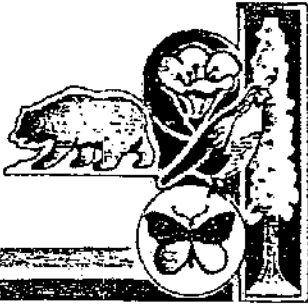


95-3054798



State
of
California

OFFICE OF THE SECRETARY OF STATE

I, *MARCH FONG EU*, Secretary of State of the State of California, hereby certify:

That the annexed transcript has been compared with the record on file in this office, of which it purports to be a copy, and that same is full, true and correct.

IN WITNESS WHEREOF, I execute
this certificate and affix the Great
Seal of the State of California this

DEC 12 1980



March Fong Eu

Secretary of State

1002007
ENDORSED
FILED

In the office of the Secretary of State
of the State of California

DEC 11 1980

MARCH FONG EU, Secretary of State
Carmelle M. Guy
Deputy

ARTICLES OF INCORPORATION

EL DORADO LAKES CONDOMINIUM ASSOCIATION, INC.

A California Mutual Benefit Non-Profit Corporation

I

The name of this corporation shall be: EL DORADO LAKES CONDOMINIUM ASSOCIATION, INC., A California Mutual Benefit Non-Profit Corporation.

II

This corporation is a non-profit mutual benefit corporation organized under the Non-Profit Mutual Benefit Corporation law of the State of California.

The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under such law. The primary and specific purposes for which the corporation is formed are to provide for the maintenance, preservation, and architectural control of the condominium project on the following described real property located in the County of Los Angeles and in the County of Orange, State of California and all structures and improvements thereon more particularly described as:

All of Lot 1 of Tract 31801, as shown on the map recorded in Book 842, pages 61 and 62 of Maps, in the office of the County Recorder of Los Angeles County and that certain property located in the County of Orange, described as follows: That portion of Lot 5 of Tract 945 in the City of Los Alamitos, County of Orange, State of California, as per map recorded in Book 31, pages 11 and 12 of Miscellaneous Maps, Records of Orange County, including within Records of Surveys filed May 17, 1973 in Book 93, Page 31 of Records of Surveys of said County.

III

The principal office for the transaction of business of the corporation shall be located in the County of Los Angeles.

IV

The authorized number and qualifications of members of the corporation, the different classes of membership, if any, the property, voting and other rights and privileges of members, their liability for dues and assessments and the method for collection thereof shall be as set forth in the By-Laws of the corporation as such By-Laws are in effect from time to time.

V

The number of Directors of this corporation shall be seven (7).

VI

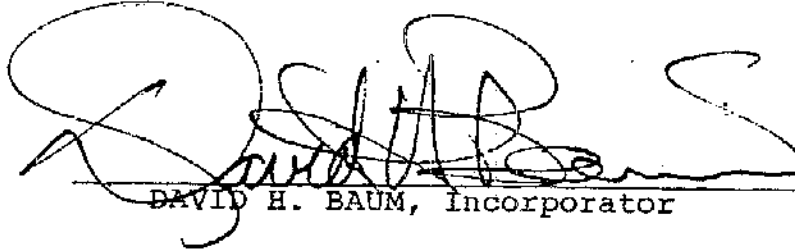
The name and address in the State of California of this corporation's initial agent for the service of process is: Mr. Bruce Putnam, 7890 East Spring Street, Unit 5G, Long Beach, California 90815.

VII

This corporation is one which does not contemplate pecuniary gain or profit to the members thereof and is organized solely for non-profit purposes. Upon the winding up and dissolution of the corporation, after paying or adequately providing for the debts and obligations thereof, the remaining assets shall be distributed to a non-profit fund, foundation or corporation which is organized and operated exclusively for

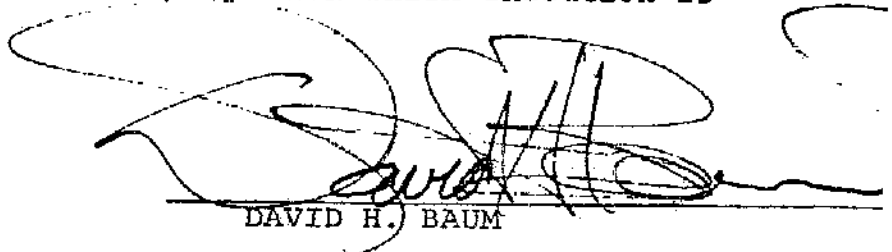
charitable, educational and/or scientific purposes and which has established its tax exempt status under Section 501 (c) of the Internal Revenue Code. If the corporation holds any assets in trust, such assets shall be disposed of in such manner as may be directed by decree of the Superior Court of Los Angeles County upon petition therefor by the Attorney General or by any person concerned in the liquidation.

Dated: December 10, 1980



DAVID H. BAUM, Incorporator

I hereby declare that I am the person who executed the foregoing ARTICLES OF INCORPORATION which execution is my act and deed.



DAVID H. BAUM

devices the Board of Governors has deemed necessary, to use the facilities, and accompanied by a resident at all times while using the Common Area facilities.

ARTICLE III

BOARD OF GOVERNORS---SELECTION---TERM OF OFFICE

Section 1. Number and Powers of the Board of Governors. The Board of Governors shall consist of seven (7) members, all of whom shall be owners, and their powers, duties and terms shall be set forth in Article VI of these By-Laws.

Section 2. Election and Term of Office. The Board of Governors shall be elected by the owners at the Annual Meeting of the Association. All positions on the Board are to be filled at the election. At each Annual Meeting thereafter, the owners shall elect the Board of Governors.

Section 3. Vacancies. In the event of death or removal of a member of the Board of Governors of the Association, the vacancy shall be filled by a majority of the remaining members of the Board, though less than a quorum, and shall serve until his successor is elected at an Annual Meeting of the members or at a Special Meeting called for that purpose. If any governor tenders his resignation to the Board of Governors, the Board shall have power to elect a successor to take office at such time as the resignation shall become effective.

Section 4. Compensation. No member of the Board of Governors of the Association shall receive compensation for any service he may render to the Association.

However, any member of the Board of Governors of the Association may be reimbursed for his actual expenses incurred in the performance of his duties, and on behalf of the members.

Section 5. Action Taken Without a Meeting. The members of the Board of Governors of the Association shall have the right to take any action of an informal meeting which they could take at a formal meeting by obtaining the written approval of all the members of the Board. Any action so approved shall have the same effect

as though taken at a formal meeting of the Board of Governors of the Association.

ARTICLE IV

MEETINGS OF THE BOARD OF GOVERNORS

Section 1. Regular Meetings. In addition to the annual meeting provided in said Declaration, regular meetings of the Board of Governors shall be held at least monthly. However, if business to be transacted by the Board of Governors does not justify more frequent meetings, such meetings of the Board of Governors may be held as infrequently as every three (3) month. Regular meetings of the Board of Governors shall be held at a time and at a place within the project fixed by the Board of Governors from time to time. Notice of the time and place of all meetings shall be posted in the Association clubhouse.

Section 2. Special Meetings. A special meeting of the Board of Governors may be called by written notice signed by the Chairman of the Association or by any two members of the Board of Governors other than the Chairman. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be sent to all members of the Board of Governors and posted in a manner prescribed for the notice of regular meetings, not less than seventy-two (72) hours prior to the scheduled time of the meeting.

Section 3. Regular and Special Meetings to be Open to All Members of the Association: Regular and special meetings of the Board of Governors shall be open to all members of the Association; provided, however, that Association members who are not on the Board of Governors may not participate in any deliberation or discussion unless expressly so authorized by the vote of a majority of a quorum of the Board of Governors.

Section 4. Executive Session. The Board of Governors may, with the approval

of a majority of a quorum of its members, 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 and all business to be considered in such executive session shall first be announced in open session.

Section 5. Voting. A majority of the members of the Board of Governors shall constitute a quorum for the transaction of business.

ARTICLE V

NOMINATION, ELECTION AND REMOVAL OF BOARD OF GOVERNORS

Section 1. Nomination. Nomination for election to the Board shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a chairman, who shall be a member of the Board, and two or more members of the Association. The Nominating Committee shall be appointed by the Board prior to each annual meeting of the members and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board as it shall, in its discretion, determine, but not less than the number of vacancies that are to be filled. Such nominations shall be made from among the members.

Section 2. Election. Voting for the Board of Governors shall be by secret written ballot. Every owner entitled to vote at any election of the Board of Governors may cumulate his vote and give one candidate a number of votes equal to the number of Governors to be elected, multiplied by the number of votes to which he is entitled to cast, or may distribute his vote on the same principle among as many candidates as he desires.

Section 3. Removal. Unless the entire Board of Governors is removed from office by an affirmative vote of a majority of Association members, an individual member of the Board of Governors, appointed by the Board of Governors to fill a vacancy, shall not be removed prior to the expiration of his term of office if the number of votes cast against his removal is greater than the quotient arrived at by dividing the total number of votes that may be cast under cumulative voting procedures by a divider of 8 (equal to 1 plus the authorized number of members of the Board of Governors). A member of the Board of Governors who has been elected to office solely by the votes of members of the Association may be removed from office prior to the expiration of his term of office only by the vote of at least a simple majority of the voting power of members.

ARTICLE VI

POWERS AND DUTIES OF THE BOARD OF GOVERNORS

Section 1. Powers. In addition to the powers enumerated in Article IX of these By-Laws, the powers of the Board of Governors of the Association shall include, but shall not be limited to, the following:

(a) To adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon;

~~(b) To exercise for the Association, all powers, duties and authority vested in or delegated to the Association not reserved to the membership by other provisions of these By-Laws, the Declaration, or any other instruments duly adopted for the governing of the project;~~

(c) To declare the office of a member of the Board to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board;

(d) To employ a manager, an independent contractor, managing agent (which may be a corporation) or such other employees as they deem necessary, and to prescribe their duties.

(e) To establish, levy and assess and collect the assessments or charges referred to in Article IV of the Declaration;

(f) To suspend the voting rights and right to use of any Common Area recreational facility of a member of the Owners' Association for any period during which assessments against his residential condominium unit remain unpaid and delinquent. For any single infraction of the rules and regulations of the Association a member of the Association may lose rights to the use of Common Area facilities for a period not to exceed thirty (30) days. Any suspension of such voting rights or right to use of the Common Area recreational facilities, except for failure to pay assessments, shall be made only by the Board, after written notice and an opportunity for hearing before the Board, has been given and held in accordance with the By-Laws of the Association;

Board, after written notice and an opportunity for hearing before the Board, has been given and held in accordance with the By-Laws of the Association;

(g) To enforce applicable provisions of the Declaration, By-Laws and other instruments for the management and control of the Association, by suspending the voting rights and right to use of the Common Area recreational facilities of any member of the Association for any period during which assessments against his residential condominium unit remain unpaid and delinquent; and/or by bringing a proceeding at law or in equity to enforce any or all restrictions, conditions, covenants, reservations, liens and charges imposed by the provisions of the management documents.

Section 2. Duties. In addition to the duties enumerated in Article III of the said Declaration, the duties of the Board of Governors of the Association shall include, but shall not be limited to, the following:

- (a) To cause to be kept a complete record of all its acts and affairs and to present a statement thereof to the members at the annual meeting of the members or at any regular or special meeting when such statement is requested in writing, by not less than one-fifth (1/5th) of the membership who are entitled to vote;
- (b) To supervise all officers, agents and employees of the Association and to see that their duties are properly performed;
- (c) To perform any and all duties as provided herein and in the Declaration:
1. To fix the amount of the regular assessment against each residential condominium unit at least thirty (30) days in advance of each regular assessment period; and
 2. To send written notice of each assessment to every owner subject thereto, at least thirty (30) days in advance of each such annual assessment period.
- (d) To issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. Such certificate shall be conclusive evidence of any assessment therein stated having been paid;
- (e) To procure and maintain adequate liability insurance and to procure adequate hazard insurance on property under control of the Association;
- ~~(f) To cause all officers or employees having fiscal responsibility to be bonded, as it may deem appropriate;~~
- (g) To cause the Common Area to be maintained in a neat and attractive condition; and
- (h) To cause the exterior of all residential condominium units to be maintained in the manner and to the extent provided for in the Declaration.

ARTICLE VII

COMMITTEES

Section 1. The Board shall appoint an Architectural Control Committee as provided in the Declaration, and a Nominating Committee as provided in these By-Laws. In addition, the Board may appoint other committees as deemed appropriate in carrying out its purposes, such as, but not limited to:

(a) A Recreation Committee, which shall advise the Board on all matters pertaining to the recreational program and activities of the Association, and shall perform such other functions as the Board, in its discretion, determines;

(b) A Maintenance Committee, which shall advise the Board on all matters pertaining to the maintenance, repair, or improvement of the property, and shall perform such other functions as the Board, in its discretion, determines;

(c) A Publicity Committee, which shall inform the members of all activities and functions of the Association and shall, after consulting with the Board, make such public releases and announcements as are in the best interests of the Association;

(d) An Audit Committee, which shall supervise the annual audit of the Association's books and approve the annual budget and statement of income and expenditures to be presented to the membership at its regular annual meeting. The Treasurer shall be an ex-officio member of this Committee.

Section 2. It shall be the duty of each committee to receive complaints from members on any matter involving Association functions, duties and activities within its field of responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other committee, officer or director of the Association as is further concerned with the matter presented.

ARTICLE VIII

MEETINGS OF THE OWNERS

Section 1. Place of Meeting. Meetings of the owners shall be held within the project or at a meeting place as close thereto as possible. Unless unusual conditions exist, members' meetings shall not be held outside of the County of Los Angeles.

Section 2. Annual Meetings. The annual meeting of the owners shall be held during the month of April of each year, at 7:30 p.m. At such annual meeting or meetings, the owners may transact such business as may properly be brought before the meeting.

Section 3. Regular Meetings. Regular meetings of members of the Association shall be held not less frequently than once each calendar year, at a place prescribed in the By-Laws, and may be combined with the annual meeting hereinabove described.

Section 4. Special Meetings. A special meeting of the members of the Association shall be promptly called by the Board of Governors upon:

- (a) The vote for such a meeting by a majority of a quorum of the Board of Governors.
- (b) Receipt of a written request therefore signed by members representing not less than twenty-five percent (25%) of the total voting power of the Association.

Section 5. Notice of Meetings. Written notice of regular, annual and special meetings shall be given in writing by the Secretary to each owner, either personally or by mail, addressed to such owner at his condominium residential unit, or at such other address appearing on the records of the Secretary, not less than ten (10) days before the meeting, and shall specify the place, the

day and the hour of such meeting, and in case of a special meeting, the general nature of the business to be transacted. Except in emergency situations, at least ten (10) days' notice of any meeting shall be provided.

Section 6. Quorum and Voting. A quorum for the transaction of business at a meeting of members of the Association through presence in person or by proxy shall consist of fifty-one percent (51%) of the total voting power of the Association. In the absence of a quorum at a members' meeting, a majority of those present in person or by proxy may 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. The quorum for such a meeting shall consist of twenty-five percent (25%) of the total voting power of the Association.

Section 7. Proxies. Proxies must be filed with the Secretary before the appointed time of each meeting.

Section 8. Order of Business. The order of business at all meetings of the owners shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading of the minutes of previous meeting.
- (d) Reports of officers.
- (e) Election of officers. (Annual meetings only.)
- (f) Unfinished business.
- (g) New business.

Section 9. Parliamentary Procedure. All questions of parliamentary procedure shall be decided in accordance with Roberts' Rules of Order.

ARTICLE IX

OFFICERS

Section 1. Enumeration of Officers. The officers of this Association shall be a Chairman, a First Vice-Chairman, a Secretary and a Treasurer.

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

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one year unless he shall sooner resign or shall be removed, or otherwise disqualified to serve as by expiration of his term of office. No officer may hold the same office for more than two years in succession.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board may, from time to time, determine.

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 6. Vacancies. A vacancy in any office may be filled in the manner prescribed for regular election. The officer elected to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. Only the offices of Secretary and Treasurer may

be held by the same person. No person shall simultaneously hold more than one of any of the other offices, except in the case of special offices created pursuant to Section 4 hereof.

Section 8. Duties. The duties of the officers are as follows:

- (a) The Chairman shall preside at all meetings of the Board; shall see that orders and resolutions of the Board are carried out; shall sign all written instruments and shall co-sign all checks and promissory notes.
- (b) The First Vice-Chairman shall act in the place and stead of the Chairman in the event of his absence, inability or refusal to act, and shall exercise and discharge such other activities as may be required of him by the Board.
- (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 shall perform such other duties as required of him by the Board.
- (d) The Treasurer shall receive and deposit in appropriate commercial bank accounts, all monies of the Association and shall disburse such funds as directed by resolution of the Board; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made at the completion of each fiscal year and shall have the same available to members of the Association for inspection within thirty (30) days after the completion of said audit; shall prepare, or shall cause to be prepared, an annual budget and financial statements as directed in Article III, paragraph (k) of said Declaration; and shall distribute, or cause to be distributed, to each member of the Association at his last known address, copies of said annual budget and financial statements.

ARTICLE X

AMENDMENTS

These By-Laws may be amended, at a regular, annual or special meeting of the members, by a vote of a majority of members, present in person or by proxy, except in those matters where the said Declaration or these By-Laws specify a greater percentage for action, in which case such greater percentage shall be required for amendment. The written consent of the majority of the members shall be equivalent to a majority vote at a meeting. No amendments to these By-Laws shall be valid which would tend to defeat the encumbrancer-mortgagee's priority position with respect to its lien unless consent is first obtained, in writing, from the encumbrancer-mortgagee.

IN WITNESS WHEREOF, the undersigned, being the President of the Board of Governors of the EL DORADO LAKES HOMEOWNERS ASSOCIATION, has executed this declaration this 26 day of September 1979.

Board of Governors of EL DORADO LAKES HOMEOWNERS ASSOCIATION

Keith Fardley
President

State of California
County of Los Angeles

On Sept 26 1979, before me, the undersigned, a Notary Public, in and for said state, personally appeared Keith Fardley, known to me to be the President of the Association that executed the within instrument, known to me to be the person who executed the within instrument on behalf of the Association therein named and acknowledged to me that such Association executed the within instrument pursuant to its By-Laws or a resolution of its Board of Governors.

WITNESS MY HAND AND OFFICIAL SEAL:

T. Snell
Notary Public

