

AMENDED AND RESTATED BY-LAWS

HOMEOWNERS AT QUAIL, INC.

(JANUARY 10, 2016)

PURPOSE

This mutual benefit, nonprofit corporation, formerly known as Carmel Valley Golf and Country Club Homeowners, Inc., is organized under the Nonprofit Mutual Benefit Corporations Law of the State of California and pursuant to the provisions of the Declaration (as defined below) (i) to promote the common interests of, and goodwill among, the Owners (as defined below) of properties in the subdivision described in Article I of the Declaration, (ii) to do and perform each of the actions set forth in Article V of the Declaration or elsewhere therein, and (iii) to engage in any lawful act or activity for which a corporation may be organized under such law. These Amended and Restated Bylaws amend and restate in their entirety any and all pre-existing bylaws of the Association (as defined below).

ARTICLE I

Definitions

Section 1. “Association” shall mean and refer to Homeowners at Quail, Inc., a nonprofit California corporation, its successors and assigns.

Section 2. “Owner” shall mean and refer to the record owner, whether one or more persons or entities, of any Lot which is a part of the Subdivision, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. “Articles” shall mean the Articles of Incorporation of the Association, as they may be amended from time to time.

Section 4. “Declaration” shall mean that certain Declaration of Protective Restrictions for the Carmel Valley Golf and Country Club Subdivision recorded on December 21, 1989 in the office of the Recorder of the County of Monterey, California on Reel 2451 at Page 474 et. seq., as it may be amended from time to time.

Section 5. “Designation” shall mean that certain Designation of Representative of Architectural Control Committee, executed by a majority of owners, and recorded on December 21, 1981, in the Office of the Recorder of the County of Monterey in Reel 1528 at Pages 153-229.

Section 6. All other terms used herein shall have the meanings given them in the Declaration and Articles unless expressly otherwise provided herein.

ARTICLE II

Membership

Section 1. Membership. Each Owner meeting the requirements of Article V, Section 2. B. of the Declaration shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot. Membership automatically terminates when a member is no longer an Owner.

Section 2. Voting Rights and Privileges. The Association shall have one class of voting membership. Members shall be entitled to one vote for each Lot owned. When more than one person holds an ownership interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any one Lot. Membership meetings shall be conducted in accordance with Roberts' Rules of Order or such other procedures as may be determined by the Board from time to time.

Members shall have the rights, duties and responsibilities set forth in the Declaration and as provided under California law and shall abide by the Declaration, the Articles of Incorporation and these bylaws.

Section 3. Suspension of Membership. During any period in which a member shall be in default in the payment of any dues or other amounts levied by the Association, all voting and other rights of such member shall be suspended until such amounts have been paid.

Section 4. Associate Members.

(a) The Board may, in its discretion, admit as an associate member any person who is a tenant of an Owner or any person who is an owner of, or tenant in, any unit in the Quail Eight or Birchwood Meadows condominium projects (the "Condominium Projects") who files a membership application, pays the applicable annual dues and meets such other requirement as the Board may impose. Associate membership by any tenant of an Owner shall be without prejudice to the right of any such Owner to be a member in his or her own right.

(b) Associate members shall have such rights, duties and responsibilities as shall be determined by the Board, but shall not have the right to vote on any matter put to the vote of members. Associate members shall abide by the Declaration, the Articles of Incorporation and these bylaws. Associate membership shall terminate upon an associate member ceasing to occupy a Unit or a unit in one of the Condominium Projects.

ARTICLE III

Board of Directors; Selection; Term of Office

Section 1. Number. The affairs of this Association shall be managed by a Board of not fewer than seven (7) nor more than twelve (12), with the precise number of directors to be set by the Board from time to time. Directors shall be members of the Association; provided,

however, the Board may from time to time permit associate members to be directors so long as at least two-thirds of the directors are at all times members.

Section 2. Election. Directors shall be elected at each annual meeting of members and shall hold office until their respective successors are elected.

Section 3. Removal. The entire Board or any director may be removed from office, with or without cause, by a majority vote of the members of the Association which vote may be taken at a meeting of members called for such purpose. The Board may remove any director who, without good cause, fails to attend four (4) consecutive meetings of the Board.

Section 4. Vacancies. A vacancy on the Board created by the removal or resignation of a director or by any increase in the number of directors may be filled by the remaining members of the Board, and each director so elected shall hold office until his or her successor is elected.

Section 5. Compensation. No director shall receive compensation for any service rendered to the Association as a director. Directors shall, however, be reimbursed by the Association for their actual and reasonable expenses incurred in the performance of their duties as a director; provided, however that any such expenses in excess of \$500 shall have been approved in advance by the Board.

Section 6. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the unanimous written consent of all the directors. Any action so taken shall have the same effect as though taken at a duly convened meeting of the directors.

ARTICLE IV

Meetings of Directors

Section 1. Regular Meetings. Regular meetings of the Board shall be held monthly without notice, at such place and hour as may be fixed in advance from time to time by resolution of the Board and notified to each director. Directors may participate in regular or special meetings of the Board by telephonic or electronic means so long all directors are able to hear and participate in the meeting. The President shall ensure that any member wishing to express his point of view on any issue before the Board shall be given reasonable opportunity to do so.

Section 2. Special Meetings. Special meetings of the Board shall be held when called by the President or by any two (2) directors, upon not less than three (3) days written or electronic notice to each director.

Section 3. Quorum. A majority of the directors present in person or telephonically shall constitute a quorum for the transaction of business by the Board. Every act or decision done or taken by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board. The directors present at a duly called meeting

at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough directors to leave less than a quorum.

Section 4. Waiver of Notice. The transactions of any meeting of directors however called and noticed, and wherever held, are as valid as though had at a meeting duly held after regular call and notice, if a quorum is present, and if, either before or after the meeting, each of the directors entitled to vote, not present in person or telephonically signs a written waiver of notice, a consent to the holding of the meeting or an approval of the minutes thereof. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting.

ARTICLE V

Nomination of Directors

Section 1. Nominating Committee. Nominations for election to the Board shall be made by the Nominating Committee. Nominations may also be made from the floor by any member at any meeting held for the election of directors. The Nominating Committee shall consist of not fewer than three (3) members of the Association appointed by the Board prior to each annual meeting of the members, to serve until the close of such annual meeting. The Nominating Committee shall make as many nominations for election to the Board as there are directors to be elected. Subject to the provisions of Article III, Sec. 1., nominations shall be made from among members only.

ARTICLE VI

Powers and Duties of the Board

Section 1. Powers. The Board shall have full power and authority to exercise on behalf of the Association all the powers, duties and authority vested in or delegated to the Association by these bylaws, the Articles, the Declaration or applicable law other than those powers, duties and authority specifically reserved to the membership by any of the foregoing.

Section 2. Dues and Assessments. The Board shall set annual membership dues in such amount as shall be reasonably determined by the Board as necessary to permit the Association to carry out its purposes and meet its obligations. The Board shall cause to be prepared an annual budget for the Association which shall be considered by the Board as a guide in setting annual membership dues. The Board shall not have the power to levy assessments which may be levied only upon the written approval of seventy-five percent (75%) of the membership.

ARTICLE VII

Committees

Section 1. Establishment of Committees. The Board shall appoint an Architectural Review Committee, which shall constitute the Architectural Committee referred to in the Declaration, the Nominating Committee referred to in Article III, Sec. 1., and such other committees as shall be deemed appropriate by the Board.

Section 2. Committee Membership and Duties. Each committee shall be comprised of no fewer than three (3) members, at least one of whom shall be a member of the Board. Each committee shall have the powers and duties given to it in the Declaration, the Designation, these bylaws and the resolutions pursuant to which it was created.

Section 3. Compensation. Reasonable compensation, approved in advance by the Board, may be paid to any member of the Architectural Review Committee who is a licensed architect for any professional services rendered to the Association or such committee.

Section 4. Applications to the Architectural Review Committee. Each application to the Architectural Review Committee for any approval required by the Declaration or rules adopted by the Board or such committee of plans or proposed changes shall be made on application forms and pursuant to procedures prescribed by such committee and shall be accompanied by such reasonable fee as shall be determined by such committee in consultation with the President as shall be necessary to cover the costs of processing such application.

ARTICLE VIII

Meetings of Members

Section 1. Annual Meetings. Each regular annual meeting of the members of the Association shall be held on a date and at a time fixed by the Board for such meeting.

Section 2. Extraordinary Meetings. Extraordinary meetings of the members may be called at any time by the President or by the Board, or upon written request of twenty-five percent (25%) of the members who are entitled to vote.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the Secretary or person authorized to call such meeting, by mailing a copy of such notice, postage prepaid, at least seven (7) days and no more than sixty (60) days before such meeting to each member entitled to vote, addressed to the member's address last appearing on the books of the Association or supplied by such member to the Association for the purpose of notice. Alternatively, notice of any meeting may be given electronically to any member at an email or other electronic address provided to the Association for such purpose. Such notice shall specify the place, day and hour of the meeting and, in the case of an extraordinary meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members or their proxies constituting more than fifty percent (50%) of the total membership shall constitute a quorum for any action except as otherwise provided in the Articles, the Declaration or these bylaws. If, however, a quorum shall not be present at the time provided in the notice of the meeting, such meeting may be adjourned to a time not less than twenty-four (24) hours nor more than thirty (30) days thereafter. At such reconvened meeting, the presence of members constituting at least twenty-five percent (25%) of the total membership in person or by proxy shall constitute a quorum. A meeting may only be reconvened once. Thereafter, a new meeting must be called and the original quorum requirements shall be applicable. Associate members shall not be entitled to vote at any meeting and shall not be counted in determining a quorum.

Section 5. Proxies. At any meeting of members each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary prior to commencement of any meeting where the proxy is to be exercised. Every proxy shall be revocable and shall automatically cease to be effective upon conveyance by the member of his Lot or upon such member ceasing to be a member of the Association; otherwise no proxies shall be valid after the expiration of eleven months from the date thereof unless otherwise provided in the proxy, except that the maximum term of any proxy shall be three (3) years from the date of execution.

ARTICLE IX

Officers and Their Duties

Section 1. Enumeration of Offices. The officers of this Association shall be a President who shall be a member of the Board, a Vice-President, a Secretary and a Treasurer who need not be Board members, and such other officers as the Board may from time to time designate.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually and each shall hold office until his or her successor is elected unless he or she shall sooner resign, or shall be removed or shall be disqualified to serve.

Section 4. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Vacancies. A vacancy in any office may be filled by the Board. The officer elected to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

Section 6. Multiple Offices. Any two or more offices, other than the offices of President and Secretary or Assistant Secretary may be held by the same person.

Section 7. Duties. The duties of the officers shall be as follows:

President

(a) The President shall preside at all meetings of the Board and members and shall act as the chief executive officer of the Association. He or she shall sign all necessary written instruments binding the Association and is authorized, alone or together with another officer as shall be determined by the Board, to sign checks for disbursements.

Vice-President

(b) The Vice-President shall act in the place and stead of the President in the event of his or her absence, inability or refusal to act. The Vice-President under the overall direction of the President shall exercise and discharge such other duties as may be required by the President or the Board.

Secretary

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses and other contact information; and shall perform such other duties as may be required by the President or the Board.

Treasurer

(d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board; keep proper books of account, and prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting.

ARTICLE X

Books and Records

The books, records and papers of the Association shall at reasonable times and during business hours, be subject to inspection and copying upon payment of the reasonable cost thereof by any member upon not less than ten (10) days' written notice to the President and the Secretary.

ARTICLE XI

Amendments

Section 1. These bylaws may be amended by the Board except to the extent any such amendment would materially adversely affect the rights of any Owner of a Lot specifically granted to such Owner by the Declaration.

ARTICLE XII

Miscellaneous

Section 1. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year.