

**BY-LAWS
OF
RIVIERA-WEST COUNTRY CLUB**

**ARTICLE I
Name**

The name of this Corporation is and shall be "RIVIERA-WEST COUNTRY CLUB" and for convenience shall be referred to hereinafter as the "Club."

**ARTICLE II
Office**

The principal office for the transaction of the business of the Club is hereby fixed and located at the Riviera-West general subdivision, County of Lake, State of California. The Board of Directors is hereby granted full power and authority to change said principal office from one location to another in said county. Any such change shall be noted on the By-laws opposite this section, or this section may be amended to state the new location.

**ARTICLE III
Objects and Purposes**

The objects and purposes of the Club shall be to further and promote the community welfare of owners of real property within the various units of the subdivision known as "Riviera-West" located in Lake County, State of California; and to operate and maintain social and recreational facilities for the benefit of such owners and their families. The Club shall be authorized to do whatever may be deemed necessary, conducive, incidental or advisable to accomplish and promote said objects or purposes, except carrying on a business, trade, avocation or profession for profit, including but not limited to:

- (a) Acquiring real or personal property by gift, purchase or other means;
- (b) Constructing, leasing, maintaining and operating community and recreational facilities at Riviera-West;
- (c) Improving and maintaining park or other public areas at Riviera-West;
- (d) Providing protective services to members and associate members;

- (e) Caring for vacant, unimproved or unkept vacant lots, removing rubbish and unsightly growth therefrom and doing any and all other things necessary or desirable to keep them in a neat and orderly condition;
- (f) Enforcing any and all restrictions, covenants and conditions imposed at any time on the residential lots at Riviera-West for the general benefit of the owners thereof;
- (g) Paying all taxes, utilities, charges assessments and other levies upon property owned or managed by the Club;
- (h) Making and collecting charges and assessments by which to further the foregoing objects and purposes; and to do any other act or thing in any way connected with the foregoing or related to the objects and purposes of the Club.

ARTICLE IV **Membership**

Section 1. Membership in the Club shall be limited to the owners of not less than one (1) lot at Riviera-West. For the purpose of these By-laws, lots shall consist of those lots described and set forth in subdivision maps from time to time filed in the Office of the County Recorder of Lake County, California, relating to Riviera-West; lots resulting from the further subdivision of any lots set forth and described in any of said subdivision maps initially filed; and each unit of any apartment building, community or condominium, or other co-operative type multiple living facilities constructed at Riviera-West. A purchaser of any such lots under contract shall also be deemed to be an owner for purposes of these By-laws. A lot held as community property shall qualify the owners thereof for one (1) membership only in the Club, which membership shall be in the name of the husband as manager of the community. Only one (1) of any number of co-owners of any such lot or lots shall be a member of the Club.

Section 2. All persons who become owners of lots at Riviera-West, as defined and described above in Section 1 of this ARTICLE III, shall, by reason of such ownership, become and hereby are made members of the Club.

Section 3. Notwithstanding the ownership of more than one (1) lot and the issuance of more than one (1) membership certificate to any one (1) person, each member in good standing shall have the same rights, privileges, liabilities and responsibilities as any other member, except that a member shall be entitled to one (1) vote at membership meetings for each lot at Riviera-West owned by each member.

ARTICLE V

Certificates of Membership and Transfer

Section 1. Certificates of membership in the Club shall be in such form as the Board of Directors shall designate and shall be issued over the signature of the President or Vice President and Secretary or Assistant Secretary. A certificate book shall be maintained which shall contain a margin on which shall be shown the number, date and name of the member, as set forth in the corresponding certificate.

Section 2. Certificates of membership shall be appurtenant to the lots at Riviera-West as above described in Section 1 of ARTICLE III of these By-laws and shall not be transferable except with the conveyance of the lot for which said certificate is issued. Such conveyance shall effect the transfer of the certificate appurtenant to that particular lot to its purchaser.

Section 3. Members shall be entitled to exercise all of the rights and privileges of membership, and they shall be subject to all of the obligations and liabilities of membership, without the actual issuance and possession of certificates of membership.

Section 4. Membership in the Club is not transferable or assignable except as specifically provided in these By-laws.

Section 5. All membership transfers shall be subject to a transfer fee of twenty-five dollars (\$25.00) and to the payment of all indebtedness to the Club of the member whose ownership is transferred.

ARTICLE VI

Meetings of Members

Section 1. The annual meeting of the members of the Club shall be held at such hour and on such day during the month of May or June of each year, and at such place in Lake County, California, as shall be determined by the Board of Directors. The Secretary shall mail or deliver to each member written notice of the time and place of such meeting at least one (1) week prior to the time appointed therefore. Notice mailed to the last address given to the Secretary of the Club by any member shall be sufficient. If, for any reason, the annual meeting of the members shall not be held on the date hereinbefore designated, a delayed annual meeting may be called and held upon the giving of notice thereof.

Section 2. Special meetings of members may be called at any time by the President, a majority of the Board of Directors, or not less than twenty-five percent (25%) of the voting power of the members of the Club, to be held at a convenient place in Lake County, California.

Upon receipt of a request in writing setting forth the purpose of such proposed special meeting, signed by the President, or a majority of the Board of Directors or not less than twenty-five percent (25%) of the voting power of the members of the Club, the Secretary shall fix a time and place for such meeting, which shall be not less than ten (10) or more than thirty (30) days after the receipt of such request, and shall cause written notice thereof, setting forth the time and place and purpose of the meeting, to be given each member by personal delivery or by mailing to the last address given to the Secretary of the Club, at least three (3) days prior to the time fixed for such meeting; and if the Secretary shall neglect or refuse to issue such call, the President, Directors or members making the request may do so. A special meeting of the members may be held at any time without notice when all of the members are present in person or by proxy or when all of the members waive notice and consent in writing to the holding thereof.

Section 3. The presence in person or by proxy of twenty percent (20%) of the voting power of all members of the Club shall constitute a quorum for the transaction of business at any meeting of the members. Each member of the Club shall be entitled to one (1) vote for each lot at Riviera-West owned by such member. Proxies shall be signed and filed with the Secretary of the Club prior to the opening day of any meeting at which they are voted. Proxies shall be effective only for the meeting at which filed, unless by their express terms they are given a longer duration.

ARTICLE VII

Directors

Section 1. The business, property and affairs of the Club shall be managed by a Board of Directors composed of three (3) members. For a period of three (3) years from the date of issuance of the first membership in the Club to a qualifying member, the Directors of the Club shall be those individuals named as Directors in the Articles of Incorporation or their successors determined pursuant to Section 5 of this ARTICLE VII. Thereafter, the Directors shall be elected annually by the members of the Club at the annual meeting for a term of one (1) year and shall serve until their successors are elected and qualified.

Section 2. The Board of Directors shall have the general management and control of the business and affairs of the Club and shall exercise any and all of the powers that may be exercised or performed by the Club under the law, the Articles of Incorporation and these By-laws. The Board of Directors may make and enforce such rules and Regulations as they deem necessary, conducive, incidental

or advisable to accomplish or promote the objects and purposes of the Club and the use of its property, assets and facilities.

Section 3. Regular meetings of the Board of directors shall be held immediately after the annual meeting of members and at such other regular times and places as may be established by a majority of the Board. Special meetings may be called at any time by the President, a Vice President or any two (2) Directors at such times and places as shall be set forth in the notice thereof. At least twenty-four (24) hours' of such meeting shall be given to each Director, which notice may be given by telephone. The transactions of any meeting of the Board of Directors, however called and noticed and wherever held, shall be as valid as though effected at a meeting duly held after regular call and notice, if a quorum be present and if, either before or after the meeting, each Director not present signs a written waiver of notice and/or consent to holding such meeting or an approval of the minutes thereof, which waiver, consent or approval shall be filed with the minutes of such meeting.

Section 4. A majority of the Directors shall constitute a quorum for the transaction of business, and a majority of such quorum shall determine any question except as otherwise provided by law, the Articles of Incorporation or these By-laws; provided, however, that if a quorum not be present, the majority of those Directors present may adjourn to such future time and place as they shall determine, notice of such adjournment to be given to each Director as herein provided for meetings of the Board of Directors.

Section 5. During the three (3) years period referred to in Section 1 of this ARTICLE VII, vacancies on the Board of Directors, whether caused by resignation, incompetency, death or otherwise, shall be filled by the remaining directors, even though less than a quorum. Thereafter, subject to the provisions of said Section 1 of this ARTICLE VII, vacancies shall be filled by the remaining Directors, even though less than a quorum or by the members of the Club at any meeting of the members held prior to the filling of such vacancy by the Board of Directors. A Director elected to fill any vacancy shall hold office for the unexpired term of his predecessor.

Section 6. Subject to limitations of the Articles of Incorporation, these By-laws and the General Nonprofit Corporation Law of California, and in addition to any powers therein granted, the Directors shall have the following specific powers, to wit:

First: To change the principal office for the transaction of business of the Club from one location to another; to prescribe the forms of the certificates of membership and to alter the form of the Club's seal and of such certificates from time to time as in their

judgment they may deem best, provided such seal and such certificates shall at all times comply with the provisions of law.

Second: To authorize the issuance of certificates of membership of the Club from time to time upon such terms as may be lawful.

Third: To make and enter into contracts for any legal purpose; to borrow money and incur indebtedness for the purposes of the Club, and to cause to be executed and delivered therefore, in the Club's name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations or other evidences of debt and securities therefore.

Fourth: to appoint an Executive Committee and other committees, and to delegate to the Executive Committee any of the powers and authority of the Board in the management of the business and affairs of the Club except the power to adopt, amend, or repeal By-laws. The Executive Committee shall be composed of two (2) or more Directors.

ARTICLE VIII

Officers

Section 1. The officers of the Club shall be a President, a Vice President, a Secretary and a Treasurer. The Club may also have, at the discretion of the Board of Directors, one (1) or more additional vice presidents, one (1) or more assistant secretaries, one (1) or more assistant treasurers and such other officers as may be appointed in accordance with the provisions of Section 2 of this article.

Section 2. The officers of the Club shall be elected annually by the Board of Directors at the regular annual meeting of the Board of Directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. New offices may be created and filled at any meeting of the Board of Directors and two (2) or more of any officers, agents or employees may be combined in one person, except the office of the President and Secretary. Each officer shall hold office until his successor shall have been duly elected and shall have qualified.

Section 3. A vacancy in any office because of a death, resignation, removal, disqualification, or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

Section 4. The Board of Directors may appoint, employ, terminate, discharge, fix the compensation and provide for the duties and powers of such officers, agents, and employees including removal with or without cause, as in the sole judgment of the Board shall be advisable subject to the provisions of this article and the provisions of written contracts of employment, if any. Any officer may resign at any

time by giving written notice to the Board, or to the President or to the Secretary of the Club. Any such resignation shall take effect at the date of the receipt of such notice or at any other time specified therein; the acceptance of such resignation shall not be necessary to make it effective. Such resignations shall be governed by the terms of the employment agreement, if any.

Section 5. The President shall be the executive head of the Club and shall preside at all meetings of the Board of Directors and all meetings of the shareholders. The President, together with the Secretary, shall sign all contracts, deeds, bonds and other obligations of the Club and other instruments authorized by the Board of Directors.

Section 6. A Vice president shall perform, in the absence of the President or in the event of the President's inability to act, the same duties and functions as are provided to be performed by the President. A Vice President shall also perform such other duties as from time to time may be assigned to him by the Board or by the President.

Section 7. The Secretary shall be the custodian of all records and documents pertaining to the Club and its property and shall keep fair and correct minutes and records of all meetings of shareholders and of the Board of Directors. The Secretary shall sign with the President where appropriate all contracts, deeds, bonds and other obligations of the Club, and other instruments authorized by the Board of Directors. The Secretary shall give notice of all meetings of shareholders of the Club and of the Board of Directors as set forth in these By-laws. If, at any meeting of the members of the Board of Directors, the Secretary shall be absent or unable to perform his duties, the President shall appoint a Secretary pro tem.

Section 8. The Treasurer shall receive and safely keep all monies and securities belonging to the Club and shall disburse the same under the direction of the Board of Directors. At each annual meeting of shareholders and at any other time when directed by the Board of Directors, he shall submit a report on the financial affairs of the Club and the status of all monies, funds, and assets then on hand or received and disbursed since the Treasurer's last report.

ARTICLE IX

Charges and Assessments

Section 1. For the purpose of securing funds to meet the capital outlays, operating expenses and other expenses required to accomplish the objects and purposes authorized in ARTICLE III of these By-laws, the Club shall be authorized to levy charges and assessments against each and every lot at Riviera-West as it may from time to time fix and establish as set forth in this ARTICLE IX. Such

charges and assessments shall constitute liens on the affected lots and become the personal obligation of the respective owners of such lots from and after the time each such charge and assessment becomes due and payable and until the same is paid in full. A purchaser under a contract for purchase of a lot or lots at Riviera-West shall be deemed an owner for the purpose of these By-laws. Such lien or liens shall also cover interest on such charges and assessments and costs of collecting the same, if any, including attorney's fees. The authority to levy such charges and assessments upon lots at Riviera-West is granted to the Club by Custom Properties, Inc. as owner and developer, as part of the declarations of conditions and restrictions imposed from time to time upon the respective subdivisions comprising Riviera-West and recorded in the Office of the Recorder of the County Recorder of Lake County, California. Such liens shall be superior to any and all other liens (except as provided in Section 7 hereof) at any time levied or imposed upon such lots. The validity of such charges and assessments against individual lots shall in no event be dependent upon the authority of the Club to determine and levy such charges and assessments against all such lots that may at any time exist at Riviera-West but such charges and assessments shall be valid to the extent that such authority has been granted to the Association.

Section 2. Each owner of a lot or lots at Riviera-west shall, by the acceptance of a deed for such lot or lots or by the signing of a contract or agreement to purchase the same, whether from Custom Properties, Inc., or a subsequent owner of such lot or lots, bind himself, his heirs, personal representatives and assigns to pay all such charges and assessments as shall be determined and levied upon such lot or lots, including interest on such charges and assessments and collection costs thereof, if any, including attorney's fees, and the obligation to pay such charges, assessments, interests and costs thereby constitutes an obligation running with the land.

Section 3. Charges and assessments shall be determined and levied in equal proportions against each and every lot which is subject to such charges and assessments at the time such determination is made.

Section 4. Charges and assessments for each fiscal year July 1st through June 30th shall be established by resolution of the Board of Directors. Such charges and assessments shall not exceed Fifty Dollars (\$50.00) per lot per year unless such excess shall be approved by the vote of at least a majority of the voting power of all members of the Club.

Section 5. The Secretary shall mail or deliver to each member of the Club written notice of each charge or assessment and of the time and manner of paying the same, at least one (1) week prior to the

time such charge or assessment shall become due and payable. Notice mailed to the last address given the Secretary of the Club by such member shall be sufficient. If a charge or assessment is made payable on a monthly or other installment basis, notice shall be mailed or delivered upon the initial levy of the charge or assessment but additional notices need not be sent as the individual installments thereof fall due.

Section 6. All liens herein provided for shall be enforceable by foreclosure proceedings in the manner provided by law for the foreclosure of mortgages and/or trust deeds; provided, however, that by the acceptance of a deed for any lot or lots or by the signing of a contract or agreement to purchase the same, whether from custom Properties, Inc., or from a subsequent owner or purchaser thereof, such purchaser or owner shall thereby waive all rights of redemption and of homestead in such lot or lots with respect to foreclosure of such liens. No proceeding for foreclosure of any such lien or liens shall be commenced except upon the expiration of four (4) months from and after the date the charge or assessment giving rise to such lien or liens becomes due and payable.

Section 7. Liens of first mortgages and/or first trust deeds placed upon any of such residential lots for the purpose of constructing a residence or other improvement thereon, which are recorded in accordance with the laws of the State of California shall be, upon the date of the recordation of such, superior to any and all such liens provided for herein.

Section 8. Title to any residential lot acquired under or by virtue of a proceeding for the enforcement of any lien or liability under these By-laws shall always be subject to all of the reservations, limitations, restrictions, covenants and conditions imposed upon said lots by contract of sale or deed from Custom Properties, Inc., or by declaration of Custom Properties, Inc., or the Club or by these By-laws.

ARTICLE X

Dissolution

In the event of the dissolution of the Club, each person who is a member shall receive his pro rata portion of the Club property and assets after all of the Club's debts and liabilities have been paid or provided for.

ARTICLE XI
Notice

Any notice required to be given pursuant to these By-laws shall be in a written notice, unless otherwise specifically provided herein. Such written notice may be given by depositing the same in the United States mail in an envelope, postage prepaid, addressed to the recipient at his last known address, and the time when the same shall be mailed shall be deemed the time of giving such notice. A written waiver of any notice, signed before or after the time stated in such waiver for holding a meeting, or attendance at a meeting shall be deemed equivalent to notice thereof required to be given by these By-laws.

ARTICLE XII
Amending or Repealing By-laws

New By-laws may be adopted or these By-laws amended or repealed only upon the vote or written consent of members entitled to exercise fifty-one percent (51%) or more of the voting power.

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify:

1. That I am the duly elected and acting Secretary of RIVIERA-WEST COUNTRY CLUB, a nonprofit corporation organized under the General Nonprofit Corporation Law of California.
2. That the foregoing By-laws, comprising nine (9) pages, excluding this page, constitute the By-laws of said corporation as duly adopted at a meeting of the Board of Directors thereof duly held on the 7th day of May, 1969.

IN WITNESS THEREOF, I have hereunto subscribed my name and affixed the seal of said corporation this 7th day of May, 1969.

/s/ Harriett Kay
Secretary

(SEAL)