

(g) Appoint a paid manager responsible to the Board and delegate to such manager the authority to manage the Properties..

Section 6.3. Prohibitions: The Board shall be prohibited from taking any of the following actions, except with the vote or written assent of a majority of the total voting power of the Master Association and a majority of the votes of Members other than Declarant or any Participating Builders:

(a) Incurring aggregate capital expenditures in any fiscal year in excess of five percent (5%) of the budgeted gross expenses of the Master Association for that fiscal year.

(b) Selling during any fiscal year property of the Master Association having an aggregate fair market value greater than five percent (5%) of the budgeted gross expenses of the Master Association for that fiscal year.

(c) Paying compensation to Members of the Board or to officers of the Master Association for services performed in the conduct of the Master Association's business provided, however, that the Board may cause a Member or officer to be reimbursed for expenses incurred in carrying on the business of the Master Association.

(d) Filling a vacancy on the Board of Directors created by the removal of a director.

(e) Initiate legal proceedings in a superior court of the State of California, except (1) an action to judicially foreclose an assessment lien pursuant to the Master Declaration, (2) an action to enforce Master Declaration, Bylaws, Articles of Incorporation, Rules and Regulations and the decisions of the Architectural Review Committee and/or Board of Directors, or (3) to cross-complain in any municipal or superior court action brought against the Master Association as a party defendant.

## ARTICLE VII

### OFFICERS AND THEIR DUTIES

Section 7.1. Enumeration of Officers: The officers of the Master Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, and chief financial officer, and such other officers as the Board may from time to time by resolution create.

Section 7.2. Election of Officers: The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 7.3. Term: The officers of the Master Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 7.4. Special Appointments: The Board may elect such other officers as the affairs of the Master Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 7.5. Resignation and Removal: Any officer may be removed from office by the Board with or without cause. Any officer may resign at any time by giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 7.6. Vacancies: A vacancy in any office may be filled by appointment by the Board. The Officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7.7. Multiple Offices: The offices of secretary and chief financial officer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Article VIII, below.

Section 7.8. Duties: The duties of the officers are as follows:

(a) President: The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deed and other written instruments and shall co-sign all checks and promissory notes.

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

(c) Secretary: The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; serve notice of

meetings of the Board and of the members; keep appropriate current records showing the members of the Master Association together with their addresses, and shall perform such other duties as required by the Board.

(d) Chief Financial Officer: The chief financial officer shall receive and deposit in appropriate bank accounts all monies of the Master Association and shall disburse such funds as directed by resolution of the Board of Directors; shall co-sign all checks and promissory notes of the Master Association and shall keep or cause to be kept proper books of account.

Section 7.9. Compensation: Without the prior vote or written assent of a majority of the voting power of the Master Association and a majority of the votes of Members other than Declarant or any Participating Builders, no officer shall receive compensation for any service he may render to the Master Association. However, any officer may be reimbursed for his actual expenses incurred in the performance of his duties.

## ARTICLE VIII

### COMMITTEES

The Master Association shall appoint an Architectural Control Committee, as provided in the Master Declaration, and a Nominating Committee, as provided in these Bylaws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

## ARTICLE IX

### BOOKS AND RECORDS

Section 9.1. Availability of Records: The membership register, books of account and minutes of meetings of the members of the Board and of committees of the Board shall be made available for inspection and copying by any Member, or by his duly-appointed representative, at any reasonable time and for a purpose reasonably related to his interest as a Member, at the office of the Master Association or at such other place within the Properties as the Board shall prescribe. The Board shall make available to any prospective purchaser of a Condominium or Lot, any Owner of a Condominium or Lot, any first Mortgagee, and the holders, insurers and guarantors of a first Mortgage on any Condominium or Lot, current copies of the Master Declaration, the Articles of Incorporation, the Bylaws, rules governing the Project and all other books, records and financial statements of the Master Association when requested in writing and when accompanied by a reasonable