

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

(c) Payment of the cost of copying, mailing, and, if necessary, redacting the Master Association's records requested by a Member, Eligible Mortgage Holder or Declarant.

Section 3. Inspection by Directors. Every Director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Master Association, and the physical properties owned or controlled by the Master Association. The right of inspection by a Director includes the right to make extracts and copies of documents.

ARTICLE XI

NOTICE AND HEARING

Section 1. Suspension of Privileges. In the event of an alleged violation of the Master Association Documents, after Notice and Hearing as provided below, the Board shall have the right to discipline any Member by taking any one (1) or more of the following actions: (a) levying a Compliance Assessment as provided in the Master Declaration; (b) suspending or conditioning the right of said Member to use any Master Association Property recreational amenities; or (c) suspending the voting rights attributable to such Member's Lot or Condominium. Except as otherwise provided in the Master Declaration, any such suspension shall be for a period of time not exceeding thirty (30) days for any noncontinuing violation, but in the case of a continuing violation, including, without limitation, the nonpayment of Assessments which have become delinquent, such suspension may be imposed so long as the violation continues.

Section 2. Notice to Member. Written notice of the alleged violation shall be delivered personally or mailed to the Member by first class or registered mail, return receipt requested, at least fifteen (15) days before the proposed hearing on said alleged violation. Said notice shall contain: (a) an explanation in clear and concise terms of the nature of the alleged violation; (b) a reference to the provision(s) of the Master Association Documents which said Member is alleged to have violated; (c) the date, time and place for the hearing; and (d) the Member's right to attend the hearing and to address the Board.

Section 3. Hearing. The hearing shall be conducted by the Board, and shall be conducted in executive session, if requested by the Member, who shall be entitled to hear the charges and evaluate the evidence concerning the alleged violation. At the hearing, the Member