

**SIXTH AMENDED AND RESTATED BYLAWS OF THE
GREATER INLAND EMPIRE CHAPTER OF THE
COMMUNITY ASSOCIATIONS INSTITUTE**

**ARTICLE I
NAME AND OFFICE**

SECTION 1. Name. The name of this organization shall be The Greater Inland Empire Chapter of the Community Associations Institute (the "Chapter").

SECTION 2. Incorporation: Registered Office. The Chapter is a corporation, incorporated in the state of California, located in the County of Riverside, State of California, and is a chapter of the Community Associations Institute ("CAI"). The Board of Directors is granted full power and authority to change the principal office from one location to another in the County, or from one county to another. Any change shall be noted by the Secretary opposite this Article, but shall not be considered an amendment of the Bylaws.

**ARTICLE II
DEFINITIONS**

SECTION 1. Definitions.

- a. "At-Large Member" means a member of Community Associations Institute who falls within one of the classes of membership as defined in Article III, Section 3.
- b. "Board of Directors" means the Board of Directors of the Chapter and "Director" means a member of the Board of Directors.
- c. "Board of Trustees" means the Board of Trustees of CAI and "Trustee" means a member of CAI's Board of Trustees.
- d. "CAI's Bylaws" means the Bylaws of CAI as the same may be amended or replaced.
- e. "Community Association" means any incorporated or unincorporated association, trust or other entity comprised of interests in a residential, commercial, or industrial condominium, real estate cooperative, planned unit development or other real estate common interest community.
- f. "Company" shall mean a business incorporated according to the laws of a state, a limited liability corporation, a partnership, or other relationship of individuals providing a

service or products to others.

g. “Member” means a member of the Greater Inland Empire Chapter of CAI.

h. “Member in Good Standing” means a member whose rights have not been suspended by the Chapter or CAI.

i. “Membership Representation Group” means the following categories of membership: Professional Community Association Managers/Management Companies, Community Association Volunteers, and Business Partners.

ARTICLE III MEMBERSHIP

SECTION 1. General Requirements. Applications for membership within CAI and within any class of membership of CAI shall be approved in accordance with the terms of CAI’s Bylaws and such rules, procedures and limitations as may be established by the Board of Trustees from time to time. CAI shall have the right to determine the appropriate class of membership for any Member. Membership in CAI is authorized by CAI. Members are automatically assigned to a CAI certified chapter in accordance with established chapter boundaries.

SECTION 2. Conflict of Interest. All Board of Trustees members, Legislative Action Committee members, members of Membership Representation Groups, Committee members and Chapter board members shall comply with the conflict of interest policies adopted by the Board of Trustees and stricter policies as may be established by the Chapter.

SECTION 3. Classes of Members. The membership of CAI shall consist of the following:

a. Community Association Volunteers. All individuals residing in a community association are eligible for membership as a Community Association Volunteer, including, without limitation, individuals living in community associations who have a volunteer role within their community association. Volunteer roles include, but are not limited to, being a member or officer of the governing body of the community association, participating on a volunteer committee or committees, acting as the newsletter editor for the community, or any other volunteer function sanctioned by the community association. Community Association Volunteers will be considered as individual Members of CAI. Community associations purchasing the membership on behalf of a community association volunteer or volunteers, shall own each such membership and shall be permitted to transfer each membership to one other volunteer in the community association during the term of the membership or upon renewal of the

membership. Individuals purchasing a membership with their personal funds shall be the only individual entitled to exercise the rights of membership and such membership shall not be transferable.

b. Community Managers. This class of Members shall consist of professional managers of all types of association-governed communities including, but not limited to, condominium associations, town home associations, cooperative associations, homeowner associations, large-scale communities, and planned communities. All managers of association-governed communities fall within this class of Members, regardless of whether they are on-site managers, portfolio managers, large-scale managers, are employed by a management company or have any other employment relationship. Those persons who have previously served in one of the roles in the preceding sentence and serve in a capacity of managing other managers shall be a Member of this class. A management company or employer of a manager purchasing the individual membership on behalf of a manager or managers, shall own each such membership and shall be permitted to transfer each membership to another manager during the membership term or upon renewal of the membership, but only in the event the manager originally identified is no longer employed with the management company. Individuals purchasing a membership with their personal funds shall be the only individual entitled to exercise the rights of membership and such membership shall not be transferable.

c. Business Partners. This class of Members shall consist of professionals and other providers of products, services, support, and counsel to association-governed communities, including developers of such communities. This class of Members shall not include community association management companies or managers of association-governed communities. The company, partnership, corporation or other business entity may transfer a contact designation to another individual in the company, partnerships, corporation or other business entity during the membership term or upon renewal of the membership. Employees of a business partner member will be permitted to attend classes, functions, conferences, to purchase products and services at membership prices, and be elected to committees or the Board of Directors. Business partner members shall be entitled to cast one vote on any and all matters required to be voted upon by the members and shall have such other rights, privileges and responsibilities as the Board of Directors may determine from time to time, provided those rights and privileges are consistent with those determined by the Board of Trustees. The primary contact for the business partner membership may have the right to cast a vote or the right to designate one individual from the company to cast a vote.

d. Management Companies. This class of Members shall consist of community association management companies. Each management company membership shall include an individual manager membership to be held by the CEO or equivalent of the

management company. Whenever the term “CEO of a management company” is used in these Bylaws, it shall mean the CEO or equivalent of a management company. Management companies shall not transfer this manager membership to multiple managers during the course of the membership term for the purpose of obtaining membership pricing for managers who do not hold an individual manager membership. Employees of the management company, who are not employed to manage or provide services to association-governed communities, may attend classes and functions at the membership price.

SECTION 4. Rights and Privileges.

a. Chapter Rights and Privileges. Each Member in good standing of the Chapter shall be entitled to cast one vote on any and all matters required to be voted upon by Members and shall have such other rights, privileges and responsibilities as the Board of Directors shall determine from time to time. Except as otherwise provided in these Bylaws, and subject to eligibility requirements, each Member in good standing shall be eligible to serve on the Chapter Board of Directors and committees.

b. CAI Rights and Privileges. Each Member in good standing of CAI shall be entitled to cast one vote on any and all matters required to be voted upon by Members and shall have such rights, privileges and responsibilities as the Board of Trustees shall determine from time to time. Except as otherwise provided in these Bylaws, and subject to eligibility requirements, each Member in good standing shall be eligible to serve on the CAI Board of Trustees, Membership Representation Groups, and committees.

SECTION 5. Member Discipline. The Board of Directors may suspend certain membership rights and privileges resulting from nonpayment of amounts due and owing to the Chapter or CAI, or other cause, by a two-thirds (b) vote of those directors present at a duly-convened Board of Directors meeting. Before any action is taken, the Board of Directors shall provide the member with written notice and an opportunity to be heard. No Member may be expelled or suspended and no memberships may be terminated or suspended except according to the minimum procedural requirements of Section 7341 of the California Corporations Code.

ARTICLE IV ANNUAL DUES

The Board of Trustees shall determine the amount of annual dues, fees, and other assessments to be paid to CAI by each class of members. Unless terminated, each membership shall continue automatically from year to year, with annual dues, fees, and other assessments payable by each Member on or before such date as shall be determined by the Board of Trustees. Unless otherwise directed by the Board of

Trustees, all annual dues, fees, and other assessments shall be paid to CAI in advance of the 12-month period to which they relate. The Board of Trustees may from time to time impose such other fees and charges as it deems proper and may waive or modify the requirement to pay dues, fees or charges for particular Members.

ARTICLE V MEETINGS OF MEMBERS

SECTION 1. Annual Meeting. There shall be an annual meeting of the Members of the Chapter in September of each year for the transaction of such business as may properly come before the meeting or any adjournment thereof. The annual meeting shall be held at such time and place as the Board of Directors may determine, subject to the following: The meeting must be held in sufficient time for selection of a president-elect who can attend the designated national meeting for president-elect training of CAI. Written notice of such meeting stating the date, time and place of such meeting shall be sent to each Member, at the last address shown on the Chapters' records, at least 15 days and not more than ninety (90) days before the date of the meeting, or as provided by state law.

SECTION 2. Special Meetings. Special Meetings of the members may be called for any lawful purpose by the Board, the President, or by written request signed by Members representing at least five percent (5%) of the total voting power of the corporation. A special meeting called by any person (other than the Board) entitled to call a meeting shall be made by submitting a written request, specifying the general nature of the business to be transacted, to the President, the President-Elect, the Vice-President, or Secretary of the corporation. The officer receiving the request shall promptly cause notice to be given to the Members in the manner provided by California Corporations Code Section 7511(c).

SECTION 3. Quorum. A quorum for any meeting of the Members shall be twenty-five percent (25%) of the voting membership, either in person or by proxy. At any duly-noticed meeting of the Members at which a quorum is present, the act of a majority of the members present, in person or by proxy, shall be the act of the Chapter on any matter, except where the act of a greater number of Members is required by law, the Articles of Incorporation or these Bylaws. If a quorum is not present at any duly noticed meeting of the Members, a majority of the members present may adjourn the meeting from time to time, without further notice, until a quorum is present.

SECTION 4. Voting and Proxies. Voting on all matters may be conducted by mail, telephone call, telegram, cablegram, electronic mail, or any other means of electronic or telephonic communication; provided that the Member shall state, or submit information

from which it can be determined, that the method of voting was authorized by the Member. Members in good standing shall be eligible to cast one (1) vote, in person or by proxy, on all matters before the annual or any special meeting of the Members. A majority of those persons voting, in person or by proxy, shall decide an issue. Each member entitled to vote shall have the right to do so either in person or by one (1) or more agents authorized by written proxy signed by the person and filed with the Secretary of the Association not later than 5:00 p.m. on the day preceding the date on which the meeting of the Members is first scheduled at such address as may from time to time be determined by the Board of Directors.

SECTION 5. Electronic Communications. Whenever these Bylaws require that a document, record or instrument (including a proxy) be “written” or “in writing,” the requirement is deemed satisfied by an electronic record if the Board of Directors has affirmatively published regulations permitting an electronic record or document as a substitute for a written item.

Whenever these Bylaws require a signature on a document, record or instrument, an electronic signature satisfies that requirement only if: (a) the Board of Directors has affirmatively published regulations permitting an electronic signature as a substitute for a written signature; and (b) the electronic signature is easily recognizable as a secure, electronic signature which is capable of verification, under the sole control of the signatory, and attached to the electronic document in such a way that the document cannot be modified without invalidating the signature; or (c) the Board of Directors reasonably believes that the signatory affixed the electronic signature with the intent to sign the electronic document, and that the electronic document has not been modified since the signature was affixed.

The Board of Directors may require reasonable verification of any electronic signature, document, record or instrument. Absent or pending verification, the Board may refuse to accept any electronic signature or electronic record that, in the Board’s sole discretion, is not clearly authentic. Neither the Board of Directors nor the Chapter shall be liable to any Member for accepting or acting in reliance upon an electronic signature or electronic record which the Board reasonably believes to be authentic, or rejecting any such item which the Board reasonably believes not to be authentic. Any Member who negligently, recklessly or intentionally submits any falsified electronic record or unauthorized electronic signature shall fully indemnify the Chapter for actual damages, reasonable attorneys’ fees actually incurred and expenses incurred as a result of such acts.

SECTION 6. Action Taken Without a Meeting. In the Board’s discretion, any action that may be taken by the Members at any annual or special meeting may be taken without a meeting by written ballot or written consent as provided below.

a. Written Ballot. A written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written ballot shall be valid only when the vote cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the vote of approval equals or exceeds that which would be required to approve the matter at a meeting at which the total votes cast was the same as the vote cast by ballot.

All solicitations for votes by written ballot shall (a) indicate the number of responses needed to meet the quorum requirements; (b) state the percentage of approvals necessary to approve each matter, other than election of Directors; and (c) specify the time by which such ballot must be received by the Board of Directors in order to be counted. A ballot may not be revoked. The Chapter shall maintain such ballots in its files for at least three (3) years.

Approval of any action taken by written ballot shall be effective upon receipt of the affirmative vote necessary to take such action.

b. Written Consent. Approval by written consent shall be valid only when the affirmative written consents equals or exceeds the vote that would be required to approve the matter at a meeting. Consents shall be filed with the minutes of the next following Membership meeting. Approval of any action taken by written consent shall be effective ten (10) days after sending the notice of approval described below.

c. Notice to Members of Approval. If an action of the Chapter membership is approved by written ballot or written consent, the Board of Directors shall issue notice of such approval to all Members.

SECTION 7. Order and Conduct of Business. The President shall establish the agenda for, and preside at, and the Secretary shall keep the minutes of, all membership meetings. The Board of Directors may establish rules of conduct and the order of business for all membership meetings. When not in conflict with these Bylaws, the Articles of Incorporation, or meeting procedures adopted by the Board of Directors, Robert's Rules of Order (latest edition) shall govern all membership meetings. The Board may order the removal of anyone attending a membership meeting who, in the opinion of the Board, disrupts the conduct of the business at such a meeting. The use of Robert's Rules of Order may be partially or wholly suspended by majority vote of the Members. In the event of any dispute concerning the meaning of any meeting rules, including Robert's Rules of Order, the decision of the President, who may consult with counsel, shall be final and binding.

ARTICLE VI. BOARD OF DIRECTORS

SECTION 1. Powers of the Board of Directors. The Board of Directors shall have supervision, control and direction of the affairs and property of the Chapter, shall actively pursue the purposes and objectives of the Chapter and CAI, shall insure that the Chapter and its Bylaws comply with the policies and procedures of CAI, and shall have discretion in the use and disbursement of Chapter funds. The Board of Directors may adopt such rules, regulations and procedures for the conduct of its business, for the execution of its powers, for the implementation of these Bylaws and for the fulfillment of the purposes and objectives of the Chapter and CAI as it shall deem necessary or advisable.

SECTION 2. Composition of the Board. The Board of Directors shall be composed of fifteen (15) members elected at large by the membership. Only members in good standing with the Chapter and CAI shall be eligible to be elected to or serve on the Board of Directors. The Board shall be composed of at least two (2) Community Association Volunteers, three (3) Community Association Managers, three (3) Business partners, and seven (7) At-Large Members.

SECTION 3. Term of the Board. The term of office of one third (a) (or a fraction as near to as possible) of the Directors shall expire at each annual meeting. Each Director shall serve for a three-year term. If the aggregate number of Directors is changed, terms shall be established so that a one third (or a fraction as near to as possible) of the total number of Directors is elected each year. A member may serve on the Board of Directors for a total of six (6) years. Those years of service do not have to be consecutive. After a Member has served for six years he/she may not serve again for three years. At that time, they begin the process of accumulating their six (6) years again. Counting of the initial six (6) years will begin on January 1, 2005.

SECTION 4. Nomination and Election of Directors. Not less than forty-five (45) days before the date set for the annual meeting, the Nominating Committee shall present to the Executive Committee a recommended slate of nominees for the Board of Directors. The Executive Committee, upon acceptance of the recommended slate of nominees, shall present to the entire Board of Directors for approval the recommended slate of nominees for the Board of Directors to be voted on at said annual meeting.

SECTION 5. Meetings. The Board of Directors shall hold at least one meeting quarterly at such time and place as the Board of Directors may determine. In addition, the Board of Directors shall meet upon the call of the President, or upon written request of one-third (a) of the Directors at such time and place as the President or Secretary, as the case may be, may designate. Regular and special meetings shall be open to all Members, provided that Members who are not Directors may not participate in any

deliberation or discussion unless expressly authorized to do so by the vote of a majority of a quorum of the Board. The Board may, with the approval of the majority of the Board, adjourn to a meeting and reconvene in Executive Session to discuss and vote on personnel matters, litigation in which the corporation is or may become involved, and orders of business of a similar or otherwise sensitive nature. The general nature of any and all business to be considered in Executive Session shall first be announced in open session.

SECTION 6. Conference Calls. Any or all Directors may participate in duly called meetings of the Board of Directors by means of conference telephone or by means of communication by which all persons participating in the meeting are able to hear one another, and such participation shall constitute presence in person at a meeting.

SECTION 7. Notice of Meetings. Notice of meetings of the Board of Directors may be given orally or in writing and shall be given to each member of the Board of Directors, at least seventy-two (72) hours before the time appointed for the meeting, except in an emergency, when notice shall be given at least twenty-four (24) hours before the time appointed for the meeting. Notwithstanding anything to the contrary herein contained, the Board may have a regular monthly meeting to be held at such time and at such place as may be from time to time designated by the Board of Directors. Formal notice of said regular monthly meeting shall not be required.

SECTION 8. Waiver of Notice. Whenever any notice is required to be given to any Directors under these Bylaws, a written waiver thereof, signed by the Director or Directors entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice. Presence without objection also waives notice.

SECTION 9. Action by Unanimous Written Consent. Any action required or permitted to be taken at a meeting of the Board of Directors or of any committee thereof may be taken without a meeting if a written consent setting forth the action so taken shall be signed by all members of the Board of Directors or of such committee, as the case may be, and such unanimous written consent shall have the same force and effect as a unanimous vote at a meeting of the Board of Directors or at a meeting of such committee, as the case may be. All such action shall be reported at the next duly noticed meeting of the Board of Directors and such written consent or consents shall be filed with the minutes and proceedings of the Board.

SECTION 10. Quorum; Acts of the Board. One third (a) or more of the number of Directors shall constitute a quorum for the transaction of business at any duly-noticed meeting of the Board of Directors at which a quorum is present, the act of a majority of the Directors present and voting shall be the act of the Board of Directors on any

matter, except with respect to public policy issues or where the act of a greater number of Directors is required by law, the Articles of Incorporation or these Bylaws. Any ex officio members of the Board shall not be counted for purposes of determining a quorum or the number of Directors required for determining an act of the Board. If a quorum is not present at any duly-noticed meeting of the Board of Directors, a majority of the Directors present may adjourn the meeting from time to time, without further notice, until a quorum is present.

SECTION 11. Votes on Matters Related to Public Policy. All matters involving a public policy provision of the Chapter must be adopted by a two-thirds (b) vote of those Directors present and voting at a duly-noticed meeting of the Board of Directors, a quorum being present, and must not be inconsistent with the policies, goals and objectives of CAI. No vote shall be taken pursuant to this section without prior written notice of the proposed public-policy position being delivered to all directors ten (10) days or more prior to any such vote.

SECTION 12. Resignation or Removal. In addition to the Director qualifications prescribed by law, by CAI, or these Bylaws, each Director must meet the following qualifications throughout his or her term:

- a. The Director must not miss more than two (2) consecutive Board meetings.
- b. The Director must not miss more than thirty percent (30%) of all Board meetings in any particular calendar year.
- c. The Director must attend fifty percent (50%) of all Chapter events and programs.
- d. The Director must pay within forty-five (45) days any outstanding receivable due the Chapter, after receiving a request to do so, in writing, from the Chapter.

The Board, by a two thirds (b) vote of Directors who meet the above qualifications, may declare vacant the seat of any Director who fails or ceases to meet these Director qualifications, provided that these qualifications were in effect at the beginning of the Director's current term. Prior to declaring a Director's seat vacant, the Board shall provide the Director who fails to meet the above qualifications an opportunity to be heard, either orally or in writing, prior to the Board taking any action. A Director may resign by presenting a written resignation to the President, and such resignation shall take effect at the time specified, or, if no time is specified, at the time of acceptance thereof by the President.

SECTION 13. Vacancies. Any Board vacancy may be filled by affirmative vote of a majority of the current Board. Any Director elected to fill a vacancy shall serve through

the end of the un-expired term of the Director's seat he or she was elected to fill.

SECTION 14. Compensation. Directors shall not receive any compensation for their services as Directors, but the Board may, by resolution, authorize reimbursement of expenses incurred in the performance of their duties. Such authorization may prescribe the procedures for approval and payment of such expenses by designated Directors.

SECTION 15. Specific Powers. Without prejudice to the general powers set forth in Article VI, Section 1 of these Bylaws, but subject to the same limitations, the Directors, in accordance with the Bylaws of CAI and this Chapter, shall have the power and duty to:

- a. Purchase a Directors' and Officers' liability insurance policy with minimum policy limits of two million dollars (\$2,000,000.00). Said policy shall include coverage for past directors and past and present committee members, to the extent such coverage is available at a reasonable cost to the Chapter.
- b. Purchase a Workers Compensation policy with minimum limits as shall be determined in the absolute discretion of the Board of Directors.
- c. Adopt such rules and regulations for the conduct of the Chapter's business as may be deemed advisable, and appoint such agents or committees, and sponsor such activities (including charging fees and admission charges) as it may from time to time in its absolute discretion deem necessary or desirable.
- d. Borrow money and incur indebtedness on behalf of the Chapter and cause to be executed and deliver for the Chapter's purposes, in the Chapter's name, promissory notes, pledges, hypothecations, and other evidences of debt or security.

ARTICLE VII OFFICERS

SECTION 1. Officers. The elected officers of the Chapter shall be a President, a President-elect, a Vice-President, a Treasurer and a Secretary. The Board of Directors may from time to time appoint such other officers as the Board may deem necessary or advisable.

SECTION 2. Qualifications, Election and Term of Office. The officers of the Chapter, with the exception of the President, shall be elected from among the Directors each year by a majority vote of the Board. The President taking office each year shall be the President-elect who was in office immediately before the election of officers. Each officer will serve for a term of one year and until a successor has taken office.

SECTION 3. Removal. Any officer may be removed by a majority vote of the entire Board of Directors if, in the judgment of the Board, the best interests of the Chapter would be served by such removal.

SECTION 4. Vacancies. Vacancies in any office, with the exception of President, may be filled for the balance of the remaining term by the Board of Directors at a meeting of the Board. In the event of a vacancy in the office of President, the President-elect shall act as President for the unexpired portion of the term of office of the predecessor in such office and shall succeed to such office upon expiration of the term.

SECTION 5. President. The President shall be the chief elected officer of the Chapter, shall be a member of the Executive Committee and shall preside at all meetings of the Members, the Board of Directors and the Executive Committee. Unless, otherwise provided in these Bylaws or directed by the Board of Directors, the President shall appoint all committees. The President shall have the authority to represent the Chapter and act in its name in accordance with the declared policies of the Chapter and CAI. The President shall communicate to the Members of the Chapter and to the Board of Directors such matters and make suggestions as may tend to promote and further the purposes and objectives of the Chapter and CAI, and the President shall perform such other duties as are necessary or incident to the office of President or as may be assigned by the Board of Directors. The President shall be responsible for satisfying the directives of the Board of Directors.

SECTION 6. President-Elect. The President-elect shall perform the duties of the President in the President's absence or in the event of a resignation, removal or inability or refusal to act. The President-elect, when so acting, shall have all the powers and responsibilities of the President. The President-elect shall also perform such duties as may be assigned by the President or the Board of Directors.

SECTION 7. Vice-President. The Vice-President shall perform the duties of the President-elect in the President-elect's absence or in the event of resignation, removal or inability or refusal to act as the President-elect. The Vice-President, when so acting, shall have all the powers and duties of the President-elect. The Vice-President shall also perform such other duties as may be assigned by the President or the Board of Directors. The Vice-President shall not succeed to the presidency unless so determined by a majority vote of the Board.

SECTION 8. Treasurer. The Treasurer shall be the custodian of Chapter funds and securities, shall oversee the establishment of proper accounting procedures for the handling of the Chapter's funds, shall be the disbursing officer for the Chapter and shall report on the financial condition of the Chapter at all meetings of the Board of Directors

and at other times as called upon by the President of the Chapter. The Treasurer shall perform all other duties incident to the office of Treasurer.

SECTION 9. Secretary. The Secretary shall be responsible for keeping of complete and accurate minutes of all meetings of the Members, the Board of Directors and the Executive Committee. The Secretary shall perform all other duties incident to the office of Secretary.

SECTION 10. Chapter Staff. The Board of Directors may appoint or employ an Executive Director to manage the operations of the Chapter, within the authority delegated by the Board of Directors.

SECTION 11. Compensation. No elected officer of the Chapter shall be compensated for serving as an officer. Officers may be reimbursed for reasonable out-of-pocket expenses incurred by them in performing their duties as officers, as budgeted and authorized by the Board of Directors.

ARTICLE VIII COMMITTEES

SECTION 1. Executive Committee. The Executive Committee shall serve for one (1) year, and shall be authorized as follows:

a. Unless otherwise directed by the Board of Directors, the Executive Committee of the Board of Directors shall be comprised of the President, President-elect, the Vice-President, the Treasurer and the Secretary. The Executive Committee shall have and exercise all of the authority of the Board of Directors including all actions specified in these Bylaws as actions to be taken by the Board of Directors where it is necessary or desirable to do so between meetings of the Board of Directors except that the Executive Committee shall not have the authority to: (1) amend, alter or repeal these Bylaws; (2) elect, appoint or remove any Director or officer of the Chapter; (3) adopt a resolution proposing an amendment to the Articles of Incorporation; (4) adopt a plan of merger or consolidation with another Chapter; (5) acquire or authorize the sale, lease, exchange or mortgage of any real property of the Chapter; (6) authorize the sale, lease, exchange or mortgage of all or substantially all of the personal property and assets of the Chapter; (7) authorize or institute proceedings for the voluntary dissolution of the Chapter; (8) adopt a plan for the distribution of the assets of the Chapter; or (9) amend, alter or repeal any resolution of the Board of Directors. The Executive Committee shall act by vote of a simple majority of the Executive Committee on any matter. The Executive Committee shall make due report of its actions to the Board of Directors on a monthly basis. The President shall serve as the chairperson of the Executive Committee.

b. The Executive Committee is authorized to receive, hold, invest, manage, allocate and apply on behalf of the Chapter and in furtherance of its purposes and objectives, all income received by the Chapter and all real and personal property received or owned by the Chapter. The Executive Committee shall, in accordance with such procedures as may be established by the Board of directors from time to time, recommend a budget to the Board of Directors for each fiscal year.

c. Minutes of all meetings of the Executive Committee shall be kept in the permanent records of the Chapter.

SECTION 2. Nominating Committee. Each year the Board shall designate a Nominating Committee that shall consist of the immediate past President of the Chapter, the President-elect and at least three (3) other members of the Chapter who are not elected officers of the Chapter and who are not running for election. At least one member of the nominating committee shall be a Community Association Volunteer Member, and no more than two (2) members of the Nominating Committee may be from the same Membership Representation Group. Unless otherwise directed by the Executive Committee, the immediate past President of the Chapter shall serve as chairman of the Nominating Committee.

SECTION 3. Other Committees. Unless otherwise provided by these Bylaws or directed by the Board of Directors, the President shall appoint such other standing or special committees, subcommittees, oversight committees, councils, task forces or boards as may be required by these Bylaws or as may be deemed necessary or appropriate by the President.

SECTION 4. Compensation. Members of the Executive Committee shall serve without compensation. Members of the Executive Committee may be reimbursed for reasonable out-of-pocket expenses incurred by them in performing their duties as members of the Executive Committee, as budgeted and authorized by the Board of Directors.

ARTICLE IX LIMITATIONS OF LIABILITY; INDEMNIFICATION

SECTION 1. Limitations of Liability. Nothing herein shall constitute Members of the Chapter as partners for any purpose. No Member, officer, director, agent, representative or employee of the Chapter shall be liable for any act or failure to act on the part of any other Member, officer, director, agent, representative or employee of the Chapter, or shall any Member, officer, director, agent, representative or employee of the Chapter be liable for any act or failure to act under these Bylaws, except acts or failures to act arising out of such person's willful misfeasance.

SECTION 2. Indemnification. The Chapter shall indemnify and hold harmless, to the fullest extent now or hereafter permitted by law, each current and former director, officer, employee, agent and representative of the Chapter who was or is made a party to or a witness in or is threatened to be made a party or a witness in, or is otherwise involved in, any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a director, officer, employee, agent or representative of the Chapter, whether the basis of such proceeding is alleged action or failure to take action in an official capacity, against any and all expenses (including attorneys' fees and disbursements), liabilities (including judgments, fines, excise taxes and penalties), amounts paid in settlement, and amounts expended in seeking indemnification granted to such person under applicable law or these Bylaws, actually and reasonably incurred by such person in connection with such proceedings, but only to the extent that such current or former director, officer, employee, agent or representative of the Chapter was acting in good faith and within the course and scope of his or her duties to the Chapter. The Chapter shall pay expenses (including attorneys' fees and disbursements) incurred by a current or former director, officer, employee, agent or representative of the Chapter in connection with the investigation, defense, settlement or appeal of an proceeding that such person was or is made a party to or a witness in or is threatened to be made a party to or witness in, or is otherwise involved in, by reason of the fact that such person is or was a director, officer, employee, agent or representative of the Chapter, but only to the extent that such current or former director, officer, employee, agent or representative of the Chapter was acting in good faith and within the course and scope of his or her duties to the Chapter with respect to the matters involved in the proceeding. The rights of indemnification and advancement of expenses provided herein shall not be deemed exclusive of any other rights that any person seeking indemnification or advancement of expenses may have or hereafter be entitled to claim or exercise.

ARTICLE X MISCELLANEOUS

SECTION 1. Fiscal Year. The fiscal year of the Chapter shall be determined by the Board of Directors.

SECTION 2. Contracts, Checks, Drafts, etc. Except as otherwise provided in these Bylaws, all contracts and all checks, drafts, notes, acceptances, endorsements, and other evidences of indebtedness may be signed on behalf of the Chapter only by the President, the Executive Director or such other officers and agents of the Chapter as the Board of Directors or the Executive Committee may authorize.

SECTION 3. Loans. No loans shall be made or obtained on behalf of the Chapter, and no negotiable instruments other than checks shall be issued in its name, unless and except as authorized by the Board of Directors.

SECTION 4. Deposits. Unless otherwise authorized by the Board of Directors, all funds of the Chapter shall be deposited in such depositories as the Executive Committee or the President may select, or as may be selected by another officer or agent authorized by the Executive Committee.

SECTION 5. Surety Bond. The President, Treasurer, the Executive Director and such other officers and agents of the Chapter as may be determined from time to time by the Executive Committee, shall give and file with the Secretary surety bonds for the faithful performance of their duties in such sums as may be fixed from time to time by the Executive Committee. The cost of such bonds shall be paid by the Chapter.

SECTION 6. Procedures. All meetings of the Members, the Board of Directors and the Executive Committee shall be governed by the rules set forth in the latest edition of Robert's Rules of Order, as long as such rules are not in conflict with these Bylaws or with rules and procedures established by the Board or the Executive Committee.

SECTION 7. Seal. The Chapter shall adopt and use a corporate seal consisting of a circle setting forth on its circumference the name of the corporation and showing the state and date of incorporation.

SECTION 8. Dissolution. Upon dissolution of the Chapter, all of its assets shall be distributed to CAI, or its successor.

SECTION 9. Loss of Charter. This Chapter may be decertified by a vote of the Board of Trustees, as provided in the policies and procedures of CAI. In such event, the Chapter agrees to be bound by the CAI policies.

SECTION 10. Waiver of Notice. Whenever any notice is required to be given under applicable law, the Articles of Incorporation or these Bylaws, a waiver of such notice in writing, signed by the person entitled to such notice, whether such waiver is signed before or after the time for notice has expired, shall be deemed the equivalent of the giving of such notice.

SECTION 11. Notices. Unless otherwise prohibited by these Bylaws or state law, all notices and other communications required by these Bylaws or state law shall be in writing and shall be given by:

- a. Personal delivery;
- b. United States mail, first class, postage prepaid;

- c. Statutory overnight delivery;
- d. Electronic mail;
- e. Facsimile; or
- f. A secure website, provided that notice shall be deemed given via website upon proof that the addressee has retrieved the message.

ARTICLE XI AMENDMENTS

SECTION 1. Amendment Procedures. These Bylaws may be amended, repealed or altered, in whole or in part, by a two-thirds (b) affirmative vote of those members present, in person or by proxy, at any duly-noticed meeting of the Chapter at which a quorum is present, provided that a copy of any proposed change shall have been provided to each Chapter Member at least fifteen (15) days prior to such meeting. Alternatively, and subject to the restrictions set forth in California Corporations Code Section 7150(a), these Bylaws may be amended, repealed or altered, in whole or in part, by two-thirds (b) affirmative vote of the Board of Directors at a duly-noticed meeting of the Board. Notwithstanding anything to the contrary herein contained, an amendment of the Bylaws changing the number of Directors must be adopted by the membership as specified in California Corporations Code Section 7151(b).

SECTION 2. Transitional Procedures. Any and all actions taken pursuant to the Bylaws of the Chapter as in effect prior to the date of adoption hereof shall remain in full force and effect unless expressly changed or revoked pursuant hereto. The Board of Directors shall adopt such provisions for effecting a transition to the requirements of these Bylaws (including without limitation, provisions for converting the composition of the Board of Directors of the Chapter) as it deems necessary and proper.