

BYLAWS

SKY RANCH PROPERTY OWNERS ASSOCIATION

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BYLAWS
SKY RANCH PROPERTY OWNERS ASSOCIATION

ARTICLE I
NAME AND LOCATION

The name of this corporation is SKY RANCH PROPERTY OWNERS ASSOCIATION, a California nonprofit mutual benefit corporation, hereinafter referred to as the “Association.” The principal office of the Association is located at P.O. Box 645, Carmel Valley, CA 93924, Monterey County, California.

ARTICLE II
DEFINITIONS

2.01 “**Articles**” means the Articles of Incorporation of the Association, as may be amended from time to time.

2.02 “**Assessment**” means that portion of the cost of maintaining, improving, repairing, operating, and managing the Subdivided Property, which is to be paid by each Member as determined by the Association.

2.03 “**Association**” means and refers to the SKY RANCH PROPERTY OWNERS ASSOCIATION, a California nonprofit mutual benefit corporation, its successors and assigns.

2.04 “**Board**” or “**Board of Directors**” means the governing body of the Association, selected in accordance with these Bylaws.

2.05 “**Bylaws**” means the Bylaws of the Association, as may be amended from time to time.

2.06 “**Declaration**” means the Declaration of Covenants, Conditions and Restrictions of Sky Ranch Property Owners Association recorded in the Office of the Recorder for the County of Monterey, State of California, on July 25, 2022, Document #2022031915, as may be amended from time to time.

2.07 “**Member**” means a person entitled to membership in the Association by reason of their ownership or title in a Residential Lot or Parcel.

2.08 “**Owner**” means the record owner, whether one or more persons or entities of a Residential Lot or Parcel. “Owner” shall also include a contract vendee under a Real Property Sales Contract, provided that such Real Property Sales Contract complies with the provisions of Sections 2985 through 2985.6 of the California Civil Code.

2.09 “**Person**” means a natural person, a corporation, a partnership, a trustee, or other legal entity.

2.10 “**Residential Lot or Parcel**” means each lot within the Subdivided Property which may be separately conveyed for residential or agricultural purposes.

2.11 “**Subdivided Property**” shall mean all that real property shown on Exhibit “A” attached hereto and incorporated by reference herein.

ARTICLE III GOVERNING DOCUMENTS

The governing documents of this Association are the Declaration, the Articles, and the Bylaws. In the case of any conflict between the Articles and the Bylaws, the Articles shall control. In the case of any conflict between the Declaration and the Bylaws, the Declaration shall control. It is the purpose and intent of the Association in adopting these Bylaws to establish operating procedures for the conduct of the business of the Association as a supplement to the matters set forth in the Declaration and the Articles.

ARTICLE IV MEETINGS OF MEMBERS AND VOTING

4.01 **Place of Meeting.** Meetings of Members shall be held at a place designated by the Board of Directors.

4.02 **Annual Meeting.** The first annual meeting of the Members shall be held on a date set by the Board. The second annual meeting shall be set by the Board to occur not later than ninety (90) days after the close of the Association’s fiscal year. Subsequent regular annual meetings of the Members shall be held each year thereafter on a date set by the Board, which shall be within thirty (30) days of the same day of the same month of the second annual meeting.

4.03 **Regular Meetings.** Regular meetings of the Board shall be conducted at least monthly, at such place and time as may be established by resolution of the Board, provided, however, that Regular Meetings may be held as infrequently as every quarter if the Board's business does not justify more frequent meetings.

4.04 **Special Meetings.** Special meetings of the Members shall be promptly called by the Board upon the vote for such a meeting by a majority of a quorum of the Board, or upon receipt of a written request for a special meeting signed by Members representing at least twenty percent (20%) of the total voting power of the Association. If a special meeting is requested by Members other than the Board, the request shall be submitted by such Members in writing, specifying the general nature of the business proposed to be transacted, and shall be delivered personally or sent by registered mail to the President, the Vice President, or Secretary of the Association. The officer receiving the request shall cause notice to be promptly given to the Members entitled to vote that a meeting will be held and the date for such meeting, which date shall be not less than ten (10) nor more than ninety (90) days following the receipt of the request. If the notice is not given within twenty (20) days after receipt of the request, the persons requesting the meeting may give the notice.

4.05 **Notice of Members' Meetings.**

A. **General Notice Contents.** All notices of meetings of Members shall be sent or otherwise given not less than ten (10) nor more than ninety (90) days before the date of the meeting; provided, however, that if notice is given by mail and the notice is not mailed by first-class, registered, or certified mail, the notice shall be given not less than twenty (20) days before the meeting. Notice shall be given to all persons who are Members on the record date for notice of the meeting. The notice shall state the place, date, and time of the meeting and (1) in the case of a special meeting, the general nature of the business to be transacted, and no other business may be transacted, or (2) in the case of the regular Annual Meeting, those matters which the Board of Directors, at the time the notice is given, intends to present for action by the Members, but, except as otherwise provided herein, any proper matter may be presented at the meeting. The notice of any meeting at which directors are to be elected shall include the names of all those who are nominees at the time the notice is given to Members.

B. Notice of Certain Agenda Items. If action is proposed to be taken at any meeting for approval of any of the following proposals, the notice shall also state the general nature of the proposal. Member action on such items is invalid unless the notice or written waiver of notice states the general nature of the proposal:

- (1) Removing a Director without cause;
- (2) Filling vacancies on the Board of Directors by the Members;
- (3) Amending the Articles; or
- (4) Approving a contract or transaction in which a Director has a material financial interest.

C. Manner of Giving Notice. Notice of any meeting of Members shall be given either personally or by mail, email, or other means of written communication, addressed to each Member at the address of the Member appearing on the books of the Association for the purpose of notice. If no address appears in the Association's books and no other address has been given, notice shall be deemed to have been given if either (1) notice is sent to the Member by first-class mail or email or other written communication to the corporation's principal executive office or (2) notice is published at least once in a newspaper of general circulation in the county where that office is located. Notice shall be deemed to have been given at the time when delivered personally or deposited in the mail or sent by email or other means of written communication.

D. Affidavit of Mailing Notice. An affidavit of the mailing or other means of giving any notice of any Members' meetings may be executed by the Secretary, or any other person giving the notice, and if so executed shall be filed and maintained in the minutes of the Association.

4.06 Quorum.

A. Percentage Required. A simple majority (51%) of eligible voting Membership, represented in person or by proxy, shall constitute a quorum for the transaction of business at a meeting of the Members. Composition of a quorum may rely on the content of an agenda item.

B. Lack of a Quorum. If there are not sufficient Members present to constitute a quorum at the commencement of a duly called or duly held meeting, a majority of those present in person or by proxy shall have the power to vote to adjourn the meeting to another time but may not transact any other business. An adjournment for lack of a quorum shall be to a date not less than five (5) days and not more than thirty (30) days from the original meeting date. If a time and place for the adjourned meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for the adjourned meeting after adjournment, notice of the time and place of the adjourned meeting shall be given to members in the manner prescribed for Regular Meetings.

4.07 Voting.

A. Eligibility to Vote. Persons entitled to vote at any meeting of Members shall be Voting Members as of the record date determined in accordance with this Article, subject to the provisions of the California Nonprofit Mutual Benefit Corporation Law.

B. Manner of Casting Votes. Voting may be by voice, hands, or ballot, provided that any election of directors must be by written ballot. The Board may direct the method of voting on issues other than election issues. There shall be one (1) vote and one (1) Voting Member for each Residential Lot or Parcel, regardless of the number of Owners of such Residential Lot or Parcel, and such Voting Member shall cast the entire vote for such Residential Lot or Parcel and take all other action to be taken by Voting Members. All references in the Bylaws or this Declaration to votes by Members shall mean votes by the Voting members.

A proxy given by the Voting Member of a Residential Lot or Parcel shall be deemed the proxy of all Owners of such Residential Lot or Parcel absent a revocation by such owners of the designation of the Voting Members.

4.08 Record Date.

A. Determined by Board of Directors. For the purposes of determining which Members are entitled to receive notice of any meeting, or to give consent to Association action without a meeting, the Board of Directors may fix, in advance, a “record date” which shall not be more than sixty (60) nor fewer than ten (10) days before the date of any such meeting, no more than sixty (60) days before any such action without a meeting. Only Members of record on the date so fixed are entitled to notice, or to give consents, as the case may be,

notwithstanding any transfer of any membership on the books of the Association after the record date, except as otherwise provided in the Articles of Incorporation, by agreement, or in the California Nonprofit Mutual Benefit Corporation Law.

4.09 **Proxies-Right of Members**. Every person entitled to vote shall have the right to do so either in person or by one or more agents authorized by a written proxy, signed by the person and filed with the Secretary of the Association in advance of the vote. The proxy shall identify the person entitled to exercise the proxy and the length of time it shall be valid.

ARTICLE V NOMINATION AND ELECTION OF DIRECTORS

5.01 **Nomination**. To be eligible for nomination to the Board, a candidate must be a Member of the Association at the time of nomination. Nominations may be made by any Member, and any Member may self-nominate.

5.02 **Nomination and Election Procedures**. The Board of Directors shall make available to the Members reasonable nomination and election procedures, including a reasonable means of nominating persons for election as Directors, a reasonable opportunity for a nominee to communicate to the Members the nominee's qualifications and the reasons for the nominee's candidacy, a reasonable opportunity for all nominees to solicit votes, and a reasonable opportunity for all Members to choose among the nominees. The Board of Directors shall cause the Association to publish or mail material with respect to nominees to directorships, in accordance with the provisions of the California Nonprofit Mutual Benefit Corporations Law.

5.03 **Election**. At the election of directors to the Board, each Voting Member may cast as many votes as they are entitled under the provisions of Section 4.06.B herein. Voting for directors shall be by secret written ballot. The persons receiving the largest numbers of votes shall be elected.

ARTICLE VI BOARD OF DIRECTORS

6.01 **General Corporate Powers**. Subject to the provisions of the California Nonprofit Mutual Benefit Corporation Law and any limitations contained in the Association's Articles, Bylaws or Declaration which relate to action required to be approved by the Members, the business and affairs of the

Association shall be managed, and all Association powers shall be exercised, by or under the direction of the Board of Directors.

6.02 **Number and Qualification of Directors.** The authorized number of directors shall be three (3). Directors must be Owners. Only one (1) Member with a shared ownership of a Parcel(s) may serve on the Board of Directors.

6.03 **Term of Office.** The term of office of Directors shall be two (2) years.

6.04 **Vacancies.**

A. **Events Causing Vacancy.** A vacancy or vacancies in the Board of Directors shall be deemed to exist on the occurrence of the following:

(1) The death, resignation or removal of any Directors;

(2) The declaration by resolution of the Board of Directors of a vacancy of the office of a Director who has been declared of unsound mind by an order of court or convicted of a felony or has been found by final order or judgment of any court to have breached a duty under Sections 7230 et seq. of the California Nonprofit Mutual Benefit Corporation Law, as may be amended, or has failed to attend the requisite meetings;

(3) The vote of the majority of the Members to remove a Director;

(4) The increase of the authorized number of Directors; or

(5) The failure of the Members at any meeting of Members at which any Director or Directors are to be elected, to elect the number of directors to be elected at such meeting.

B. **Vacancies Filled by Directors.** Except for a vacancy created by the removal of a Director, vacancies on the Board may be filled by a vote of the majority of the directors then in office, whether or not less than a quorum, or by a sole remaining Director.

C. Vacancies filled by Members. The Members may elect a Director or Directors at any time to fill any vacancy or vacancies not filled by the Directors.

D. No Vacancy on Reduction of Number of Directors. No reduction of the authorized number of Directors shall have the effect of removing any Director before that Director's term of office expires.

6.05 **Meetings by Telephone.** Directors' meetings may be held by conference telephone or similar communication equipment pursuant to the provisions of California Nonprofit Mutual Benefit Corporations Law.

6.06 **Meetings of the Board.**

A. Regular Meetings. In addition to the regular Annual meeting, Regular meetings of the Board of Directors shall be held at least monthly at a time and place designated by resolution of the Board. Notice of the time and place of meeting shall be posted at a prominent place within the Subdivided Property and shall be communicated to each Director not less than four (4) days prior to the meeting; provided, however, that notice need not be given to any Director who has signed a waiver of notice or a written consent to holding of the meeting.

B. Special Meetings. Special meetings of the Board of Directors for any purpose may be called at any time by written notice signed by the President, or by any two (2) Directors, other than the President. The notice shall specify the time and place of the meeting and the nature of any special business to be conducted. Notice shall be posted in the manner prescribed for notice of regular meetings and shall be sent to all directors not less than four (4) days notice by first-class mail, or not less than seventy-two (72) hours prior to the meeting if delivered personally, or by telephone or electronic transmission; provided, however, that notice need not be given to any Director who signed a waiver of notice or a written consent to holding of the meeting.

C. Manner of Giving Notice. Notice of the time and place of meetings shall be given to each Director by one of the following methods:

- (1) By personal delivery of written notice;
- (2) By first-class mail, postage prepaid;

(3) By telephone communication, either directly to the Director or to a person at the Director's designated address who would reasonably be expected to communicate such notice promptly to the Director; or

(4) By email with receipt request.

All such notices shall be given or sent to the Director's designated address, email address, or telephone number as shown on the records of the corporation.

D. Time and Place. Meetings may be held at any place within the Subdivided Property, and at any time, as set forth in the notice.

E. Members' Attendance. Regular and Special Meetings of the Board shall be open to all Members of the Association; provided, however, that Members who are not directors may not participate in any deliberation or discussion of the Board unless expressly so authorized by vote of a majority of a quorum of the Board.

F. Executive Session. The Board may, with the approval of a majority of a quorum of the directors, adjourn a meeting and reconvene in Executive Session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, and orders of business of a similar nature. The nature of any business to be considered in Executive Session shall first be announced in open session.

6.07 **Quorum**. A majority of the authorized number of directors shall constitute a quorum for the transaction of business, except to adjourn as provided in this Section. Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors, subject to the provisions of the California Nonprofit Mutual Benefit Corporation Law, including without limitation those provisions relating to (1) approval of contracts or transactions in which a Director has a direct or indirect material financial interest, (2) appointment of committees, and (3) indemnification of directors. A meeting at which a quorum *is* initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

6.08 **Waiver of Notice.** The transactions of any meeting of the Board of Directors, shall be valid if taken at a meeting duly held after regular call and notice, if, (1) a quorum is present and (2) either before or after the meeting, each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes of the meeting and (3) notice of the time and place of the meeting was posted at a prominent place within the Subdivided Property not less than four (4) days prior to the scheduled time of the meeting. The written waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents and approvals shall be filed with the Association records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

6.09 **Unanimous Consent to Action.** Subject to California Nonprofit Mutual Benefit Corporation Law, the Board may take actions without a meeting if all of the Directors consent in writing to the action to be taken. If the Board resolves by unanimous written consent to take action, an explanation of the action shall be posted at a prominent place within the Subdivided Property within three (3) days after the written consents of all Directors have been obtained.

6.10 **Adjournment.** A majority of the Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

6.11 **Notice of Adjournment.** Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than twenty-four (24) hours, in which case personal notice of the time and place shall be given before the adjourned meeting to the directors who were not present at the time of adjournment.

6.12 **Compensation.** No Director shall receive compensation for any service they may render to the Association. Any Director, however, may be reimbursed for their actual expenses incurred in the performance of duties. Receipts and invoices shall be provided to the Treasurer.

ARTICLE VII POWERS AND DUTIES OF THE BOARD OF DIRECTORS

7.01. **Duties.** It shall be the duty of the Board of Directors to:

A. Enforce any and all applicable provisions of the Declaration, the Articles and the Bylaws regulating the Association.

B. Procure and maintain any and all types of insurance on behalf of the Association as shall be deemed necessary by the Board.

C. Levy Assessments, with the ability to:

(1) Fix the amount of the annual assessment against each Residential Lot or Parcel at least sixty (60) days in advance of each annual assessment; subject to a vote by the membership constituting a quorum;

(2) Send written notice of each assessment to every Member subject thereto at least thirty (30) days in advance of each annual assessment period; and

(3) Foreclose the lien against any property for which the assessments are not paid within ninety (90) days after due or to bring an action at law against the Member personally obligated to pay the same.

D. Pay all expenses and obligations incurred by the Association in the conduct of its business including, without limitations, all licenses, taxes, or governmental charges levied or imposed against the property of the Association.

E. Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by Members representing one-fourth (1/4th) of the voting power of the Association.

F. Supervise all officers, agents and employees of the Association, and to ensure that their duties are properly performed.

G. Cause officers or employees having fiscal responsibilities to be bonded, as may be deemed appropriate.

7.02 **Powers.** The Board of Directors shall have the power to:

A. Adopt and publish rules and regulations governing the use of any Easement Area, Lot, or Parcel and the personal conduct of the Members and

their guests, tenants and invitees thereon, and to establish penalties for the infraction thereof.

B. Impose Special Charges or Monetary Penalties upon a Member and suspend the voting rights of a Member during any period in which such Member shall be in default as hereinafter described.

The Board may impose a Special Charge as a means of reimbursing the Association for costs incurred by the Association in the repair of damage to any Easement Area caused by a Member or in bringing the Member's Residential Lot or Parcel into compliance with the Declaration and Bylaws and may impose a Monetary Penalty as a fine for a breach of a Member's obligations; provided, however, that any such Special Charge or Monetary Penalty shall not be characterized as or constitute an assessment which may become a lien against the Member's Residential Lot or Parcel enforceable by the sale of the Member's Residential Lot or Parcel under California Civil Code Sections 2924, 2924.b and 2924.c.

The Board may suspend the voting rights for a given Residential Lot or Parcel, if the Board finds, after notice and a hearing, that the Member is in default in the payment of any Assessment or charge levied by the Association or that the Member has violated or breached the provisions of the Declaration.

The Board shall give the Member who is the subject of the proposed action fifteen (15) days prior notice of the proposed action and the reasons, therefore. The procedures for notice and a hearing shall in all respects conform to the procedures set forth in California Nonprofit Mutual Benefit Corporations Code Section 7341, as amended, or and successor statute thereto.

C. Exercise for the Association all powers, duties, and authority vested in or delegated to the Association and not reserved by the membership by other provisions of these Bylaws, the Articles, or the Declaration.

D. Declare the office of a Director vacant in the event such Director shall be absent from three (3) consecutive regular meetings of the Board of Directors.

E. Enter upon any Residential Lot or Parcel as necessary, at reasonable hours and on forty-eight- (48-) hour advance notice to the owner of said

Residential Lot or Parcel, except in case of emergency, in connection with the protection, management or maintenance for the benefit of any Easement.

F. Delegate its authority and powers to committees, officers, or employees of the Association.

G. Contract for goods or service for the benefit of the Association.

H. Adopt reasonable procedures for notice and hearing with respect to the enforcement of the Articles, Bylaws or Declarations.

I. Disclose any conflicts of interest as required by Corp. Code section 7233.

7.03 Prohibited Acts. The Board of Directors shall not take any of the following actions, except with the vote or written consent of a majority of the voting power of Members:

A. Entering into a contract with a third person wherein the third person will furnish goods or services for any Easement Area or for the Association for a term longer than one (1) year, with the following exceptions:

(1) A management contract the terms of which have been approved by the Federal Housing Administration or Veterans Administration.

(2) A contract with a public utility company if the rates charged for the materials or services are regulated by the Public Utilities Commission; provided, however, that the term of the contract shall not exceed the shortest term for which the supplier will contract at the regulated rate.

(3) Prepaid casualty or liability insurance policies not to exceed three (3) years duration provided that the policy permits short rate cancellation by the insured.

B. Incurring aggregate expenditures for capital improvements to any Easement Area in any fiscal year in excess of Fifteen Thousand Dollars (\$15,000).

C. Paying compensation to Directors or to officers of the Association for services performed in the conduct of the Association's business; provided, however, that the Board may cause a Director or officer to be reimbursed for expenses reasonably and actually incurred in carrying on the business of the Association.

ARTICLE VIII OFFICERS

8.01 **Officers.** The officers of the Association shall be a President, Vice President, Secretary, and a Treasurer. The Association may also have at the discretion of the Board of Directors, one or more Vice Presidents, one or more Assistant Secretaries, and such other officers as may be appointed in accordance with the provisions of this Article. Any number of offices may be held by the same person, except that neither the Secretary nor the Treasurer may serve concurrently as the President.

8.02 **Election of Officers.** The officers of the Association, except those appointed in accordance with the provision of Section 8.03, shall be chosen by the Board of Directors and each shall serve at the pleasure of the Board for a term of one (1) year.

8.03 **Subordinate Officers.** The Board of Directors may appoint, or may authorize the President to appoint, any other officers that the business of the Association may require, each of whom shall have the title, hold office for the period, have the authority, and perform the duties specified in the Bylaws or determined from time to time by the Board of Directors.

8.04 **Removal of Officers.** Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, with or without cause, by the Board of Directors at any Regular or Special Meeting of the Board or, except in the case of an officer chosen by the Board of Directors, by an officer on whom such power of removal may be conferred by the Board of Directors; provided, however, that if the officer is also a Director his removal as an officer shall not affect his status as a Director.

8.05 **Vacancies in Offices.** A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled only in the manner prescribed in these Bylaws for regular appointments to that office.

8.06 Responsibilities of Officers.

A. President. The President shall, subject to the control of the Board of Directors, generally supervise, direct, and control the business and the officers of the Association. The President shall preside at all meetings of the Members and all meetings of the Board of Directors and shall have such other powers and duties as may be prescribed by the Board of Directors or the Bylaws.

B. Vice President. In the absence or disability of the President, the Vice President, shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all of the restrictions upon, the President. The Vice President shall have such other powers and perform such other duties as from time to time may be prescribed by the Board of Directors.

C. Secretary. The Secretary shall attend to the following:

(1) Meeting Minutes. The Secretary shall keep or cause to be kept, at such place as the Board of Directors may direct, a Book of Minutes of all meetings and actions of, directors, committees of directors, and Members, with the time and place of holding, whether regular or special, and, if special, how authorized, the notice given, the names of those present at such meetings, the number of Members present or represented at Members' meetings, the percentage of the voting power represented at such meetings, and the proceedings of such meetings.

(2) Membership Records. The Secretary shall keep, or cause to be kept, records showing the names of all Members, their addresses, the names of the designated Voting Members and their vote.

(3) Notices. The Secretary shall give, or cause to be given, notice of all meetings of the Members and of the Board of Directors required by the Bylaws to be given. The Secretary shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or the Bylaws.

D. Treasurer. The Treasurer shall attend to the following:

(1) Books of Account. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the Association, including

accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements.

(2) Financial Statements. The Treasurer shall prepare or cause to be prepared the financial statements and reports required to be delivered to each Member as set forth in these Bylaws and in the California Nonprofit Mutual Benefit Corporation Law.

(3) Deposit and Disbursement Money. The Treasurer shall deposit all money and other valuables in the name and to the credit of the Association with such depositories as may be designated by the Board of Directors; shall disburse the funds of the Association as may be ordered by the Board of Directors; shall render to the President and the Directors, whenever they request it, an account of all his transactions as Treasurer and of the financial condition of the Association; and shall have other powers and perform such other duties as may be prescribed by the Board of Directors or the Bylaws.

(4) Bond. If required by the Board of Directors, the Treasurer shall give the Association a bond in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of the office and for restoration to the Association of all its books, papers, vouchers, money and other property of every kind in their possession or under their control on their death, resignation, retirement or removal from office. The cost of the bond shall be paid by the Association.

ARTICLE IX RECORDS AND REPORTS

9.01 **Inspection Rights**. Any Member of the Association may:

A. Inspect and copy the records of Members' names, addresses, and voting rights during usual business hours or five (5) days prior written demand on the Association, stating the purpose for which the inspection rights are requested.

B. Obtain from the Secretary of the Association, on written demand and on the tender of the Secretary's usual charges for such a list, if any, a list of names and addresses of Members who are entitled to vote for the election of directors, and their voting rights, as of the most recent record date for which that list has been compiled, or as of a date specified by the Member after the date of

demand. The demand shall state the purpose for which the list is requested. This list shall be made available to any such Member by the Secretary on or before the later of ten (10) days after the demand is received or the date specified in it as the date by which the list is to be compiled. Any inspection and copying under this Section may be made in person or by an agent or attorney of the Member and the right of inspection includes the right to copy and make extracts.

9.02 **Articles and Bylaws.** The Association shall keep at a place designated in this State by the Board of Directors the original or a copy of the Articles and Bylaws, as amended to date, which shall be open to inspection by the Members at all reasonable times during office hours.

9.03 **Maintenance and Inspection of Other Corporate Records.** The membership register, accounting records, and minutes of proceedings of the Members of the Board and of committees shall be kept at such place or places designated by the Board of Directors. Each such document shall be kept either in written or typed form or in any other form capable of being converted into written, typed or printed form. Each such document shall be open to inspection upon the written demand of any Member, at any reasonable time as more particularly established by the Board, for a purpose reasonably related to the Member's interests as a Member. The inspection may be made in person or by an agent or attorney, and shall include the right to copy and make extracts.

9.04 **Inspection by Directors.** Every Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties of the Association. This inspection by a Director may be made in person or by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents.

9.05 **Annual Report to Members.**

A. **Financial Statements.** In any year in which the gross revenues or receipts of the Association exceed Twenty Thousand Dollars (\$20,000), the Association shall prepare and distribute the financial statements to each Member as set forth herein:

(1) An Annual Report consisting of the following shall be distributed within one hundred twenty (120) days after the close of each fiscal year:

- a. A balance sheet as of the end of the fiscal year.

- b. An operating (income) statement for the fiscal year.
- c. A statement of changes in the financial position for the fiscal year.
- d. Any information required to be reported under Corporations Code Section 8322, as may be amended. If the Annual Report is not prepared by an independent accountant, it shall be accompanied by the certificate of an authorized officer of the Association that the statements were prepared without audit from the books and records of the Association.

(2) There shall be an external audit by an independent public accountant for fiscal year financial statements for any fiscal year in which the gross income to the Association exceeds Seventy-Five Thousand Dollars (\$75,000). Institutional lenders shall, upon request, receive an audited financial statement within ninety (90) days following the end of the fiscal year. The foregoing duties may be delegated to a manager appointed by the Board.

ARTICLE X AMENDMENTS

These Bylaws may be amended by the affirmative vote (in person or by proxy) or written consent of Members representing a majority of the voting power of the Association. However, the percentage of voting power necessary to amend a specific clause or provision shall not be less than the prescribed percentage or affirmative votes required for action to be taken under that clause.

CERTIFICATE OF SECRETARY

I, the undersigned, certify that I am the presently elected and acting Secretary of the SKY RANCH PROPERTY OWNERS ASSOCIATION, a California nonprofit mutual benefit corporation, and the above Bylaws are the Bylaws of this corporation.

Executed at Carmel Valley, California on June 10, 2025.



Secretary – Betsy Vobach

EXHIBIT “A”

1. Parcel 111” as said Parcel is shown on the Parcel Map filed August 16, 1976 in Volume 10 of Parcel Maps at page 140, in the office of the County Recorder of Monterey County, California.
2. Parcel 112¹¹ as Bid Parcel is shown on the Parcel Map filed August 16, 1976 in Volume 10 of Parcel Maps at page 140, in the office of the County Recorder of Monterey County, California.
3. Parcel 113¹¹ as Bid Parcel is shown on the Parcel Map filed August 16, 1976 in Volume 10 of Parcel Maps at page 140, in the office of the County Recorder of Monterey County, California.
4. Parcel 11411 as Bid Parcel is shown on the Parcel Map filed August 16, 1976 in Volume 11) of Parcel Map at page 140, in the office of the County Recorder of Monterey County, California.
5. Parcel 111 ¹¹ as Bid Parcel is shown on the Parcel Map filed December 17, 1976 in Volume 11 of Parcel Maps at page 8, in the office of the County Recorder of Monterey County, Californi3..
6. Parcel 112¹¹ as said Parcel is shown on the Parcel Map filed December 17, 1976 in Volume 11 of Parcel Maps at page 8, in the office of the County Recorder of Monterey County, California.
7. Parcel 113¹¹ as said Parcel is shown on the Parcel Map filed December 17, 1976 in Volume 11 of Parcel Maps at page 8, in the office of the County Recorder of Monterey County, California.
8. Parcel 11411 as said Parcel is shown on the Parcel Map filed December 17, 1976 in Volume 11 of Parcel Maps at page 8, in the office of the County Recorder of Monterey County, California.
9. Parcel 111¹¹ as said Parcel is shown on the Parcel Map filed March 11, 1977 in Volume 11 of Parcel Maps at page 84, in the office of the County Recorder of Monterey County, California.

10. Parcel 112” as said Parcel is shown on the Parcel Map filed March 11, 1977 in Volume 11 of Parcel Maps at page 84, in the office of the County Recorder of Monterey County, California.

11. Parcel “3” as said Parcel is shown on the Parcel Map filed March 11, 1977 in Volume 11 of Parcel Maps at page 84, in the office of the County Recorder of Monterey County, California.

12. Parcel “4” as said Parcel is shown on the Parcel Map filed March 11, 1977 in Volume 11 of Parcel Maps at page 84, in the office of the County Recorder of Monterey County, California.

13. Parcel”1” as said Parcel is shown on the Parcel Map filed April 27, 1977 in Volume 11 of Parcel Maps at page 122, in the office of the County Recorder of Monterey County, California.

14. Parcel “2” as said Parcel is shown on the Parcel Map filed April 27, 1977 in Volume 11 of Parcel Maps at page 122, in the office of the County Recorder of Monterey County, California.

15. Parcel “3” as said Parcel is shown on the Parcel Map filed April 27, 1977 in Volume 11 of Parcel Maps at page 122, in the office of the County Recorder of Monterey County, California.

16. Parcel “4” as said Parcel is shown on the Parcel Map filed April 27, 1977 in Volume 11 of Parcel Maps at page 122, in the office of the County Recorder of Monterey County, California.

17. Parcel “1” as said Parcel is shown on the Parcel Map filed April 27, 1977 in Volume 11 of Parcel Maps at page 123, in the office of the County Recorder of Monterey County, California.

18. Parcel “F” as said Parcel is shown on the Parcel Map filed January 7, 1976 in Volume 9 of Parcel Maps at page 163, in the office of the County Recorder of Monterey County, California.

19. Parcel “I” as said Parcel is shown on the Parcel Map filed May 11, 1977 in Volume 11 of Parcel Maps at page 128, in the office of the County Recorder of Monterey County, California.

20. Parcel “2” as said Parcel is shown on the Parcel Map filed May 11, 1977 in Volume 11 of Parcel Maps at page 128, in the office of the County Recorder of Monterey County, California.

21. Parcel “4” as said Parcel is shown on the Parcel Map filed May 11, 1977”in Volume 11 of Parcel Maps at page 128, in the office of the County Recorder of Monterey County, California.

22. Parcel “3” as said Parcel is shown on the Parcel Map filed May 11, 1977 in Volume 11 of Parcel Maps at page 128, in the office of the County Recorder of Monterey County, California.

23. Parcel”1” as said Parcel is shown on the Parcel Map filed June 23, 1977 in Volume 11 of Parcel Maps at page 152, in the office of the County Recorder of Monterey County, California.

24. Parcel”1” as said Parcel is shown on the Parcel Map filed January 18, 1978 in Volume 12 of Parcel Maps at page 39, in the office of the County Recorder of Monterey County, California.

Parcel K “2”, as said Parcel is shown on the Parcel Map filed June 23, 1977, in Volume 11 of Parcel Maps at page 152, in the office of the County Recorder of Monterey County, California.

25. Parcel “3” as said Parcel is shown on the Parcel Map filed June 23, 1977 in Volume 11 of Parcel Maps at page 152, in the office of the County Recorder of Monterey County, California.

26. Parcel “J” as said Parcel is shown on the Parcel Map filed January 7, 1976 in Volume 9 of Parcel Maps at page 163, in the office of the County Recorder of Monterey County, California.

27. Parcel “2” as said Parcel is shown on the Parcel Map filed June 23, 1977 in Volume 11 of Parcel Maps at page 153, in the office of the County Recorder of Monterey County, California.

28. Parcel “3” as said Parcel is shown on the Parcel Map filed June 23, 1977 in Volume 11 of Parcel Maps at page 153, in the office of the County Recorder of Monterey County, California.

29. Parcel “q” as said Parcel is shown on the Parcel Map filed June 23, 1977 in Volume 11 of Parcel Maps at page 153, in the office of the County Recorder of Monterey County, California.

30. Parcel “I” as said Parcel is shown on the Parcel Map filed September 20, 1977 in Volume 11 of Parcel Maps at page 205, in the office of the County Recorder of Monterey County, California.

31. Parcel “III as said Parcel is shown on the Parcel Map filed September 20, 1977 in Volume II of Parcel Maps at page 205, in the office of the County Recorder of Monterey County, California.

32. Parcel “3” as said Parcel is shown on the Parcel Map filed September 20, 1977 in Volume 11 of Parcel Maps at page 205, in the office of the County Recorder of Monterey County, California.

33. Parcel”1” as said Parcel is shown on the Parcel Map filed April 27, 1977 in Volume 12 of Parcel Maps at page 38, in the office of the County Recorder of Monterey County, California.

34. Parcel “2” as said Parcel is shown on the Parcel Map filed April 27, 1977 in Volume 12 of Parcel Maps at page 38, in the office of the County Recorder of Monterey County, California.

35. Parcel “3” as said Parcel is shown on the Parcel Map filed April 27, 1977 in Volume 12 of Parcel Maps at page 38, in the office of the County Recorder of Monterey County, California.

36. Parcel “4” as said Parcel is shown on the Parcel Map filed April 27, 1977 in Volume 12 of Parcel Maps at page 38, in the office of the County Recorder of Monterey County, California.

37. Parcel “2” as said Parcel is shown on the Parcel Map filed January 18, 1978 in Volume 12 of Parcel Maps at page 39, in the office of the County Recorder of Monterey County, California.

38. Parcel “3” as said Parcel is shown on the Parcel Map filed January 18, 1978 in Volume 12 of Parcel Maps at page 39, in the office of the County Recorder of Monterey County, California.

39. Parcel “4” as said Parcel is shown on the Parcel Map filed January 18, 1978 in Volume 12 of Parcel Maps at page 39, in the office of the County Recorder of Monterey County, California.

40. Parcel “1” as said Parcel is shown on the Parcel Map filed February 2, 1978 in Volume 12 of Parcel Maps at page 52, in the office of the County Recorder of Monterey County, California.

41. Parcel “2” as said Parcel is shown on the Parcel Map filed February 3, 1978 in Volume 12 of Parcel Maps at page 52, in the office of the County Recorder of Monterey County, California.

42. Parcel “3” as said Parcel is shown on the Parcel Map filed February 2, 1978 in Volume 12 of Parcel Maps at page 52, in the office of the County Recorder of Monterey County, California.

43. Parcel “4” as said Parcel is shown on the Parcel Map filed February 2, 1978 in Volume 12 of Parcel Maps at page 52, in the office of the County Recorder of Monterey County, California.