

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers and Duties. The Board, for and on behalf of the Master Association, shall have the right and power to do all things necessary to conduct, manage and control the affairs and business of the Master Association as more particularly described in the Articles of Incorporation and in the Master Declaration.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration and Qualifications of Officers. The officers of this Master Association shall be a President, Vice President, Secretary and a Treasurer. Said officers shall consist only of Members in good standing of the Master Association, or an authorized agent of Declarant (or of a Merchant Builder) so long as Declarant is entitled to annex any of the Annexable Property into the Community. Any Member serving as a Director of the Master Association may simultaneously serve as an officer thereof.

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 Master Association.

Section 3. Term. The officers of the Master Association shall be elected annually by the Board and each shall hold office for one (1) year, unless such officer shall sooner resign or shall be removed or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Master 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 5. Resignation and Removal. Any officer may be removed from office at any time, with or without cause, by a majority of 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 such 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 by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one (1) of any of the other offices, except in the case of special offices created pursuant to Section 4 of this Article.

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

(a) President: The President shall preside at all meetings of the Master Association and Board; shall see that orders and resolutions of the Board are carried out; shall co-sign all leases, mortgages, deeds and other written instruments, and shall co-sign all checks and promissory notes; provided, however, that the authority to co-sign all checks is assignable to a manager for the Community.

(b) Vice President: The Vice President shall act in the place and stead of the President in the event of the President's absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

(c) Secretary: The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Master Association; shall co-sign all contracts, leases or other instruments executed in the name of or on behalf of the Master Association; serve notice of meetings of the Board and of the Master Association; keep appropriate current records showing the Members of the Master Association, together with their addresses, and shall perform such other duties as required by the Board.

(d) Treasurer: The Treasurer shall receive and deposit in appropriate bank accounts all moneys of the Master Association and shall disburse such funds as directed by resolution of the Board; shall co-sign all checks and promissory notes of the Master Association; provided, however, that the authority to co-sign all checks is assignable to a manager for the Community; keep proper books of account; cause an annual audit of the Master Association books to be made by a certified public accountant at the completion of each fiscal year as provided for in the Master Declaration, and shall prepare an annual budget and a statement of income and

expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members.

Section 9. Compensation of Officers. No officer shall receive any compensation for services performed for the Master Association; provided, however, that an officer may be reimbursed for his actual expenses incurred in the performance of his duties.

ARTICLE IX

COMMITTEES

Section 1. Appointment of Committees. The Board shall appoint the members of the Nominating Committee as provided in these Bylaws and the Architectural Control Committee as provided in the Master Declaration. In addition, the Board may appoint such other committees as deemed appropriate in carrying out its purposes.

ARTICLE X

INSPECTION OF BOOKS AND RECORDS

Section 1. Availability of Books and Records. Members of the Master Association, each Eligible Mortgage Holder and Declarant for so long as Declarant or a Merchant Builder owns any portion of the Community or the Annexable Property and continuing until the tenth (10th) anniversary of the Close of Escrow for the sale of the last Lot or Condominium in the Community pursuant to a transaction requiring the issuance of a Final Subdivision Public Report by the DRE shall have access to the Master Association's Documents and to all of the Master Association's records in accordance with Section 1365.2 of the California Civil Code, as same may be amended from time to time.

Section 2. Rules Concerning Inspection. The Board shall establish reasonable rules with respect to:

- (a) Notice to be given to the custodian of records by the Member, by Declarant and by each Eligible Mortgage Holder desiring to make the inspection;
- (b) Hours and days of the week when such an inspection may be made; and