

1/09

**FIRST AMENDMENT TO BYLAWS**  
**OF**  
**JESS RANCH MASTER ASSOCIATION**

November 29, 1994

Article V, Section 1 is amended and replaced to read as follows:

The affairs of the Master Association shall be managed by a Board of Directors consisting of five (5) Directors, who shall be members of the Master Association in good standing and reside in a Lot or Condominium. However, after the expiration of Class B membership, the Board shall have the right to appoint Declarant to serve as the sixth director, who need not reside in a Lot or Condominium. Declarant shall have the same voting rights as the other Directors. The Board has the right to remove the Declarant if it fails to remain in good standing with the Master Association or no longer has unsold inventory in the project, or as determined by the Board. The Declarant may be removed by the membership only upon consent of the majority of the Board of Directors. Upon removal, the sixth seat shall be eliminated. The authorized number of Directors as provided herein may be changed by a duly adopted amendment to these Bylaws.

Article VI, Section 1 is amended and replaced to read as follows:

Nomination for election to the Board may be made by a Nominating Committee and from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the board, and one (1) or more Delegates of the Master Association. The Nominating Committee may be appointed by the Board prior to each annual meeting of the Delegates to serve from the close of such annual meeting until the close of the next annual meeting, and such appointment shall be announced at each meeting. The Nominating Committee may make as many nominations for election to the Board as it shall in its discretion determine, but not fewer than the number of vacancies that are to be filled.

In addition to appointing a Nominating Committee, the Board may determine to hold a Candidates Forum at least ten (10) days prior to the annual meeting for the purpose of nominating candidates for election to the Board. The Candidates Forum shall be subject to the notice requirements for a special meeting as set forth in these Bylaws.

In addition, any member of the Master Association in good standing, who resides in a Lot or Condominium, may become a candidate for the Board of Directors by submitting a written request to the Board of Directors of the Master Association.

BY-LAWS OF  
JESS RANCH MASTER ASSOCIATION

TABLE OF CONTENTS

ARTICLE I	NAME AND LOCATION.....	1
	1. Name and Location.....	1
ARTICLE II	DEFINITIONS.....	1
	1. Definitions.....	1
ARTICLE III	MEMBERSHIP AND VOTING RIGHTS.....	2
	1. Membership.....	2
	2. Voting Rights.....	2
	3. Meaning of Percentage Delegate Voting Power.....	2
	4. Vesting of Voting Rights.....	3
	5. Adjustment of Voting Rights.....	3
	6. Transfer.....	3
	7. Proxies.....	3
ARTICLE IV	MEETINGS OF DELEGATES.....	4
	1. Organizational and Annual Meetings.....	4
	2. Special Meetings.....	5
	3. Notice of Meetings.....	5
	4. Quorum.....	6
	5. Action Without Meeting.....	6
	6. Meetings of the Delegates.....	7
	7. Mortgage Representation.....	7
ARTICLE V	BOARD OF DIRECTORS: SELECTION, TERM OF OFFICE.....	8
	1. Number and Qualifications of Directors.....	8
	2. Election and Term of Office.....	8
	3. Removal.....	9
	4. Vacancies.....	9
	5. Compensation of Directors.....	10
ARTICLE VI	NOMINATION AND ELECTION OF DIRECTORS.....	11
	1. Nomination.....	11
	2. Election.....	11
	3. Special Class A Voting Rights.....	12

ARTICLE VII	MEETINGS OF DIRECTORS.....	13
	1. Organizational Meeting.....	13
	2. Regular and Special Meetings.....	13
	3. Meetings of Directors.....	15
	4. Action Without Meeting.....	15
	5. Chairman; Conduct of Meetings.....	15
	6. Quorum.....	16
	7. Adjournment.....	16
ARTICLE VIII	POWERS AND DUTIES OF THE BOARD OF DIRECTORS.....	16
	1. Powers.....	16
	2. Duties.....	19
ARTICLE IX	OFFICERS AND THEIR DUTIES.....	19
	1. Enumeration and Qualifications of Officers.....	19
	2. Election of Officers.....	19
	3. Term.....	19
	4. Special Appointments.....	20
	5. Resignation and Removal.....	20
	6. Vacancies.....	20
	7. Multiple Offices.....	20
	8. Duties.....	20
	9. Compensation of Officers.....	22
ARTICLE X	OBLIGATIONS OF MEMBERS.....	23
	1. Assessments.....	23
	2. Maintenance and Repair.....	23
ARTICLE XI	COMMITTEES.....	23
	1. Appointment of Committees.....	23
ARTICLE XII	INSPECTION OF BOOKS AND RECORDS.....	24
	1. Availability of Books and Records.....	24
	2. Rules Concerning Inspection.....	24
	3. Inspection by Directors.....	24
ARTICLE XIII	AMENDMENTS.....	25
	1. Amendments to By-Laws.....	25
	2. VA Approval.....	25
ARTICLE XIV	CORPORATE SEAL.....	26
	1. Seal.....	26

ARTICLE XV MISCELLANEOUS.....26

1. Fiscal Year.....26
2. Checks and Drafts.....26
3. Execution of Documents.....26
4. Dissolution.....27
5. Conflict.....27

BY-LAWS OF  
JESS RANCH MASTER ASSOCIATION

ARTICLE I

NAME AND LOCATION

Section 1. Name and Location. The name of the corporation is JESS RANCH MASTER ASSOCIATION, hereinafter referred to as the "Master Association." The principal office of the Master Association shall be located at the Project in the unincorporated area of the County of San Bernardino, more commonly known as "Apple Valley," State of California.

ARTICLE II

DEFINITIONS

Section 1. Definitions. All terms as used in these By-Laws shall, unless stated otherwise, be defined as set forth in that certain "Master Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for Jess Ranch" recorded on \_\_\_\_\_, 19\_\_\_\_, as Instrument No. \_\_\_\_\_, Official Records of San Bernardino County, California, and any amendments thereto. (Said Master Declaration of Covenants, Conditions and Restrictions, and Reservation of Easements, and any amendments thereto, shall hereinafter be collectively referred to as the "Master Declaration.") All of the terms and provisions of the Master Declaration are hereby incorporated herein by reference.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every person or entity who or which is an Owner, as defined in the Master Declaration, shall be a Member of the Master Association. The foregoing is not intended to include persons or entities who hold an interest in any Lot or Condominium in the Project merely as security for the performance of an obligation.

Section 2. Voting Rights. Members shall elect Delegates to act on their behalf, as set forth in Article IV of the Master Declaration. The number of votes ("voting power") held or represented by each Delegate, the manner in which Members shall elect Delegates and the manner in which each Delegate shall cast votes held by such Delegate shall be as set forth in the Master Declaration, and the provisions of the Master Declaration governing all such matters are specifically incorporated herein by this reference.

Section 3. Meaning of Percentage Delegate Voting Power. As used in these By-Laws, any specified percentage "of Delegates" or "of the voting power of the Delegates" shall mean those Delegates representing such specified percentage of the voting power of the membership in the Master Association. Unless otherwise expressly provided in these By-Laws or the Master Declaration, any action which may be taken by the Master Association may be taken by a majority of a quorum of the Delegates of the Master Association.

Section 4. Vesting of Voting Rights. The voting rights attributable to any given Lot or Condominium in the Project, as provided for herein, shall not vest until the Assessments provided for in the Master Declaration have been levied by the Master Association against said Lot or Condominium.

Section 5. Adjustment of Voting Rights. The voting rights in the Master Association shall be adjusted upon the annexation of a subsequent Phase as provided for in the Master Declaration. Such adjustment shall become effective upon the first close of an escrow for the sale of a Lot or Condominium in such Phase.

Section 6. Transfer. The Master Association membership held by any Owner of a Lot or Condominium shall not be transferred, pledged or alienated in any way, except as incidental to the sale of such Lot or Condominium, and the membership shall be automatically transferred upon the sale of such Lot or Condominium. In the event of such sale, the Master Association membership may only be transferred, pledged or alienated to the bona fide purchaser or purchasers of the Lot or Condominium, or to the Mortgagee (or third-party purchaser) of such Lot or Condominium upon a foreclosure sale, deed in lieu or other remedy set forth in the Mortgage. Any attempt to make a prohibited transfer is void and will not be reflected in the books and records of the Master Association.

Section 7. Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary of the Master

Association before the appointed time for each meeting. Every proxy shall be revocable and shall automatically cease upon the earlier of either: (a) the conveyance by the Owner of his Lot or Condominium, or (b) eleven (11) months from the date of issuance of the proxy.

#### ARTICLE IV

##### MEETINGS OF DELEGATES

Section 1. Organizational and Annual Meetings. Regular meetings of Delegates of the Master Association shall be held not less frequently than once each calendar year at the time and place prescribed by these By-Laws. The first meeting of the Master Association, whether a regular or special meeting, shall be held within forty-five (45) days after the closing of the sale of the Lot or Condominium which represents the fifty-first (51st) percentile interest authorized for sale under the original Final Subdivision Public Report for the First Phase of this Project, but in no event shall the meeting be held later than six (6) months after the closing of the sale of the first Lot or Condominium. At each such annual meeting there shall be elected, by ballot of the Delegates, a Board of Directors in accordance with the requirements of the Article herein entitled "Nomination and Election of Delegates." The Delegates may also transact such other business of the Master Association as may properly come before them. Annual meetings of the Delegates shall be open for atten-

dance by all Members, to the extent of the capacity of the meeting room.

Section 2. Special Meetings. A special meeting of the Delegates of the Master Association shall be promptly called by the Board upon:

(a) The vote for such meeting by a majority of a quorum of the Board; or

(b) Receipt of a written request therefor signed by Delegates representing at least five percent (5%) of the total voting power of the Master Association.

Notice of such special meetings shall be given in the manner prescribed in Section 3 below. The special meetings shall be open for attendance by all Members, to the extent of the capacity of the meeting room. No business shall be transacted at a special meeting except as stated in the notice unless by consent of a quorum of the Delegates present, either in person or by proxy.

Section 3. Notice of Meetings. Written notice of each meeting of the Delegates shall be given by, or at the direction of, the Secretary or person authorized to call the meeting by mailing a copy of such notice by first class mail, postage prepaid. Except in emergency situations, not less than ten (10) days nor more than ninety (90) days notice of any meeting at which Delegates are required or permitted to take action shall be provided to each Delegate, addressed to the Delegate's address last appearing on the books of the Master Association or supplied by

such Delegate to the Master Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the nature of the business to be undertaken at the meeting.

Section 4. Quorum. The presence in person or by proxy of Delegates holding at least fifty-one percent (51%) of the voting power of the Master Association shall constitute a quorum for the transaction of business at all meetings. In the absence of a quorum, a majority of those present, in person or by proxy, may adjourn the meeting to another time, but may not transact any other business. An adjournment for lack of a quorum shall be to a date not less than five (5) days and not more than thirty (30) days from the original meeting date. The quorum for such a meeting shall be Delegates representing at least twenty-five percent (25%) of the total voting power of the Master Association present, in person or by proxy. If a time and place for the adjourned meeting is not fixed by those in attendance at the original meeting, or if for any reason a new date is fixed for the adjourned meeting after adjournment, notice of the time and place of the adjourned meeting shall be given to Delegates in the manner prescribed for regular meetings.

Section 5. Action Without Meeting. Any action which may be taken by the vote of Delegates at any regular or special meeting, except the election of Directors where cumulative voting is a requirement, may be taken without a meeting if the Secretary of the Master Association distributes a written ballot to every

Delegate entitled to vote on the matter. Such ballot shall set forth the proposed action, provide an opportunity to specify approval or disapproval of any proposal, and provide a reasonable time within which to return the ballot to the Master Association, pursuant to Section 7513 of the California Corporations Code. All such written ballots shall be filed with the Secretary of the Master Association and maintained in the corporate records. Approval by written ballot pursuant to this Section shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. All solicitations of ballots shall indicate the number of responses needed to meet the quorum requirement and shall state the percentage of approvals necessary to pass the measure submitted. The solicitation shall specify the time by which the ballot must be received in order to be counted. A written ballot may not be revoked. Directors may not be elected by written ballot under this Section.

Section 6. Meetings of the Delegates. The meetings of the Delegates shall be held at the Project as may be reasonably designated by the Board.

Section 7. Mortgagee Representation. Representatives of first Mortgagees shall have the right to attend all regular and special meetings of Delegates.

ARTICLE V

BOARD OF DIRECTORS:

SELECTION, TERM OF OFFICE

Section 1. Number and Qualifications of Directors.

The affairs of the Master Association shall be managed by a Board of Directors consisting of five (5) Directors, who need not be Members of the Master Association so long as the Class B membership shall exist. Thereafter, the Board shall consist only of Members who are in good standing with the Master Association and reside in a Lot or Condominium in the Project. The authorized number of Directors may be changed by a duly adopted amendment to these By-Laws.

Section 2. Election and Term of Office. At the first annual meeting of the Delegates of the Master Association, the Delegates shall elect the Directors in accordance with the provisions set forth herein. All positions on the Board shall be filled at that election. The three (3) Directors receiving the highest number of votes shall each be elected for a term of two (2) years, and the two (2) Directors receiving the next highest number of votes shall each be elected for a term of ~~one (1)~~ <sup>two (2)</sup> years. At the expiration of the initial term of office of each respective Director, his successor shall be elected to serve a term of one

*Amend  
years  
pin  
max*

2  
(1) year. The Directors shall hold office until their successors have been elected and hold their first meeting. Any person serving as a Director may be re-elected, and there shall be no limitation on the number of terms which he may serve.

Section 3. Removal. At any regular or special meeting duly called, any one (1) or more of the Directors may be removed, with or without cause, as provided herein, and a successor may then and there be elected to fill the vacancy so created. Unless the entire Board is removed from office, an individual Director shall not be removed prior to the expiration of his term of office if the number of votes cast against his removal would be sufficient to elect the Director if voted cumulatively at an election at which the same total number of votes were cast and the entire number of Directors authorized at the time of the most recent election of the Director were then being elected. Notwithstanding the foregoing, a Director who has been elected to office solely by the votes cast by Delegates that are attributable to Members, other than the Declarant or any Merchant Builders, may be removed from office prior to the expiration of his term of office only by the vote of Delegates representing at least a simple majority of the voting power residing in Members, other than the Declarant and any Merchant Builder, and in the event of such removal, such Director's successor shall be elected in the same manner as such Director.

Section 4. Vacancies. Vacancies in the Board caused by any reason other than the removal of a Director by a vote of

the Delegates of the Master Association shall be filled by vote of a majority of the remaining Directors, even though they may constitute less than a quorum, and each Director so elected shall serve until a successor is elected at the next annual meeting of the Master Association. In the event that a majority of the remaining Directors are unable to agree upon a successor within fifteen (15) days following the occurrence of a vacancy, a special election to fill the vacancy shall then be held in accordance with the terms provided in the Article herein entitled "Nomination and Election of Directors," within not less than ten (10) days nor more than thirty (30) days following the expiration of said fifteen (15) day period. Notice of a special meeting and election shall be given in accordance with the terms provided in the Article herein entitled "Nomination and Election of Directors."

Section 5. Compensation of Directors. No Director shall receive compensation for any service he may render to the Master Association, except as permitted under the Article contained in the Master Declaration entitled "Powers and Duties of the Master Association"; provided, however, that a Director may be reimbursed for his actual expenses incurred in the performance of his duties.

## ARTICLE VI

### NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board, and one (1) or more Delegates of the Master Association. The Nominating Committee shall be appointed by the Board prior to each annual meeting of the Delegates to serve from the close of such annual meeting until the close of the next annual meeting, and such appointment shall be announced at each meeting. The Nominating Committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not fewer than the number of vacancies that are to be filled. Nominations for Directors may also be made from the floor at any meeting of the Delegates at which Directors are to be elected.

Section 2: Election. Election to the Board shall be by secret written ballot. At such election, the Delegates may cast, with respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Master Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is required for all elections in which two (2) or more positions are to be filled; provided, however, that all cumulative voting hereunder shall comply with the procedural prerequisites of California Corporations Code, Section 7615(b), which provides that no Delegate shall be entitled to

cumulate votes for a candidate or candidates unless such candidate's or candidates' names have been placed in nomination prior to the voting and a Delegate has given notice to the Secretary of the Master Association at the meeting prior to the voting of said Delegate's intention to cumulate votes. If any one (1) Delegate has given such notice, all Delegates (including Declarant) shall have the right to cumulate votes and give one (1) candidate, or divide among any number of candidates, a number of votes equal to the total number of votes to which said Delegate is entitled to vote upon other matters multiplied by the number of Directors to be elected.

Section 3. Special Class A Voting Rights. Notwithstanding any other provision herein or in any other document regarding this Project to the contrary, from the first election of the Board and thereafter for so long as a majority of the voting power of the Master Association resides in Delegates representing the Declarant or any Merchant Builder, or so long as there are two (2) outstanding classes of membership in the Master Association, not less than twenty percent (20%) (though not less than two [2] Directors) on the Board shall be elected solely by the votes of Delegates, other than Declarant. The election of Directors shall be first held by the Delegates casting votes attributable to Members, other than Declarant or any Merchant Builder, who shall elect the number of Directors to the Board which represents twenty percent (20%) of the Board (one [1] Director). Any resident Owner shall be an eligible candidate for this special

election. Such election shall be by written ballot unless a majority of the Delegates representing Members, other than Declarant and any Merchant Builder, determine otherwise. The person or persons receiving the highest number of votes cast by such Delegates shall be elected to the Board in a co-equal capacity with all other Directors. The remaining Directors shall be elected in accordance with the cumulative voting procedures established herein.

## ARTICLE VII

### MEETINGS OF DIRECTORS

Section 1. Organizational Meeting. The first regular meeting of a newly elected Board shall be held within ten (10) days of election of the Board, at such place and hour as shall be fixed and announced by the Directors at the meeting at which such Directors were elected, for the purposes of the election of officers and the transaction of such other business related to organization for the new term of office. No notice of the organizational meeting shall be necessary unless a majority of the Board shall have been absent at the meeting at which such Directors were elected.

Section 2. Regular and Special Meetings. Regular meetings of the Board shall be held monthly, and on such day and at such hour as may be fixed, from time to time, by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which

is not a legal holiday. Notice of the time and place of a regular meeting shall be posted at a prominent place or places within the Common Area, and shall be communicated to the Directors not less than four (4) days prior to the meeting unless the time and place of the meeting is fixed by the Directors and duly adopted herein; provided, however, that notice of a meeting need not be given to any Director who has signed a waiver of notice or a written consent to holding of the meeting. Special meetings of the Board shall be held when called by the President of the Master Association or by two (2) Directors, other than the President, after not less than three (3) days' notice to each Director. The notice shall specify the time and place of the meeting and the nature of any special business to be transacted. Notice of a special meeting shall be posted as prescribed for notice of regular meetings, and shall be sent to all Directors not less than seventy-two (72) hours prior to the scheduled time of the meeting; provided, however, that notice of the meeting need not be given to any Director who has signed a waiver of notice or a written consent to holding of the meeting. Regular and special meetings of the Board shall be open to all Members of the Master Association; provided, however, that Master Association Members who are not on the Board may not participate in any deliberation or discussion unless expressly so authorized by the vote of a majority of a quorum of the Directors. The Board may, with the approval of a quorum of the Directors, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in

which the Master Association is or may become involved, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

Section 3. Meetings of Directors. The meetings of the Directors shall be held at the Project as may be reasonably designated by the Board.

Section 4. Action Without Meeting. The Board may take any action without a meeting if all members of the Board unanimously consent in writing to such action. If the Board resolves by unanimous written consent to take any such action, an explanation of the action taken shall be posted at a prominent place or places within the Common Area within three (3) days after the written consents of all Directors have been obtained.

Section 5. Chairman; Conduct of Meetings. At the first meeting of the Board, a majority of a quorum of the Directors shall elect a Chairman of the Board to preside over all meetings of the Board held during the Board's term of office. In the event the chairman shall be absent from any meeting, said meeting shall be presided over by such other Director as may be elected by a majority of a quorum of the Directors. The Secretary of the Master Association shall act as Secretary of the Board, but in the event the Secretary shall be absent, the Chairman of presiding Director may appoint any person to act as Secretary for the meeting.

Section 6. Quorum: A majority of the total number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act or decision of the Board.

Section 7. Adjournment. A quorum of the Directors may adjourn any meeting of the Board to convene again at a stated day and hour; provided, however, that in the absence of a quorum, a majority of the Directors present at any meeting of the Board may adjourn, from time to time, until the day or hour fixed for the next regular meeting of the Board.

#### ARTICLE VIII

#### POWERS AND DUTIES OF THE

#### BOARD OF DIRECTORS

Section 1. Powers. The Board, for and on behalf of the Master Association, shall have the right and power to do all things necessary to conduct, manage and control the affairs and business of the Master Association. Subject to the provisions of the Articles, the Master Declaration and these By-Laws, the Board shall have all general powers authorized under the California Corporations Code for nonprofit, mutual benefit corporations, and shall have the following specific powers:

- (a) Enforce the provisions of the Master Declaration, and all contracts or any agreements to which the Master Association is a party;

(b) Acquire title, manage, maintain, repair and replace all Common Area and Improvements located thereon, including all personal property, in a neat, clean, safe and attractive condition at all times, and to pay all utilities, gardening and other necessary services for the Common Area, all as more specifically set forth in the Article in the Master Declaration entitled "Repair and Maintenance";

(c) Maintain fire, casualty, liability and worker's compensation coverage, fidelity bond coverage and other insurance coverage, pursuant to the terms of the Article in the Master Declaration entitled "Insurance";

(d) Obtain, for the benefit of the Common Area, all commonly metered water, gas and electric services, and may provide for refuse collection and cable (or master antenna) television service;

(e) Grant easements or licenses where necessary for utilities and sewer facilities over, on and across the Common Area to serve the Project;

(f) Grant nonexclusive easements over the Common Area in favor of all Sub-Associations for the express purpose of permitting such Sub-Associations to perform their maintenance responsibilities pursuant to any Additional Declaration recorded by the Declarant or any Merchant Builder;

(g) Levy and collect Assessments on the Owners of all Lots or Condominiums in Phases of the Project for which Assessments have commenced, and enforce payment of such

Assessments in accordance with the terms and provisions set forth in the Article in the Master Declaration entitled "Effect of Non-Payment of Assessments: Remedies of the Master Association";

(h) Pay all taxes and special assessments which would be a lien upon the entire Project or the Common Area, and discharge any lien or encumbrance levied against the Project or the Common Area;

(i) Pay for reconstruction of any portion of the Common Area damaged or destroyed;

(j) Employ and retain a professional manager and/or management company to perform all or any portion of the duties and responsibilities of the Board with respect to administration of the Master Association;

(k) Contract with Declarant, its successors or assigns, for the purpose of entry into that certain Maintenance and Subsidy Agreement, made by and between Declarant and the Master Association, for the purpose of reducing the financial obligations of Owners in the Project during the initial Phases of development of the Project;

(l) Enter into any Lot or Condominium when necessary in connection with maintenance or construction for which the Board is responsible; and

(m) Perform any and all other acts and things that a nonprofit, mutual benefit corporation organized under the laws of the State of California is empowered to do,

which may be necessary, convenient or appropriate in the administration of its affairs for the specific purposes of meeting its duties as set forth in these By-Laws and the Master Declaration.

Section 2. Duties. The Board shall perform and execute, for and on behalf of the Master Association, all of the duties which have been delegated to the Master Association as set forth in the Article entitled "Powers and Duties of the Master Association" in the Master Declaration.

#### ARTICLE IX

##### OFFICERS AND THEIR DUTIES

Section 1. Enumeration and Qualifications of Officers. The principal officers of this Master Association shall be a President, Vice President, Secretary and a Treasurer, all of whom shall be appointed by the Board. Any Member serving as a Director of the Master Association may simultaneously serve as an officer thereof.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board following each annual meeting of the Delegates.

Section 3. Term. The officers of the Master Association shall be elected annually by the Board and each shall hold office for one (1) year, unless such officer shall sooner resign or shall be removed or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Master Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office at any time with or without cause by a majority of the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at such later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one (1) of any of the other offices, except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. Duties of the officers are as follows:

(a) President: The President shall be the chief executive officer of the Master Association, and shall, sub-

ject to the control of the Board, have general supervision, direction and control of the business of the Master Association. The President shall be an ex officio member of all standing committees and shall have such other powers and duties as may be prescribed by the Board or these By-Laws. The President shall sign all leases, Mortgages, deeds, deeds of trust and other written instruments; and shall co-sign all checks and promissory notes of the Master Association;

(b) Vice President: The Vice President shall act in the place and stead of the President in the event of the President's absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

(c) Secretary: The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Master Association; shall co-sign all contracts, leases or other instruments executed in the name of or on behalf of the Master Association; serve notice of meetings of the Board and of the Master Association; keep appropriate current records showing the Members of the Master Association, together with their addresses, and shall perform such other duties as required by the Board.

(d) Treasurer: The Treasurer shall receive and deposit in appropriate bank accounts all moneys of the Master Association, and shall disburse such funds as directed by the Board; shall co-sign all checks and promissory notes.

of the Master Association; provided, however, that the authority to co-sign all checks is assignable to a manager for the Project; keep proper books of account; cause an annual audit of the Master Association books to be made by a certified public accountant at the completion of each fiscal year, as provided for in the Master Declaration, and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members.

Section 9. Compensation of Officers. No officer shall receive any compensation for services performed to the Master Association, except as permitted under the Article contained in the Master Declaration entitled "Powers and Duties of the Master Association"; provided, however, that an officer may be reimbursed for his actual expenses incurred in the performance of his duties.

## ARTICLE X

### OBLIGATIONS OF MEMBERS

Section 1. Assessments. All Members are obligated to pay, in accordance with the provisions of the Master Declaration, all Assessments imposed by the Master Association to meet all expenses of the Master Association. All delinquent Assessments shall be enforced, collected or foreclosed in the manner provided in the Master Declaration.

Section 2. Maintenance and Repair. Every Member shall be responsible, at his sole cost and expense, for all maintenance and repair works on his Lot or with his Condominium Unit, as required in the Article of the Master Declaration entitled "Repair and Maintenance."

## ARTICLE XI

### COMMITTEES

Section 1. Appointment of Committees. The Master Association shall appoint an Architectural Control Committee, as provided in the Master Declaration, and a Nominating Committee, as provided in these By-Laws. In addition, the Board shall appoint other committees as it deems appropriate in carrying out its purposes.

## ARTICLE XII

### INSPECTION OF BOOKS AND RECORDS

Section 1. Availability of Books and Records. The membership register, books of account and minutes of meetings of the Delegates and the Board, and of any and all committees shall be made available for inspection and copying by any Member or Delegate of the Master Association, or by his duly-appointed representative, at any reasonable time and for a purpose reasonably related to his interest as a Member or Delegate, at the office of the Master Association or at such other place as the Board shall prescribe.

Section 2. Rules Concerning Inspection. The Board shall establish reasonable rules with respect to:

(a) Notice to be given to the custodian of the records by the Member or Delegate desiring to make the inspection;

(b) Hours and days of the week when such an inspection may be made; and

(c) Payment of the cost of reproducing copies of documents requested by a Member or Delegate.

Section 3. Inspection by Directors. Every Director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Master Association, and the physical properties owned or controlled by the Master Association. The right of inspection by a Director includes the right to make extracts and copies of documents.

ARTICLE XIII

AMENDMENTS

Section 1. Amendments to By-Laws. So long as the two-class voting structure provided for herein shall remain in effect, these By-Laws may be amended only by the vote or written assent of Delegates representing fifty-one percent (51%) of the voting power of Class B Members and the Class A Members. At such time as the Class B membership shall cease and be converted to Class A membership, amendments to these By-Laws shall be enacted by requiring the vote or written assent of Delegates representing:

(a) Fifty-one percent (51%) of the total voting power of the Master Association; and

(b) Fifty-one percent (51%) of the votes of Delegates, other than Declarant or any Merchant Builder.

Notwithstanding the foregoing, the percentage of a quorum of the Members or of the votes of Members, other than the Declarant, necessary to amend a specific provision in these By-Laws shall not be less than the prescribed percentage of affirmative votes required for action to be taken under said provision.

Section 2. VA Approval. In addition, so long as there is a Class B membership in the Master Association, the Veterans Administration shall have the right to veto any amendment to these By-Laws.

ARTICLE XIV

CORPORATE SEAL

Section 1. Seal. The Master Association shall have a seal in circular form having within its circumference the words: JESS RANCH MASTER ASSOCIATION.

ARTICLE XV

MISCELLANEOUS

Section 1. Fiscal Year. The fiscal year of the Master Association shall be determined by the Board, and having been so determined, is subject to change, from time to time, as the Board shall determine.

Section 2. Checks and Drafts. All checks, drafts or other order for payments of money, notes or other evidences of indebtedness issued in the name of or payable to the Master Association shall be signed or endorsed by the President and Treasurer, and in such manner as, from time to time, shall be determined by resolution of the Board.

Section 3. Execution of Documents. The Board may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name and on behalf of the Master Association, and such authority may be general or confined to specific instances, and unless so authorized by the Board, no officer, agent or employee shall have any power or authority to bind the Master Association by any contract or engage-

ment, or to pledge its credit, or to render it liable for any purpose or in any amount.

Section 4. Dissolution. Any dissolution of the Master Association shall require the approval of the Board and the vote or written consent of both: (a) individual Members exercising at least a majority of the total voting power of the Master Association, and (b) individual Members exercising at least a majority of the voting power of the Master Association residing in Members, other than Declarant and all Merchant Builders. Upon the winding-up and dissolution of the Master Association, after paying or adequately providing for the debts and obligations of the Master Association, the remaining assets shall be distributed to an appropriate public agency or any nonprofit corporation, association or trust, to be used for purposes similar to those for which the Master Association was created.

Section 5. Conflict. In the case of any conflict between the Articles and these By-Laws, the Articles shall control, and in the case of any conflict between the Master Declaration and these By-Laws, the Master Declaration shall control.

\* \* \*

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify:

1. That I am the duly elected and acting Secretary of JESS RANCH MASTER ASSOCIATION, a California nonprofit, mutual benefit corporation; and

2. That the foregoing By-Laws, comprising of 27 pages, constitute the original By-Laws of said corporation, as duly adopted at the first meeting of the Board of Directors thereof duly held \_\_\_\_\_, 19\_\_.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said corporation this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

\_\_\_\_\_  
SECRETARY  
Jess Ranch Master Association

**FIRST AMENDMENT TO BYLAWS**  
**OF**  
**JESS RANCH MASTER ASSOCIATION**

November 29, 1994

Article V. Section 1 is amended and replaced to read as follows:

The affairs of the Master Association shall be managed by a Board of Directors consisting of five (5) Directors, who shall be members of the Master Association in good standing and reside in a Lot or Condominium. However, after the expiration of Class B membership, the Board shall have the right to appoint Declarant to serve as the sixth director, who need not reside in a Lot or Condominium. Declarant shall have the same voting rights as the other Directors. The Board has the right to remove the Declarant if it fails to remain in good standing with the Master Association or no longer has unsold inventory in the project, or as determined by the Board. The Declarant may be removed by the membership only upon consent of the majority of the Board of Directors. Upon removal, the sixth seat shall be eliminated. The authorized number of Directors as provided herein may be changed by a duly adopted amendment to these Bylaws.

Article VI. Section 1 is amended and replaced to read as follows:

Nomination for election to the Board may be made by a Nominating Committee and from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the board, and one (1) or more Delegates of the Master Association. The Nominating Committee may be appointed by the Board prior to each annual meeting of the Delegates to serve from the close of such annual meeting until the close of the next annual meeting, and such appointment shall be announced at each meeting. The Nominating Committee may make as many nominations for election to the Board as it shall in its discretion determine, but not fewer than the number of vacancies that are to be filled.

In addition to appointing a Nominating Committee, the Board may determine to hold a Candidates Forum at least ten (10) days prior to the annual meeting for the purpose of nominating candidates for election to the Board. The Candidates Forum shall be subject to the notice requirements for a special meeting as set forth in these Bylaws.

In addition, any member of the Master Association in good standing, who resides in a Lot or Condominium, may become a candidate for the Board of Directors by submitting a written request to the Board of Directors of the Master Association.

**CERTIFICATE OF AMENDMENT**

I, MAX PRIDMORE, certify and state as follows:

I am the President of JESS RANCH MASTER ASSOCIATION ("Corporation"), a California non-profit mutual benefit corporation. The foregoing amendment to the Bylaws was approved by the members of the Corporation in accordance with Bylaws Article XIV, Section 1.

JESS RANCH MASTER ASSOCIATION

By: Max Pridmore

Max Pridmore, President

# JEFF KERBER POOL PLASTERING, INC. NON-RESIDENTIAL CONTRACT

JEFF KERBER POOL PLASTERING, INC. ("Contractor") shall perform the following described scope of work according to the terms and conditions set forth below:

Job Site: JESS RANCH HOA(LORDON MANAGEMENT) Contact: RUTH GALLARZO

Address: 19280 JESS RANCH PKWY Map Page

City, ST Zip code APPLE VALLEY CA 92308

Phone Number +1 (562) 961-1456 Ext FAX Number

email rgallarzo@lordonmanagement.com

## 1. DESCRIPTION OF THE WORK TO BE PERFORMED:

Pool LF 122 Spa LF 34 Coping LF 34 spa Tile LF 211  Replaster  New  Drain  Dry

### Scope of Work:

1. STRIP EXISTING PLASTER AND REPLACE WITH WHITE QUARTZ PLASTER
2. REMOVE AND REPLACE 6' WATERLINE TILE WITH GROUPSN1-4. INCLUDES NON SLIP TRIM TILE ON ALL SEATS AND STEPS
3. INSTALL NEW DEPTH MARKER TILES AND NO DIVING TILES PER CODE
4. REPLACE WHITE SAFETY GRIP COPING ON SPA
5. REPLUMB SPA ONLY WITH NEW PVC PIPING, NEW SKIMMER, NEW AUTOFILL, NEW PLASTIC JETS, NEW FACE PLUMBING AT SPA EQUIPMENT. SPLIT MAINS DRAINS, NEW RETURN AND SUCTION LINES AND NEW AIR BAR IN SPA FLOOR
6. NEW 3 BEND HANDRAILS AT ENTRY IN POOL AND SPA
7. NEW WHITE WALL STEPS IN POOL
8. SAW CUT AND PATCH DECKING AS NEEDED FOR SPA REPLUMB (MATCH EXISTING COLOR AS CLOSELY AS POSSIBLE)
9. INSTALL 3 NEW PENTAIR WHITE LED LIGHTS

## 2. APPROXIMATE START & COMPLETION DATES:

Approximate Start Date PERMITTED Approximate End Date ASAP

The approximate start & completion dates are Contractors best estimates and are not guaranteed, and may vary or change due to circumstances outside Contractors control. Commencement and completion dates shall be governed by the provisions of Business & Professions Code section 7159. Substantial commencement is defined as demolition or "prep coat" of existing plaster or first crew on site when there is no demolition phase. Substantial completion is defined as application of plaster surface.

**3. PRE-EXISTING POOL LIGHTS:**

Contractor shall not be responsible for pre-existing pool and spa lights. Contractor recommends that all light fixtures within the pool and spa be replaced as part of the remodeling process as it is not uncommon for existing fixtures to fail after being removed for the remodeling process.

**CONTRACT PRICE & PAYMENT SCHEDULE:**

Contract Price \$

**SCHEDULE OF PROGRESS PAYMENTS:**

\$ 9,558	due at completion of Demo	\$	
\$ 9,558	due at completion of Plumbing	\$	
\$ 9,559	due at completion of Masonry	\$	
\$ 1,000	due at completion of Decking	\$	
\$		\$	

**4. PLASTER, DECKING, SAMPLES & APPROVALS:**

Contractor shall make every effort to match existing textures, colors, and/or planes, but exact duplication is not guaranteed. All plaster, concrete, cement, walkways and decking, if constructed by Contractor, shall be constructed in accordance with accepted trade practices and in a workmanlike manner, but Contractor does not warrant against cracking, chipping, checking, crazing, raising, settling, discoloration, and/or staining. Contractor does not warrant against any conditions that may result from local water supply, improper use of chemicals, or lack of or improper maintenance and cleaning by others, including but not limited to degree of whiteness or uniformity of color. All work performed by Contractor shall be subject to the specifications of the applicable technical manual of the National Plasterers Council.

**5. PRE-EXISTING STRUCTURES, SITES, LEVELS, WORK PERFORMED BY OTHERS:**

Contractor will be performing its work at already existing structures and sites. Contractor will primarily be performing remodeling work. Contractor takes no responsibility for pre-existing structures, sites, work, lines, levels, measurements, or any work not performed by Contractor.

**6. PERMITS & LAWS:**

Contractor will obtain building department and/or health department permits when required. Contractor agrees to pay total permit fees up to \$250. Any permit fees in excess of \$250 shall be reimbursed to Contractor by Owner upon Contractor providing Owner with an invoice and copy of receipt for permit fees. Contractor will not be responsible for performing any work not specified within this description of work, including preparing plans or blueprints that may be required by any government or regulatory agency or entity. Contractor shall comply with all laws, ordinances, rules, regulations, orders and requirements of the City, County, State and Federal government, and of any Board or Commission or any other duly qualified body having jurisdiction, which shall or might affect or apply to the work to be performed by Contractor. Contractor shall exhibit each such permit or license to Owner upon written request.

## **7. EXTRA WORK:**

Contractor shall perform only the work described in this Non-Residential Contractor. In the event that Owner or any regulatory agency (as described in paragraph 6 above) requires additional or extra work not included in the "Description of Work to be Performed" above, Contractor shall perform any such additional work pursuant to a written change order or extra work order only for an additional price.

## **8. PRIORITY OF AGREEMENTS/NO ORAL AGREEMENTS:**

Contractor and Owner agree that provisions stated in this Non-Residential Contract document shall govern in the event of contradictory provisions set forth in any other related or attached written agreement between the parties to this Non-Residential Contract. There shall be no oral, verbal or non-written agreements between the parties. Contractor shall not be bound by nor recognize any terms or conditions not reduced to a writing and signed by the parties.

## **9. LIMITED WARRANTY:**

All work performed will be guaranteed for 1 year from date of plaster as follows: All material is guaranteed to be free of defects. All workmanship will be completed in a workmanlike manner according to standard industry practices. All swimming pool plaster is subject to staining due to local water conditions or improper service that is performed by others. Plaster and concrete are not warranted or guaranteed against cracking, checking (i.e., hairline cracks), discoloration, staining, degree of whiteness or uniformity of color. Contractor does not guarantee that samples, brochures or pictures will match the actual material after application. Colors shown in samples, brochures or pictures may vary from actual material after application. In the event that the pool is drained by Owner without first obtaining the express written consent of Contractor, any and all warranties and/or guarantees shall be void. Installed manufactured equipment, i.e., heaters, pumps, filters, lights, will be warranted for a period of one year from date of installation or for period of manufacturer's warranty whichever is longer.

## **10. PROTECTION AND DAMAGE:**

Contractor shall, without additional expense to Owner, be responsible for all damages to persons or property that occur in connection with the contracted work performed. Contractor shall take all precautions necessary for the protection against injury of all persons engaged in the performance of the contract. Contractor shall observe all safety practices and comply with any applicable safety regulations, including but not limited to all O.S.H.A. regulations.

## **11. HOURS AND MANNER OF WORK:**

Contractor shall perform all work under this Non-Residential Contract during regular hours on regular working days.

## **12. RIGHT TO INSPECT & REQUIRE WORK:**

Owner reserves the right to make such inspections and tests whenever necessary to ascertain that the requirements of this agreement are being fulfilled. Contractor shall promptly correct deficiencies reported in writing by Owner.

**ACCEPTANCE & ACKNOWLEDGMENT**

**You are entitled to a completely filled in copy of this agreement, signed by both you and the contractor, before any work may be started.** Do not sign this agreement before you read it or if it contains any blank space. Owner acknowledges having read and received a legible copy of this Contract, including all Terms and Conditions, before any work was done, and having read and received a legible copy of every other document specified in the List of Included Documents. Owner hereby authorizes Contractor to furnish all materials and labor required to complete the work described for which Owner agrees to pay the Contract Price stated and according to the terms and conditions on each page of the Contract and each document specified in the List of Included Documents. Owner acknowledges, before entering into this Contract, having read the paragraph entitled "**ARBITRATION OF DISPUTES**" on the terms and conditions of this Contract, and hereby expressly agrees to that provision, and by signing below agrees to be bound by said provision, whether or not initialed following the provision. Owner has the right to require Contractor to have a performance and payment bond.

Salesman's Name

Accepted: X \_\_\_\_\_

Owner's Signature

Salesman's Registration #

Date Signed by Owner: \_\_\_\_\_

Date of Proposal

**CONTRACT APPROVED BY:**

By: X \_\_\_\_\_ Name & Title: \_\_\_\_\_ Date of Sale: \_\_\_\_\_

Authorized Signature

This is not a binding contract on Jeff Kerber Pool Plastering, Inc. unless and until it is signed above by an officer, director, executive or authorized representative of Jeff Kerber Pool Plastering, Inc. other than the salesperson who prepared this proposal.