

BY-LAWS
OF
KINGSWOOD RESIDENTS ASSOCIATION, INC.
A Nonprofit Corporation

ARTICLE I

PRINCIPAL OFFICE

The principal office of the Corporation in the State of California shall be located in the City and County of San Francisco. The Corporation may have such other offices, either within or without the County of San Francisco, State of California, as the Board of Directors may determine or as the affairs of the Corporation may require from time to time.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to the KINGSWOOD RESIDENTS ASSOCIATION, INC.

Section 2. "The Properties" shall mean and refer to such "Existing Properties" and additions thereto as are subject to the Declaration or any supplemental Declaration.

Section 3. "Common Properties" shall mean and refer to those areas of land and facilities, if any, acquired from time to time by the Association for the common use and recreation enjoyment of the owners of The Properties.

Section 4. "Lot" shall mean and refer to any plot of land, zoned for residential use, shown upon any recorded subdivision map of The Properties except parcels or lots specifically excluded from the operation of the protective restrictions in the Declaration.

Section 5. "Living Unit" shall mean and refer to any building or portion of a building situated upon The Properties designed and intended for use and occupancy as a residence by a single family.

Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot or living unit situated upon the Properties but, notwithstanding any applicable theory of the mortgage, shall not mean or refer to the mortgagee or trustee under any deed of trust unless and until such mortgage or trustee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

Section 7. "Member" shall mean and refer to all those Owners who are members of the Association.

Section 8. "The Declaration" shall mean the Declaration of Protective Restrictions executed on by DESMOND MACTAVISH & ASSOCIATES, a limited partnership, recorded on the 25th day of November 1966, in Book 1135, at page 305, of Official Records in the Office of the County Recorder of Placer County, State of California. (For Unit I). (NOTE: For Declarants for Units II, III, IV & V, see Pages 3, 9, 13 & 17)

Section 9. "Existing Properties" shall mean all that real property which is, and shall be, held, transferred, sold, conveyed, and occupied subject to the Declaration and is described as follows:

Lots 1 through 129, inclusive, of KINGSWOOD ESTATES, UNIT I, as shown on the official map of said subdivision, filed as KINGSWOOD ESTATES, UNIT I, for record in the Office of the County Recorder of Placer County, State of California, on November 15, 1966, in Book 1 of Maps, at page 11.

Lots 1 through 101, inclusive, and Lots A, C, and D of KINGSWOOD ESTATES, UNIT II, as shown on the official map of said Subdivision, filed as KINGSWOOD ESTATES, UNIT II, for record in the Office of the County Recorder of Placer County, State of California, on September 25, 1968, in Book 1 of Maps, at page 46.

Lots 1 through 29, inclusive, of KINGSWOOD ESTATES, UNIT III, as shown on the official map of said Subdivision, filed as KINGSWOOD ESTATES, UNIT III, for record in the office of the County Recorder of Placer County, State of California, on _____ 1968, in Book _____ of Maps, at page _____.

Lots 1 through 36, inclusive, of KINGSWOOD ESTATES, UNIT IV, as shown on the official map of said Subdivision, filed as KINGSWOOD ESTATES, UNIT IV, for record in the office of the County Recorder of Placer County, State of California, on September 25, 1968, in Book 1 of Maps, at page 47.

Lots 1 through 105 and parcels A through H, inclusive, of KINGSWOOD ESTATES, UNIT V, as shown on the official map of said Subdivision, filed as KINGSWOOD ESTATES, UNIT V, for record in the Office of the County Recorder of Placer County, State of California, on May 14, 1969, in Book "1" of Maps, at page 57.

Section 10. "Declarant" shall mean DESMOND MACTAVISH & ASSOCIATES, for Unit I. (For Declarants for Units II, III, IV & V, see Pages 3, 9, 13, & 17)

ARTICLE III

MEMBER AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. Every Owner of a fee or undivided fee interest in any Lot of Living Unit which is subject by covenants of record to assessment by the Association shall be a member of the Association, provided that any such person or entity who holds such interest merely as a security for the performance of an obligation shall not be a member, and provided that any other person or entity who is not an Owner as defined in Article II shall not be a member.

Section 2. Voting Rights. The Association shall have two classes of voting membership:

Class A. Class A members shall be all those Owners as defined in Section 1, with the exception of Declarant. Class A members shall be entitled to one (1) vote for each Lot or Living Unit in which it holds the interests required for membership by Section 1. When more than one person holds such interest or interests in any Lot or Living Unit, all such persons shall be members, and the vote for such Lot or Living Unit shall be exercised subject to the provisions of these By-Laws, as they themselves determine, but in no event shall more than one (1) vote be cast with respect to any such Lot or Living Unit, and further, no such vote shall be counted unless unanimously voted by all the Owners of the Lot or Living Unit or by any one such owner possessing the written power of attorney or proxy from all such other owners.

Class B. (See next page)

Class B.

Class B. Class B member shall be Declarant. The Class B member shall be entitled to three (3) votes for each Lot and for each Living Unit in which it holds the interest required for membership by Section 1, provided that the Class B membership shall cease and become converted to Class A membership on the happening of any of the following events, whichever occurs earlier:

(a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or

(b) on July 1, 1972.

From and after the happening of these events, whichever occurs earlier, the Class B member shall be deemed to be a Class A member entitled to one (1) vote for each Lot or Living Unit in which it holds the interests required for membership under Section 1.

For purposes of determining the votes allowed under this Section, when Living Units are counted, the Lot or Lots on which such Living Units are situated shall not be counted.

Section 3. Rights of Membership. The rights of membership are subject to the payment of annual assessments and other assessments levied by the Association, the obligations of which assessments are imposed against each owner of, and become a lien upon, the properties against which such assessments are made as provided in Article IV. The membership rights of any person whose interest in the properties is subject to assessments under this Article and Article IV, whether or not he be personally obligated to pay such assessments, may be suspended by action of the Board of Directors as provided in Section 4. of this Article during the period when the assessments remain unpaid; but upon payment of such assessments, his rights and privileges shall be automatically restored.

Section 4. Termination or Suspension of Membership. The Board of Directors, by affirmative vote of a majority of all the members of the Board, may suspend a member, as hereinafter provided, after an appropriate hearing, and may terminate the membership of any member who becomes ineligible for membership. The Board of Directors may suspend any member who shall be in default in the payment of dues for the period fixed in Article IV of these By-Laws, and if the Board of Directors have adopted and published rules and regulations governing the use of the common properties and the personal conduct of any person thereon, as provided in Section 11(d) of Article IX, it may suspend the rights of any such person for violation of such rules and regulations for a period not to exceed thirty (30) days.

Section 5. Effect of Termination, Suspension or Resignation on Successor. Termination or suspension of a membership pursuant to Section 4. of this Article shall not operate to prevent the person or entity acquiring a lot pursuant to Section 3. of Article VII from becoming a member.

Section 6. Conformity to By-Laws and Rules. Members shall, in all respects, conform to and abide by the By-Laws of the Association, and all amendments and changes thereto, and any and all rules and regulations now or hereafter adopted by the Board of Directors.

Section 7. Exoneration of Association. Neither the Association nor the members of the Board of Directors shall have any liability or responsibility, and no member or guest of a member, or any other person, shall have any claim against the Association, for any personal injury to, or death of any member or guest, or for loss or damage to the property of any member or guest.

Section 8. Notices. Any notice required to be delivered to any member or owner under the provisions of these By-Laws shall be deemed to have been properly delivered upon deposit in the United States mails, if postage is prepaid and said notice is addressed to the last known address of the person who appears as member or owner on the records of the Association at the time of such mailing.

ARTICLE IV

ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant for each Lot and Living Unit owned by him within The Properties and each Owner of any Lot or Living Unit, as provided by the declaration of protective restrictions, shall pay to the Association: (1) annual assessments or charges; (2) special assessments for capital improvements and acquisitions; such assessments to be fixed, established, and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest thereon, and cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in The Properties and in particular for the acquisition, improvement and maintenance of properties, services and facilities devoted to this purpose, and related to the use and enjoyment of the Common Properties and of the homes situated upon The Properties including, but not limited to, the cost of acquisition and improvement, the pay-

ment of taxes and insurance thereon and repair, replacement, and additions thereto, and for the cost of labor, equipment, materials, management, and supervision thereof, and the cost of all activities in connection with the enforcement of these covenants and restrictions.

Section 3. Basis and Maximum of Annual Assessments. Until the year beginning January, 1968, the annual assessment shall be \$10 per lot or living unit. From and after January 1, 1968, the annual assessment may be increased by vote of the members, as hereinafter provided, for the next succeeding three (3) years and at the end of each such period of three (3) years for each succeeding period of three (3) years.

(Note: See amendment on next page.)

The Board of Directors of the Association may, after consideration of current maintenance costs and future needs of the Association, fix the actual assessment for any year at a lesser amount.

Section 4. Special Assessment for Capital Acquisitions and Improvements. In addition to the annual assessments authorized by Section 3. hereof, the Association may levy in any assessment year a special assessment, applicable to that year only, but payable over a period of years if the Association so determines, for the purpose of defraying, in whole or in part, the cost of any acquisition, construction or reconstruction, unexpected repair or replacement of a described capital asset or improvement upon Common Properties, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all members at least thirty (30), but not more than sixty (60), days in advance and shall set forth the purpose of the meeting.

Section 5. Change in Basis and Maximum of Annual Assessments. Subject to the limitations of Section 3. hereof, and for the periods therein specified, the Association may change the maximum and basis of the assessments fixed by Section 3. hereof prospectively for any such period provided that any such change shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose, written notice of which shall be sent to all members at least thirty (30), but not more than sixty (60), days in advance and shall set forth the purpose of the meeting, provided further that the limitations of Section 3. hereof shall not apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation and under Article II, Section 2. of the Declaration.

Section 6. Quorum for any Action Authorized Under Sections 4. and 5. The quorum required for any action authorized by Sections 4. and 5. hereof shall be as follows:

Amendment to By-Laws As adopted at
Special Meeting of Board of Directors
held on June 15, 1967 - Article IV,
Section 3. See Following Page.

Section 3 of Article IV of the by-laws of the corporation be and it hereby is amended to read as follows:

"Section 3. Basis and Maximum of Annual Assessments. Until the year beginning January, 1968, the annual assessment shall be \$25 per lot or living unit. From and after January 1, 1968, the annual assessment may be increased by vote of the members, as hereinafter provided, for the next succeeding three (3) years and at the end of each of such period of three (3) years for each succeeding period of three (3) years."

"The Board of Directors of the Association may, after consideration of current maintenance costs and future needs of the Association, fix the actual assessment for any year at a lesser amount."

At the first meeting called, as provided in Sections 4. and 5. hereof, the presence at the meeting of members, or of proxies, entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth in Sections 4. and 5, and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 7. Date of Commencement of Annual Assessments; Due Dates: The annual assessments provided for herein shall commence on the date (which shall be the first day of a month) fixed by the Board of Directors of the Association to be the date of commencement. The assessments for any year, after the first year, shall become due and payable on the first day of March of said year.

The amount of the annual assessment which may be levied for the balance remaining in the first year of assessment shall be an amount which bears the same relationship to the annual assessment provided for in Section 3. hereof as the remaining number of months in that year bear to twelve. The same reduction in the amount of the assessment shall apply to the first assessment levied against any property which is hereafter added to the properties now subject to assessment at a time other than the beginning of any assessment period.

The due date of any special assessment under Section 4. hereof shall be fixed in the resolution authorizing such assessment.

Section 8. Charges for Fines. The Board of Directors at any meeting may, after an appropriate hearing, impose a fine or penalty, not exceeding \$50, against any member or any person enjoying the privileges of the Association, for any infraction or violation of these By-Laws or of the rules and regulations of the Association, and the amount of such fine shall be payable as the Board of Directors shall direct.

Section 9. Duties of the Board of Directors. The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against each Lot or Living Unit for each assessment period of at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner.

Written notice of the assessment shall thereupon be sent to every Owner subject thereto. In addition, written notice shall be given of any fines or penalties under Section 8. of this Article within ten (10) days after imposition.

The Association shall upon demand at any time furnish to any Owner liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 10. Effect of Nonpayment of Assessment; The Personal Obligation of the Owner; the Lien; Remedies of Association. If the assessments are not paid on the date when due (being the dates specified in Section 7, hereof), then such assessment shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the property which shall bind such property in the hands of the then Owner, his heirs, devisees, personal representatives and assigns. The personal obligations of the then Owner to pay such assessments, however, shall remain his personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them.

If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of seven percent (7%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or to foreclose the lien against the property, and there shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee to be fixed by the Court together with the costs of the action.

Section 11. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the properties subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

ARTICLE V

PROPERTY RIGHTS AND RIGHTS OF ENJOYMENT

Section 1. Member's Rights. Each member in good standing shall be entitled to the use and enjoyment of the Common Properties, if any, subject to the following provisions:

- (a) The right of the Association, in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the Common Properties and in aid thereof to mortgage, or encumber, and the rights of such mortgagee or encumbrancer in the Common Properties shall be superior to the rights of the members hereunder; and

general nature of the business to be transacted thereat.

Section 5. Manner of Voting: Quorum. Members may vote at any meeting either in person or by proxy in writing filed with the secretary. Cumulative voting shall be permitted at any election for directors. Except in case of meetings provided for in Article IV of the Declarations, the presence, in person or by proxy of lot or unit owners hold at least fifty percent (50%) of the voting power shall constitute a quorum for the transaction of business at all meetings. If any meeting cannot be held because a quorum is not present, the owners present, either in person or by proxy, may, as otherwise provided by law, adjourn the meeting to a time not less than 48 hours nor more than thirty (30) days from the time the original meeting was called, at which meeting the quorum requirement shall be twenty-five percent (25%).

Section 6. Vote Required. Except as otherwise expressly provided in these By-Laws, or by law, the vote of a majority of each class of the voting power of the members present at any duly and regularly called meeting at which a quorum is present, shall be and constitute the act of the members.

Section 7. Informal Action by Members. Any action required by law to be taken at a meeting of the members, or any action which may be taken at a meeting of members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof.

Section 8. Adjourned Meetings and Notice Thereof. Any members' meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the voting power of the members either present or represented by proxy thereat, but in the absence of a quorum, no other business may be transacted at such meeting.

When any members' meeting, either annual or special, is adjourned for thirty (30) 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 an 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 9. First Regular Meeting. The first regular meeting must be held after 51% of the total of the Lots and Living Units of The Properties have been sold or within one (1) year after the sale of the first Lot or Living Unit, whichever occurs first. For purposes of this Section, when Living Units are counted, the Lot or Lots on which such Living Units are situated shall not be counted.

ARTICLE VII

CERTIFICATES OF MEMBERSHIP

Section 1. Certificate for Each Member. Each member shall be the owner and holder of a certificate of membership, duly registered in his or her name upon the books of the Association.

Section 2. Certificate of Membership. The certificate of membership herein referred to shall be issued over the signature of the president and secretary or other officers or directors of the Association as the Board of Directors shall, from time to time, specify, with the official seal of the Association affixed, and shall be in substantially the following form:

Certificate of Membership

KINGSWOOD RESIDENTS ASSOCIATION, INC.
A Nonprofit Corporation of the State of California

This certifies that _____
is a member of KINGSWOOD RESIDENTS ASSOCIATION, INC., a corporation organized pursuant to the General Nonprofit Corporation Law of the State of California, and entitled to all of the rights and privileges as conferred by, and subject to the By-Laws of said Corporation. By acceptance of this certificate, the holder hereof irrevocably assents to and agrees to be bound by said By-Laws, as the same may be modified or amended from time to time. This certificate confers no right, title or interest in or to any of the property or assets of said Corporation except as expressly set forth in the By-Laws of said Corporation.

This Certificate may be transferred only in the manner prescribed by said By-Laws, and only after endorsement on the back hereof of the signature of the person to whom this certificate is issued, or by his duly appointed attorney-in-fact of such person, or by his duly appointed and qualified personal representative, and any transfer shall not be final until shown on the books of said Corporation, and attested by the signature of the secretary of said Corporation affixed, and the transferee accepts the transfer hereof subject to the above conditions.

Dated: _____

By _____
President

By _____
Secretary

Section 3. Transfer of Membership. A transfer of a certificate of membership shall automatically occur if the Lot or Living Unit owned by a member is sold. No other transfer of membership shall occur by operation of law or otherwise, it being the intent that each member be the owner of a Lot or Living Unit, provided that with the approval of the Board of Directors a membership may be transferred to the surviving spouse, son, or unmarried daughter, otherwise eligible for membership, of a deceased member, or of a member legally adjudged incompetent.

Section 4. Replacement of Lost or Destroyed Certificate. If a certificate of membership has been lost, destroyed or wrongfully withheld, the Board of Directors, by resolution may cancel such certificate, and a new or duplicate certificate may be issued in the same manner as new or duplicate certificates of shares of capital stock of corporations may be issued, to replace certificates of stock lost, destroyed or wrongfully withheld, pursuant to the laws of the State of California.

ARTICLE VIII

ASSOCIATION PURPOSES

Section 1. Purposes. The Association has been organized for the purposes provided in Article II of the Articles of Incorporation.

Section 2. Powers Contained in By-Laws. The By-Laws of the Association are not intended to state or authorize powers inconsistent with the purposes or powers provided in the Articles of Incorporation.

ARTICLE IX

BOARD OF DIRECTORS

Section 1. Establishment of the Board. All of the powers of the Association shall be vested in and shall be exercised by, and the properties of the Association controlled by, and the affairs of the Association conducted by a board to be known as the Board of Directors. The Board of Directors shall constitute the governing body of the Association and shall be empowered to do any and all things necessary or proper to carry out the objects and purposes of the Association consistent with law, the declaration of protective restrictions, the Articles of Incorporation, and these By-Laws. The Board of Directors shall consist of three (3) members, elected as hereinafter provided. The Board of Directors selected prior to the first annual election shall be employed to manage only until the first annual election, after initial organization, at which time the continuance of the same or the selection of another body shall be determined by a majority of each class of the voting power of the members present at the election.

(NOTE: See amendment on next page.)

The third sentence of Section 1. of Article IX of the by-laws of the corporation, be and it hereby is amended to read as follows:

"The Board of Directors shall consist of five (5) members elected as hereinafter provided."

Amendment to By-Laws as adopted at
1st Annual Meeting of Members held
on June 15, 1968 - Article IX,
Section 1.

Section 2. Election. The directors shall be elected at the regular annual meeting of members and shall hold office for a period of one (1) year or until their successors have been elected and are ready to enter upon the duties of the office.

Section 3. Vacancy. Any vacancy occurring on the Board of Directors shall be filled by the remaining Directors, or Director, and the person named to fill such office shall hold office until his successor has been elected and is ready to enter upon the duties of the office.

Section 4. Quorum. A quorum of the Board of Directors shall be at least two (2) members thereof. Any action of the Board of Directors shall require a majority vote of the members present.

(NOTE: See amendment on next page.)

Section 5. Absence of Member. Any member of the Board of Directors who shall be absent from its meeting for two (2) consecutive regular meetings, without leave voted by the Board of Directors, shall be considered as having resigned, and the vacancy thus created shall be filled as hereinabove provided.

Section 6. Compensation. The members of the Board of Directors shall receive no compensation for acting as Directors, provided, however, if any Director performs services for the Association other than as a Director, he may be compensated therefor as the Board of Directors may determine. All reasonable expenses incurred by a member in carrying out his duties as a Director shall be reimbursable by the Association.

Section 7. Meetings. The regular annual meeting of the Board of Directors shall be held within five (5) days following the regular annual meeting of the members. Regular meetings of the Board of Directors shall be held at such time and on such day and at such place as the Board, by resolution, may from time to time determine. Special meetings of the Board of Directors may be called by the president or by any two (2) members of the Board of Directors and shall be held at the principal office of the Association or at such other place as the Board may select. Notice of all meetings of the Board of Directors shall be given by the secretary of the Association to each member of the Board at least 48 hours prior to the time of such meeting. Such notice shall be either verbal, by telephone, or in writing.

Section 8. Notice of Adjournment. Notice of the time and place of holding an adjourned meeting of a meeting need not be given to absent directors if the time and place be fixed at the meeting adjourned.

Section 9. Waiver of Notice. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present, and if, either before or after the meeting each of the Directors not present signs a written waiver of notice, or a consent to holding such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

(b) The right of the Association to take such steps as are reasonably necessary to protect the Common Properties against foreclosure; and

(c) The right of the Association as provided in its Articles and By-Laws to suspend the rights and privileges of any member for any period during which any assessment (to which his interest is subject) remains unpaid; and for a period not to exceed thirty (30) days for any infraction of its published rules and regulations; and

(d) The right of the Association to charge reasonable admission and other fees for the use of the Common Properties; and

(e) The right of the Association, with the assent of a majority of the voting power of the members, to dedicate the Common Properties to the general public for public use.

Section 2. Enjoyment of Member's Rights. Any member may assign his rights of enjoyment in the Common Properties to the members of his family who reside upon The Properties or to any of his tenants who reside thereon under a leasehold interest for a term of one (1) year or more. Such member shall notify the secretary in writing of the name of any such person and of the relationship of the member to such person. The rights and privileges of such person are subject to suspension under Section 3. of Article III to the same extent as those of the member.

ARTICLE VI

MEMBERSHIP MEETINGS

Section 1. Regular Meetings. The regular annual meeting of the members shall be held during the first week in June of each year, on a day to be fixed by the Board of Directors at least fifteen (15) days prior to such meeting.

Section 2. Special Meetings. Special meetings of the members for any purpose may be called at any time by the president, the Board of Directors, or upon the written request of members having one-fourth ($1/4$) of the voting power of the members.

Section 3. Place of Meeting. The Board of Directors may designate any place within the Counties of Nevada and Placer, State of California, as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors; but if all of the members shall meet at any time and place, either within or without the State of California, and consent 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 4. Notice. Notice of the regular meeting and of each special meeting of the members shall be given by the secretary to each member of the Association at least ten (10) days (except as otherwise provided) but not more than sixty (60) days, prior to such meeting, and such notice shall specify the date, time and place of such meeting and the

The first sentence of Section 4. of Article IX of the by-laws of the corporation, be and it hereby is amended to read as follows:

"A quorum of the Board of Directors shall be at least three (3) members thereof."

Amendment to By-Laws as adopted at
1st Annual Meeting of Members held
on June 15, 1968 - Article IX,
Section 4.

Section 10. Adjournment. A quorum of the Directors may adjourn any Directors' meeting to meet again at a stated day and hour; provided, however, that in the absence of a quorum, a majority of the Directors present at any Directors' meeting, either regular or special, may adjourn, from time to time, until the time fixed for the next regular meeting of the Board.

Section 11. Powers of the Board. The Board of Directors shall have the power and shall:

- (a) Call special meetings of the members whenever it deems necessary and it shall call a meeting at any time upon written request of one-fourth (1/4) of the voting power of the members.
- (b) Appoint and remove at pleasure all officers, agents and employees of the Association, prescribe their duties, fix their compensation, and require of them such security or fidelity bond as it may deem expedient. Nothing contained in these By-Laws shall be construed to prohibit the employment of any member, officer or director of the Association in any capacity whatsoever.
- (c) Establish, levy and assess, and collect the assessments referred to in Article IV.
- (d) Adopt and publish rules and regulations governing the use of the common properties and the personal conduct of the members and their guests thereon.
- (e) Enforce any and all covenants, restrictions and agreements applicable to The Properties as may be provided in the declarations.
- (f) Conduct, manage and control the affairs and business of the Association.
- (g) Authorize all necessary expenditures and incur indebtedness from time to time, and secure payment thereof by pledge, hypothecation, mortgage, indenture, deed of trust or other form of security.
- (h) Except as otherwise herein provided, deal conclusively with all matters relating to the discipline of members, and as it may deem proper, expel, suspend or fine a member for infraction of the rules, regulations or By-Laws.
- (i) Construe or interpret these By-Laws, which construction or interpretation shall be conclusive.
- (j) Enter upon any Lot when necessary in connection with maintenance or construction for which the Board is responsible.

(k) The specification of particular powers and duties herein shall not be construed to in any manner or to any extent limit or restrict the powers and duties of the Board of Directors, and the Board of Directors shall do all things necessary and proper for the control, management and operation of the Association, its properties and affairs; provided, however, that the Board of Directors selected prior to the first annual election shall not enter into any contracts which bind the Association for a period in excess of one (1) year, unless reasonable cancellation provisions are included in the contract.

Section 12. Committees. The Board of Directors may create such committees as in its judgment may be necessary for properly conducting the affairs of the Association. The members of such committees shall be either members of the Board of Directors or members of the Association, or both. The Board of Directors may delegate to the president the authority to appoint the members of such committees. The Board of Directors may create an architectural committee as provided in Article V of the Declaration, and the membership in such committee shall be governed by said provisions.

Section 13. Indemnification of Directors and Officers. When a director or an officer is made a party to any action, suit or proceeding by reason of his being or having been a director or an officer of the Association, the reasonable expenses, including attorneys' fees, incurred in the defense of such action, suit or proceeding, including any settlement thereof, shall be assessed against the Association only upon the order of the Court and in accordance with the provisions of Section 830 of the California Corporations Code.

ARTICLE X

OFFICERS

Section 1. Officers. The officers of the Association shall be a president, a vice-president, a secretary, a treasurer, and such other officers as the Board of Directors may from time to time determine. The offices of secretary and treasurer may be held by the same person.

Section 2. Election. The officers of the Association shall be appointed annually by the Board of Directors at a regular annual meeting of the Directors. The president and the secretary shall be members of the Board of Directors. Other officers need not be directors. Unless he shall sooner resign or shall be removed or otherwise disqualified to serve, each officer shall hold office for a period of one (1) year, or until his successor has been appointed and is ready to enter upon the duties of the office. A vacancy in any office, for any reason, shall be filled by the Board of Directors either at a special meeting called for that purpose or at the next regular meeting of the Directors.

Section 3. Removal and Resignation. Any officer may be removed from office, either with or without cause, by the Board of Directors whenever in its judgment the best interests of the Association would be served thereby, or by majority vote of the members present at any regular or special meeting at which a quorum is present. Any officer may resign at any time by giving written notice to the Association and any such resignation shall take effect on the date of receipt of such notice, or at any later time specified therein, and unless otherwise specified, the acceptance of such resignation shall not be necessary to make it effective.

Section 4. President. The president, subject to the direction and control of the Board of Directors, shall be the principal executive officer of the Association, and shall in general supervise and control all of the business and affairs of the Association. He shall preside at all meetings of the Board of Directors. He shall be an ex officio member of all committees. He shall execute as president all deeds, contracts and other instruments in writing which have been first approved by the Board of Directors, provided that the Board of Directors may delegate authority to execute any such document or instrument in writing to any other officer of the Association or to a member of the Board of Directors. He shall render a report annually to the members, and shall perform such other duties and have such other powers as shall be from time to time assigned to him by the Board of Directors.

Section 5. Vice-President. In the absence of the president or in the event of his inability or refusal to act, the vice-president shall perform the duties of the president, and when so acting, shall have all of the powers of and be subject to all the restrictions upon the president. The vice-president shall perform such other duties and have such other powers as shall be, from time to time, assigned to him by the Board of Directors.

Section 6. Acting President. In the absence of the president and vice-president or in the event of their inability or refusal to act, the Board of Directors shall appoint an acting president, in whom shall be vested for the time being all of the duties, functions and powers of the president.

Section 7. Secretary. The secretary shall keep a record of the proceedings of all meetings of the members and of the Board of Directors, give all notices required by law or by these By-Laws, and have custody of the corporate books, records and documents, and the corporate seal, keep and maintain a register of the members, and in general perform all duties incident to the office of secretary, and such other duties as from time to time may be assigned to him by the Board of Directors.

Section 8. Treasurer. The treasurer shall supervise the accounting records of the Association and shall have charge and custody of and be responsible for all funds and securities of the Association, receive and give receipts for all monies paid to the Association from any source whatsoever, and deposit all such monies in the name of the Association.

tion in such bank or other depositories as shall be designated by the Board of Directors, which such funds shall be withdrawn by such officer or officers, as the Board of Directors shall from time to time designate, and in general perform all of the duties incident to the office of treasurer, and such other duties as from time to time may be assigned to him by the Board of Directors.

ARTICLE XI

AMENDMENTS

Section 1. Matters Governed by the Declaration of Protective Restrictions. Any matter stated herein to be or which is in fact governed by the declarations of protective restrictions may not be amended except as provided in the declarations of protective restrictions.

Additions to The Properties described in Part (b) of Section 2. of Article II of the Declaration must be approved upon the written consent of the Owners holding seventy percent (70%) of the voting power of each class of membership.

Section 2. Matters Not Governed by the Declaration of Protective Restrictions. Any matter not governed by the declarations of protective restrictions may be amended as provided in Sections 3. and 4. of this Article.

Section 3. Amendment by the Members. The Articles of Incorporation or By-Laws may be altered, amended or repealed by the members by the written assent of a majority of the voting power of the members, or the vote of a majority of each class of the voting power of the members present, either in person or by proxy, at any annual meeting or at a special meeting duly called for such purpose, at which a quorum is present.

Section 4. Consent of Real Estate Commissioner, etc. to Amendment. No amendment of the Articles of Incorporation or By-Laws which would materially change the rights, preferences or privileges of any member, or restriction, upon any Lot or Living Unit affected thereby, shall become effective until obtaining the written consent of the Real Estate Commissioner or the Commissioner of Corporations, or any other applicable regulatory agency, if required under the then existing rules and regulations of the Real Estate Commissioner and laws of the State of California.

Section 5. Conflict Between By-Laws, Articles and Declaration of Protective Restrictions. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration of Protective Restrictions applicable to The Properties and these By-Laws, the Declaration of Protective Restrictions shall control.

ARTICLE XII

MISCELLANEOUS

Section 1. 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 Association, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by resolution of the Board of Directors.

Section 2. Contract, etc., How Executed. The Board of Directors, except as otherwise provided in the By-Laws, 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 Association, and such authority may be general or confined to specific instances; and unless so authorized by the Board of Directors, no officer, agent or employee shall have any power or authority to bind the Association by any contract or engagement or to pledge its credit to render it liable for any purpose or to any amount.

Section 3. Inspection of By-Laws. The Association shall keep in its principal office for the transaction of business the original or a copy of the By-Laws as amended or otherwise altered to date, certified by the secretary, which shall be open to inspection by the members at all reasonable times during office hours.

Section 4. Annual Reports. The Association shall, where the Board of Directors determine to be appropriate, provide for an annual independent examination of the account or accounts of the Association. The Association shall make a copy of such report, or a copy of a statement of account based on such report, available to each member at the annual meeting or within thirty (30) days of completion thereof. If no such independent audit is obtained, the Association shall prepare and submit an annual statement of accounts to each member at the annual meeting or within thirty (30) days of completion thereof.



PLACER, County Recorder
JIM MCCAULEY

DOC- 2009-0072785-00

Check Number 1227st

Tuesday, AUG 18, 2009 14:56:57

MIC \$3.00 | AUT \$20.00 | SBS \$19.00

ERD \$1.00 | RED \$1.00 | REC \$22.00

Ttl Pd \$66.00

Rcpt # 0001959883

sr+/ST/1-20

Recording Requested by and
When Recorded Mail to:

Kingswood H.O.A
P.O. Box 1215
Kings Beach, CA 96143

KINGSWOOD RESIDENTS ASSOCIATION

COVENANTS, CONDITIONS, AND RESTRICTIONS
ON RESIDENTIAL PROPERTY

5/11
/20

ACKNOWLEDGMENT

State of California
County of Sacramento

On July 8, 2009 before me, Monica Arriola Krakow, Notary Public
(insert name and title of the officer)

personally appeared Gerald Rucker
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature *Monica Arriola Krakow* (Seal)



ACKNOWLEDGMENT

State of California
County of Santa Clara

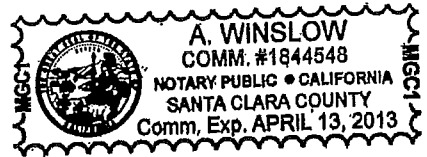
On July 1, 2009 before me, A. Winslow, Notary Public
(insert name and title of the officer)

personally appeared Ki Nyborg
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature *A. Winslow* (Seal)



20



ARTICLES OF INCORPORATION
OF
KINGSWOOD RESIDENTS ASSOCIATION, INC.

ARTICLE I

The name of the Corporation shall be KINGSWOOD RESIDENTS ASSOCIATION, INC.

ARTICLE II

The purposes for which this Corporation is formed are:

- A. The specific and primary purposes are to promote the health, safety and welfare of the residents of "The Properties" as defined in Article VII hereof.
- B. The general purposes and powers are: To own, acquire, erect, construct, improve, maintain, repair, and operate recreational sports and games facilities of all kinds, including buildings, structures, personal properties incident thereto, areas and other properties of every kind and nature whatsoever (hereafter called "recreational facilities") for the common benefit and enjoyment of, to promote social intercourse among, and to furnish recreation, pleasure, happiness, and health to its members; and
- C. To receive and hold by gift, bequest, devise, purchase, or lease, or otherwise, either absolutely or in trust such recreational facilities, or any of them, whether real, personal or mixed property; to sell, convey, expend, transfer, give, or otherwise dispose of any recreational facilities for any of the aforementioned purposes, without limitation, except such limitations, if any, as may be contained in the instrument under which such property is received; to act as trustee for any of the aforementioned purposes, receiving, holding, managing, administering, and expending property and funds in accordance with the trusts under which the property and funds are acquired and held; to receive, own, hold, manage, administer, and expend the principal and income of stocks, bonds, obligations, or other securities of any corporation or corporations, domestic or foreign, but only for the foregoing purposes; and
- D. To fix assessments (or charges) to be levied against the members and The Properties (as defined in Article VII); and
- E. To enforce any and all covenants, restrictions and agreements applicable to The Properties (as defined in Article VII); and
- F. To do and engage in any and all lawful activities that may be incidental or reasonably necessary to any of the foregoing purposes, and to have and exercise all rights and powers which a nonprofit corporation organized under the laws of the State of California can be authorized to have and exercise.

G. In all events and under all circumstances, and notwithstanding merger, reorganization, reorganization, termination, dissolution, or winding up of this Corporation, voluntary or involuntary, or by operation of law, the following provisions shall apply:

1. References herein to any provision of the Internal Revenue Code of 1954 (herein called the "Code") shall be deemed to mean such provision as now or hereafter existing, amended, supplemented, or superseded, as the case may be.

2. The Corporation shall not have or exercise any power or authority either expressly, by interpretation or by operation of law, nor shall it directly or indirectly engage in any activity that would prevent this Corporation from qualifying (and continuing to qualify) as a corporation described in Section 501(c)(7) of the Code.

3. No transfer by gift, bequest, devise, sale, or lease, or otherwise, of any property to the Corporation shall be received and accepted if it be conditioned or limited in such manner as to require the disposition of the income or its principal as shall, in the opinion of the directors, jeopardize the federal income tax exemption of this Corporation pursuant to Section 501(c)(7) of the Code.

4. The Corporation shall never be operated for the primary purpose of carrying on a trade or business for profit.

5. No part of the net earnings of the Corporation shall inure to the benefit of any member.

6. Except upon the termination, dissolution or winding up of the Corporation, none of its assets shall be distributed to or for the benefit of any member.

ARTICLE III

The Corporation is organized, pursuant to the General Nonprofit Corporation Law of the State of California.

ARTICLE IV

The County in the State of California where the principal office for the transaction of the business of the Corporation is to be located is the City and County of San Francisco.

ARTICLE V

A. The powers of the Corporation shall be exercised, its properties controlled, and its affairs conducted by a Board of Directors. The number of Directors of the Corporation shall be three (3). The number of Directors herein provided for may be changed by a By-Law duly adopted by the members entitled to vote.

B. The names and addresses of the persons who are appointed to act as the first Directors are:

<u>Name</u>	<u>Address</u>
Desmond S. Mactavish	11 Trechaven Drive San Rafael, California
R. Leonard Garrison	2210 Jackson Street, Apt. 301 San Francisco, California
David C. Irmer	2 Madrona Belvedere, California

ARTICLE VI

The authorized number and qualifications of members of the Corporation, the different classes of membership, the property, voting, and other rights and privileges of members, and the liability of members to dues or assessments, and the method of collection thereof, shall be as set forth in the By-Laws of the Corporation.

ARTICLE VII

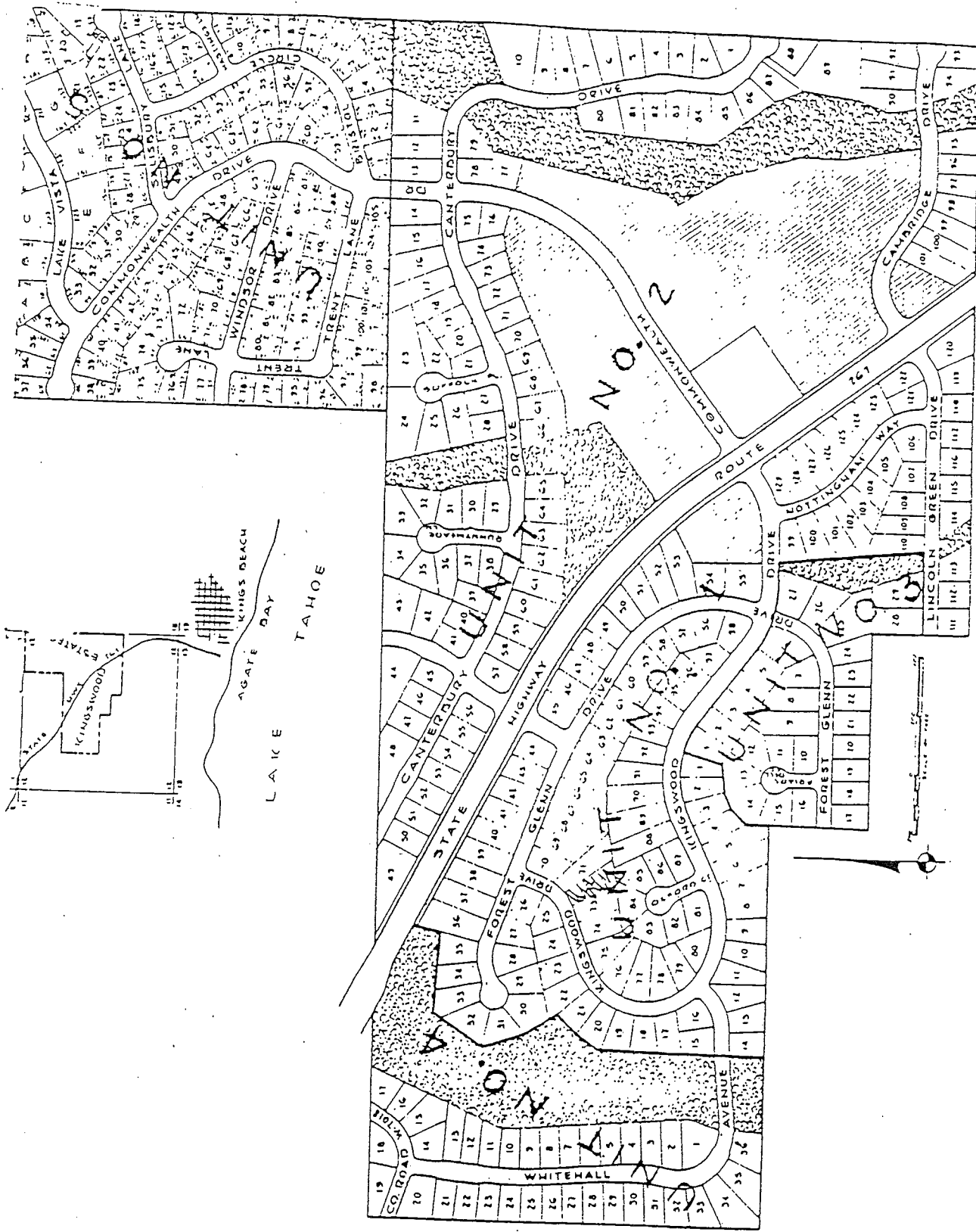
References made herein to "The Properties" mean all that real property commonly known as KINGSWOOD, UNIT I, County of Placer, State of California, Lots 1 through 129, inclusive, and such additional real property as may be hereafter brought within the jurisdiction of the Corporation.

IN WITNESS WHEREOF, for the purposes of forming the nonprofit Corporation under the laws of the State of California, we, the undersigned, constituting the incorporators of the Corporation, and including all of the persons named herein as the first directors of the Corporation, have executed these Articles of Incorporation this 2nd day of September, 1966.

Desmond S. Mactavish

R. Leonard Garrison

David C. Irmer



**KINGSWOOD ESTATES
GENERAL PLAN OF DEVELOPMENT**