

Director and shall serve for the remainder of the term of the Director he replaces, or until a successor is elected at a duly noticed special meeting of the Master Association called for that purpose. In the event that a majority of the remaining Directors are unable to agree upon a successor within fifteen (15) days following the occurrence of a vacancy, subject to the provisions of Sections 4 and 5 above, a special election to fill the vacancy shall then be held in accordance with these Bylaws and the Master Declaration within not less than fifteen (15) days nor more than forty-five (45) days following the expiration of said fifteen (15) day period. Notice of a special meeting and election shall be given in accordance with the provisions of these Bylaws. Vacancies shall be deemed to exist in case of death, resignation, the Close of Escrow for the sale of the Director's Lot or Condominium in the Community or a judicial determination of mental incompetency.

Section 10. Compensation of Directors. No Director shall receive compensation for any services performed for the Master Association; provided, however, a Director may be reimbursed for his actual expenses incurred in the performance of his duties.

ARTICLE VI

MEETINGS OF THE BOARD OF DIRECTORS

Section 1. Regular and Special Meetings. Regular meetings of the Board shall be held monthly or as otherwise determined by the Board, but not less frequently than twice a year, and on such day and at such hour as may be fixed, from time to time, by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday. Notice of the time and place of a regular meeting shall be posted at a prominent place or places within the Master Association Property, shall be given by mail to any Owner had requested notification of board meetings by mail, at the address requested by such Owner, and shall be communicated to the Directors not less than four (4) days prior to the meeting, unless the time and place of the meeting is fixed by the Directors. Notice to the Directors may be given personally, by first class mail, by telephone, facsimile or other electronic transmission approved by the Board. Notwithstanding the foregoing, notice of a regular meeting need not be given to any Director who has signed a waiver of notice or a written consent to holding of the meeting, or who attends the meeting without protest. Special meetings of the Board shall be held when called by the President of the Master Association or by two (2)

Directors, other than the President. Notice of the special meeting shall be posted in a permanent place or places in the Master Association Property and shall be communicated to the Directors in the same manner as provided for herein for regular meetings. Such notice shall be sent not less than seventy-two (72) hours prior to the scheduled time for the special meeting. Notwithstanding the foregoing, notice of the special meeting need not be given to any Director who has signed a waiver of notice or a written consent to holding of the meeting, or who attends the meeting without protest. The notice shall specify the time and place of the meeting and the nature of any special business to be transacted. Such notice, whether delivered personally to the Directors or sent by letter (postage prepaid), facsimile or other electronic transmission shall be to the address reflected in the records of the Master Association. Regular and special meetings of the Board shall be open to all Members of the Master Association. The Board shall permit any Member to speak at any meeting of the Master Association or the Board, except for meetings of the Board held in executive session. A reasonable time limit for Members to speak shall be established by the Board. The Board may, with the approval of a majority of the Directors present at a meeting in which a quorum for the transaction of business has been established, adjourn a meeting and reconvene in executive session to consider litigation in which the Master Association is or may become involved, matters relating to the formation of contracts with the parties, discipline of any Member, or personnel matters. The nature of any and all business to be considered in executive session shall first be announced in open session, and generally noted in the minutes of the Board meeting.

Section 2. Meetings of Directors. The meetings of the Directors shall be held at the Community or as close thereto as possible as may be designated by the Board. Directors may participate in a meeting by means of a conference telephone conversation so long as all Directors participating in such meeting can hear one another. Such participation shall be deemed to constitute the presence in person at such meeting.

Section 3. Rights of Members to Request Meeting in Executive Session. Any Member of the Master Association may attend meetings of the Board except when the Board adjourns to executive session as provided above. In any matter relating to the discipline of a Member, the Board shall meet in executive session, if requested by the affected Member, and the Member shall be entitled to attend the executive session.

Section 4. Minutes of Board Meetings. The minutes, minutes proposed for adoption that are marked to indicate draft status, or a summary of the minutes, of any meeting of the Board, other than an executive session, shall be available to Members within thirty (30) days of the meeting. The minutes, proposed minutes, or summary minutes shall be distributed to any Member of the Master Association upon request and upon reimbursement of the Master Association's costs in making that distribution.

Members of the Master Association shall be notified in writing at the time that the pro forma budget required by California Civil Code Section 1365 is distributed or at the time of any general mailing to the entire membership of the Master Association of their right to have copies of the minutes of meetings of the Board. The minutes may be obtained in accordance with the provisions of the Article herein entitled "Inspection of Books and Records."

Section 5. Action Without Meeting. The Board may take any action without a meeting if all members of the Board unanimously consent in writing to the action to be taken. If the Board resolves by unanimous written consent to take any such action, an explanation of the action taken shall be posted at a prominent place or places within the Master Association Property within three (3) days after the written consent of all Directors has been obtained.

Section 6. Conduct of Meetings. The President of the Master Association shall preside over all meetings of the Board held during the Board's term of office. In the event the President shall be absent from any meeting, said meeting shall be presided over by the Vice President, and if the Vice President shall be absent, by such other Director as may be elected by a majority of a quorum of the Directors. The Secretary of the Master Association shall act as Secretary of the Board, but in the event the Secretary shall be absent, the President or presiding Director may appoint any person to act as Secretary for the meeting.

Section 7. Quorum. A majority of the total number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum has been established shall be regarded as the act of the Board.