

AMENDED BY-LAWS
OF
LITTLE POTATO SLOUGH MUTUAL WATER COMPANY

A California Non-Profit Mutual Benefit Corporation

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ARTICLE I - OFFICES

SECTION 1. CORPORATE OFFICES / DEFINITIONS.

1.1 Principal Office. The principal executive office of the Corporation shall be fixed and located in the City of Lodi, State of California, and at such other office as the Directors may designate from time-to-time. As used herein, the term "Corporation" shall include and refer to Little Potato Slough Mutual Water Company, a California non-profit mutual benefit corporation.

1.2 Other Offices. The Board of Directors of the corporation may at any time establish branch or subordinate offices at any place or places where the Corporation is qualified to do business.

1.3 Directors. As used herein, the terms "Director," "Directors," "Board of Directors" and "Board" shall include and refer to a Director in the singular, Directors in the plural and to the board of directors of the Corporation, respectively.

ARTICLE II - CORPORATE PURPOSES

SECTION 2. PRIMARY PURPOSE

2.1 Primary Purpose. The primary objects and purposes of this Corporation shall be (i) the development, distribution, supply and delivery of water for irrigation and domestic uses, or any one of such uses, to the members of this Corporation at cost plus all necessary expenses; (ii) the development, ownership, construction, management, maintenance and operation of a sewer system for any and all sewage treatment and disposal by the members of this Corporation; and (iii) development, maintenance and operation of the drainage canals and systems serving the members of this Corporation.

2.2 Sale of Water. In order to further the primary purpose of this Corporation, and except as provided in Section 2.3, below, the Corporation shall not deliver water to any person or entity other than the members of this Corporation, as provided in California Public Utilities Code Section 2705, as amended from time to time and California Civil Code, Section 330.24, as amended from time to time.

2.3 Other Sales. The Corporation may sell water to the State of California, to any department or agency thereof, to any public agency, or, during any emergency resulting from fire or other disaster involving danger to public health or safety, at the same rates as to the members of this Corporation. This Corporation may enter into a contract with a county fire protection district to furnish water to fire hydrants for fire suppression or fire prevention purposes at a flat rate per hydrant or other such connection rate.

ARTICLE III - MEMBERS

SECTION 3. MEMBERS.

3.1 Members. The Members of the Corporation consist of those persons or entities who were shareholders in the Corporation prior to conversion to non-profit mutual benefit status, and whose shares have been retired and converted into memberships of the converted entity. For all purposes, Members of this Corporation shall be limited to those individuals, corporations, partnerships and other entities owning real property within a certain eighty-nine (89) acre area in the County of San Joaquin State of California, forty-six (46) acres of which is commonly known as Tower Park Marina, the legal description of which is set forth on Exhibit "A" attached hereto and incorporated by reference herein, and forty-three (43) acres of which is a certain two hundred (200) unit subdivision, commonly known as Tower Park Village, the legal description of which is set forth on Exhibit "B" attached hereto and incorporated by reference herein, and the final subdivision map of which was filed in the Office of the County Recorder, County of San Joaquin, in Book 26 of Maps at Page 43. All of the former shareholders of the Corporation are Members as of the date of adoption of these By-Laws.

3.2 Allocation of Membership Interests. Based upon and in proportion to the eighty-nine (89) acre area served by this Corporation, membership interests constituting fifty-one percent (51%) of the membership interests of this Corporation shall be issued to the individuals, corporations, partnerships or other entities owning Tower Park Marina, and membership interests constituting forty-nine percent (49%) of the total membership of this Corporation shall be issued to those persons owning at least one (1) lot, parcel, or unit of the Tower Park Village subdivision. For this purpose, each such lot, parcel, or unit of the Tower Park Village subdivision shall be issued and entitled to one membership interest in this Corporation. For purposes of these bylaws, lots shall also consist of those lots described and set forth in subdivision maps filed from time to time hereafter in the Office of the County Recorder of San Joaquin, State of California, including property within the area described above; lots resulting from the further subdivision of any lots set forth and described in any and all subdivision maps already filed at this time; and each unit of any apartment building, community or condominium, or other of multiple living facilities now existing or constructed within said area. For purposes of these bylaws, a purchaser of any lot or parcel of land shall also be deemed to be an owner for the purposes of these bylaws. A lot or parcel of land held as community property shall qualify the owners thereof for one (1) membership certificate only in this Corporation. As to any lot or parcel of land held in joint tenancy, tenancy in common, or in the name of a partnership, Corporation or in any other way, and except as provided otherwise below, only one (1) membership certificate shall be issued to the owners thereof.

3.3 Membership Types / Attributes. Notwithstanding anything set forth in these by-laws to the contrary, there shall be two types (classes) of membership interests, both of which shall be fully participating but with different attributes as set forth herein. The 51% membership interests issued to the owners of Tower Park Marina shall be known as the "Marina Membership," and the individual membership interests accounting for the remaining 49% of the memberships of this Corporation shall be issued as to one membership interest each to the owners of each lot within the Tower Park Village, and each such membership interest shall be known as a "Village Membership," and, in the aggregate, as "Village Memberships." In any election by the membership, the Marina Membership shall have voting power equal to 51% of the total outstanding membership interests and the Village Memberships shall

have, in the aggregate, voting power equal to 49% of the total outstanding memberships interests. For voting purposes, the Marina Membership shall consist of two hundred and thirteen (213) votes which may be voted in any proportion and amount, and the total Village Memberships shall consist of two hundred (200) votes, with one vote being held by each of the 200 Village Membership holders which may be voted as each such holder sees fit. Cumulative voting shall be permitted as provided under Corporate Code Section 7615 and as further provided herein.

3.4 Water Rights. Except in an emergency or in the event of a water shortage declared by the Board of Directors of this Corporation, the ownership of a membership interest in this Corporation grants to each such holder an unlimited right to receive the water supplied and delivered by this Corporation. In the event of an emergency or a declared water shortage, each membership holder shall only be entitled to receive a proportionate share of the water available to be supplied and delivered by this Corporation, but, in no event, shall one (1) Village Membership be entitled to less than .245% (.00245) of the available water, and in no event shall the Marina Membership be entitled to less than 51% (.51) of the available water. For the purposes of this Section, an emergency shall be an unforeseen combination of circumstances or the result of such circumstances, which directly or indirectly impairs or will impair the unlimited availability of water to the members of the Corporation. Each such emergency may be declared by any two of the President, Secretary, or Chairman of the Board of this Corporation and shall be declared only after a careful consideration of all facts available to such person. Notice shall be given to the members of the declaration of an emergency and the method to be utilized for the allocation of water. The decision to declare any emergency shall be conclusive and binding upon all members of this Corporation. Each emergency shall exist for a continuous forty-eight (48) hour period. Upon termination of this period, either the Board of Directors must declare a water shortage or the unlimited right to receive water of each member shall be automatically reinstated.

3.5 Water Shortage. For the purposes of this Section, a water shortage shall be the result of a combination of circumstances directly impairing the unlimited availability of water to the members of this Corporation for a period in excess of forty-eight (48) hours. A water shortage may be declared only by the Board of Directors at a special meeting after a careful consideration of all facts available to the Board. The Board of Director water shortage declaration must set forth the method to be used for the allocation of water among members during the shortage, the anticipated length of such water shortage and the steps to be taken by the Corporation to remedy the shortage. Notice shall be given to all members of the declaration of a water shortage. The decision to declare a water shortage shall be conclusive and binding upon all members of this Corporation. The Board of Directors, in its discretion, may terminate, shorten or lengthen the period of the declared water shortage in order to meet the needs of the Corporation. The power granted herein to declare a water shortage shall be exercised with caution by the Board and reasonable efforts should be made to avoid the necessity of such declaration. Upon termination of the declared water shortage, all water rights shall be restored to the members of this Corporation.

3.6 Eligibility. All persons who become owners of lots or parcels of property within the boundaries of Tower Park Village, as defined and described in Section 1 of this Article shall, by reason of such ownership, become members of the Corporation and be issued one membership certificate in the Corporation for each lot or parcel so owned. Said membership certificate shall be deemed appurtenant to the ownership of a lot or parcel within Tower Park Village and shall transfer to each subsequent

owner regardless of whether formal action is taken to effect a paper transfer. The same shall hold true for the membership interests issued to Tower Park Marina.

3.7 Voting Rights. As set forth above, each member holding a Village Membership shall be entitled to one (1) vote for each membership interest held on each matter submitted to the vote of the members. As also set forth above, the holder of the Marina Membership shall be entitled to two hundred and thirteen (213) votes on each matter submitted to the vote of the membership. No distinction other than the foregoing shall exist between the types of membership of this Corporation, except that each member must be in-good-standing to vote his, hers, or its membership interest.

3.8 Termination of Membership. The Board of Directors may, by affirmative vote of the Board, suspend or expel a member for cause after an appropriate hearing and may cancel and/or suspend the membership of any member who is in default in the payment of assessments for any period in excess of ninety (90) days.

3.9 Reinstatement. Upon a written request filed with the Secretary of the Corporation, the Board of Directors may reinstate a terminated member's interest upon such terms and conditions as the Board of Directors may deem to be appropriate under the circumstances

3.10 Transferability. Membership interests in this Corporation are transferable or assignable only with the transfer or assignment of the lot or parcel of land to which it attaches.

3.11 No Distributions To Members. No member of the Corporation shall have any right, title or interest in or to any property or assets of the Corporation, except upon dissolution, and no member shall have the right to receive dividends or distributions from the Corporation prior to its dissolution.

3.12 No Liability. The private property of the members shall be exempt from execution or other liability for any debts of the Corporation and no member shall be liable or responsible for any debts or liabilities of the Corporation.

ARTICLE IV – MEMBERSHIP CERTIFICATES

SECTION 4 – MEMBERSHIP CERTIFICATES

4.1 Certificates. Certificates of membership in the Corporation shall be in such form as the Board of Directors shall designate and shall be issued over the signature of the President and Secretary. A certificate book shall be maintained which shall contain a record account on which shall be shown the number, date, name and address of the member, as set forth in the corresponding certificate. Each certificate for membership shall set forth therein the name of the record holder of the membership interest represented thereby.

4.2 Appurtenancy. Membership Certificates of the Corporation shall be appurtenant to the lots and real property as the same are described and set forth in Article III of these Bylaws and shall not be transferable except with the conveyance of the lot or other real property for which said certificate is issued as set forth in California Civil Code Section 330.24, as amended from time-to-time. Such conveyance shall effect the transfer of the certificate appurtenant to that particular lot or real property to its purchaser, as set forth in California Civil Code Section 330.26, as amended from time-to-time.

4.3 Fractional Interests. No fractional membership certificates shall be issued by this Corporation.

4.4 Non-Transferable. Membership certificates of the Corporation are not transferable or assignable except as specifically provided in these Bylaws.

4.5 Transfer Fees. All transfers of certificates for any reason permitted in these bylaws shall be subject to a transfer fee of Twenty-Five Dollars (\$ 25.00) and to the payment of all indebtedness to the Corporation of the member whose certificate is transferred.

4.6 Lost Certificate. Except as provided in this Section 4.6 and upon the reinstatement of a member pursuant to Section 3.9, no new certificates for membership interests shall be issued to replace an old certificate unless the latter is surrendered to the Corporation and cancelled at the same time. The board of Directors may, in case any membership certificate or certificate for any other security is lost, stolen, or destroyed, authorize the issuance of a replacement certificate on such terms and conditions as the board may require, including provision for indemnification of the Corporation secured by a bond or other adequate security sufficient to protect the Corporation against any claim that may be made against it, including any expense or liability, on account of the alleged loss, theft, or destruction of the certificate or the issuance of the replacement certificate.

4.7 Cancellation in Certain Circumstances. In the event lands to which any membership of this Corporation is appurtenant are owned or purchased by the State of California or any department or agency thereof, or any school district, or public agency, such membership certificate shall be canceled by the secretary, but shall be reissued to any person later acquiring title to such land from the state, department, agency, school district, or public agency.

ARTICLE V ASSESSMENTS

SECTION 5 – ASSESSMENTS.

5.1 Assessments. Assessments for the installation, depreciation, maintenance, operation and use of the pipelines, the water systems, the sewer system and the drainage system owned by the Corporation may be levied and charged by the Board on the members in such amounts from time-to-time as the Board shall deem necessary. In addition, or as an alternative hereto, the Corporation may levy monthly water and sewer charges on the members in such amounts as the Board shall deem necessary to meet the purposes for which assessments may be levied under this Article. Any monthly charges may be increased, decreased, initiated or terminated at such time and in such amounts as the Board shall deem necessary to operate the Corporation. Notwithstanding any provision hereof granting power to the Board to levy assessments upon the members, no action shall be taken which shall violate the purpose of this Corporation to develop, distribute, supply and deliver water and sanitary sewer services to its members at actual cost plus reasonable and necessary expenses.

5.2 Rate Structure. In order to assist the board in the determination of the appropriate amount of an assessment or monthly water and sewer charge to be levied upon all members, the Corporation shall establish a rate structure that will be applied equally and proportionately among all members, and which will result in the accumulation and maintenance of a reserve fund for the replacement of its

existing facilities and any necessary or contemplated expansion of all facilities of the Corporation. The rate schedule shall bear a reasonable relationship to the cost of furnishing water to the members and to the cost of operation and maintenance of the sewer and drainage systems. Unimproved lots included within the area to be served by the Corporation shall bear an appropriate share of the costs of maintaining the water and sewer systems, equipment and facilities.

5.3 Delinquency. Any assessment or monthly water charge shall be deemed delinquent thirty (30) days from the date a Statement of Assessment or Monthly Water Charge Statement is mailed postage prepaid from the office of the Corporation to such members at their addresses on file with the Secretary of the Corporation.

5.4 Penalties. Delinquent assessments shall be subject to such penalties as may be fixed by the Board, including but not limited to the termination of the right to receive water and the forfeiture or sale of any membership interest in the Corporation, as provided in California Civil Code Section 331, as amended from time-to-time. Failure of any member to pay any assessment when due may in the discretion of the Board constitute a forfeiture of the right to use water from the Corporation's system. However, the defaulting member shall be entitled to a hearing before the Board at a time and place to be fixed by the Board prior to the forfeiture of such right, and the decision of the Board at any such hearing shall be final.

ARTICLE VI – MEETINGS OF MEMBERS

SECTION 6. MEETINGS OF MEMBERS.

6.1 Place of Meeting. Meetings of the members may be held at a place within or outside California designated by the Board or the President or by written consent of all persons entitled to vote at the meeting, given before or after the meeting. Meetings of the members may also be conducted, in whole or in part, by electronic transmission by and to the Corporation or by video screen communication in accordance with the requirements and procedures prescribed in Corporations Code Sections 20 and 21 and Section 7510 of the Nonprofit Mutual Benefit Corporation Law. As used in these bylaws, “electronic transmission by the Corporation” and “electronic transmission to the Corporation” shall refer to the procedures and requirements described in Corporations Code Sections 20 and 21 respectively.

6.1.1 – Inspectors of Election. Before any meeting of members, the Board of Directors may appoint any persons other than nominees for office to act as inspectors of election at the meeting or its adjournment. If no inspectors of election are so appointed, the chairman of the meeting may, and on the request of any member or a member’s proxy shall, appoint inspectors of election at the meeting. The number of inspectors shall be either one (1) or three (3). If inspectors are appointed at a meeting on the request of one or more members or their proxies, the holders of a majority of members or their proxies present at the meeting shall determine whether one (1) or three (3) inspectors are to be appointed. If any person appointed as an inspector fails to appear or fails or refuses to act, the chairman of the meeting may, and upon the request of any member or a member's proxy shall, appoint a person to fill that vacancy. These inspectors shall: (a) Determine the number of membership votes authorized and outstanding and the voting power of each, the membership interests represented at the

meeting, the existence of a quorum, and the authenticity, validity, and effect of proxies; (b) Receive votes, ballots, or consents; (c) Hear and determine all challenges and questions in any way arising in connection with the right to vote; (d) Count and tabulate all votes or consents; (e) Determine when the polls shall close; (f) Determine the result; and (g) Do any other acts that may be proper to conduct the election or vote with fairness to all members.

6.2 Annual Meeting. An annual members' meeting shall be called each year at a time to be fixed for that year by the Board. Any proper business may be transacted at this meeting, subject to Sections 6.4.2 and 6.5.1 of these bylaws. The members shall elect the Directors of the Corporation at their annual meeting as a minimum order of business.

6.3 Special Meetings.

6.3.1 Persons Authorized to Call. A special meeting of the general membership for any lawful purpose may be called at any time by the Board, the Board chairperson, or the President, or by ten percent (10%) or more of the voting members unless a lower number is mandated by California law, in which case California law shall control.

6.3.2 Calling Meetings. A special meeting called by any person (other than the Board) entitled to call a meeting shall be called by written request, specifying the general nature of the business proposed to be transacted, and submitted to the chairperson of the Board, if any, or the President or the secretary of the Corporation. The officer receiving the request shall cause notice to be given promptly to the members entitled to vote, in accordance with Section 5.4 of these bylaws, stating that a meeting will be held at a specified time and date fixed by the Board, provided, however, that the meeting date shall be at least thirty-five (35) but not more than ninety (90) days after receipt of the request. If the notice is not given within twenty (20) days after receipt of the request, the person or persons requesting the meeting may give the notice. Nothing in this section shall be construed as limiting, fixing, or affecting the time at which a meeting of members may be held when the meeting is called by the Board.

6.3.3 Proper Business of Special Meeting. No business, other than the business the general nature of which was set forth in the notice of the meeting, may be transacted at a special meeting.

6.4 Notice Requirements for Members' Meetings.

6.4.1 General Notice Requirements. Whenever members are required or permitted to take any action at a meeting, written notice of the meeting shall be given, in accordance with Section 6.4.3 of these bylaws, to each member entitled to vote at that meeting. The notice shall specify the place, date, and hour of the meeting, the means of electronic transmission by and to the Corporation or electronic video screen communication, if any, by which members may participate in the meeting, and (A) for a special meeting, the general nature of the business to be transacted, and no other business may be transacted, or (B) for the annual meeting, those matters that the Board, at the time notice is given, intends to present for action by the members.

6.4.2 Notice of Certain Agenda Items. Approval by the members of any of the following proposals, other than by unanimous approval by those entitled to vote, is valid only if the notice or written waiver of notice states the general nature of the proposal or proposals:

6.4.2(a) Amending the articles of incorporation;

6.4.2(b) Approving a contract or transaction between the Corporation and one or more Directors, or between the Corporation and any entity in which a Director has a material financial interest in the Corporation;

6.4.2(c) Electing to wind-up and dissolve the Corporation

6.4.2(d) Approving a plan of distribution of assets, other than money, not in accordance with liquidation rights of any class or classes as specified in the articles or bylaws, when the Corporation is in the process of winding up; or

6.4.2(e) Imposing a special assessment on members.

6.4.3 Manner of Giving Notice. Notice of any meeting of members, except a meeting called under 6.3.2 where the timing requirements of the notice are different, shall be in writing and shall be given at least ten (10) but no more than ninety (90) days before the meeting date. Notices of any meeting of members, including meetings called under 6.3.2, shall be given either personally or by first-class, registered or certified mail, by confirmed facsimile or e-mail, by electronic transmission by the Corporation, or by other means of written communication, charges prepaid, and shall be addressed to each delegate (and alternate delegate if the Board so chooses) of each member entitled to vote, at the address of that member appearing on the books of the Corporation or at the address given by the member to the Corporation for purposes of notice. If no address appears on the Corporation's books and no address has been so given, notice shall be deemed to have been given if either (A) notice is sent to that member by first-class mail or other written communication to the Corporation's principal office or (B) notice is published at least once in a newspaper of general circulation in the county in which the principal office is located.

6.5 Quorum.

6.5.1 Percentage Required. Fifty percent (50%) of the members shall constitute a quorum for the transaction of business at any meeting of the members.

6.5.2 Loss of Quorum. The members present at a duly called or held meeting at which a quorum is initially present may continue to transact business until adjournment, even if enough members have withdrawn to leave less than a quorum, if any action taken (other than adjournment) is approved by at least two-thirds (2/3) of the members required to constitute a quorum for a meeting of the general membership.

6.6 Adjournment and Notice of Adjourned Meeting. Any members' meeting, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the membership represented at the meeting, either in person or by proxy. No meeting may be adjourned for more than forty-five (45) days. When a members' meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which adjournment is taken. If after adjournment a new record date is fixed for notice or voting, a notice of the adjourned meeting shall be given to each member who, on the record date for notice of the meeting, is entitled to vote at the meeting. At the adjourned meeting, the Corporation may transact any business that might have been transacted at the original meeting.

6.7 Voting.

6.7.1 Eligibility to Vote. Subject to the provisions of the California Nonprofit Mutual Benefit Corporation Law, members entitled to vote at any meeting of the general membership shall be members in good standing as of the record date determined under Sections 6.10.1 and 6.10.2 of these bylaws.

6.7.2 Manner of Casting Votes. Except as provided in Section 6.9.2, voting may be by voice or by ballot.

6.7.3 Voting. Each holder of a Village Membership who is entitled to vote shall be entitled to cast one vote on each matter submitted to a vote of the members. The holder of the Marina Membership shall be entitled to cast two hundred and thirteen votes on each matter submitted to a vote of the membership. Each member's vote, as applicable, will be cast by either its primary delegate or an alternate delegate, or a proxy holder, but not all.

6.7.4 Approval by Majority Vote of Members. If a quorum is present, the affirmative vote of a majority of the voting power represented at the meeting of the general membership, entitled to vote and voting on any matter, shall be the act of the members, unless the vote of a greater number or voting by classes is required by the California Nonprofit Mutual Benefit Corporation Law, by the articles of incorporation, or by these bylaws. The only distinction between the two types (classes) of membership (Village and Marina) shall be the voting power of each – one vote for each Village Membership and two-hundred and thirteen votes for the Marina Membership. All classes of membership shall vote on any matter submitted to the members for decision. As used herein, a vote of the majority of members shall mean a vote taken at a meeting or by consent where all classes of members are represented.

6.7.5 Cumulative Voting. At a members' meeting at which Directors are to be elected, no member shall be entitled to cumulate votes (i.e., cast for any one or more candidates a number of votes greater than the number of the member's shares) unless the candidates' names have been placed in nomination prior to commencement of the voting and a member has given notice prior to commencement of the voting of the member's intention to cumulate votes. If any one member has given such a notice, then every other member entitled to vote may cumulate votes for candidates in nomination and give one candidate a number of votes equal to the number of Directors to be elected multiplied by the number of votes-to which that member is entitled, or may distribute the member's votes on the same principle among any or all of the candidates, as the member thinks fit. The candidates receiving the highest number of votes, up to the number of Directors to be elected, shall be elected.

6.8 Waiver of Notice or Consent.

6.8.1 Written Waiver or Consent. The transactions of any members' meeting, however called or noticed and wherever held, shall be as valid as though taken at a meeting duly held after contributor call and notice, if (A) a quorum is present either in person or by proxy, and (B) either before or after the meeting, each member entitled to vote, who is not present in person or by proxy, signs a written waiver of notice, a consent to the holding of the meeting, or an approval of the minutes. The waiver of notice, consent, or approval need not specify either the business to be transacted or the purpose of any meeting of members, except that if action is taken or proposed to be taken for approval

of any of those matters specified in Section 6.4.2, the waiver of notice, consent, or approval shall state the general nature of the proposal. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes.

6.8.2 Waiver by Attendance. A member's attendance at a meeting also shall constitute a waiver of notice of and presence at that meeting, unless the member objects at the beginning of the meeting to the transaction of any business because the meeting was not lawfully called or convened. Also, attendance at a meeting is not a waiver of any right to object to the consideration of matters required to be included in the notice of the meeting but not so included, if that objection is expressly made at the meeting.

6.9 Action Without a Meeting.

6.9.1 Action by Unanimous Written Consent. Any action required or permitted to be taken by members may be taken without a meeting, if all members shall individually or collectively consent in writing to the action. The written consent or consents shall be filed with the minutes of the proceedings of the members. A written consent may, to the extent permitted by applicable law, be solicited and provided by e-mail or facsimile, so long as the response contains an actual, facsimile or electronic signature clearly indicating the member's assent to the proposition.

6.9.2 Action by Written Ballot Without a Meeting. Any action that may be taken at any meeting of members may be taken without a meeting by complying with Sections 6.9.2 a.-c. of these bylaws.

6.9.2(a) Solicitation of Written Ballots. The Corporation shall distribute one written ballot to each member entitled to vote on the matter. Such ballots shall be mailed or delivered in the manner required by Section 6.4.3 of these bylaws. All solicitations of votes by written ballot shall (1) indicate the number of responses needed to meet the quorum requirement, (2) state the percentage of approvals necessary to pass the measure or measures, and (3) specify the time by which the ballot must be received in order to be counted. Each ballot so distributed shall (1) set forth the proposed action, (2) provide the members an opportunity to specify approval or disapproval of each proposal, and (3) provide a reasonable time in which to return the ballot to the Corporation. If the Corporation has 100 or more members, any written ballot distributed to 10 or more members shall afford an opportunity on the ballot to specify a choice between approval and disapproval of each matter or group of related matters intended, at the time the written ballot is distributed, to be acted upon by such written ballot, and shall provide, subject to reasonable specified conditions, that where the person solicited specifies a choice with respect to any such matter the vote shall be cast in accordance therewith.

6.9.2(b) Number of Votes and Approvals Required. Approval by written ballot shall be valid only when (1) the number of votes cast by ballot (including those ballots that are marked "withhold" or otherwise indicate that authority to vote is withheld) within the time specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and (2) the number of votes approving equals or exceeds the number of votes that would be required for approval at a meeting at which the total number of votes cast was the same as the number of votes cast by written ballot without a meeting.

6.9.2(c) Revocation. A written ballot may not be revoked.

6.9.2(d) Filing. All written ballots shall be filed with the Corporation and maintained in the corporate records for at least two years.

6.10 Record Date for Notice, Voting, Written Ballots, and Other Actions.

6.10.1 Record Date Determined by Board. For purposes of determining the members entitled to notice of any meeting, entitled to vote at any meeting, entitled to vote by written ballot, or entitled to exercise any rights with respect to any lawful action, the Board may fix, in advance, a record date. The record date so fixed (A) for notice of a meeting shall not be more than ninety (90) or less than ten (10) days before the date of the meeting; (B) for voting at a meeting shall not be more than sixty (60) days before the date of the meeting; (C) for voting by written ballot shall not be more than sixty (60) days before the day on which the first written ballot is mailed or solicited; and (D) for any other action shall not be more than sixty (60) days before that action.

6.10.2 Record Date Not Determined by Board.

6.10.2(a) Record Date for Notice or Voting. If not otherwise fixed by the Board, the record date for determining members entitled (1) to receive notice of a meeting of members shall be the business day next preceding the day on which notice is given or, if notice is waived, the business day next preceding the day on which the meeting is held, and (2) to vote at the meeting shall be the day on which the meeting is held.

6.10.2(b) Record Date For Action by Written Ballot. If not otherwise fixed by the Board, the record date for determining members entitled to vote by written ballot shall be the day on which the first written ballot is mailed or solicited.

6.10.2(c) Record Date for Other Actions. If not otherwise fixed by the Board, the record date for determining members entitled to exercise any rights with respect to any other lawful action shall be the date on which the Board adopts the resolution relating to that action, or the 60th day before the date of that action, whichever is later.

6.10.3 Members of Record. For purposes of this Section 6.10, a person holding a membership at the close of the Corporation's principal office on the record date shall be a member of record.

6.11 Proxies.

6.11.1 Rights of Members. Each person entitled to vote shall have the right to do so either in person or by one or more agents authorized by a written proxy, signed by the person and filed with the secretary of the Corporation. A proxy shall be deemed signed if the member's name is placed on the proxy (whether by manual signature, typewriting, electronic signature, or otherwise) by the member or the member's attorney-in-fact.

6.11.2 Form of Solicited Proxies. If the Corporation has 100 or more members, any form of proxy distributed to 10 or more members shall afford an opportunity on the proxy to specify a choice between approval and disapproval of each matter or group of related matters and shall provide, subject to reasonable specified conditions, that when the person solicited specifies a choice with respect to any such matter, the vote shall be cast in accordance with that specification.

7. Board of Directors.

7.1 Powers.

7.1.1 General Corporate Powers. Subject to the provisions and limitations of the California Nonprofit Mutual Benefit Corporation Law and any other applicable laws, and subject to any limitations in the articles of incorporation and bylaws regarding actions that require the approval of the members, the Corporation's activities and affairs shall be managed, and all corporate power shall be exercised, by or under the Board's direction.

7.1.2 Specific Powers. Without prejudice to the general powers set forth in Section 6.1.1 of these bylaws, but subject to the same limitations, the Board shall have the power to:

7.1.2(a) Appoint and remove at the pleasure of the Board all the Corporation's officers, agents, and employees, prescribe powers and duties for them that are consistent with the law, with the articles of incorporation, and with these bylaws; and fix their compensation and require from them security for faithful performance of their duties;

7.1.2(b) Change the principal office or the principal business office from one location to another; cause the Corporation to be qualified to conduct its activities in any other state, territory, dependency, or country and to conduct its activities in such location; and designate any place for holding any meeting of members;

7.1.2(c) Adopt and use a corporate seal; prescribe the forms of membership certificates consistent with the provisions of Section 7313 of the California Corporations Code; and alter the form of the seal and certificates;

7.1.2(d) Borrow money and incur indebtedness on behalf of the Corporation and cause to be executed and delivered for the Corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities.

7.2 Directors. The Directors on the Board are the persons who have been elected to be Directors of the Corporation by the Members at their annual meeting, or Directors who are appointed by the Board to fill the unexpired term of a resigning or removed Director.

7.2.3 Powers. An individual Director has no powers other than those explicitly detailed in these bylaws or otherwise bestowed to a Director explicitly by the Board.

7.2.4 Number. The Board shall consist of at least five (5) until changed by amendment to these bylaws.

7.3 Vacancies on Board.

7.3.1 Events Causing Vacancy. A vacancy or vacancies on the Board shall exist on the occurrence of the following: (A) the death or resignation of any Director; (B) the declaration by resolution of the Board of a vacancy in the office of a Director who has been declared of unsound mind by an order of court or convicted of a felony, or, if the Corporation holds assets in charitable trust, has been found by a final order or judgment of any court to have breached a duty arising under Section 7238 of the California Corporations Code; (C) the vote of a majority of the membership as provided in Section

6.7.4, or (D) the vote of a majority of the Directors then in office to remove any Director(s); or (E) the increase of the authorized number of Directors. The notice requirement under Section 7511(f) of the California Corporations Code shall apply to any vote of the members conducted under Section 7.3.1(C).

7.3.2 Resignations. Except as provided below, any Director may resign by giving written notice to the chairperson of the Board, if any, or to the President or to the secretary of the Board. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective.

7.3.3 Filling Vacancies. If a vacancy is created, the Board of Directors may appoint by majority vote a replacement to fill the unexpired term of the vacant seat on the Board.

7.4 Board Meetings. Board meetings will be governed by the following provisions.

7.4.1 Place of Meetings. Meetings of the Board may be held at any place within or outside California that has been designated by resolution of the Board or in the notice of the meeting or, if not so designated, at the principal office of the Corporation.

7.4.2 Meetings by Electronic Means. Any meeting may be held by conference telephone, electronic video screen communication, or electronic transmission by and to the Corporation or similar communication equipment. Participation through the use of conference telephone or electronic video screen communication constitutes presence in person at the meeting so long as all Directors participating in the meeting can hear one another. Participation through electronic transmission by and to the Corporation, other than by conference telephone and electronic video screen communication, constitutes presence in person at the meeting only if (A) each Director participating in the meeting can communicate with all of the other Directors concurrently, and (B) each Director is provided the means of participating in all matters before the Board, including, without limitation, the capacity to propose, or to interpose an objection to, a specific action to be taken by the Corporation.

7.4.3 Regular Meetings. Regular meetings of the Board may be held without notice at such time and place as the Board may fix from time to time.

7.4.4 Special Meetings.

7.4.4(a) Authority to Call. Special meetings of the Board for any purpose may be called at any time by the chairperson of the Board, any vice chairperson, the President, the secretary, the treasurer, or any three Directors.

7.4.4(b) Notice.

7.4.4(b)(1) Manner of Giving Notice. Notice of the time and place of special meetings shall be given to each Director by one of the following methods: personal delivery of written notice; first-class mail, postage prepaid; personally, or by telephone, including a voice messaging system, either directly to the Director or to a person at the Director's office who would reasonably be expected to communicate that notice promptly to the Director; confirmed facsimile; e-mail, or electronic transmission by the Corporation. All such notices shall be given or sent to the Director's address, telephone number, facsimile number, or e-mail address as shown on the records of the Corporation.

7.4.4(b)(2) Time Requirements. Notices sent by first- class mail shall be deposited at least four (4) days before the time set for the meeting and shall be sent in a manner that is reasonably calculated to be delivered within four (4) days after deposit. Notices given by personal delivery, telephone, facsimile, e-mail or electronic transmission by the Corporation shall be delivered, telephoned, or transmitted at least forty-eight (48) hours before the time set for the meeting.

7.4.4(b)(3) Notice Contents. The notice shall state the time of the meeting, and the place if the place is other than the principal office of the Corporation. It need not specify the purpose of the meeting.

7.4.5 Quorum. A majority of the authorized number of Directors shall constitute a quorum for the transaction of business, except to adjourn. Subject to any more stringent provisions of the California Nonprofit Mutual Benefit Corporation Law, every action taken or decision made by a majority of the Directors then in office at a duly held meeting at which a quorum is present shall be the act of the Board, including, without limitation, those provisions relating to (A) approval of contracts or transactions between the Corporation and one or more Directors or between the Corporation and any entity in which a Director has a material financial interest, (B) creation of and appointments to committees of the Board, and (C) indemnification of Directors. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of Directors, if any action taken or decision made is approved by at least a majority of the Directors then in office.

7.4.6 Waiver of Notice. Notice of a meeting need not be given to any Director who, either before or after the meeting, signs a waiver of notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting. The waiver of notice or consent may be given by any means that is capable of being recorded and stored as part of the corporate records, including, without limitation, by e-mail or by electronic transmission to the Corporation. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meetings. Notice of a meeting need not be given to any Director who attends the meeting and does not protest, before or at the commencement of the meeting, the lack of notice to him or her.

7.4.7 Adjournment. A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place.

7.4.8 Notice of Adjourned Meeting. Notice of the time and place of holding an adjourned meeting need not be given unless the original meeting is adjourned for more than 24 hours. If the original meeting is adjourned for more than 24 hours, notice of any adjournment to another time and place shall be given, before the time of the adjourned meeting, to the Directors who were not present at the time of the adjournment.

7.4.9 Action Without a Meeting. Any action that the Board is required or permitted to take may be taken without a meeting if all members of the Board consent in writing to that action. Such action by written consent shall have the same force and effect as any other validly approved action of the Board. All such consents shall be filed with the minutes of the proceedings of the Board. A written consent may, to the extent permitted by applicable law, be solicited and provided by e-mail or facsimile, so long as the response contains an actual, facsimile or electronic signature clearly indicating the Board member's assent to the proposition.

7.5 Compensation and Reimbursement. Directors will receive no compensation for their services, but may receive such reimbursement of expenses, as may be determined by Board resolution to be just and reasonable as to the Corporation at the time the resolution is adopted.

7.6 Committees and Groups.

7.6.1 Committees of the Board.

7.6.1(a) Creation and Authority. The Board, by an action adopted by a majority of the Directors then in office, provided a quorum is present, may create one or more committees, each consisting of two or more Directors, to serve at the pleasure of the Board. Appointments to committees of the Board shall be by a majority vote of the Directors then in office. The Board may appoint one or more Directors as alternate members of any such committee, who may replace any absent member at any meeting. Any such committee, to the extent provided in the Board action, shall have all the authority of the Board except that no committee, regardless of any Board action, may:

7.6.1(a)(1) Take any final action on any matter that, under the California Nonprofit Mutual Benefit Corporation Law, also requires approval of the members or approval of a majority of all members;

7.6.1(a)(2) Fill vacancies on the Board or on any committee that has the authority of the Board;

7.6.1(a)(3) Fix compensation of the Directors for serving on the Board or on any committee;

7.6.1(a)(4) Amend or repeal bylaws or adopt new bylaws;

7.6.1(a)(5) Amend or repeal any Board action that, by its express terms, is not so amendable or repealable;

7.6.1(a)(6) Create any other committees of the Board or appoint the members of committees of the Board;

7.6.1(a)(7) Expend corporate funds in violation of Section 7526 of the California Corporation Code; or

7.6.1(a)(8) With respect to any assets held in charitable trust, approve any contract or transaction between the Corporation and one or more of its Directors or between the Corporation and an entity in which one or more of its Directors have a material financial interest, subject to the special approval provisions of Section 5233(d)(3) of the California Corporations Code.

7.6.1(b) Meetings and Actions of Committees of the Board. Meetings and actions of committees of the Board shall be governed by, held, and taken in accordance with, the provisions of these bylaws concerning meetings and other Board actions except that the time for regular meetings of such committees and calling of special meetings of such committees may be determined either by Board action or, if there is none, by action of the committee. Minutes of each meeting of any committee of the Board shall be kept and shall be filed with the corporate records. The Board may adopt rules for the government of any committee that are consistent with these bylaws or, in the absence of rules adopted by the Board, the committee may adopt such rules.

7.6.2 Groups Created by the Board. The Board, may create one or more groups or task groups that do not exercise the power or authority of the Board and are referred to in these bylaws as "Groups." Initial appointments to each Group may be included with the Board action authorizing the creation of the Group or may be established through any other method designated by the Board, and all subsequent changes to Group composition shall occur by decision of the Group unless the Board expressly provides otherwise by action at the time the Group is created or by subsequent action. Each Group shall have such duties and exercise such powers as the Board may establish in the action creating the Group or may otherwise provide from time to time, provided that those duties and powers shall at all times be exercised under the ultimate direction of the Board. The Board may from time to time establish and amend the procedures and guidelines that apply to Group participation (including eligibility), operation, administration and management.

8. Officers.

8.1 Officers of the Corporation. The officers of the Corporation shall be a chairperson, a President who is also the chief executive officer, a vice chairperson, a secretary, and a treasurer. The Corporation also may have, at the Board's discretion, one or more additional vice chairpersons, assistant secretaries, assistant treasurers, and such other officers as may be appointed in accordance with Section 8.3 of these bylaws. Any number of offices may be held by the same person, provided that, anything herein to the contrary notwithstanding, the President of the Corporation shall at all times be a resident and property owner in Tower Park Village and hold a valid Village Membership, and, further provided, that the same person may not hold the offices of President and Secretary of the Corporation.

8.2 Eligibility of Officers. Subject to the limitations herein set forth with eligibility to be President of the Corporation, each officer of the Corporation shall be elected from persons acting as Directors of the Corporation, or other persons that the Board determines to be appropriate candidates. The officers of the Corporation, except those appointed under Section 8.3 of these bylaws, shall be chosen from time to time by the Board by a majority vote of the Directors then in office and shall serve at the pleasure of the Board, subject to the rights, if any, of any officer under any contract of employment. Unless otherwise provided by Board resolution and except as provided with respect to individual officers in Section 8.7 below, each officer shall serve a term of one-year and until his or her successor is elected and qualified.

8.3 Other Officers. The Board may appoint and may authorize the chairperson of the Board, the President, or other officer to appoint any other officers that the Corporation may require. Each officer so appointed shall have the title, hold office for the period, have the authority, and perform the duties specified in the bylaws or determined by the Board. The Board may appoint a Watermaster to oversee the operations of the Corporation's water treatment, storage and distribution systems as well as the Corporation's waste treatment and waste transportation systems, and compensate any Watermaster in the manner deemed appropriate by the Board. In addition, the Board may appoint and hire a general manager to run the business of the Corporation on a day-to-day basis and to oversee all water and sewer operations, billing and bookkeeping and tax reporting as well as conducting the general business of the Corporation. Any general manager hired by the Corporation shall report to the President of the Corporation.

8.4 Removal of Officers. Without prejudice to any rights of an officer under any contract of employment, an officer may be removed with or without cause by the Board and, also, if the officer was not chosen by the Board, by any officer on whom the Board may confer that power of removal.

8.5 Resignation of Officers. Any officer may resign at any time by giving written notice to the Corporation. The resignation shall take effect as of the date the notice is received or at any later time specified in the notice and, unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party.

8.6 Vacancies in Office. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these bylaws for regular appointments to that office, provided, however, that vacancies need not be filled on an annual basis.

8.7 Responsibilities of Officers.

8.7.1 Chairperson of the Board. The chairperson shall have the right to preside at Board meetings, shall have the responsibility and authority to represent decisions of the Board, and shall perform such other duties and exercise such other powers as the Board may assign from time to time. The holder of the office may use the title "Chair of the Board," "Chairperson of the Board," "Chairman of the Board," or "Chairwoman of the Board."

8.7.2 President and Chief Executive Officer.

8.7.2(a) Duties. The President is the general manager and chief executive officer of the Corporation. The holder of the office may use the title of "President," "Chief Executive Officer," "CEO," or a combination of thereof. The President shall be responsible for managing, directing, supervising and controlling the Corporation's day-to-day operations and performing such other duties and exercising such other powers as the Board may assign from time to time. As part of these responsibilities and subject only to such limitations as the Board may impose, the President shall manage and supervise the Corporation's contracting process and shall have broad signature authority to execute any document on behalf of the Corporation. The President may delegate operational and day-to-day managerial duties as well as supervisory duties to a General Manager appointed and hired by the Board.

8.7.2(b) Selection. The Board may appoint as the President a person the Board determines is appropriately qualified to discharge the President's duties, regardless of whether that person has any pre-existing affiliation with the Corporation or its members.

8.7.2(c) Term. Subject to the rights, if any, under any contract of employment, the President shall serve at the pleasure of the Board for any period designated by the Board or until such time as he or she resigns, becomes unable to discharge the President's duties, or is removed by the Board.

8.7.3 Vice Chairperson. In the absence or disability of the chairperson, the vice chairpersons, if any, in order of their rank as fixed by the Board or, if not ranked, a vice chairperson designated by the Board, shall perform all duties of the chairperson. When so acting, a vice chairperson shall have all powers of and be subject to all restrictions on the chairperson. The vice chairpersons shall have such other powers and perform such other duties as the Board or the bylaws may prescribe.

8.7.4 Secretary.

8.7.4(a) Book of Minutes. The secretary shall keep or cause to be kept, at the Corporation's principal office or such other place as the Board may direct, a book of minutes of all meetings, proceedings, and actions of the Board, of committees of the Board, and of members' meetings. The minutes of meetings shall include the time and place of holding, whether the meeting was annual, regular, or special and, if special, how authorized, the notice given, the names of those present at Board and committee meetings, and the number of members present or represented at members' meetings. The secretary shall keep or cause to be kept, at the principal office, a copy of the articles of incorporation and bylaws, as amended to date.

8.7.4(b) Membership Records. The secretary shall keep or cause to be kept, at the Corporation's principal office or at a place determined by Board resolution, a record of the Corporation's members, showing each member's name, address, and class of membership.

8.7.5 Treasurer.

8.7.5(a) Books of Account. The Treasurer shall cause to be kept and maintained adequate and correct books and accounts of the Corporation's properties and transactions. The Treasurer shall send or cause to be given to the members and Directors such financial statements and reports as are required by law, by these bylaws, or by the Board to be given. The books of account shall be open to inspection by any Director at all reasonable times.

8.7.5(b) Deposit and Disbursement of Money and Valuables. The Treasurer shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the Corporation with such depositories as the Board may designate, shall disburse the Corporation's funds as the Board may order, shall render to the President or cause to be rendered, chairperson of the Board, if any, and the Board, when requested, an account of all transactions as chief financial officer and of the financial condition of the Corporation, and shall have such other powers and perform such other duties as the Board or the bylaws may prescribe.

8.7.5(c) Bond. If required by the Board, the Treasurer shall give the Corporation a bond in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of the office and for restoration to the Corporation of all its books, papers, vouchers, money, and other property of every kind in the possession or under the control of the chief financial officer on his or her death, resignation, retirement, or removal from office.

9. Indemnification.

9.1 Right of Indemnity. To the fullest extent permitted by law, this Corporation shall indemnify its Directors, officers, employees, and other persons described in Section 7237(a) of the California Corporations Code, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in that section, and including an action by or in the right of the Corporation, by reason of the fact that the person is or was a person described in that section. "Expenses," as used in this bylaw, shall have the same meaning as in Section 7237(a) of the California Corporations Code.

9.2 Approval of Indemnity. On written request to the Board by any person seeking indemnification under Section 7237(b) or Section 7237(c) of the California Corporations Code, the Board promptly shall determine under Section 7237(e) of the California Corporations Code whether the applicable standard of conduct set forth in Section 7237(b) or Section 7237(c) has been met and, if so, the Board shall authorize indemnification. If the Board cannot authorize indemnification because the number of Directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of Directors who are not parties to that proceeding, the Board promptly shall call a meeting of members. At that meeting, the members shall determine under Section 7237(e) whether the applicable standard of conduct set forth in Section 7237(b) or Section 7237(c) has been met and, if so, the members present at the meeting in person or by proxy shall authorize indemnification.

9.3 Advancement of Expenses. To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under Sections 9.1 and 9.2 of these bylaws in defending any proceeding covered by those sections shall be advanced by the Corporation before final disposition of the proceeding, on receipt by the Corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the Corporation for those expenses.

10. Insurance. The Corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, Directors, employees, and other agents, against any liability asserted against or incurred by any officer, Director, employee, or agent in such capacity or arising out of the officer's, Director's, employee's, or agent's status as such.

11. Records and Reports.

11.1 Maintenance of Corporate Records. The Corporation shall keep: (a) Adequate and correct books and records of account; (b) written minutes of the proceedings of its members, Board, and committees of the Board; and (c) a record of each member's name, address, and class of membership. Those books, records, and minutes may be kept either in written form or in any other form capable of being converted into clearly legible tangible form or in any combination of the foregoing.

11.2 Members' Inspection Rights.

11.2.1 Membership Records. Subject to Division 2, Part 3, Chapter 13, Article 3 (commencing at Section 8330) of the California Corporations Code and unless the Corporation provides a reasonable alternative as provided below, any member may do either or both of the following for a purpose reasonably related to the member's interest as a member:

11.2.1(a) Inspect and copy the records of members' names, addresses, and voting rights during usual business hours on five (5) days' prior written demand on the Corporation, which demand must state the purpose for which the inspection rights are requested; or

11.2.1(b) Obtain from the secretary of the Corporation or the secretary's designee, on written demand and tender of a reasonable charge, a list of names, addresses, and voting rights of members who are entitled to vote for the election of Directors as of the most recent record date for which that list has been compiled, or as of the date, after the date of demand, specified by the

members. The demand shall state the purpose for which the list is requested. The secretary of the Corporation or the secretary's designee shall make this list available to the member on or before the later of ten (10) days after (1) the demand is received or (2) the date specified in the demand as the date as of which the list is to be compiled. The Corporation may, within ten (10) business days after receiving a demand under this section, make a written offer of an alternative method of reasonable and timely achievement of the proper purpose specified in the demand without providing access to or a copy of the membership list. Any rejection of this offer must be in writing and must state the reasons that the proposed alternative does not meet the proper purpose of the demand. If the Corporation reasonably believes that the information will be used for a purpose other than one reasonably related to a person's interest as a member, or if it provides a reasonable alternative under this section, it may deny the member access to the membership list. Any inspection and copying under this section may be made in person or by the member's agent or attorney. The right of inspection includes the right to copy and make extracts. Any right of inspection extends to the records of any subsidiary of the Corporation.

11.2.2 Accounting Records and Minutes. On written demand on the Corporation, any member may inspect, copy, and make extracts of the accounting books and records and the minutes of the proceedings of the members, the Board, and committees of the Board at any reasonable time for a purpose reasonably related to the member's interest as a member. Any such inspection and copying may be made in person or by the member's agent or attorney. Any right of inspection extends to the records of any wholly-owned subsidiary of the Corporation.

11.3 Maintenance and Inspection of Articles and Bylaws. The Corporation shall keep at its principal office the original or a copy of the articles of incorporation and bylaws, as amended to date, which shall be open to inspection by the members at all reasonable times during office hours. The Corporation shall, on the written request of any member, furnish to that member a copy of the articles of incorporation and bylaws as amended to date.

11.4 Inspection by Directors. Every Director shall have the absolute right at any reasonable time to inspect the Corporation's books, records, documents of every kind, physical properties, and the records of each of its subsidiaries. The inspection may be made in person or by the Director's agent or attorney. The right of inspection includes the right to copy and make extracts of documents.

11.5 Annual Report. Any annual report shall be prepared within one hundred twenty (120) days after the end of the Corporation's fiscal year. That report shall contain the following information in appropriate detail:

11.5.1 A balance sheet as of the end of the fiscal year, and an income statement and statement of changes in financial position for the fiscal year, accompanied by any report on them by independent accountants, or, if there is no such report, by the certificate of an authorized officer of the Corporation that they were prepared without audit from the books and records of the Corporation;

11.5.2 A statement of the place where the names and addresses of current members are located; and

11.5.3 Any information that is required by Section 11.6 of these bylaws. The Corporation shall notify each member annually of the member's right to receive a financial report under this section. Except as provided in the following paragraph, on written request by a member, the Board

shall promptly cause the most recent annual report to be sent to the requesting member. This section shall not apply if the Corporation receives less than \$10,000 in gross revenues or receipts during the fiscal year.

11.6 Annual Statement of Certain Transactions and Indemnifications. As part of the annual report to all members, or as a separate document if no annual report is issued, the Corporation shall prepare annually and mail or deliver to its members and furnish to its Directors a statement of any transaction or indemnification of the following kinds within one hundred twenty (120) days after the end of the Corporation's fiscal year:

11.6.1 Unless approved by members under Section 7233(a) of the California Corporations Code, any transaction (1) to which the Corporation, its parent, or its subsidiary was a party, (2) which involved more than \$50,000 or was one of a number of such transactions with the same person involving, in the aggregate, more than \$50,000, and (3) in which either of the following interested persons had a direct or indirect material financial interest (a mere common directorship is not a material financial interest):

1. Any Director or officer of the Corporation, its parent, or its subsidiary;
2. Any holder of more than 10 percent of the voting power of the Corporation, its parent, or its subsidiary.

The statement shall include a brief description of the transaction, the names of interested persons involved, their relationship to the Corporation, the nature of their interest in the transaction, and, when practicable, the amount of that interest, provided that, in the case of a partnership in which such person is a partner, only the interest of the partnership need be stated.

11.6.2 A brief description of the amounts and circumstances of any loans, guaranties, indemnifications, or advances aggregating more than \$10,000 paid during the fiscal year to any officer or Director of the Corporation under Section 8 of these bylaws, unless the loan, guaranty, indemnification, or advance has already been approved under Section 5034 of the California Corporations Code, or the loan or guaranty is not subject to the provisions of subdivision (a) of Section 7235(a) of that Code.

12. Construction and Definitions. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Law shall govern the construction of these bylaws.

13. Amendments.

13.1 Amendment by Board.

13.1.1 Membership Rights Limitation. (Section 7150.) Subject to the rights of members under Sections 13.1.4 and 13.2 of these bylaws, the Board may by a majority vote of the Directors then in office adopt, amend, or repeal bylaws unless the action would:

13.1.1(a) Materially and adversely affect the members' rights as to voting, dissolution, redemption, or transfer;

13.1.1(b) Increase or decrease the number of members authorized in total or for any class;

13.1.1(c) Effect an exchange, reclassification, or cancellation of all or part of the memberships; or

13.1.1(d) Authorize a new class of membership.

Any matter described in paragraphs 13.1.1(a)-13.1.1(d) requires the approval of a majority of the membership and is subject to an additional vote of the affected class of members for any matter described in Section 13.2, as applicable.

13.1.2 Changes to Number of Directors. The Board may not, without the approval of a majority of the membership specify or change any bylaw provision that would:

13.1.2(a) Fix or change the authorized number of Directors;

13.1.2(b) Fix or change the minimum or maximum number of Directors; or

13.1.2(c) Change from a fixed number of Directors to a variable number of Directors or vice versa.

13.1.3 High Vote Requirement. If any provision of these bylaws requires the vote of a larger proportion of the Board than otherwise required by law, such provision may not be altered, amended, or repealed except by that greater vote.

13.1.4 Member Approval Required. Without the approval of a majority of the membership, the Board may not adopt, amend, or repeal any bylaw that would:

13.1.4(a) Increase or extend the terms of Directors;

13.1.4(b) Increase the quorum for members' meetings;

13.1.4(c) Repeal, restrict, create, expand, or otherwise change proxy rights;

13.1.4(d) Authorize cumulative voting; or

13.1.4(e) Amend the purpose statement of the Corporation set forth herein.

13.2 Amendment by Members. New bylaws may be adopted or these bylaws may be amended or repealed by approval of a majority of the membership, provided, however, that any such adoption, amendment, or repeal also requires a majority approval by the affected class of members, voting separately as a class, if that action would:

13.2.1 Materially and adversely affect the rights, privileges, preferences, restrictions, or conditions of that class as to voting, dissolution, redemption, or transfer in a manner different than the action affects another class;

13.2.2 Materially and adversely affect that class as to voting, dissolution, redemption, or transfer by changing the rights, privileges, preferences, restrictions, or conditions of another class;

13.2.3 Increase or decrease the number of memberships authorized for the class;

13.2.4 Increase the number of memberships authorized for another class;

13.2.5 Effect an exchange, reclassification, or cancellation of all or part of the memberships of that class;

13.2.6 Authorize a new class of memberships or other duties as may be prescribed by the Board of Directors or the bylaws.

CERTIFICATE OF SECRETARY

The undersigned, CHELSEA BOESSENBROEK, hereby certifies that she is the duly elected/appointed Secretary of the Corporation, and that these Amended By-Laws were adopted and ratified by the Members and the Board of Directors at a duly noticed meeting held on the ____ day of _____, 2017, with a quorum of both the Membership and the Board of Directors being present at their respective meetings.

_____ Secretary
CHELSEA BOESSENBROEK

ATTEST:

_____ Director

_____ Director

_____ Director

_____ Director

_____ Director

EXHIBIT "A" - Marina Parcels

The following described real property located in the County of San Joaquin, State of California:

Being a portion of Section Thirteen- (13), Township Three (3) North, Range Four (4) East, Mount Diablo Base and Meridian, described as follows:

COMMENCING at a known concrete monument located on the East bank of Potato Slough at Terminous, 25.0 feet North of the center line of Terminous Road and also 200.6 feet South and 9933.8 feet West of the Northeast corner of Section Eighteen (18), Township Three (3) North, Range Five (5) East, Mount Diablo Base and Meridian; thence from said point of commencement South 12°21'30" East, a distance of -535.75 feet; thence North 67°18' East, 199.8 feet to the point of beginning of the parcel of land to be described, said point of beginning being the most easterly corner of that certain 0.08 acre parcel of land conveyed in easement by the Western Pacific Railroad Company to the County of San Joaquin, as recorded February 4, 1932, in Vol. 400 of Official Records, page 136, San Joaquin County Records; thence from said point of beginning South 22°42' East, a distance of 100 feet; thence Southwest along the arc of a curve to the left, having a radius of 666.78 feet, the long chord of which bears South 58°06' West,

213 08 feet, an arc distance of 214.0 feet; thence South 23°52' West

498.2 feet, thence North 88°50' East, a distance of 242.51 feet; thence South 23°43' West, 576.81 feet; thence South 41°34'30" West, a distance of 575.44 feet; thence South 16°10' West, a distance of 246.79 feet; thence South 25°41'26" East, a distance of 829.22 feet; thence South 66°35' East, a distance of 490.43 feet; thence South 80°00' East, a distance of 235.0 feet; thence South 150 feet, more or less, to a point on the Easterly bank of Potato Slough; thence Westerly, Northerly and Northeasterly, along said bank of Potato Slough, to a point on the Southerly line of that certain parcel of land-conveyed to the County of San Joaquin for road purposes and re- corded May 18, 1925, in Vol. 262 of Book "A" of Deeds; page 368, San Joaquin County Records; thence Northeasterly along the arc of a curve to the left having a radius of 215.3 feet, an arc distance of 332.0 feet, more or less, to a point which bears South 12°21'30" East, 535.75 feet, from said known concrete monument;- thence North 67°18' East along the Southerly line of said road, a distance of 199.8 feet to the point of beginning, and being all the land described in the following Deeds to the Western Pacific Railroad Company; recorded in Vol. 184 of Official Records, page 273; in Vol. 545 of Official Records, page 230; and in Vol. 729 of Official Records, page 245; and the Western 3.12 acres of the Deed recorded in Vol. 184 of Official Records, page 279, San Joaquin County, California.

EXCEPTING THEREFROM the following three parcels:

PARCEL NO. 1:

All the oil, gas minerals lying below 500 feet from the surface of said land, as reserved in the Deed from the Western Pacific Railroad Company, recorded March 26, 1965 in Vol. 2929 of Official Records, page 103, San Joaquin County Records and amended in the Quitclaim Deed executed by the Western Pacific Railroad Company, a California corporation, recorded October 22, 1968 in Book 3247 of Official Records, page 695, San Joaquin County Records.

PARCEL NO. 2:

All that portion of Section 13, Township 3 North, Range 4 East, Mount Diablo Base and Meridian, according to the Official Plat thereof, described as follows:

COMMENCING at a known concrete monument located on the East bank of Potato Slough at Terminous, 25.0 feet North of the centerline of Terminous Road and also 200.6 feet South and 9933.8 feet West of the Northeast corner of Section 18, Township 3 North, Range 5 East, Mount Diablo Base and Meridian, according to the Official Plat thereof; thence from said point of commencement South 12°21'30" East, a distance of

535.75 feet; thence North 67°18' East 199.8 feet to the most Easterly corner of that certain 0.08 acre parcel of land conveyed in Easement by the Western Pacific Railroad Company to the County of San Joaquin, as recorded February 4, 1932, in Vol. 400 of Official Records; thence South 22°42' East 100 feet; thence Southwest along the arc of a curve to the left, having a radius of 666.78 feet, the long chord of which bears South 58°06' West 213.08 feet, an arc distance of 214.0 feet; thence South 23°52' West 498.2 feet to the true point of beginning of the land to be described herein; thence from said true point of beginning North 88°50' East 242.51 feet; thence South 23°43' West 300.00 feet; thence South 88°50' West 272.52 feet; thence North 23°43' East 300.00 feet; thence North 88°50' East 30.01 feet to the true point of beginning.

PARCEL NO. 3:

A strip of land 30 feet in width, the Easterly line of which is described as follows:

BEGINNING at the most Easterly corner of that certain 0.08 acre parcel of land conveyed in easement by the Western Pacific Railroad Company to the County of San Joaquin, as recorded February 4, 1932, in Vol. 400 of Official Records, page 136, San Joaquin County Records; thence from said point of beginning South 22°42' East 100 feet; thence Southwest along the arc of a curve to the left having a radius of 666.78 feet, the long chord of which bears South 58°06' West 213.08 feet, an arc distance of 214.0 feet; thence South 23°52' West 498.2 feet to a point terminating on the North line of Parcel No. 1 hereinabove described.

LOT 4

Lot 4, a 14.5 acre parcel of land in Section 13, Township 3 North, Range 4 East, Mount Diablo Base and Meridian, San Joaquin County, California, shown on that certain map of Tract No. 1762, Subdivisions of San Joaquin County, Tower Park Village, filed for record in Book of Maps and Plats, Volume 26, Page 43, San Joaquin County Records.

EXHIBIT B - Village Parcels

DESCRIPTION LOT 1

Lot 1, a 18.395 acre parcel of land in Section 13, Township 3 North, Range 4 East, Mount Diablo Base and Meridian, San Joaquin County, California, shown on that certain map of Tract No. 1762, Subdivisions of San Joaquin County, Tower Park Village, filed for record in Book of Maps and Plats, Volume 26, Page 43, San Joaquin County Records.

LOT 2

Lot 2, a 25.388 acre parcel of land in Section 13, Township 3 North, Range 4 East, Mount Diablo Base and Meridian, San Joaquin County, California, shown on that certain map of Tract No. 1762, Subdivisions of San Joaquin County, Tower Park Village, filed for record in Book of Maps and Plats, Volume 26, Page 43, San Joaquin County Records.