

BY-LAWS
OF
THE BUTTE MEADOWS AND JONESVILLE
COMMUNITY ASSOCIATION

PREAMBLE

This Association is organized to protect and promote the welfare of the Butte Meadows and Jonesville Community, to present a strong influence for the common good of all members of the community, and to provide a parent organization under which there can be organized other service oriented groups which will function to serve the people of the community with improved facilities to the betterment of all who choose to reside in the community area.

ARTICLE I

CORPORATE OFFICE

The principal office of the Association in the State of California shall be located in the County of Butte.

The Association shall continuously maintain in the State of California, a registered office and a registered agent whose office is identical with such registered office, as required by the laws of the State of California. The registered office may be, but not need be; identical with the principal office in the State of California, and the address of the registered office may be changed by the Board of Directors.

ARTICLE II

MEMBERS AND BOUNDARIES

Section I-Membership

Membership in the Association shall be confined to those persons (1) who own, in whole or in part, residential real or personal property situated within the Butte Meadows and Jonesville Community Association boundaries as herein delineated. Ownership shall include a leasehold interest when the particular leasehold is for a term of more than six months; or (2) who physically reside within the Butte Meadows and Jonesville Community Association boundaries provided said person has maintained said residence for a consecutive six-month period prior to his application for membership. All will be assessed the designated membership fee and shall be entitled to one vote per paid membership at any business meeting or election of Board Members. Annual memberships are based on the fiscal year-- January 1 to December 31.

Other interested persons who pay the dues prescribed for honorary members may attend regularly scheduled meetings, voice opinions, serve on committees, and offer constructive criticism, but will have no vote whatsoever on any items put forth for vote by the members. Herein, this class of members shall be known as honorary members.

Section II-Association Boundaries

The Butte Meadows and Jonesville Community Association boundaries shall be as hereinafter described:

In general, including all property along and on Humboldt Road from its intersection with Highway 32 through Jonesville, including those subdivisions in the vicinity of the intersection of Humboldt Road and Bull Hill Road, and all property in the West Branch area.

Section III-Voting Rights

Each paid membership of the Association, as previously defined in Section I, shall be entitled to one vote on each matter submitted for vote to the membership. Each vote shall be given at any regular meeting. Proxy, absentee, or accumulative votes will not be allowed. Members of the honorary class shall have no voting right.

Section IV – Termination of Membership

The Board of Directors may, by an affirmative vote of 2/3 of all members of the Board, terminate the membership of any member who becomes ineligible for membership, or suspend or expel any member who shall default in the payment of dues as provided in Article XI of these By-Laws.

Section V – Resignation

Any member may resign by filing a written resignation with the Secretary.

Section VI – Reinstatement

After having filed a written request seeking reinstatement with the Secretary, a former member may be reinstated by an affirmative vote of 2/3 of all members of the Board of Directors under such terms and conditions as the Board of Directors may deem appropriate.

Section VII – Transfer of Membership

Membership in this Association is not transferable or assignable.

ARTICLE III

MEMBERSHIP MEETING

Section I – Annual Meeting

An annual meeting of the members shall be held during the months of June, July or August of each year for the purpose of electing the Board of Directors and the transaction of such other business as may come before the membership. The exact date and time of the meeting will be determined by the Board no later than May 1st. This date may be permanently changed by amendment to the By-Laws or temporarily changed by the President with the approval of the Board of Directors, providing that in each case the entire membership shall be notified in writing prior to the new meeting.

Section II – Special Meeting

Special meetings of the membership may be called by the President, Board of Directors, or not less than 1/10 of the members having voting rights, provided that the entire membership is notified not less than ten days or more than thirty days in advance of the meeting.

Section III – Place of Meeting

The annual meeting of the membership will be held in a location within the Association Boundaries as specified in ARTICLE II, Section II—Association Boundaries. The Board of Directors may designate any place in Butte County as the place of meeting for any special membership meeting called by the Board of Directors.

Section IV – Notice of Meeting

Written or printed notice stating the place, day and hour of any meeting of members shall be delivered, either personally or by mail, to each member entitled to vote at such a meeting not less than ten days nor more than thirty days before the day of such a meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting. In case of a special meeting, or when required by statute or by these By-Laws, the notices shall be deemed to be delivered when deposited in the U.S. mail addressed to the member at his address as it appears on the records of the Association with postage thereon paid.

Section V – Informal Actions by Members

No action required by law to be taken at a meeting of the membership shall be taken without there being a properly conducted regular or special meeting as set forth in these By-Laws. Written waivers signed by all voting members shall not extinguish this requirement.

Section VI – Quorum

Twenty-five members whose dues have been paid no later than fifteen days prior to the annual meeting of the membership and who are entitled to cast a vote at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting of members, the majority of the members present may adjourn the meeting.

Section VII – Proxies

At any meeting of members, a member entitled to vote may not vote by virtue of a proxy.

Section VIII – Voting by Mail

No member may cast a vote by mail in any election or the conduct of business at any business meeting of the Association.

Section IX – Rules of Order

All meetings shall be conducted in accordance with Robert’s Rules of Order.

ARTICLE IV

BOARD OF DIRECTORS

Section I – General Powers

The members of the Board of Directors shall make every effort to attend all meetings of the Board of Directors as well as the annual meeting of the Association and the special meetings. They shall formulate and propose action to be presented at meetings for approval by the members assembled. They shall act as committee upon appointment by the President to prepare and research material on proposed actions. They shall assist the Officers in all matters whenever possible. Directors must be members of the Association. Any Director absent from three consecutive meetings, either of the Board of Directors, or any other meeting called during his/her term of office, without good cause, may be removed from office by majority vote of the Board.

Section II – Number, Tenure, Nominations and Qualifications

The number of Board Members shall be twelve. Board Members shall be elected for two-year terms with six being elected on even numbered years and six elected on odd numbered years. Board Member nominations are made by the Board Nomination Committee. Additional nominations may be made by the membership provided nominations are made in writing and are received by the President and/or Vice-President seven days prior to the annual membership meeting. Board Members elected during the regular annual membership meeting shall be installed at the January Special Board Meeting.

Qualifications for a position on the Board of Directors are two-fold:

- 1) Must have been a voting member of the Association for the past 2 years.
- 2) Must have demonstrated involvement in Association projects during the past year.

Section III – Meetings

Any meetings of the Board of Directors may be held with or without notice to the membership at a time and place so designated by the President or any three Board Members calling the meeting. The Board of Directors shall meet at least twice during each fiscal year with the first meeting to be held during the month of January. At least one of the two required meetings is to be held within the Association Boundaries.

Section IV – Special Meetings

Special meetings of the Board of Directors may be called by or at the request of the President or any three Board Members. The person or persons authorized to call special meetings of the Board of Directors may fix any place within Butte County for holding any special meeting of the Board called by them.

Section V – Notice

Notice of any special meeting of the Board of Directors shall be made by the person(s) calling the meeting at least three days previous thereto by personal contact or written notice, sent by mail to each Board Member. It shall be addressed as shown by the records of the Association. If mailed, such notice shall be deemed to be delivered when deposited in the U.S. mail in a sealed envelope with postage thereon prepaid. No Board Member may waive notice of any meeting.

Section VI – Quorum

A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than a majority of the Board Members are present at said meeting, the majority of the Board Members present may adjourn the meeting.

Section VII – Compensation

Board Members shall not receive any salary compensation for their services; however, Board Members may receive reimbursement for expenses incurred in the conduct of affairs of the Association.

Section VIII – Vacancies

Any vacancy occurring in the Board of Directors shall be filled by an appointment made by the President, which said appointment shall continue until the newly elected Board Members have been installed.

Section IX – Informal Action by Board of Directors

Any action required by law to be taken at a meeting of the Board of Directors, or any action which may be taken at a meeting of members, may not be taken without a meeting, even though consent in writing, setting forth the action so taken shall be signed by all Board Members entitled to vote with respect to the subject matter thereof.

ARTICLE V

OFFICERS

Section I – Officers

The officers of the Association shall be a President, Vice-President, Secretary and Treasurer, and such other officers as may be elected in accordance with the provisions of this Article. The Board of Directors may appoint such other temporary officers, including one or more Assistant Secretaries, as it shall deem desirable. Such officers to have the authority and perform the duties prescribed, by the Board of Directors; however, said officers shall have no vote on the Board of Directors unless said officers are also members of the Board of Directors separate and distinct from their temporary office. No two offices may be held by the same person.

Section II – Election and Term of Office

The officers of the Association shall be elected annually by the Board of Directors at the special installation Board Meeting held in January of each year. If the election of officers shall not be held at such meeting such election shall be held as soon thereafter as conveniently may be. New officer positions may be created at any meeting of the Association members. Each officer shall hold office until his successor shall have been duly elected and installed.

Section III – Removal

Any officer elected by the Board may be removed by a majority vote of the Board Members whenever, in their judgment, the best interest of the Association will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed. Any officer absent from three meetings, whether of the Board of Directors or the membership, without good cause, may be removed from office.

Section IV – Vacancies

Any vacancy in any office because of death, resignation, removal, disqualification, or otherwise, shall be filled by the Board of Directors from within the Board of Directors.

Section V – Duties and Responsibilities

(1) President

The President shall be the principal executive officer of the Association and shall, in general, supervise the business affairs of the Association. He/she shall preside at all meetings of the membership and the Board of Directors. He/she may sign, with the Secretary, Treasurer, or any other proper officer of the Association authorized by the members, any deed, mortgages, bonds, contracts, or other instruments which the Association members have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the members or by these By-Laws or by statute to some other officer or agent of the Association; and, in general, he/she shall perform all duties incidental to the office of the President and such other duties as may be prescribed by the members. He/she shall be an ex-officio member of all committees.

The President shall be custodian of the corporate seal of the Association.

(2) Vice President

In the absence of the President or in the event of his/her inability or refusal to act, the Vice-President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all restrictions upon the President. Any Vice-President shall perform such other duties as may be assigned to him/her by the President or by the Association members.

(3) Secretary

The Secretary shall keep the minutes of the meeting of the members and meetings of the Board of Directors in one or more books provided for that purpose and shall see that all notices are duly given in accordance with the provision of the By-Laws or as required by law. The Secretary shall also be custodian of the corporate records and shall see that the Seal of the Association is affixed to all documents-requiring same. The Secretary shall keep a register of the post office address and the Butte Meadows or Jonesville address of each member which shall be furnished to the Secretary by each member, and in general, shall perform all duties incident to the office of Secretary and such other duties as assigned by the President or by the members of the Association.

(4) Treasurer

The Treasurer shall have full charge and custody, and be responsible for, all funds and securities of the Association. The Treasurer shall receive monies due and payable to the Association from all sources and deposit all such monies in the name of the Association in such banks, trust companies or other depositories as shall be selected in accordance with the provision of Article VII of these By-Laws, and in general, perform all duties incident to the office of Treasurer and such other duties as may be assigned by the President or by the members. The Treasurer shall submit a proposed annual budget to the Board of Directors at the first Board meeting of each fiscal year. The Treasurer shall submit all books and records for audit purposes when so directed by the Board of Directors. The Treasurer shall provide a detailed report of receipts and disbursements at each annual meeting of the members and at all meetings of the Board of Directors.

ARTICLE VI

COMMITTEES

Section I – Members

Members of each committee shall be voting or honorary members of the Association. Officers shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever, in their judgment, the best interests of the Association shall be served by the removal.

Section II – Term of Office

Each member of the committee shall continue as such until the installation meeting following the annual election of the Board of Directors and until his successor is appointed, unless the committee shall be sooner terminated or such member shall cease to qualify as a member thereof.

Section III – Chairman

One member of each committee shall be appointed chairman by the person or persons authorized to appoint the members thereof.

Section IV – Vacancies

Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Section V – Quorum

Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section VI – Rules

Each committee may adopt rules for its own government not inconsistent with these By-Laws or with rules adopted by the Board of Directors.

ARTICLE VII

CONTRACTS, CHECKS, DEPOSITS AND FUNDS

Section I – Contracts

The membership may authorize any officer or officers, agent or agents of the Association, 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 Association, and such authority may be general or confined to specific instances.

Section II – Checks, Drafts, etc.

All checks, drafts, or orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Association, shall be signed by the Treasurer or in the Treasurer's absence by the President or Vice President. All expenditures shall be paid in accordance with the annual budget. Any deviations from the budget shall be approved by the Board of Directors. Requests for reimbursement by a member shall be accompanied by a receipt or invoice verifying the subject matter and amount involved in the request for reimbursement. All requests for Association funding for non-association related projects shall be made in writing to the Board of Directors. Each project funding request shall be voted upon at a meeting of the Board of Directors.

Section III – Deposits

All funds of the Association shall be deposited on a monthly basis to the credit of the Association in such banks, trusts companies or other depositaries as the Board of Directors may select.

ARTICLE VIII

CERTIFICATE OF MEMBERSHIP

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. Such certificates shall be signed by the President or the Vice-President, and by the Secretary. The name, and post office address, and the Butte Meadows or Jonesville address of each member and the date of issuance of any certificate shall be entered on the records of the Association. If any certificate shall become lost, mutilated or destroyed, a new certificate shall be issued therefore upon such terms and conditions as the Board of Directors may determine.

ARTICLE IX

BOOKS, RECORDS, AND INTERNAL AUDIT

The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members. Board of Directors and committees having any of the authority of the Board of Directors, shall keep at the registered or principal office of record, the names and addresses of the members entitled to vote. All books and records of the Association may be inspected by any member, or his agent or attorney for any proper purpose at any reasonable time.

During years ending in "0" and "5" an internal audit will be conducted during the month of May with results of audit reported to the Membership at the Annual Meeting. The audit will be conducted by an Audit Committee as established by the officers.

ARTICLE X

FISCAL & CORPORATE YEAR DESIGNATIONS

Section I – Fiscal Year

The fiscal year of the Association shall begin on the first day of January and end on the last day of December.

Section II – Corporate Year

The corporate year of the Association begins and ends on the date of the annual membership meeting in which Board Members are elected.

ARTICLE XI

DUES

Section I – Annual Dues

The Board of Directors, with the approval of the members, may determine the amount of initiation fees, if any, and annual dues payable to the Association by the members.

Section II – Payment of Dues

Dues shall be payable in advance on the first day of January of each fiscal year. New members entering the Association shall be charged full annual dues.

Section III – Default and Termination of Membership

When any member shall be in default of payment for dues for a period of three months from the beginning of the fiscal year, or a period from which such dues became payable, his membership may thereupon be terminated by the Board of Directors in the manner provided in Article II of these By-Laws.

ARTICLE XII

CORPORATE SEAL

The Board of Directors shall provide a Corporate Seal, which shall be in the form of a circle and shall have inscribed thereon the corporate name of the Association. The President shall be custodian of the corporate seal of the Association.

ARTICLE XIII

AMENDMENTS

All proposed amendments shall be submitted in writing to the Board of Directors for recommendation before being submitted to the membership for action.

All proposed amendments which have received the recommendation of the Board shall be posted at two locations within the community at least two weeks prior to the annual meeting of the Association. Members shall be advised in meeting notification correspondence that they can request a copy of proposed amendments.

ARTICLE XIV

DISSOLUTION

This Association is not organized, nor shall it be operated for pecuniary gain or profit, and it does not contemplate the distribution of gains, profits, or dividends to the members thereof, and is organized solely for non-profit purposes. The property, assets, profits and net income of this Association are irrevocably dedicated to charitable purposes and no part of the profits or net income shall ever inure to the benefit of any officer, director, or member thereof, or to the benefit of any private shareholder or individual. Upon the dissolution of this Association, its assets remaining after payment of, or provisions for payment of all debts and liabilities of this Association shall be distributed to a non-profit fund, foundation, or corporation which is organized and operated exclusively for charitable purposes and which has established its tax exempt status under Section 23701 (d) of the Revenue and Taxation Code and/or Section 501 (c) (3) of the Internal Revenue Code. If this Association holds assets in trust, such assets shall be disposed of in such a manner as may be directed by decree of the superior court of the county in which this Association's principal office is located, upon petition therefore by the Attorney General or by any person concerned in the liquidation, in which the Attorney General is a party.