

**BYLAWS
OF
UPPER EAST ASSOCIATION
A California Nonprofit Mutual Benefit Corporation**

**ARTICLE I
PURPOSE, GOALS AND NONPROFIT RESTRICTIONS**

1.01 Purpose. The purpose and goals of Upper East Association are as follows:

(a) To provide a unified means of cooperation among the property owners/members of the Upper East for the preservation, protection and safety of the people who live in the area including conservation of the environment and focus on quality of life in our area and that maintenance and implementation of Santa Barbara's zoning laws that have helped to create and preserve the beautiful neighborhoods and environment we now enjoy. Safety and protection encompasses planning (by the association members and by the City of Santa Barbara) for disaster and relieve as well as accumulation and retention of reasonable reserves by the City of Santa Barbara for foreseeable contingencies, and

(b) To implement the means (including by e-mail and Association website) whereby neighbors/members can be kept informed as to matters affecting the welfare of the City of Santa Barbara and its neighborhoods so that they can speak with a unified voice on matters including planning, zoning, fiscal responsibility and enforcement of existing laws that support neighborhoods including input on proposed legislation deemed to be vital under 1.01(a), above.

1.02 Upper East Area. The area that the association shall cover shall be known as the "Upper East Area" and shall consist of that portion of the City of Santa Barbara described as follows:

The Upper East neighborhood is bordered on the north by Mission Creek and Las Encinas Road, proceeding across the old Mission bridge on Los Olivos Street through the Mission Park grounds to connect with Emerson Street, which borders Roosevelt Elementary School, and Prospect Avenue, abutting the Riviera, including Olive Avenue, Olive Street and Laguna on the east to Sola Street on the south and State Street on the west. It includes Alice Keck Memorial Garden and Alameda Park that serve both the Upper East and downtown residential areas. Bungalow Haven has a separate Special Design District and, therefore, is not included in the Upper East.

1.03 Nonprofit Status.

(a) The Association shall be organized and shall be operated so as to continually qualify under California Revenue and Taxation Code 23701(f) as a Nonprofit Mutual Benefit Social Welfare Organization and shall apply for federal tax exemption status under 501(c)(4). In that regard, the Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the specific purposes of this corporation.

(b) On the dissolution or winding up of the corporation, its assets remaining after payment of, or provision for payment of, all debts and liabilities of this corporation will be distributed to a nonprofit fund, foundation, or corporation organized and operated exclusively for charitable or social welfare purposes that has established its tax-exempt status under Internal Revenue Code Section 501(c)(4).

ARTICLE II OFFICES

2.01 Principal Office. The principal office of the Corporation for its transaction of business is located in the City of Santa Barbara, California.

2.02 Change of Address. The Board of Directors is granted full power and authority to change the principal office of the Corporation from one location to another in the City of Santa Barbara, California. Any change of address will be noted by the Secretary, but will not be considered an amendment of these Bylaws.

ARTICLE III MEMBERS

3.01 Classification and Qualification of Members. The Corporation will have two classes of members, regular Members and Honorary Members. Regular Members of the Corporation are those persons as defined in Corporations Code Section 5065 owning a real property within the Upper East Area as defined above. Each qualifying person is entitled to one Regular Membership. Honorary Members of the Corporation are those persons as defined in Corporations Code Section 5065 who are not otherwise eligible to be members of the Corporation but who, in the opinion of the Board of Directors, have performed services for the Corporation warranting their appointment as Honorary Members. A person, as defined in Corporations Code Section 5065, may not hold more than one membership in each class.

3.02 The board shall grant **Associate Membership** to the following properties, but not to be included within the defined boundaries of the Upper East Association as defined under **Article I, 1.02** Upper East Area. All such members shall pay annual dues as set from time to time by the board and shall be eligible to participate in all events, meetings, and other offerings as designated by the board. **Associate Members** shall have no voting rights. **Associate Membership** shall apply only to property owners whose parcels front on State Street between Mission Street and Constance Avenue, located on the “west” side of State Street. This shall include all condominium owners at the property known as Villa Espana at the southwest corner of State Street and Constance Avenue.

3.03 Eligibility for Membership. Any person, as defined Corporations Code Section 5065, is eligible to be a member of the Corporation, except that, in the case of a natural person, the person will not be eligible for membership unless over the age of 18 years.

3.04 Admission to Membership. Any person, eligible for membership under Section 2.02 of these Bylaws and qualified for membership under Section 3.02 of these Bylaws, will be admitted to membership only on the approval of the Board of Directors or Membership Committee duly authorized, by resolution, to admit members of an application submitted by that person in the form and manner as prescribed by the Board of Directors and on the payment of the first annual dues as specified in Section 3.05 of these Bylaws.

3.05 Application Fee. There is no fee for applying for membership in the Corporation.

3.06 Annual Dues. The annual dues payable to the Corporation by members will be in the amounts determined by resolution of the Board of Directors, but in no event may the annual dues exceed the amount of \$500.00. Dues are payable for the first year on admission to membership and annually thereafter at the time or times as may be fixed by the Board of Directors. A member, on

learning of the amount of dues determined by the Board of Directors and the time or times of payment fixed by the Board of Directors, may avoid liability for the dues by promptly resigning from membership, except if the member is, by contract or otherwise, liable for the dues.

3.07 Assessments. Memberships are nonassessable.

3.08 Number of Members. There is no limit on the number of members that the Corporation may admit. However, the Corporation may not have more than 25% of its membership as Honorary Members at any one time.

3.09 Membership Book. The Corporation shall keep a membership book containing the name, address, and class of each member in written form or in any form capable of being converted into written form. The book must also note if a membership has terminated and the date on which that membership ceased. The book will be kept at the principal office of the Corporation and is subject to the rights of inspection required by law and as set forth in Section 3.09 of these Bylaws.

3.10 Inspection Rights of Members.

(a) Demand. Subject to the Corporation's right to set aside a demand for inspection pursuant to Corporations Code Section 8331 and the authority of the court to limit inspection rights pursuant to Corporations Code Section 8332, and unless the Corporation provides a reasonable alternative as permitted by Section 3.09(c) of these Bylaws, a member satisfying the qualifications set forth may do either or both of the following:

(1) Inspect and copy the record of all the members' names, addresses, and voting rights, at reasonable times, on five business days prior written demand on the Corporation, which must state the purpose for which the inspection rights are requested: or

(2) Obtain from the Secretary of the Corporation, on written demand and tender of a reasonable charge, a list of the names, addresses, and voting rights of those members entitled to vote for the election of Directors, as of the most recent record date for which it has been compiled or as of the date of demand. The demand must state the purpose for which the list is requested. The membership list will be available on or before the latter of 10 business days after the demand is received, or after the date specified in the demand as the date as of which the list is to be compiled.

(b) Members Permitted to Exercise Rights of Inspection. The rights of inspection set forth in Section 3.09(a) of these Bylaws may be exercised by any member, for a purpose reasonably related to that person's interest as a member.

(c) Alternative Method of Achieving Purpose. The Corporation, within 10 business days after receiving a demand pursuant to Section 3.09(a) of these Bylaws, may deliver to the person or persons making the demand a written offer of an alternative method of achieving the purpose identified in the demand without providing access to or a copy of the membership list. An alternative method that reasonably and in a timely manner accomplishes the proper purpose set forth in a demand made pursuant to Section 3.09(a) of these Bylaws will be deemed reasonable, unless within a reasonable time after acceptance of the offer, the Corporation fails to affect the alternative method. Any rejection of the offer must be in writing and indicate the reasons the alternative proposed by the Corporation does not meet the proper purpose of the demand made pursuant to Section 3.09(a) of these Bylaws.

3.11 Certificates of Membership. The Corporation will not issue membership certificates.

3.12 Nonliability of Members. A member of the Corporation is not personally liable, solely

because of membership, for the debts, obligations, or liabilities of the Corporation.

3.13 Transferability of Membership. Neither membership in the Corporation nor any rights in the membership may be transferred or assigned for value or otherwise.

3.14 Termination of Membership.

(a) **Causes.** The membership and all rights of membership automatically terminate on the occurrence of any of the following causes:

1. The voluntary resignation of a member, with notice as prescribed by Section 3.13(b) of these Bylaws.
2. When a membership is issued for a period of time, the expiration of that period.
3. The death of a member.
- (4) The dissolution of corporate members; and
- (5) The nonpayment of dues or assessments, subject to the limitations set forth in Section 3.13(c) of these Bylaws.

(b) Resignation by Giving Notice. The membership of any member of the Corporation shall automatically terminate on such member's written request for such termination delivered to the President or Secretary of the Corporation personally or deposited in United States first class mail, postage prepaid.

(c) Nonpayment of Dues or Assessments. The membership of any member who fails to pay his or her dues or assessments within 30 days of the due date automatically terminates at the end of that day period.

(d) Effect of Termination. Any and all rights of a member in the Corporation and in its property cease on the termination of membership. However, termination does not relieve the member from any obligation for charges incurred, services or benefits actually rendered, dues, assessments, or fees, or arising from contract or otherwise. The Corporation retains the right to enforce any obligation or obtain damages for its breach.

ARTICLE IV MEETINGS OF MEMBERS

4.01 Place. Meetings of members will be held at such a location within the Upper East Area or within 1000 feet of the Upper East Area that may be designated from time to time by resolution of the Board of Directors.

4.02 Regular Meetings. The members will meet annually during the first two weeks of November for the purpose of transacting proper business as may come before the meeting. The Board of Directors will choose the date.

4.03 Special Meetings. Special meetings of members will be called by the President of the Corporation and held at the time and place (within the state of California) as is fixed in Section 4.01 of these Bylaws or at the times and places within the state of California as may be ordered by resolution of the Board of Directors and held at the location as set forth in Section 4.01. Five percent or more of the members of the Corporation may call special meetings for any lawful purpose.

4.04 Notice of Meetings. Written notice of every meeting of members must be either personally delivered or mailed by first class United States mail, postage prepaid, or by electronic mail (email or equivalent) not less than 15 days before the date of the meeting to each member who is entitled to vote at the meeting as of the record date for notice of the meeting.

If notice is given by mail or other means of written communication, the notice must be addressed to the member at the address appearing on the books of the Corporation or at the address given by the member to the Corporation for the purpose of notice. If no address appears or was given by the member, notice will be given at the principal office of the Corporation. The Secretary of the Corporation, or any transfer agent specially designated by the Secretary for this purpose, will execute an affidavit of the giving of the notice of the meeting of members. In the case of a specially called meeting of members, notice that a special meeting will be held at a time requested by the person or persons calling the meeting not less than 35 days or more than 90 days after receipt of the written request from that person or persons by the Chairman of the Board or President or Vice President or Secretary of the Corporation will be sent to the members forthwith and in any event within 20 days after the request was received.

No meeting of members may be adjourned more than 45 days. If a meeting is adjourned to another time or place, and thereafter a new record date is fixed for notice or voting, a notice of the adjourned meeting will be given to each member of record who, on the record date for notice of the meeting, is entitled to vote at the meeting.

4.05 Contents of Notice. The notice will state the place, date, and time of the meeting. In the case of regular meetings, the notice will state those matters that the Board of Directors, at the time the notice is given, intends to present for action by the members. The notice of any meeting at which Directors are to be elected must include the names of all those who are nominees at the time the notice is given to the members.

4.06 Waivers, Consents, and Approvals. The transactions of any meeting of members, however called and noticed, and wherever held, are as valid as though had at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy, and if, either before or after the meeting, each of the persons entitled to vote but not present in person or by proxy, signs a written waiver of notice, a consent to the holding of the meeting, or an approval of the minutes of the meeting. All waivers, consents, and approvals will be filed with the corporate records or will be included in the minutes of the meeting.

4.07 Quorum. A quorum at any meeting of members consists of fifteen percent (15%) of the voting power, represented in person or by proxy. For purposes of this Bylaw, "voting power" means the power to vote for the election of directors at the time any determination of voting power is made and does not include the right to vote on the happening of some condition or event which has not yet occurred.

4.08 Loss of Quorum. The members present at a duly called or held meeting at which a quorum is present may continue to transact business until adjournment notwithstanding the withdrawal of enough members to leave less than a quorum, if any action taken, other than adjournment, is approved by at least a majority of members required to constitute a quorum.

4.09 Adjournment for Lack of Quorum. 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 votes represented either in person or by proxy. However, no other business may be transacted except as provided in Section 3.08 of these Bylaws.

4.10 Voting of Membership.

(a) Entitlement. Except as provided in Section 4.10(e) of these Bylaws authorizing cumulative voting at the election of Directors, each Regular and Honorary Member is entitled to one vote on each matter submitted to a vote of the members.

(b) Indivisible Interest in Single Memberships. Single memberships in which two or more persons have an indivisible interest will be voted as set forth in Section 4.10(c) of these Bylaws relating to the voting of memberships in two or more names.

(c) Memberships in Two or More Names. When a membership stands of record in the names of two or more persons, whether fiduciaries, members of a partnership, joint tenants, tenants in common, husband and wife as community property, tenants by the entirety, or otherwise, or if two or more persons (including proxy holders) have the same fiduciary relationship respecting the same membership, unless the Secretary of the Corporation is given written notice to the contrary and is furnished with a copy of the instrument or order appointing them or creating the relationship wherein it is so provided, their acts with respect to voting have the following effect: if only one member votes, that act binds all members; if more than one member vote, the act of the majority so voting binds all members.

(d) Record Date of Membership. The Board of Directors shall fix, in advance, a date as the record date for the purposes of determining the members entitled to notice of and to vote at any meeting of members. The recorded date for the purpose of determining the members entitled to notice of any meeting of members is 40 days before the date of the meeting of members. The record date for the purpose of determining the members entitled to vote at any meeting of members is 30 days before the date of the meeting of members. The Board will also fix, in advance, the record date for the purpose of determining the members entitled to exercise any rights in respect to any other lawful action. This date may not be more than 60 days before that other action.

(e) Cumulative Voting. Cumulative voting is not authorized for the election of directors or for any other purpose.

(f) Proxy Voting. Members entitled to vote, as set forth in Section 3.10(a) of these Bylaws, have the right to vote either in person or by a written proxy executed by that member or his or her duly authorized agent and filed with the Secretary of the Corporation, except as otherwise expressly provided in the Articles of Incorporation or these Bylaws. However, a proxy is not valid after the expiration of 11 months from the date of its issuance unless otherwise stated in the proxy. The maximum term of any proxy is 3 years from the date of its execution. Every proxy continues in full force and effect until revoked by the person executing it before the vote.

4.11. Action without Meeting by Written Ballot.

(a) Ballot Requirements. Subject to the limitations specified in Section 4.11(b) of these Bylaws and any contained in the Articles, any action that may be taken at any regular or special meeting of members may be taken without a meeting, provided that the following ballot requirements are satisfied:

- (1) The Corporation distributes a written ballot to every member entitled to vote on the matter.
- (2) The ballot states the proposed action, provides an opportunity to specify approval or disapproval of any proposal, and provides a reasonable time within which to return the ballot to the corporation.
- (3) The number of votes cast by ballot with the time period specified equals or exceeds the

quorum required to be present at a meeting authorizing the action.

(4) 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.

(b) Limitations Pertaining to Election of Directors. Directors may be elected by written ballot, except that election of Directors by written ballot is not permitted when the Directors are elected by cumulative voting pursuant to Corporations Code Section 7615.

(c) Solicitation of Ballots. Ballots will be solicited in a manner consistent with the requirements of giving notice of members' meetings set forth in Section 4.04 of these Bylaws and of voting by written ballot set forth in Section 4.11(d) of these Bylaws. All solicitations must indicate the number of responses needed to meet the quorum requirement and, with respect to ballots other than for the election of Directors, state the percentage of approvals necessary to pass the measure submitted. The solicitation must specify the time by which the ballot must be received in order to be counted.

(d) Voting by Written Ballot. The form of written ballots distributed to ten (10) or more members must afford an opportunity on the form of written ballot to specify a choice between approval and disapproval of each matter or group of related matters intended, at the time the written ballot is distributed, to be acted on by that written ballot. The form must also provide, subject to reasonable specified conditions, that if the person solicited specifies a choice with respect to any matter the vote must be cast in accordance with that choice.

(e) Revocation of Ballot. Unless otherwise provided in the Articles of Incorporation of the Corporation or these Bylaws, a written ballot may not be revoked.

4.12 Conduct of Meetings.

(a) Chairman. The President of the Corporation or, in his or her absence, any other person chosen by a majority of the voting members present in person or by proxy, will be Chairman of and preside over the meetings of the members.

(b) Secretary of Meetings. The Secretary of the Corporation will act as the secretary of all meetings of members. However, in his or her absence, the Chairman of the meetings of members will appoint another person to act as secretary of the meetings.

(c) Rules of Order. The Robert's Rules of Order, as amended from time to time, governs the meetings of members insofar as those rules are not inconsistent with or in conflict with these Bylaws, the Articles of Incorporation of this Corporation, or the rules governing agenda, motions, and related matters.

4.13 Inspectors of Election.

(a) Appointment. Before any meeting of the members or any action by written ballot, the Board may appoint any persons other than candidates for office as inspectors of election to act at the meeting. If inspectors of election are not so appointed for any meeting, or if any person so appointed fails to appear or refuses to act, the Chairman of the meeting may, and on request of any member or members proxy must, appoint inspectors of election at the meeting. If inspectors of election are not so appointed for any action by written ballot, or if any person so appointed refuses to act, the President of the Corporation must appoint inspectors of election for that written ballot on request of any member or members' proxy. The number of inspectors will be either one or three. If appointed at a meeting on the request of one or more members or proxies, the majority of members represented in person or by proxy

must determine whether one or three inspectors are to be appointed.

(b) Duties. The inspectors of election must perform the following duties:

- (1) Determine the number of outstanding voting memberships, the voting power of each, and, when applicable, the number represented at the meeting, the existence of a quorum, and the authenticity, validity, and effect of proxies.
- (2) Receive votes, ballots, or consents.
- (3) Hear and determine all challenges and questions in any way arising in connection with the right to vote.
- (4) Count and tabulate all votes and consents.
- (5) Determine when the polls shall close.
- (6) Determine the result.
- (7) Do any other acts that may be proper to conduct the election or vote with fairness to all members.

The Inspectors must perform their duties impartially, in good faith, to the best of their ability and as expeditiously as is practical.

(c) Vote of Inspectors. If there are three inspectors of election, the decision, act, or certificate of a majority is effective in all respects as the decision, act, or certificate of all.

(d) Report and Certificate. On request of the Chairman or any member or member's proxy, the inspectors of election must make a written report concerning the performance of their duties and execute a certificate of any fact found by them. Any report or certificate made by the inspectors is prima facie evidence of the facts stated.

ARTICLE V DIRECTORS

5.01 Number. The corporation shall have no more than (13) members and no less than nine (9) Collectively, the Directors will be known as the Board of Directors.

5.02 Qualifications. The Directors of the Corporation must be residents of the Upper East Area and, with the exception of the initial Directors, the Directors must also be members of the Corporation. Directors are eligible for reelection, provided they continue to meet the qualifications required by section 5.02 of these By-Laws.

5.03 Two-Year Terms of Office. Each Director shall serve for a term of two years or until a successor has been elected or appointed and qualified as prescribed by Section 5.02 of these Bylaws. Up to four Directors shall be elected in the odd-numbered years, and up to five directors shall be elected in the even-numbered years.

5.04 Vacancies shall be filled by a vote of the remaining members of the Board. If a Director is removed at a special meeting of the members called and held as prescribed by Section 4.03 of these Bylaws that Director will hold office until his or her removal and his or her successor is elected and qualifies.

5.05 Nomination. Any person qualified to be a Director under Section 5.02 of these Bylaws may be nominated by the method of nomination authorized by the Board or by any other method authorized by law.

5.06 Election.

The Directors will be elected by polling the current members of the Association electronically or by member-requested mailing according to the following election schedule:

1. November- by the end of first week: A nomination sub-committee of the board shall be appointed to nominate qualified candidates according to sections 3.02 and 3.03 to fill then-expiring Director positions,

2. November – by the end of third week: The selections of the nominating committee shall be conveyed by member-requested mail or electronically to all members, at which time other qualified members may also submit their names for consideration no later than the end of the month.

3. December – by the end of the first week: The board shall appoint a disinterested Election Inspector whose duties shall include: conduct of the election, notice where ballots are to be delivered, counting of ballots, and confirmation of the elected candidates.

4. December – by the end of first week: The final ballot identifying the nominating committee recommendations and any at-large nominated candidates shall be sent to all members, along with any information submitted by the candidates not to exceed 150 words.

5. December – during the second and third weeks: voting electronically or by mail shall take place until the end of the third week. Upon completion of the vote count, the Election Inspector shall deliver the results to the President of the Board no later than December 31.

6. Candidates receiving the most votes for the number of Director positions to be filled shall begin their two-year term of office starting January 1 of the following year.

7. A week for the purpose of this section shall start on Sunday and end on Saturday.

8. Compensation. The Directors serve without compensation.

5.07 Meetings.

(a) Call of Meetings. Meetings of the Board may be called by the Chairman of the Board or the President or any Vice-President or the Secretary or any two Directors.

(b) Place of Meetings. All meetings of the Board will be held at the principal office of the Corporation as specified in Section 2.01 of these Bylaws or as changed from time to time as provided in Section 2.02 of these Bylaws.

(c) Regular Meetings. Regular meetings of the Board will be held, without call or notice, at the principal office of the Corporation immediately following each annual meeting of the members of the Corporation as set forth in Section 4.02 of these Bylaws.

(d) Special Meetings. Special meetings of the Board may be called by the Chairman of the Board or the President or any Vice-President or the Secretary or any two Directors. Special meetings may be held on four days notice by first class mail, postage prepaid, or on 48 hours' notice delivered personally or by telephone, including a voice messaging system or other system or technology designed to record and communicate messages, telegraph, facsimile, electronic mail, or other electronic means.

Notice of the special meeting need not be given to any Director who signs a waiver of notice or written consent to holding the meeting, or an approval of the minutes of the meeting, whether before or after the meeting, or who attends the meeting without protesting the lack of notice to that Director either before or at the commencement of the meeting. All waivers, consents, and approvals must be filed with the corporate records or made a part of the minutes of the meetings.

(e) Quorum. A majority of the authorized number of Directors constitutes a quorum of the Board for the transaction of business, except as otherwise provided in these Bylaws.

(f) Transactions of Board. Except as otherwise provided in the Articles, in these Bylaws, or by law, every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present is the act of the Board provided, however, that any meeting at which a quorum was initially present may continue to transact business notwithstanding the withdrawal of Directors if any action taken is approved by at least a majority of the required quorum for that meeting, or such greater number as is required by the law, the Articles, or these Bylaws.

(g) Conduct of Meetings. The Chairman of the Board or, in his or her absence, any Director selected by the Directors then present will preside at meetings of the Board of Directors. The Secretary of the Corporation or, in the Secretary's absence, any person appointed by the presiding officer will act as Secretary of the Board. Members of the Board may participate in a meeting through use of conference telephone or similar communications equipment, as long as all members participating in the meeting can hear one another. This participation constitutes personal presence at the meeting.

(h) Adjournment. A majority of the Directors present at the meeting, whether or not a quorum is present, may adjourn any meeting to another time and place. If the meeting is adjourned for more than 24 hours, notice of the adjournment to another time or place must be given before the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

5.08 Action without Meeting. Any action required or permitted to be taken by the Board may be taken without a meeting if all members of the Board individually or collectively consent in writing to that action. Written consents must be filed with the minutes of the proceedings of the Board. Action by written consent has the same force and effect as the unanimous vote of the Directors.

5.09 Removal of Directors.

(a) Removal for Cause. The Board may declare vacant the office of a Director on the occurrence of any of the following events:

- (1) The Director has been declared of unsound mind by an order of court.
- (2) The Director has been convicted of, or entered a plea of no lo contendre to, a felony or misdemeanor.
- (3) The Director has been found by an order or judgment of any court to have breached duties imposed by Corporations Code Section 7230 et seq. on directors who perform functions with respect to assets held in charitable trust.
- (4) The Director has failed to attend two or more meetings of the Board.

(b) Removal Without Cause. Any or all of the Directors may be removed without cause if, while the Corporation has fewer than 50 members, removal is approved by a majority of all members

pursuant to Corporations Code Section 5033; or while the Corporation has more than 50 members, removal is approved by the members within the meaning of Corporations Code Section 5034. However, a Director may not be removed, unless the entire Board is removed, when the votes cast against removal, or not consenting in writing to removal, would be sufficient to elect that Director if voted cumulatively at an election at which the same total number of votes were cast (or if the action is taken by written ballot, all memberships entitled to vote were voted) and the entire number of directors authorized at the time of the Directors most recent election were then being elected.

5.10 Resignation of Director. Any Director may resign effective on written notice to the Chairman of the Board of Directors, the President, the Secretary, or the Board of Directors of the Corporation. The notice may specify a later time for the effectiveness of the resignation. If the resignation is effective at a future time, a successor may be elected to take office when the resignation becomes effective.

5.11 Vacancies in the Board.

(a) Causes. Vacancies on the Board of Directors occur (1) on the death, resignation, or removal of any Director; (2) whenever the number of authorized Directors is increased; and (3) on the failure of the members in any election to elect the full number of authorized Directors.

(b) Filling Vacancies by Directors. Except as otherwise provided in the Articles or these Bylaws and except for a vacancy created by the removal of a Director pursuant to Section 5.09 of these Bylaws, vacancies on the Board of Directors may be filled by approval of the Board of Directors, or, if the number of Directors then in office is less than a quorum, by (1) the unanimous written consent of the Directors then in office; (2) the affirmative vote of a majority of the Directors then in office at a meeting held pursuant to notice or waivers of notice as provided in Section 5.07(d) of these Bylaws; or (3) a sole remaining Director.

(c) Filling Vacancies by Members. Vacancies created by removal of Directors may only be filled by the approval of the members within the meaning of Corporations Code Section 5034. The members may elect a Director at any time to fill any vacancy not filled by the Directors.

**ARTICLE VI
OFFICERS**

6.01 Number and Titles. The officers of the Corporation shall be a President, an Executive Vice-President, a Membership Vice President, a Secretary, a Chief Financial Officer, and those other officers with such titles and duties as determined by the Board and as may be necessary to enable it to sign instruments. Any number of offices may be held by the same person, except that neither the Secretary nor the Chief Financial Officer may serve concurrently as the President.

6.02 Appointment and Resignation. The officers will be chosen by the Board and serve at the pleasure of the Board, subject to the rights, if any, of an office under any contract of employment. Any officer may resign at any time on written notice to the Corporation without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party.

6.03 President. The President is the general manager and chief executive officer of the Corporation. The President shall act as Chairman of the Board where so required by these bylaws. The President shall preside at all meetings of the Members and at all meetings of the Board of Directors. He

shall be ex officio a member of all the standing committees, including the Executive Committee, if any, and shall have the general powers and duties of management usually vested in the office of President of a corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors or the Bylaws.

6.04 Executive Vice President. In the absence or disability of the President, the Executive Vice President shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to, all the restrictions upon, the President. The Executive Vice President shall have such other powers and perform such other duties as from time to time may be prescribed for him by the Board of Directors or these Bylaws.

6.05 Membership Vice President. The Membership Vice President shall be responsible for maintaining a list of the names addresses (physical and email) as well as any other essential information regarding the members deemed appropriate by the Board of Directors. In addition, the Membership Vice President shall be responsible for maintaining the Membership Book as described in section 3.08.

6.06 Secretary. The Secretary shall keep, or cause to be kept, a book of minutes at the principal office or such other place as the Board of Directors may order, of all meetings of Directors and Members, with the time and place of holding, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at Directors' meetings, the Members present or represented at Members' meetings and the proceedings thereof.

The Secretary shall give, or cause to be given, notice of all the meetings of the Members and of the Board of Directors required by the Bylaws or by law to be given, and he shall keep the seal of the corporation in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or by the By-Laws.

6.07 Treasurer. This Officer shall keep and maintain, or cause to be kept and maintained in accordance with general accepted accounting principles, adequate and correct accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, earnings (or surplus) and shares. The books of account shall at all reasonable times be open to inspection by any Director.

This Officer shall deposit all moneys and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board of Directors. He shall disburse the funds of the corporation as may be ordered by the Board of Directors, shall render to the President and Directors, whenever they request it, an account of all of his transactions and of the financial condition of the corporation, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors of the Bylaws.

ARTICLE VII CORPORATE RECORDS, REPORTS, AND SEAL

7.01 Keeping Records. The Corporation must keep adequate and correct records of account and minutes of the proceedings of its members, Board, and committees of the Board. The Corporation must also keep a record of its members giving their names and addresses and the class of membership held by each. The minutes will be kept in written form. Other books and records will be kept in either written form or in any other form capable of being converted into written form.

7.02 Annual Report. The Corporation will notify each member yearly of the member's right to receive a financial report pursuant to Corporations Code Section 8321(a). Except when the

Corporation does not have more than 100 members or more than \$10,000 in assets at any time during the fiscal year, on the written request of a member, the board must promptly cause the most recent annual report to be sent to the requesting member. The annual report will be prepared not later than 120 days after the close of the Corporation's fiscal year. The annual report must contain in appropriate detail all the information required by Corporations Code Section 8321(a), specifically,

- (1) A balance sheet as of the end of the fiscal year and an income statement and statement of changes in financial position for the fiscal year;
- (2) A statement of the place where the names and addresses of the current members are located; and
- (3) Any information concerning certain transactions and indemnifications required by Corporations Code Section 8322.

7.03 Corporate Seal. The Board of Directors will adopt a corporate seal in the following form and design: circular embossing paper and as a logo to be printed on electronic documents setting forth the name and incorporation date of the Corporation. The Secretary of the Corporation will maintain custody of the seal and affix it in all appropriate cases to all corporate documents. However, the failure to affix the seal does not affect the validity of any instrument.

ARTICLE VIII AMENDMENTS TO THE BYLAWS

8.01 Amendments. These bylaws may be amended when necessary by a two-thirds majority of the Board of Directors. Proposed amendments shall be submitted to the Secretary to be sent out with the regular Board announcements.

**CERTIFICATE OF SECRETARY OF
UPPER EAST ASSOCIATION
A California Nonprofit Mutual Benefit Corporation**

I hereby certify that I am the duly elected and acting Secretary of the Corporation and that the foregoing Bylaws, comprising twelve (12) pages, constitute the Bylaws of the Corporation as duly adopted by action of the incorporator on July 11, 2020.

Dated: _____

Fred L. Sweeney Secretary