

BY-LAWS
OF
OAK HILLS HOMEOWNERS ASSOCIATION,
A California Nonprofit Corporation

ARTICLE I
OFFICES

Section 1. PRINCIPAL OFFICE.

The principal office for the transaction of the business of the corporation is hereby fixed and located at 829 Cass Street,
Monterey, California 93940. The Board of Directors is hereby granted full power and authority to change the place of said principal office within any of the territorial areas described in ARTICLE SECOND a) of the Articles of Incorporation of this corporation from time to time.

Section 2. OTHER OFFICES.

Branch or subordinate offices may at any time be established by the Board of Directors at any place or places within any of the territorial areas described in ARTICLE SECOND a) of the Articles of Incorporation of the corporation.

ARTICLE II
MEMBERS

Section 1. MEMBERSHIP.

The owners and their successors in interest of any of the real property described in ARTICLE SECOND a) of the Articles of Incorporation of this corporation which said real property may have heretofore or may hereafter be subjected to covenants, conditions or restrictions which provide that by reason of the ownership of a lot or parcel of real property situate within any of the areas described in said ARTICLE SECOND a) the owner or owners thereof shall hold title thereto subject to the Articles of Incorporation of this corporation, the By-Laws of this corporation, or any rules and regulations promulgated by this corporation, and that the owner or owners of any such lot or parcel of real property shall, by reason of such ownership, become a member in this corporation, shall be and become members of this corporation. The owner or owners, if there be more than one, of any lot, lots, parcel or parcels (building sites) of real property within any of the territorial areas described in ARTICLE SECOND a) of said Articles of Incorporation, if said territorial area has been subjected to covenants, conditions or restrictions as aforesaid, immediately upon acquiring title thereto, by reason of such ownership, shall thereupon become a member in the corporation and shall be entitled to all rights and privileges pertaining thereto and shall be subject to all duties and obligations imposed thereon, provided, however, that any such owner or owners' membership in the corporation shall cease and terminate with respect to any lot or parcel (building site) at such time as the same is sold or otherwise transferred and the successor in interest of such owner or owners shall thereupon become a member in the corporation, as hereinabove set forth, provided, however, that no such owner or owners shall have more than one membership in this corporation.

Section 2. MEMBERSHIP CERTIFICATES.

Said membership shall be evidenced by the issuance of a Certificate of Membership of such form and device as the Board of Directors may designate, which certificate shall be signed by the President or Vice President and by the Secretary or an Assistant Secretary of the corporation and shall be sealed with the seal of the corporation.

Section 3. VOTING RIGHTS.

Each membership in the corporation shall be entitled to one vote per single-family residential lot (building site), as lots 701 through 746 of Oak Hills No. 7 are shown on the final recorded Subdivision Map of Oak Hills No. 7. In the event that all or any part of the other real property described in ARTICLE SECOND a) of the Articles of Incorporation of this corporation, shall hereafter become subjected to the covenants, conditions and restrictions, as aforesaid, then and in that event, each membership in said corporation shall be entitled to one vote per single-family residential lot or parcel (building site). When there is more than one person or entity named in said membership certificate as the holder thereof, all voting rights to which the holders thereof may be entitled may be exercised by any one of the holders thereof. If only one such person is present in person or by proxy, the membership shall be deemed represented for the purposes of determining a quorum.

Section 4. ASSESSMENTS.

The Board of Directors shall annually fix, determine, levy and collect from the members of the corporation such assessments as the Board of Directors may from time to time deem to be in the best interest of its members or to be necessary or desirable for the protection of its members or for the benefit or protection of any of the real property described in ARTICLE SECOND a) of the Articles of Incorporation of this corporation which has been subjected to covenants, conditions and restrictions as aforesaid, or any lot, lots, parcel or parcels thereof. The annual assessment upon each single-family lot or parcel (building site), situate within the real property described in ARTICLE SECOND a) of the Articles of Incorporation of this corporation which has been subjected to covenants, conditions and restrictions, as aforesaid, shall not exceed the sum of Fifty Dollars (\$50.00); provided, however, that said maximum annual assessment may be increased in accordance with the consumer price index, as follows: On December 15, 1974, and on December 15 of each year thereafter, the maximum annual assessment shall be the sum obtained by multiplying \$50.00 by a fraction of which the denominator is the cost of living for the month of November, 1973, as reflected in the consumer price index for all items in the San Francisco-Oakland area (as determined by the U.S. Department of Labor, Bureau of Labor Statistics, or any successor index), and the numerator is the cost of living as reflected in the same index for the month of November immediately preceding such adjustment date. Each lot or parcel shall be assessed on a pro rata basis based upon the total number of single-family lots or parcels subject hereto. Except as hereinabove provided for cost of living increases the maximum

annual assessment hereinabove specified shall not be increased save and except by a two-thirds (2/3) majority vote of the members of the corporation in accordance with ARTICLE II, Section 3 hereinabove set forth; provided, however, that the votes of Monterey Savings and Loan Association, a corporation, if any, shall be excluded in determining if said 2/3 majority exists.

The Board of Directors shall fix and determine the amount of the assessment during the month of January for each calendar year. All assessments shall be due and payable and shall become a lien upon the real property owned by the respective members of the corporation and situate within any of the territorial areas described in ARTICLE SECOND a) of the Articles of Incorporation of this corporation which are subjected to the covenants, conditions and restrictions as aforesaid on the first day of February of the calendar year for which they have been assessed. The lien of all such assessments shall continue in force until the same have been paid in full. Furthermore, if the same shall not have been paid by May 15 of the calendar year for which they have been assessed, interest shall accrue on the amount of any such assessments at the rate of seven percent (7%) per annum from said date of May 15 to date of payment and the corporation may, but need not, record a notice of lien upon the real property owned by any such member or members and subject to any such assessments. The notice of lien shall be recorded in the office of the Monterey County Recorder and shall contain a description of the real property which is subject to the lien, the amount of the lien and the date that the same became a lien upon the subject real property. A copy of said notice of lien shall be mailed to the member or members owning any such real property at such member's address of record as shown upon the books of the corporation within ten (10) days after recordation of same together with the statement that the Board of Directors may elect to foreclose the lien of said assessment if same be not paid within thirty (30) days from date of mailing thereof.

The Board of Directors shall have the power to foreclose the lien of any delinquent assessment as and in the same manner as is provided for the foreclosure of a mortgage upon real property by the laws of the State of California at the date of the commencement of such foreclosure action. Such lien may, at the option of the Board of Directors, be enforced by sale by the Board of Directors acting on behalf of the Association, or, the Association shall be permitted to appoint a duly authorized representative or trustee for such sale after the failure of the delinquent owner to discharge such delinquency and the interest, costs and penalties accrued thereon, such sale to be conducted in accordance with the provisions of Section 2924, 2924b, and 2924c of the Civil Code of the State of California or in such other manner as is then permitted by law.

During the period that any member or members are delinquent in the payment of assessments the Board of Directors may deny any such member or members the right to vote.

Upon payment in full of any such assessment, together with accrued interest thereon, as to which a notice of lien has been recorded, the member will pay to the corporation a fee to be fixed by the Board of Directors to cover the cost and expense incident to the preparation of the notice of lien, the release of lien to which the member shall be entitled upon payment as aforesaid, and the costs of recording said notice and release.

In any action or proceeding to foreclose any such lien or sell any property pursuant to the power of sale herein given, the

corporation shall be entitled to such costs, including reasonable attorneys' fees and such penalties for delinquent charges and assessments as have been established by the corporation or shall otherwise be allowable by law, or, if applicable, a court of competent jurisdiction.

Assessments collected by the corporation shall first be used for the maintenance of the common recreational facilities from time to time existing, including but not limited to maintenance of landscaping and litter control. After performance of said maintenance assessments collected by the Association may be utilized for the acquisition, construction, improvement or maintenance of common recreational facilities in, upon or about any of the real property subjected to the covenants, conditions and restrictions, as aforesaid, or for any purpose which the Board of Directors may from time to time deem to be in the best interest of the members of the corporation or to be necessary or desirable for the benefit or protection of the members of the corporation or for the benefit or protection of any of the real property described in ARTICLE SECOND a) of the Articles of Incorporation of this corporation which has been subjected to covenants, conditions and restrictions, as aforesaid, or any portion thereof; provided, however, that said assessments may not be utilized for any capital expenditure in excess of One Thousand Dollars (\$1,000.00) unless said capital expenditure has been duly authorized by a majority vote of the members of the corporation in accordance with ARTICLE II, Section 3, hereinabove set forth; provided further, however, that said assessments shall always first be utilized by the corporation to maintain the common recreational facilities acquired by the corporation and situate in, upon or about the real property subjected to the covenants, conditions and restrictions hereinabove referred to.

Section 5. DISTRIBUTION TO MEMBERS.

No gains, profits, or dividends shall be distributed to the members of the corporation.

ARTICLE III MEETINGS OF MEMBERS

Section 1. PLACE OF MEETINGS.

The Board of Directors may designate any place within any of the territorial areas described in ARTICLE SECOND a) of the Articles of Incorporation of this corporation which have been subjected to covenants, conditions and restrictions, as aforesaid, as the place of meeting for any annual meeting of members or for any special meeting of members called as hereinafter provided. If no designation is made the place of meeting shall be at the principal office of the corporation, provided, however, that if all of the members of the corporation shall meet at any time and place, either within or without the State of California, and shall consent in writing to the holding of a meeting, such meeting shall be valid without call or notice, and at such meeting any corporate action may be taken.

Section 2. ANNUAL MEETING.

An annual meeting of the members shall be held on the 5th day of May in each year, at the hour of 4:30 P.M., for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of California, such meeting shall be held on the next succeeding business day. Notwithstanding the foregoing, however, the first annual meeting shall be held within six (6) months after the sale of the first lot in Oak Hills No. 7 subdivision.

Section 3. SPECIAL MEETINGS.

Special meetings of the members, for any purpose or purposes whatsoever, may be called at any time by the President, the Board

of Directors, or by any two or more members thereof, or by members holding not less than one-tenth of the voting power of the corporation.

Section 4. NOTICE OF MEETINGS.

Notice of meetings, annual or special, stating the place, date, and hour of any meeting of members shall be given in writing to members entitled to vote by the Secretary or the Assistant Secretary, or if there be no such officer, or in case of his neglect or refusal, by any Director or member.

Such notices shall be sent to the member's address appearing on the books of the corporation or supplied by him to the corporation for the purpose of notice not less than ten days nor more than sixty days before such meeting.

Notice of any special meeting of members shall specify, in the manner provided by law, the general nature of the business to be transacted.

When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting; save, as aforesaid, it shall not be necessary to give any notice of the adjournment or of the business to be transacted at an adjourned meeting other than by announcement at the meeting at which such adjournment is taken.

Section 5. CONSENT TO MEMBERS' MEETINGS.

The transactions of any meeting of members, however called and noticed, shall be valid as though had at a meeting duly held after regular call and notice if a quorum be present either in person or by proxy, and if, either before or after the meeting, each of the members entitled to vote, not present in person or by proxy, sign a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or be made a part of the minutes of the meeting.

Any action which may be taken at a meeting of the members, or any action required by law to be taken at a meeting of the members, may be taken without a meeting if authorized by a writing signed by all of the members who would be entitled to vote at a meeting for such purpose or purposes, and filed with the Secretary of the corporation.

Section 6. QUORUM.

The members holding a simple majority of the votes which may be cast at any meeting of the members, present in person or represented by proxy, shall be requisite and shall constitute a quorum at all meetings of the members for the transaction of business except as otherwise provided by law, by the Articles of Incorporation, or by these By-Laws. If a quorum is not present or represented at any meeting of members, the members entitled to vote thereat, present in person or by proxy, shall have the power to adjourn the meeting from time to time without further notice, until the requisite amount of votes shall be present. At such adjourned meeting at which the requisite amount of votes shall be represented, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 7. VOTING RIGHTS; CUMULATIVE VOTING.

Only members in whose names certificates entitled to vote stand on the membership records of the corporation on the day of

any meeting of members, unless some other day be fixed by the Board of Directors for the determination of members of record, then on such other day, shall be entitled to vote at such meeting.

For the election of directors every member entitled to vote shall be entitled to that number of votes equal to the number of directors to be elected multiplied by the number of votes which he would otherwise be entitled to vote.

Section 8. PROXIES.

Every member entitled to vote or execute consents shall have the right to do so either in person or by an agent or agents authorized by written proxy executed by such person or his duly authorized agent and filed with the Secretary of the corporation. The manner of execution, revocation, and use of proxies shall be governed by the general provisions of law.

ARTICLE IV DIRECTORS; MANAGEMENT

Section 1. POWERS.

Subject to the limitations of the Articles of Incorporation, of the By-Laws, and of the laws of the State of California as to action to be authorized or approved by the members, all corporate powers shall be exercised by or under authority of, and the business and affairs of this corporation shall be controlled by a Board of Directors.

Section 2. NUMBER AND QUALIFICATION.

The authorized number of Directors of the corporation shall be three (3), until changed by amendment to the Articles of Incorporation or by an amendment to this Section 2, ARTICLE IV of these By-Laws, adopted by the vote or written consent of the members entitled to exercise the majority of the voting power of the corporation.

Section 3. ELECTION AND TENURE OF OFFICE.

The Directors shall be elected by ballot at the annual meeting of the members, to serve for one year and until their successors are elected and have qualified. Their term of office shall begin immediately after election.

Section 4. VACANCIES.

Vacancies in the Board of Directors may be filled by a majority of the remaining Directors, though less than a quorum, or by a sole remaining Director, and each Director so elected shall hold office until his successor is elected at an annual meeting of members or at a special meeting called for that purpose.

The members may at any time elect a Director to fill any vacancy not filled by the Directors, and may elect the additional Directors at the meeting at which an amendment of the By-Laws is voted authorizing an increase in the number of Directors.

A vacancy or vacancies shall be deemed to exist in case of the death, resignation or removal of any Director, or if the members shall increase the authorized number of Directors but shall fail at the meeting at which such increase is authorized, or at an adjournment thereof, to elect the additional Directors so provided for, or in case the members fail at any time to elect the full number of authorized Directors.

If the Board of Directors accepts the resignation of a Director tendered to take effect at a future time, the Board, or

the members, shall have power to elect a successor to take office when the resignation shall become effective.

No reduction of the number of Directors shall have the effect of removing any Director prior to the expiration of his term of office.

Section 5. REMOVAL OF DIRECTORS.

The entire Board of Directors, or any individual Director, may be removed from office in the manner provided by law.

Section 6. PLACE OF MEETINGS.

Meetings of Directors shall be held at the principal office of the corporation as is designated for that purpose, from time to time, by resolution of the Board of Directors, or written consent of all of the members of the Board. Any meeting shall be valid, wherever held, if held by the written consent of all members of the Board of Directors, given either before or after the meeting and filed with the Secretary of the corporation.

Section 7. ORGANIZATION MEETINGS.

The organization meetings of the Board of Directors shall be held immediately following the adjournment of the annual meetings of the members at the same place that said annual meeting of members is held, and no notice thereof, other than this By-Law, need be given.

Section 8. OTHER REGULAR MEETINGS.

Regular meetings of the Board of Directors shall be held on the 5th day of September and January, at the hour of 4:30 P.M. at the principal office of the corporation. If said day shall fall upon a legal holiday, such meetings shall be held on the next succeeding business day thereafter. No notice need be given of such regular meetings.

Section 9. SPECIAL MEETINGS - NOTICE.

Special meetings of the Board of Directors for any purpose or purposes shall be called at any time by the President or if he is absent or unable or refuses to act, by any Vice President or by any two Directors.

Written notice of the time and place of special meetings shall be delivered personally to the Directors or sent to each Director by letter or by telegram, charges prepaid, addressed to him at his address as it is shown upon the records of the corporation, or if it is not so shown on such records or is not readily ascertainable, at the place in which the meetings of the Directors are regularly held. In case such notice is mailed or telegraphed, it shall be deposited in the United States mail or delivered to the telegraph company in the place in which the principal office of the corporation is located at least forty-eight (48) hours prior to the time of the holding of the meeting. In case such notice is delivered as above provided it shall be so delivered at least twenty-four (24) hours prior to the time of the holding of the meeting. Such mailing, telegraphing or delivery as above provided shall be due, legal and personal notice to such Director.

Section 10. WAIVER OF NOTICE.

When all the Directors are present at any Directors' meeting, however called or noticed, and sign a written consent thereto on the records of such meeting, or, if a majority of the Directors are present, and if those not present sign in writing a waiver of

notice of such meeting, whether prior to or after the holding of such meeting, which said waiver shall be filed with the Secretary of the corporation, the transactions thereof are as valid as if had at a meeting regularly called and noticed.

Section 11. NOTICE OF ADJOURNMENT.

Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place be fixed at the meeting adjourned.

Section 12. QUORUM.

A majority of the number of Directors as fixed by the Articles or By-Laws shall be necessary to constitute a quorum for the transaction of business, and the action of a majority of the Directors assembled, is valid as a corporate act, provided that a minority of the Directors, in the absence of a quorum, may adjourn from time to time, but may not transact any business.

ARTICLE V OFFICERS

Section 1. OFFICERS.

The officers of the corporation shall be a President, a Vice President, a Secretary and a Treasurer. The corporation may also have, in the discretion of the Board of Directors, a Chairman of the Board, one or more additional Vice Presidents, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other officers as may be appointed in accordance with the provisions of Section 3 of this Article. One person may hold two (2) or more offices, except those of President and Secretary.

Section 2. ELECTION.

The officers of the corporation, except such officers as may be appointed in accordance with the provisions of Section 3 or Section 5 of this Article shall be chosen annually by the Board of Directors, and each shall hold office until he shall resign or shall be removed or otherwise disqualified to serve, or his successor shall be elected and qualified.

Section 3. SUBORDINATE OFFICERS, ETC.

The Board of Directors may appoint such other officers as the business of the corporation may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided in the By-Laws or as the Board of Directors may from time to time determine.

Section 4. REMOVAL AND RESIGNATION.

Any officer may be removed, either with or without cause by a majority of the Directors at the time in office, at any regular or special meeting of the Board, or, except in case of an officer chosen by the Board of Directors, by any officer upon whom such power of removal may be conferred by the Board of Directors.

Any officer may resign at any time by giving written notice to the Board of Directors or to the President, or to the Secretary of the corporation. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. VACANCIES.

A vacancy in any office because of death, resignation, removal, disqualification or other cause shall be filled in the

manner prescribed in the By-Laws for regular appointments to such office.

Section 6. CHAIRMAN OF THE BOARD.

The Chairman of the Board, if there shall be such an officer, shall, if present; preside at all meetings of the Board of Directors, and exercise and perform such other powers and duties as may be from time to time assigned to him by the Board of Directors or prescribed by the By-Laws.

Section 7. PRESIDENT.

Subject to such supervisory powers, if any, as may be given by the Board of Directors to the Chairman of the Board, if there be such an officer, the President shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the corporation. He shall preside at all meetings of the members and in the absence of the Chairman of the Board, or if there be none, 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 By-Laws.

Section 8. VICE PRESIDENT.

In the absence or disability of the President, the Vice Presidents, in order of their rank as fixed by the Board of Directors, or if not ranked, the Vice Presidents designated by the Board of Directors, 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 Vice Presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board of Directors or the By-Laws.

Section 9. 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 number of members present or represented at members' meetings and the number of votes present or represented at members' meetings and the proceedings thereof.

The Secretary shall keep, or cause to be kept, at the principal office or at the office of the corporation's transfer agent, a register of members, or a duplicate register of members, showing the names of the members and their addresses; the number of votes to which each is entitled; the number and date of the membership certificate issued for the same, and the number and date of cancellation of every membership certificate surrendered for cancellation.

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 By-Laws or by law to be given; 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 the By-Laws.

Section 10. TREASURER.

The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, surplus and shares. Any surplus, including earned surplus, paid-in surplus, and surplus arising from a reduction of stated capital, shall be classified according to source and shown in a separate account. The books of account shall at all reasonable times be open to inspection by any Director.

The Treasurer shall deposit moneys and other valuables in the name and to the credit of the corporation with such depositaries 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 his transactions as Treasurer 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 or the By-Laws.

ARTICLE VI EXECUTIVE AND OTHER COMMITTEES

The Board of Directors may appoint an Executive Committee and such other committees as may be necessary from time to time, consisting of such number of its members and with such powers as it may designate, consistent with the Articles of Incorporation and By-Laws and the General Nonprofit Corporation Law of the State of California. Such committees shall hold office at the pleasure of the Board.

ARTICLE VII CORPORATE RECORDS AND REPORTS---INSPECTION

Section 1. RECORDS.

The corporation shall maintain adequate and correct accounts, books and records of its business and properties. All of such books, records and accounts shall be kept at its principal place of business in the State of California, as fixed by the Board of Directors from time to time.

Section 2. INSPECTION OF BOOKS AND RECORDS.

All books and records of the corporation shall be open to inspection of the Directors and members upon reasonable notice at all times during normal business hours.

Section 3. CERTIFICATION AND INSPECTION OF BY-LAWS.

The original or a copy of these By-Laws, as amended or otherwise altered to date, certified by the Secretary, shall be open to inspection by the members of the corporation in the manner provided by law.

Section 4. CHECKS, DRAFTS, ETC.

All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the corporation, shall be signed or endorsed by such person or persons and in such manner as shall be determined from time to time by resolution of the Board of Directors.

Section 5. CONTRACTS, ETC.---HOW EXECUTED.

The Board of Directors, except as in the By-Laws otherwise provided, may authorize any officer or officers, agent or agents, to

enter into any contract or execute any instrument in the name of and on behalf of the corporation. Such authority may be general or confined to specific instances. Unless so authorized by the Board of Directors, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement, or to pledge its credit, or to render it liable for any purpose or to any amount.

Section 6. ANNUAL REPORT.

The Board of Directors of the corporation shall cause an annual report to be sent to the members not later than thirty (30) days after the close of the fiscal or the calendar year.

ARTICLE VIII CERTIFICATES AND TRANSFER OF MEMBERSHIPS

Section 1. CERTIFICATES FOR MEMBERSHIPS.

Certificates for Membership shall be of such form and device as the Board of Directors may designate and shall state the name of the owner or owners of the membership represented thereby, its number, date of issuance, a statement of the restrictions upon transfer, and a statement that the membership is assessable.

Every Certificate of Membership shall be signed by the President or a Vice President and by the Secretary or an Assistant Secretary.

Section 2. TRANSFER ON THE BOOKS.

Each and every owner or owners of any real property situate within any of the territorial areas described in ARTICLE SECOND a) of the Articles of Incorporation of the corporation, which said territorial areas have been subjected to the covenants, conditions and restrictions hereinabove referred to, or any lot or parcel thereof, immediately upon acquiring title thereto shall, by reason of such ownership, become a member in the corporation and shall be entitled to all rights and privileges pertaining thereto and shall, upon exhibiting evidence of such ownership to the Secretary of the corporation, together with the membership certificate of the member or members from whom said person or persons derived said ownership duly endorsed or other satisfactory evidence of succession, assignment or authority to transfer, shall be entitled to a membership certificate and the Secretary shall thereupon cancel the old membership certificate, issue such new membership certificate as may be appropriate, and record the transaction upon the books of the corporation.

Section 3. LOST OR DESTROYED CERTIFICATES.

Any person claiming a Certificate of Membership to be lost or destroyed shall make an affidavit or affirmation of that fact and advertise the same in such manner as the Board of Directors may require and shall, if the Directors so require, give the corporation a bond of indemnity, in form and with one or more sureties satisfactory to the Board of Directors in at least double the then value of the membership as determined by the Board of Directors, whereupon a new Certificate of Membership may be issued of the same tenor and carrying the same rights as the one alleged to be lost or destroyed.

Section 4. CLOSING MEMBERSHIP TRANSFER BOOKS.

The Board of Directors may close the membership transfer books in their discretion for a period not exceeding thirty (30) days preceding any meeting, annual or special, of the members.

ARTICLE IX
CORPORATE SEAL

The corporate seal shall be circular in form, and shall have inscribed thereon the name of the corporation, the date of its incorporation, and the word "California".

ARTICLE X
AMENDMENTS TO BY-LAWS

Section 1. BY MEMBERS.

New By-Laws may be adopted or these By-Laws may be repealed or amended at their annual meeting, or at any other meeting of the members called for that purpose, by a vote of members entitled to exercise the majority of the voting power of the corporation, or by the written assent of such members.

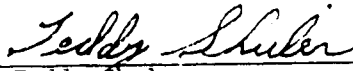
Section 2. RECORD OF AMENDMENTS.

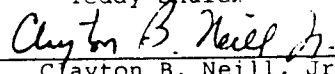
Whenever an amendment or new By-Law is adopted, it shall be copied in a book of By-Laws with the original By-Laws, in the appropriate place. If any By-Laws or By-Law is repealed, the fact of repeal with the date of the meeting at which the repeal was enacted or written assent was filed shall be stated in said book.


KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, being all of the persons appointed in the Articles of Incorporation to act as the first Board of Directors of OAK HILLS HOMEOWNERS ASSOCIATION, hereby assent to the foregoing By-Laws, and adopt the same as the By-Laws of said corporation.

IN WITNESS WHEREOF, we have hereunto set our hands this
6th day of June, 1974.



Teddy Shuler


Clayton B. Neill, Jr.


Kent Mitchell

THIS IS TO CERTIFY that I am the duly elected, qualified and acting Secretary of OAK HILLS HOMEOWNERS ASSOCIATION, a California Nonprofit Corporation, and that the above and foregoing By-Laws were adopted as the By-Laws of said corporation on the 6th day of June, 1974, by the persons appointed in the Articles of Incorporation to act as the First Directors of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand this 6th
day of June, 1974.



Secretary

CERTIFICATE OF AMENDMENT OF BY-LAWS OF
OAK HILLS HOMEOWNERS ASSOCIATION,
A CALIFORNIA NONPROFIT CORPORATION

I, KENT MITCHELL, the duly elected and acting Secretary of Oak Hills Homeowners Association, a California nonprofit corporation, do hereby certify at a special meeting of the Board of Directors of said corporation held on Oct. 14, 1975, ARTICLE II, Section 4. of the By-Laws of said corporation, were amended to read as follows:

ARTICLE II

Section 4. ASSESSMENTS

The Board of Directors shall annually fix, determine, levy and collect from the members of the corporation such assessments as the Board of Directors may from time to time deem to be in the best interest of its members or to be necessary or desirable for the protection of its members or for the benefit or protection of any of the real property described in ARTICLE SECOND a) of the Articles of Incorporation of this corporation which has been subjected to covenants, conditions and restrictions as aforesaid, or any lot, lots, parcel or parcels thereof. The annual assessment upon each single-family lot or parcel (building site), situate within the real property described in ARTICLE SECOND a) of the Articles of Incorporation of this corporation which has been subjected to covenants, conditions and restrictions, as aforesaid, shall not exceed the sum of Two Hundred Dollars (\$200.00); provided, however, that said maximum annual assessment may be increased in accordance with the consumer price index, as follows: On December 15, 1974, and on December 15 of each year thereafter, the maximum annual assessment shall be the sum obtained by multiplying \$200.00 by a fraction of which the denominator is the cost of living for the month of November, 1973, as reflected in the consumer price index for all items in the San Francisco-Oakland area (as determined by the U. S. Department of Labor, Bureau of Labor Statistics, or any successor index), and the numerator is the cost of living as reflected in the same index for the month of November immediately preceding such adjustment date. Each lot or parcel shall be assessed on a pro-rata basis based upon the total number of single-family lots or parcels subject hereto. Except as hereinabove provided for cost of living increases the maximum annual assessment hereinabove specified shall not be increased save and except by a two-thirds (2/3rds) majority vote of the members of the corporation in accordance with ARTICLE II, Section 3. hereinabove set forth; provided, however, that the votes of MONTEREY SAVINGS AND LOAN ASSOCIATION, a corporation, if any, shall be excluded in determining if said two-thirds (2/3rds) majority exists.

The Board of Directors shall fix and determine the amount of the assessment during the month of January for each calendar year. All assessments shall be due and payable and shall become a lien upon the real property owned by the respective members of

the corporation and situate within any of the territorial areas described in ARTICLE SECOND a) of the Articles of Incorporation of this corporation which are subjected to the covenants, conditions and restrictions as aforesaid of the first day of February of the calendar year for which they have been assessed. The lien of all such assessments shall continue in force until the same have been paid in full. Furthermore, if the same shall not have been paid by May 15 of the calendar year for which they have been assessed, interest shall accrue on the amount of any such assessments at the rate of seven percent (7%) per annum from said date of May 15 to date of payment and the corporation may, but need not, record a notice of lien upon the real property owned by any such member or members and subject to any such assessments. The notice of lien shall be recorded in the office of the Monterey County Recorder and shall contain a description of the real property which is subject to the lien, the amount of the lien and the date that the same became a lien upon the subject real property. A copy of said notice of lien shall be mailed to the member or members owning any such real property at such member's address of record as shown upon the books of the corporation within ten (10) days after recordation of same together with the statement that the Board of Directors may elect to foreclose the lien of said assessment if same be not paid within thirty (30) days from date of mailing thereof.

The Board of Directors shall have the power to foreclose the lien of any delinquent assessment as and in the same manner as is provided for the foreclosure of a mortgage upon real property by the laws of the State of California at the date of the commencement of such foreclosure action. Such lien may, at the option of the Board of Directors, be enforced by sale by the Board of Directors acting on behalf of the Association, or, the Association shall be permitted to appoint a duly authorized representative or trustee for such sale after the failure of the delinquent owner to discharge such delinquency and the interest, costs and penalties accrued thereon, such sale to be conducted in accordance with the provisions of Section 2924, 2924b, and 2924c of the Civil Code of the State of California or in such other manner as is then permitted by law.

During the period that any member or members are delinquent in the payment of assessments the Board of Directors may deny any such member or members the right to vote.

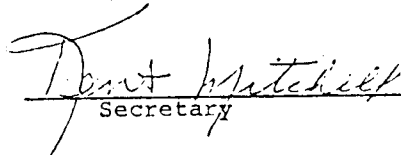
Upon payment in full of any such assessment, together with accrued interest thereon, as to which a notice of lien has been recorded, the member will pay to the corporation a fee to be fixed by the Board of Directors to cover the cost and expense incident to the preparation of the notice of lien, the release of lien to which the member shall be entitled upon payment as aforesaid, and the costs of recording said notice and release.

In any action or proceeding to foreclose any such lien or sell any property pursuant to the power of sale herein given, the corporation shall be entitled to such costs, including reasonable attorneys' fees and such penalties for delinquent charges and assessments as have been established by the corporation or shall otherwise be allowable by law, or, if applicable, a court of competent jurisdiction.

Assessments collected by the corporation shall first be used for the maintenance of the common recreational facilities from time to time existing, including but not limited to maintenance of landscaping and litter control. After performance of said maintenance

assessments collected by the Association may be utilized for the acquisition, construction, improvement or maintenance of common recreational facilities in, upon or about any of the real property subjected to the covenants, conditions and restrictions, as aforesaid, or for any purpose which the Board of Directors may from time to time deem to be in the best interest of the members of the corporation or to be necessary or desirable for the benefit or protection of the members of the corporation or for the benefit or protection of any of the real property described in ARTICLE SECOND a) of the Articles of Incorporation of this corporation which has been subjected to covenants, conditions and restrictions, as aforesaid, or any portion thereof; provided, however, that said assessments may not be utilized for any capital expenditure in excess of One Thousand Dollars (\$1,000.00) unless said capital expenditure has been duly authorized by a majority vote of the members of the corporation in accordance with ARTICLE II, Section 3, hereinabove set forth; provided further, however, that said assessments shall always first be utilized by the corporation to maintain the common recreational facilities acquired by the corporation and situate in, upon or about the real property subjected to the covenants, conditions and restrictions hereinabove referred to.

IN WITNESS WHEREOF, I have hereunto subscribed my name this
14th day of October, 1975.


Secretary

CERTIFICATE OF AMENDMENT OF BY-LAWS OF
OAK HILLS HOMEOWNERS ASSOCIATION,
A CALIFORNIA NONPROFIT CORPORATION

I, MARGARET PRICE, the duly elected and acting Secretary of Oak Hills Homeowners Association, a California nonprofit corporation, do hereby certify that, of the 255 votes eligible to be cast in said corporation, 144 votes were cast in writing to approve amendment of the By-laws of said corporation as of March 8, 1978, and therefor ARTICLE III, Section 2; ARTICLE IV, Sections 2, 3, and 8; and ARTICLE V, Section 2, are amended as follows:

ARTICLE III
MEETINGS OF MEMBERS

Section 2. ANNUAL MEETING.

An annual meeting of the members shall be held on the 1st Tuesday of May in each year, at the hour of 7:00 P.M., for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of California, such meeting shall be held on the next succeeding business day thereafter.

ARTICLE IV
DIRECTORS; MANAGEMENT

Section 2. NUMBER AND QUALIFICATION.

The authorized number of Directors of the corporation shall be nine (9), until changed by amendment to the Articles of Incorporation or by an amendment to this Section 2, ARTICLE IV of these By-Laws, adopted by the vote or written consent of the members entitled to exercise the majority of the voting power of the corporation.

Section 3. NOMINATION, ELECTION AND TENURE OF OFFICE.

The Board of Directors, at their regular Board meeting held each January, shall appoint five (5) members of the corporation to serve as a Nominating Committee.

The Nominating Committee shall prepare a slate of the same number of candidates as the number of Directors to be elected that year. At any time not less than thirty (30) days prior to the annual meeting of the members, any two (2) members of the corporation entitled to vote or execute consents may nominate any other member for candidate for Director, by filing such nomination in writing with the Secretary, with the written acceptance of the nominee endorsed thereon.

The Secretary shall cause to be prepared in sufficient number for the election a ballot containing in alphabetical order the names of all members regularly nominated for Director, with appropriate space beside the names for the voter to indicate by mark his choice among the candidates. A list containing in alphabetical order the names of all candidates shall be mailed to the members together with the notice of the annual meeting and contain a proxy form which may be executed and filed in the manner prescribed in Section 8, ARTICLE III, PROXIES.

The Directors shall be elected by secret ballot at the annual meeting of the members. At the annual meeting of the members held in May of 1978, nine (9) Directors shall be elected of which three (3) shall serve for one (1) year; three (3) shall serve for two (2) years; and three (3) shall serve for three (3) years. Thereafter, all Directors elected shall serve for three (3) years. The term of office of any Director shall begin immediately after election and shall continue until their successors have been elected and have qualified.

Section 8. OTHER REGULAR MEETINGS.

Regular meetings of the Board of Directors shall be held on the 1st Wednesday of September and January, at the hour of 7:00 P.M., at the principal office of the corporation. If said day shall fall upon a legal holiday in the State of California, such meetings shall be held on the next succeeding business day thereafter. No notice need be given of such regular meetings.

ARTICLE V
OFFICERS

Section 2. ELECTION.

The officers of the corporation, except such officers as may be appointed in accordance with the provisions of Section 3 or Section 5 of this ARTICLE V shall be chosen annually by the Board of Directors, and each shall hold office until he shall resign or shall be removed or otherwise disqualified to serve, or until his successor shall be elected and qualified. The executive officers, except the Secretary and the Treasurer, must be elected from among members of the Board of Directors. The Secretary and the Treasurer must be members of the corporation.

IN WITNESS WHEREOF, I have hereunto subscribed my name this
8th day of March, 1978.

Margaret L. Price
Secretary

CERTIFICATE OF AMENDMENT OF BY-LAWS OF
OAK HILLS HOMEOWNERS ASSOCIATION,
A CALIFORNIA NONPROFIT CORPORATION

I, MARGARET PRICE, the duly elected and acting Secretary of Oak Hills Homeowners Association, a California nonprofit corporation, do hereby certify that, of the 255 votes eligible to be cast in said corporation, ARTICLE II, Section 4 was approved with a written vote of 102 for and 29 against, and ARTICLE II, Section 6 (new section) was approved with a written vote of 105 for and 25 against. As of February 22, 1979, the By-Laws of said corporation are amended as follows:

ARTICLE II
MEMBERS

Section 4. ASSESSMENTS.

(Paragraph 7)

Assessments collected by the corporation shall first be used for the maintenance of the common recreation facilities from time to time existing, including but not limited to maintenance of landscaping and litter control. After performance of said maintenance, assessments collected by the Association may be utilized for the acquisition, construction, improvement or maintenance of common recreational facilities in, upon or about any of the real property subjected to the covenants, conditions or restrictions, as aforesaid, or for any purpose which the Board of Directors may from time to time deem to be in the best interests of the members of the corporation or to be necessary or desirable for the benefit or protection of any of the real property in ARTICLE SECOND (a) of the Articles of Incorporation of this corporation which has been subjected to covenants, conditions and restrictions, as aforesaid, or any portion thereof; provided, however, that said assessments may not be utilized for any capital expenditure in excess of Five Thousand Dollars (\$5,000.00) unless said capital expenditure has been duly authorized by a majority vote of the members of the corporation in accordance with ARTICLE II, Section 3, hereinabove set forth; provided further, however, that said assessments shall always first be utilized by the corporation to maintain the common recreational facilities acquired by the corporation and situate in, upon or about the real property subjected to the covenants, conditions and restrictions hereinabove referred to.

ARTICLE II
MEMBERS

Section 6. ASSIGNMENT OF PRIVILEGES. (New Section)

In the event that the owner of real property as covered by and described in these By-Laws should rent or lease in its entirety any single-family residential lot to another party, hereinafter known as the tenant, and the owner himself as well as his immediate family cease to reside in or on said lot, the owner shall have the right to assign to the tenant those rights and privileges (EXCEPT THAT VOTING RIGHTS CANNOT BE SO ASSIGNED) accruing to members in good standing of Oak Hills Homeowners Association. Such assignment must be made in writing and filed with the Secretary. Notwithstanding any of the foregoing

provisions, such assignment must be approved by the Board of Directors and will not become effective until and unless such approval is given. Under no circumstances can an assignment of privileges be made to any person who is not a resident of Oak Hills Units Nos. 7, 8, or 9. Such assignment does not relieve the owner of his legal obligation to pay, in a timely manner, the assessments on such property. When assignment is made and approved as provided above, the owner forfeits all rights and privileges (except voting) which result from ownership of the lot so rented or leased.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 22nd day of February, 1979.

Margaret J. Price
Secretary

CERTIFICATE OF AMENDMENT OF BY-LAWS OF
OAK HILLS HOMEOWNERS ASSOCIATION,
A CALIFORNIA NONPROFIT CORPORATION


I, TERRY JARRETT, the duly elected and acting President of the Oak Hills Homeowners Association, a California nonprofit corporation, do hereby certify that, of the 253 votes eligible to be cast in said corporation, 136 votes were cast in writing to approve amendment of the By-Laws of said corporation as of December 4, 1991, and therefore ARTICLE IV, Section 2 is amended as follows:

ARTICLE IV
DIRECTORS; MANAGEMENT

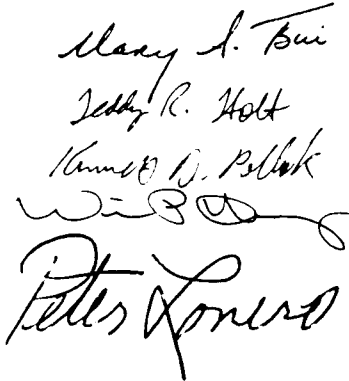
Section 2. NUMBER AND QUALIFICATION.

The authorized number of Directors of the corporation shall be seven (7), until changed by amendment to the Article of Incorporation or by an amendment to this Section 2, ARTICLE IV of these By-Laws, adopted by the vote or written consent of the members entitled to exercise the majority of the voting power of the corporation.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 4th day of December, 1991.



TERRY JARRETT
President



**CERTIFICATE OF AMENDMENT OF BY-LAWS OF
OAK HILLS HOMEOWNERS ASSOCIATION,
A CALIFORNIA NONPROFIT CORPORATION**

I, TOM DOMINY, the duly elected and acting President of the Oak Hills Homeowners Association, a California nonprofit corporation, do hereby certify that, of the 269 votes eligible to be cast in said corporation, 143 votes were cast in writing to approve amendment of the By-Laws of said corporation as of September 2, 2015, and therefore ARTICLE IV, Section 2 is amended as follows:

**ARTICLE IV
DIRECTORS; MANAGEMENT**

Section 2. NUMBER AND QUALIFICATION.

The authorized number of Directors of the corporation shall be Nine (9), until changed by an amendment to the Article of Incorporation or by an amendment to this Section 2, ARTICLE IV of these By-Laws, adopted by the vote or written consent of the members entitled to exercise the majority of the voting power of the corporation.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 16th day of September, 2015.



TOM DOMINY
President