

Hiller Highland IV Association Bylaw Amendments

The Members of the Hiller Highland IV Association, after vote by secret written ballot, hereby AMEND the Hiller Highland IV Bylaws as follows:

I.

Article III, section 1 is AMENDED to provide:

Article III – Meetings of Members

Section 1. Annual Meetings. All annual meetings of members shall be held on the first Wednesday in April of each year at the hour of 8:00 P.M. However if this day should fall on a legal holiday, the meeting shall be held at the same time and place on the next succeeding business day that is not a legal holiday. Directors shall be elected by secret ballot at annual meetings or by mailed secret ballot vote of the Members. Reports of the officers of the corporation shall be considered, and any other business may be transacted that is within the powers of the members. Notice of annual meetings, except as required by Section 2201 of the Corporations Code, is expressly dispensed with.

II.

Article III, section 7 is AMENDED to provide:

Section 7. Voting.

Voting rights of members are as follows: Members shall be entitled to one vote per residence lot. When more than one person holds an interest in any residence lot, the vote for such residence lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such lot. At any election for directors, every member entitled to vote shall have the right to cast one vote for each director to be elected.

Cumulative voting shall not be permitted.

The vote for all Director elections shall be by secret ballot either at the annual meeting or by mailed secret ballot.

The Board of Directors may fix a time not exceeding thirty days preceding the date of any meeting of members, as a record date for the determination of the members entitled to notice of and to vote at any such meeting and in such case

only members of record on the date so fixed shall be entitled to notice of and to vote at such meeting. In the event no such record date is fixed by the Board of Directors the record date for the determination of members entitled to notice of and to vote at any such meeting shall be the twentieth day preceding the date of such meeting as of 8:00 A.M. of such day.

III.

New Sections 7a and 7b are ADDED to Article III as follows:

Section 7a. Secret Ballots.

The Association shall establish Rules for the selection and use of election inspectors to conduct Secret Balloting for voting on the following matters: election and removal of Directors; assessment increases where Member approval is required; amendment of the Governing Documents; and transfer of Common Areas to Exclusive Use Common Areas. The Association shall appoint either one or three Election Inspectors. The Election Inspector or Inspectors shall gather and tabulate the votes and report results to the Association. The election inspector shall retain ballots for nine months following the voting, and the Association will then retain ballots for twelve months following the voting. If Secret Ballots are mailed to the Election Inspector or Inspectors, Membership approval shall only be valid if: (1) the number of votes cast within the time established for return of the ballots equals or exceeds the Quorum that would have been required to be present at a Membership meeting if such a meeting had been convened to vote on the proposal; and (2) the number of affirmative votes equals or exceeds the number of affirmative votes that would have been required to approve the action at such a meeting.

Section 7b. Balloting Time Requirements.

Ballots shall be distributed to all eligible Members at least thirty (30) days prior to the final date the Ballots must be received in order to be counted. All Ballots shall provide a reasonable time within which to return the Ballot to the election inspector and shall state on the face of the ballot or in an accompanying notice, the date by which the Ballot must be returned in order to be counted. The Election Inspector(s) may reserve the right to extend the time to return Ballots if such an extension is necessary in order to obtain a quorum.

IV.

Article IV, section 3 is AMENDED to provide:

Article IV – Directors

Section 3. Election and Term of Office.

The directors shall be elected at each annual members= meeting or by mailed secret ballot. But, if the annual meeting is not held, or if the directors are not elected thereat, the directors may be elected at any special meeting of members held for that purpose.

V.

Article IV, section 4 is AMENDED to provide:

Section 4. Removal and Resignation of Directors

A. Removals

A.1 Removal by Board

The Board shall have the power and authority to remove a Director and declare his or her office vacant if:

- a) He or she has been declared of unsound mind by a final order of court; or
- b) He or she has been convicted of a felony; or
- c) He or she fails to attend three meetings per year; or
- d) He or she is not bondable; or
- e) He or she fails or ceases to meet any required qualification of Directors that was in effect at the beginning of that Director's current term of office.

A.2 Removal by Membership

If not subject to removal by the Board as specified in Article IV, Section 4.A.1, a Director may be removed from office prior to expiration of his or her term only by the affirmative vote of a majority of the voting power of the Members represented and voting at a duly held meeting, voting by secret ballot, at which a quorum is present or by secret mailed written ballot conducted in accordance with these By-Laws.