

BY-LAWS
OF
JACKSON OAKS ASSOCIATION

ARTICLE I.

Definitions.

Section 1.01. Jackson Oaks Restrictions.

The term "Jackson Oaks Restrictions" shall mean the limitations, restrictions, covenants and conditions set forth in that certain declaration entitled "Jackson Oaks Restrictions" dated February 20, 1969, and recorded in the Office of the Recorder of the County of Santa Clara on the 12th day of March, 1969, in Book 8462 of Official Records at page 410 and following, as said declaration may from time to time be amended pursuant to part E thereof; provided, however, that with respect to any property within Jackson Oaks which is annexed pursuant to Section D-6 of said declaration, the term "Jackson Oaks Restrictions" shall also mean said declaration as it may from time to time be supplemented or modified by the provisions of a declaration, if any, filed with respect to such property pursuant to Part E of said declaration.

Section 1.02. Lot: Jackson Oaks.

The term "Jackson Oaks", when used herein, refers to this association as a legal entity.

The term "lot" refers to any lot designated on a subdivision map for residential use within Jackson Oaks.

Section 1.03. Owner.

The term "Owner" shall mean the person or persons holding the beneficial ownership of a lot in Jackson Oaks.

Section 1.04. Terms in Articles of Incorporation.

The definitions of the foregoing terms in this Article, to the extent such definitions differ from those set forth in Article THIRD of the Articles of Incorporation of this Association, are intended further to define and interpret such terms.

ARTICLE II.

Members.

Section 2.01. Qualification; Proof of Status; Certificates.

(a) Each Owner, by virtue of being an Owner and until no longer an Owner, shall be a member of the Association. No person other than an Owner may be a member of the Association.

(b) No person shall exercise the rights of membership until satisfactory proof has been furnished to the secretary that he is an Owner. Such proof may consist of a copy of a duly executed and acknowledged grant deed or title insurance policy showing said person to be the owner of a lot within Jackson Oaks. Said deed or policy shall be deemed conclusive in the absence of a conflicting claim based upon a later deed or policy.

(c) The Board may provide for the issuance of certificates evidencing membership in the Association which shall be in such form as may be determined by the Board. All certificates evidencing membership shall be consecutively numbered. The name and address of each member and the date of issuance of the certificate shall be entered on the records of the corporation maintained

by the secretary. If any certificate shall become lost, mutilated or destroyed a new certificate may be issued therefor upon such terms and conditions as the Board may direct.

Section 2.02. Voting Rights; Proxies.

At any meeting of the members, each member shall be entitled to vote as follows:

The Association shall be divided into two classes of voting membership:

Class A. Class A members shall be every person or entity, except for the developer, who is a record owner of a fee or undivided fee interest in any lot which is subject by covenants of record to assessment by the Association, including contract sellers. This does not include persons or entities who hold an interest merely as security for the performance of an obligation. No owner shall have more than one membership. Class A members shall be entitled to one vote for each lot in which they hold the interest required for membership. When more than one person holds such 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 lot held by Class A members.

Class B. The Class B members shall be the developer. The Class B members shall be entitled to three (3) votes for each lot in which it holds the interest required for membership, provided that the Class B membership shall cease

and be converted to Class A membership on the happening of any of the following events, whichever occurs earlier:

(a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or

(b) On January 1, 1974, or

(c) At the expiration of three years from the date of issuance of the most recent public report concerning this project, by the office of the Division of Real Estate of the State of California.

Section 2.03. Meetings: Quorum.

(a) The first meeting of the members of this association shall be held after 51% of the lots have been sold or within one year after the sale of the first lot, whichever is sooner.

(b) There shall be an annual meeting of the members on the 1st Tuesday of January of each year at 8 P. M. at the offices of the Association at Jackson Oaks, or at such other reasonable place or time (not more than thirty (30) days before or after such date) as may be designated by notice of the Board delivered to the members not less than ten (10) days prior to the date fixed for said meeting.

(c) Special meetings of the members may be called at any time for the purpose of considering matters which, by the terms of the Articles of Incorporation, these By-Laws or the Jackson Oaks Restrictions, require the approval of all or some of the members, or for any other reasonable purpose. Said meetings shall be called by written notice, signed by a majority of the Board, or by the members having

one-third (1/3) of the total votes and delivered not less than fifteen (15) days prior to the date fixed for said meeting. Said notice shall specify the date, time and place of the meeting and the matters to be considered thereat.

(d) The presence at any meeting, in person or by proxy, of members having a majority of the total votes of each class of stock shall constitute a quorum. Unless otherwise expressly provided herein, any action may be taken at any meeting of the members upon the affirmative vote of a majority of the total votes present at such meeting in person or by proxy.

ARTICLE III.

Board of Directors.

Section 3.01. Corporate Powers.

(a) The corporate powers of the Association shall be vested in, exercised by, and under the authority of, and the affairs of the Association shall be controlled by a Board of Directors consisting of five (5) persons.

(b) The Board shall have the exclusive right and responsibility to perform the duties and obligations and to exercise the powers and authority of the Association as set forth in the Jackson Oaks Restrictions.

(c) The Board shall only exercise the powers and authority of the Association as set forth in the Jackson Oaks Restrictions, and none other.

Section 3.02. Election; Tenure; Vacancies.

(a) At each annual meeting the members shall elect the Board for the forthcoming year. Each member may cumulate his votes and give one or more candidates for director a number of votes equal to the number of lots

owned by the member multiplied by the number of directors to be elected. The candidates receiving the highest number of votes up to the number of directors to be elected shall be deemed elected.

(b) Directors shall serve from the time of their election and qualification until the annual meeting next succeeding such election and qualification or until their respective successors are elected, or until their death, resignation or removal, whichever is the earlier; provided, however, that the directors named in the Articles of Incorporation shall serve until the first annual meeting or until their respective successors are elected. Any director may resign at any time by giving written notice to the president or secretary, and any person may be removed from a directorship by vote of the members; provided, however, that unless the entire Board is removed, an individual director shall not be removed if the number of votes cast against his removal exceeds seventeen percent (17%).

(c) Vacancies on the Board shall be filled by a majority of the remaining directors though less than a quorum, and each director so elected shall hold office until his successor is elected by the members. Upon tender of a resignation by a director, the Board shall have the power to elect his successor to take office at such time as the resignation becomes effective.

Section 3.03. Meetings; Action.

Three (3) directors shall constitute a quorum of the Board, and if a quorum is present, the decision

of a majority of those present shall be the act of the Board. Meetings of the Board may be called, held and conducted in accordance with such regulations as the Board may adopt. The Board may also act without a meeting if all of the Board shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

Section 3.04. Books; Audit.

The Board shall cause to be maintained a full set of books and records showing the financial condition of the affairs of the Association in a manner consistent with generally accepted accounting principles, and at no greater than annual intervals shall obtain an independent certified audit of such books and records. A copy of each such audit shall be delivered to each member within thirty (30) days after completion of said audit.

ARTICLE IV.

Officers.

Section 4.01. Officers.

The officers of the Association shall be a president, a vice-president, a secretary and a treasurer. The Association may also have, at the discretion of the Board, one or more assistant secretaries, one or more assistant treasurers, and such other officers as may be appointed in accordance with the provisions of section 4.03. One person may hold two or more offices, except that the offices of president and secretary shall not be held by the same person.

Section 4.02. Election.

The officers of the Association, except such officers as may be appointed in accordance with the provisions of sections 4.03 or 4.05, shall be chosen annually by the Board, and each shall hold his office until he shall resign or shall be removed or otherwise disqualified to serve, or his successor shall be elected and qualified.

Section 4.03. Subordinate Officers.

The Board may appoint, and may empower the president to appoint, 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 are provided in the By-Laws or as the Board may from time to time determine.

Section 4.04. Removal and Resignation.

Any officer may be removed, either with or without cause, by the Board or by any officer upon whom such power of removal may be conferred by the Board; provided, however, that no such officer shall remove an officer chosen by the Board.

Any officer may resign at any time by giving written notice to the Board or to the president or secretary. Any such resignation shall take effect at the date of the 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 4.05. Vacancies.

A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in the By-Laws for regular appointments to such office.

Section 4.06. President.

The president shall be elected by the Board from among the directors. He shall be the chief executive officer of the Association and shall, subject to the control of the Board, have general supervision, direction and control of the Board, have general supervision, direction and control of the affairs and officers of the Association. He shall preside at all meetings of the members and at all meetings of the Board, and shall have the general powers and duties of management usually vested in the office of president of a corporation, together with such other powers and duties as may be prescribed by the Board or the By-Laws.

Section 4.07. Vice-President.

The vice-president shall be elected by the Board from among the directors. In the absence or disability of the president, the vice-president shall perform all the duties of the president, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the president. He shall have such other powers and perform such other duties as from time to time may be prescribed by the Board or the By-Laws.

Section 4.08. Secretary.

The secretary shall keep or cause to be kept, at the principal office or such other place as the Board may order, a book of minutes of all meetings of directors and members, with the time and place of holding, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at directors' meetings, the number of members present in person or by proxy at members' meetings, and the proceedings thereof. The secretary shall keep, or cause to be kept, appropriate current records showing the members of the Association, together with their addresses. He shall give, or cause to be given, notice of all the meetings of the members and of the Board required by the By-Laws or by law to be given, and he shall keep the seal of the Association in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board or by the By-Laws.

Section 4.09. Treasurer.

The treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Association, including accounts of its assets, liabilities, receipts and disbursements. The books of account shall at all reasonable times be open to inspection by any director or Association member. The treasurer shall deposit all monies and other valuables in the name and to the credit of the Association

with such depositaries as may be designated by the Board. He shall disburse the funds of the Association as may be ordered by the Board, shall render to the president and directors, whenever they request it, an account of all of his transactions as treasurer and of the financial condition of the Association, and shall have such other powers and perform such other duties as may be prescribed by the Board or by the By-Laws.

ARTICLE V.

Miscellaneous.

5.01. Manager.

The Board may from time to time with the affirmative vote or written consent of 51% of the lot owners, employ the services of a manager to manage the affairs of the Association and, to the extent not inconsistent with the laws of the State of California and upon such conditions as are otherwise deemed advisable by the Association, the Association may delegate to the manager any of its powers under the Jackson Oaks Restrictions.

5.02. Corporate Seal.

The Association shall have a seal in circular form having within its circumference the words "Jackson Oaks Association, Incorporated May 2, 1969, State of California."

Section 5.03. Amendment of By-Laws.

Where a quorum of the membership is present as defined in Section 2.03 (d) hereinabove, the By-Laws may be adopted, amended or repealed by the affirmative vote of 51% of the members of each class of stock present, constituting

the quorum; provided, however, that paragraph (a) and (b) of Section 2.01 and paragraph (b) and (c) of Section 3.01 shall not be amended or repealed without the vote or written consent of members owning not less than three-fourths (3/4) of the lots within Jackson Oaks, approving such amendment or repeal.

Section 5.04. Notices; Documents; Delivery.

Any notice or other document permitted or required to be delivered as provided herein may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered twenty-four (24) hours after a copy of same has been deposited in the United States Mail, postage prepaid, addressed as follows: if to the Association or the Board, at Jackson Oaks, Santa Clara County, California; if to a director, at the address from time to time given by such director to the secretary for the purpose of service of such notice; if to a member, at the address from time to time given by such member to the secretary for the purpose of service of such notice, or, if no such address has been so given, to any lot within Jackson Oaks owned by such member.

Section 5.05. Consent to Waiver of Notice.

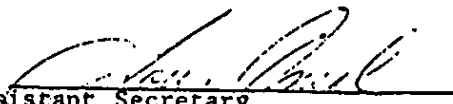
The transactions at any meeting of the members or of the Board, however called or noticed, shall be as valid as though had at a meeting duly held after regular call and notice, if (a) a quorum be present, and (b) either

before or after the meeting, each member not present there-
at in person or by proxy, or each director not present
thereat, as the case may be, signs a written waiver of
notice, or a consent to the holding of such meeting or
an approval of the true and correct minutes thereof. All
such waivers, consents or approvals shall be filed with
the records of the Association and made a part of the
minutes of the meeting.

Certificate of Secretary

KNOW ALL MEN BY THESE PRESENTS:

The undersigned, ^{assistant} secretary of the corporation
known as Jackson Oaks Association, does hereby certify
that the above and foregoing By-Laws were duly adopted by
the Board of Directors of said Association on the 12th
day of May, 1969, and that they now consti-
tute said By-Laws.


Assistant Secretary

BY-LAWS
OF
JACKSON OAKS ASSOCIATION
AMENDMENTS

Be it known that at the Annual Meeting of this Association held on January 31, 1979, and continued and adjourned on March 1, 1979, a quorum of the membership of 51%, by those present in person and by proxy, voted to adopt the amendments of the By-Laws to read as follows:


(1) Section 3.02(a) At each annual meeting the members shall by simple majority of those present in person or by proxy elect the Board for the forthcoming year(s) in accordance with 3.02(b). Each member....

Section 3.02(b) Directors shall serve from the time of their election and qualification until the Annual Meeting two years hence for the two electeds with the highest number of votes and for any others until the annual meeting next succeeding such election and....

Certificate of Secretary

KNOW ALL MEN BY THESE PRESENTS:

The undersigned secretary of the corporation known as Jackson Oaks Association, does hereby certify that the above and foregoing Amendments of the By-Laws were duly adopted by the Members of this Association and the Board of Directors of this Association on the 1st day of March, 1979, and that they now constitute the amended By-Laws.


Secretary