned for less than thirty (30) days, it is not necessary to give any notice of the time and place of the adjourned meeting or of the business to be transacted thereat other than by announcement at the meeting at which the adjournment is taken.

Loss of Quorum

Section 3.09. 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.

Voting Rights

Section 3.10. (a) Each member in good standing shall be entitled to vote on each matter submitted to a vote of the members subject to the following;

- (i) Each member beneficially owning one (1) or more lots whether improved or unimproved, within the defined area shall be entitled to one (1) vote only.
- (ii) If two or more members own a single lot, improved or unimproved, such owners may designate one of their members to cast all votes, provided, however, that they shall register with the Secretary of the corporation the name of the single member who is entitled to call all votes.

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

(c) Voting at meetings, other than to elect directors, shall be by voice vote, except as otherwise expressly provided in the Articles of Incorporation or in these By-Laws. Election of directors shall be by secret ballot.

Proxy Voting

Section 3.11. Members in good standing may vote in person or by written proxy executed and filed with the Secretary, provided, however, that no proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in the proxy.

Conduct of Meetings

Section 3.12. 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 chairman chosen by a majority of the members in good standing present in person or by proxy. The Secretary of the corporation shall act as Secretary of all meetings of members, provided that in his or her 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 By-Laws, with the Articles of Incorporation of this corporation, or with the laws of the State of California.

elsewhere shall be valid if held on the written consent of all Directors given either before or after the meeting and filed with the Secretary of the corporation.

Regular Meetings

(b) The Board of Directors shall meet regularly at least once each quarter on such day and at such time as it shall by resolution specify.

Special Meetings

(c) Special meetings of the Board of Directors may be called by or at the request of the President or any three (3) directors.

Notice

(d) Notice of the time and place of meetings shall be given by, or at the direction of, the Secretary to each Director personally or by the 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.

Quorum

(e) Five (5) directors shall constitute a quorum for the transaction of business.

Conduct of Business

(f) 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, provided, however, that a majority of the Directors present at such meeting may adjourn from time to time until the time fixed for the next regular meeting of the Board.

(g) Meetings of 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 By-Laws, with the Articles of Incorporation, or with the laws of the State of California.

(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.

Majority Action as Board Action

Section 4.10. 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 By-Laws require a greater number.

ARTICLE 4 . DIRECTORS

Number

Section 4.01. The corporation shall have thirteen (13) directors and collectively they shall be known as the Board of Directors.

Powers

Section 4.02. 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.

Qualifications

Section 4.03. Each director shall be a member of the corporation. Directors shall be eligible for reelection without limitation on the number of terms they may serve, provided they continue to meet the qualifications therefor.

Election and Term of Office

Section 4.04. (a) Directors shall be elected at the annual meeting as set forth in Section 3.01 of these By-laws, or by mail in such manner as the Board of Directors shall determine. Provided, however, that 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 or her at his or her address as it appears on the books of the corporation. Any election by mail shall be held in the month specified in Section 3.01 hereof for the holding of the annual meeting.

Nomination

(b) A candidate for the office of director shall not be nominated unless he or she is a member in good standing of this corporation.

(c) Candidates receiving the highest number of votes up to the number of directors to be elected are elected.

(d) Each director shall hold office until the next annual meeting of members or until the next annual election, or until his successor is elected.

Vacancies

Section 4.05. Any vacancy occurring in the Board of Directors and any vacancy created by reason of an increase in the number of directors shall be filled by a majority of the remaining directors, though less than a quorum. A director elected to fill a vacancy shall serve the unexpired term of his predecessor.

Meetings Place

Section 4.06. (a) Meetings of directors shall be held at the principal office of the corporation unless otherwise provided by the Board, provided that any such meeting held

ARTICLE 5. OFFICERS

Number and Titles

Section 5.01. The officers of the corporation shall be a President, a Vice-President, a Secretary and a Treasurer.

Qualification, Election and Term of Office

Section 5.02. 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 or she resigns, or is removed, or is otherwise disqualified to serve, or until his successor shall be elected, whichever occurs first.

Removal and Resignation

Section 5.03. Any officer may be removed as such with or without cause by a majority of the Directors at the time in office, and such officer shall be removed as such should he cease to be qualified for the office as in these By-Laws provided. Any officer may resign at any time by giving 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.

Vacancies

Section 5.04. A vacancy in any office caused by the death, resignation, removal, disqualification, or otherwise, shall be filled by the Board of Directors for the unexpired portion of the term.

Duties of the President

Section 5.05. 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.

Duties of the Vice-President

Section 5.06. The Vice-President shall assume the duties of the President whenever the latter is absent or is unable or refuses to act.

Duties of the Secretary

Section 5.07. The Secretary shall keep the minutes of all meetings of the members and of the Board of Directors and shall be the custodian of all corporate records. He shall also keep at the principal office of the corporation 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.

Duties of the Treasurer

Section 5.08. The Treasurer shall receive all funds of the corporation, shall deposit such funds as provided in Section 7.03 of these By-Laws, 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, if any.

Compensation

Section 5.09. Officers of the corporation shall serve without compensation.

ARTICLE 6. COMMITTEES

Section 6.01. The corporation shall have only the following standing committees, chaired by a Director appointed by the President, and such committee shall consist of three (3) members, in addition to the Chairman, appointed by the Chairman.

Ad Hoc Committees

Section 6.02. Ad Hoc Committees for specific purposes or activities may be designated from time to time by resolution by the Board of Directors.

Terms of Office

Section 6.03. The Chairman of the Ad Hoc Committee shall serve until the next annual election of Directors and until a successor is appointed unless he or she is removed earlier by the President, or ceases to be a Director. Members of Committees shall serve at the pleasure of the respective Chairman.

Vacancies

Section 6.04. Any vacancy on said Ad Hoc 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 7. INSTRUMENTS, DEPOSITS, AND FUNDS

Contracts

Section 7.01. The Board of Directors may authorize any officer or agent of the corporation, in addition to the officers so authorized by these By-Laws, to enter into any contract or execute and deliver any instrument in the name of, and on behalf of, the corporation, and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent, or employee shall have any power or authority, except as in these By-Laws provided, to bind the corporation by any contract or engagement or to pledge its credit or to render it liable pecuniarily for any purpose or in any amount.

Checks

Section 7.02. 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, or may be signed by any two of the officers of this corporation, unless otherwise directed by resolution of the Board of Directors as provided in Section 7.01 hereof.

Deposits

Section 7.03. All funds of the corporation shall be deposited from time to time to the credit of the corporation in the Crocker National Bank, Indian Wells, California, Branch, or other depositories as the Board of Directors may select.

Gifts

Section 7.04. The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest, or devise for the general purpose or for any special purpose of the corporation.

ARTICLE 8 BY-LAWS

Effective Date

Section 8.01 These By-laws shall become effective immediately on their adoption. Amendments to these By-Laws 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.

Amendment

Section 8.02 Except as otherwise expressly provided herein, new By-Laws may be adopted or these By-Laws 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, by the 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, subject to the Articles of Incorporation of this corporation and to law, by the vote of a majority of the Directors.

Certification and Inspection

Section 8.03 The original, or a copy of the By-Laws 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 9. MISCELLANEOUS PROVISIONS

Corporate Seal

Section 9.01. The Board of Directors shall provide a corporate seal. Such seal shall be affixed to all corporate instruments, but failure to affix it shall not affect the validity of any such instrument.

Fiscal Year

Section 9.02. The fiscal year of the corporation shall be the calendar year.

Construction Section

9.03 . As used in these By-Laws:

- (a) The present tense includes the past and future tenses, and the future tense includes the present.
- (b) The masculine gender includes the feminine and neuter.
- (c) The singular number includes the plural, and the plural number includes the singular.
- (d) The word "shall" is mandatory and word "may" is permissive.
- (e) The words "Directors" and "Board", as used in the Articles of Incorporation or in these By-Laws in relation to any power or duty requiring collection action, mean the Board of Directors.
- (f) "Defined area" is the area known as Rancho Palmeras Estates in the City of Indian Wells, Riverside County, California, and is that area particularly described on Exhibit A attached hereto.
- (g) The terms "members in good standing" and "members not in good standing" have the meaning stated in Section 2.03, paragraph (c) of these By-laws.

WRITTEN CONSENT OF DIRECTORS ADOPTING BY-LAWS

We, the undersigned, are all of the persons named as the first Directors in the Articles of Incorporation of RANCHO PALMERAS PROPERTY OWNERS ASSOCIATION, INC., a California corporation, and pursuant to the authority granted to the Directors in said Articles,

consent to and hereby do adopt the foregoing By-Laws consisting of ten (12) pages as the By-laws of said corporation.

Dated: _____, 1974

Stanley B. Annin

J. D. Aughtry

Richard H. Buss

Annette Collins

Edith Hale

E.W. Hale

Ted J. Hamilton

A. L. McCormick

Richard F. Healy

J. A. McEwan

Rees W. Thomas

Charles Wheat

Peggy Van Praag