

FIRST RESTATED BYLAWS
OF
PGA WEST RESIDENTIAL ASSOCIATION, INC.

ARTICLE I

RECITALS AND DEFINITIONS

The Bylaws for PGA WEST RESIDENTIAL ASSOCIATION, INC. (“Association”) are hereby amended and restated, as follows:

Section 1. Definitions Incorporated by Reference. The terms defined in the Declaration shall have the same meaning when used herein unless the context clearly indicates a contrary intention.

ARTICLE II

MEMBERSHIP MEETINGS

Section 1. Place of Meeting. All meetings of Members shall be held at a time and place as may be designated by the Board in the notice of the meeting.

Section 2. Annual Meetings of Members. The annual meeting of Members shall be held once a year, or as determined by the Board of Directors.

Section 3. Special Meetings of Members. Special meetings of Members may be called at any time by the President or by a majority of a quorum of the Board, and shall be called by the Board upon receipt of a written request for a special meeting signed by Members representing at least five percent (5%) or more of the Members.

Notice of special meetings of the Members shall be given in the same manner as for annual meetings of Members. Notices of special meetings shall specify the place, day and hour of the meeting and the general nature of the business to be transacted.

(A) **Procedures for Calling Special Meetings Requested by Members.** Any written request for a special meeting signed by at least five percent (5%) of the Members shall state the general nature of the business to be transacted at the meeting, and shall be delivered personally or sent by registered mail to the President, Vice President, or the Secretary of the Association. Within twenty (20) days of receipt of such request, the Association shall give notice of such meeting including the date, time and place, and purpose for such meeting, the date of which shall be not less than thirty five (35) nor more than ninety (90) days of the date of receipt of the request.

Section 4. Notice of Members’ Meetings. Notice of all regular and special meetings of the Members shall be sent or otherwise given in writing to each Member who is eligible to vote, as of

the record date for notice established in accordance with Section 10 below. All notices shall be mailed not less than ten (10) days and not more than ninety (90) days before the date of the meeting, postage pre-paid, at the Member's address reflected in the Association's records. The notice of any membership meeting shall specify the place, date and hour of the meeting and any matters the Board intends to present to the Members for voting. In the case of a special meeting, the notice shall also state the general nature of the business to be transacted, and no other business may in that case be transacted at the special meeting. The notice of any meeting at which Directors are to be elected shall include the names of all those individuals who are nominees at the time the notice is sent.

Section 5. Quorum. The presence in person or by proxy of Members entitled to cast at least thirty-three and one-third (33 1/3 %) of the voting power of the Association shall constitute a quorum for the transaction of business. Once a quorum is established, the meeting may proceed regardless of whether less than a quorum is present at the time of adjournment.

Section 6. Reduced Quorum. In the absence of a quorum, the meeting may be adjourned for a time not less than five (5) days nor more than thirty (30) days. No additional notice of the reconvened meeting need be given if the time and place of the reconvened meeting is announced at the originally called meeting. The quorum requirement at the reconvened meeting shall be Members entitled to cast at least twenty-five percent (25%) of the voting power of the Association. Where a meeting is conducted under such reduced quorum, the only matters that may be voted upon are those matters included in the original meeting notice.

Section 7. Waiver of Notice or Consent by Absent Members. If proper notice of a meeting is not given, a decision made at such meeting may nevertheless be valid, provided each Member who was not present in person or by proxy consents to the meeting by signing a written waiver of notice, or a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent must state the general nature of such matter. All such waivers, consents, or approvals shall be filed with the Association's records or be made part of the minutes of the meeting.

Section 8. Action Without a Meeting/Written Ballot.

(A) Any action which may be taken by the vote of Members at a regular or special meeting may be taken without a meeting if the Association distributes a written ballot to every Member entitled to vote on the matter. Such ballot shall set forth the proposed action, provide an opportunity to specify approval or disapproval of any proposal, and provide a reasonable time within which to return the ballot to the Association. The Board shall have the absolute right to extend the time for voting. The solicitation for such ballots shall indicate the number of responses needed to meet the quorum requirement, and with respect to ballots where a specific percentage of approval is required, shall indicate the percentage of approvals needed to pass the matter, and specify the time by which the ballot must be received in order to be counted. The time for submitting ballots may be extended by the Board, at its discretion.

(B) Approval by written ballot shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action, or if a specific percentage of approval is required, the votes equal or exceed 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 ballot.

Section 9. Record Date. For the purpose of determining which Members are entitled to receive notice of any meeting or action to be taken by written ballot, or exercise of any rights with respect to any other lawful action, the Board of Directors may fix, in advance, a “record date,” and only Members of record on the date so fixed shall be entitled to notice, to vote, or to take action by written ballot or otherwise. Said record date shall be established pursuant to Corporations Code Section 7611 or successor statute.

Section 10. Minutes, Presumption of Notice. Minutes or a similar record of the proceedings of meetings of Members, when signed by the Secretary or other person designated by the Board, shall constitute truthful evidence of the matters set forth therein. A statement in the minutes of any such meeting that notice was properly given shall presumptively establish valid notice.

Section 11. Proxies. Any Member entitled to vote may do so either in person or by written proxy dated and signed by the Member and filed with the Secretary of the Association. Any proxy shall be for a term not to exceed eleven (11) months from the date of issuance, unless otherwise provided in the proxy, except that the maximum term of any proxy shall be three (3) years. Proxies may be revoked by the Member at any time. The Board may establish a date by which proxies must be turned in. Late proxies, at the discretion of the Board, may be used for quorum purposes only.

The proxy shall afford an opportunity to specify a choice between approval or disapproval of the matters to be acted upon at the meeting for which the proxy is solicited. Proxies distributed in connection with the election of Directors shall set forth the names of all individuals who are candidates for election to the Board of Directors at the time the proxy is distributed. If the proxy is marked by a Member “withhold” or similarly marked, the proxy holder shall not be entitled to cast such proxy.

ARTICLE III

BOARD OF DIRECTORS

Section 1. Powers and Duties. The Board shall manage the affairs of the Association and shall have all the powers and duties necessary for the administration of the Project as set forth in the Declaration, Articles of Incorporation and these Bylaws, and subject to any limitations set forth in such documents or under California Corporations Code. Without prejudice to such general powers, and in addition to those powers set forth in the Declaration, the Board shall further have the power:

(A) **Selection of Officers.** To select and remove all the Officers, agents and employees of the Association, prescribe such powers and duties for them as may be consistent with law, and the Association’s Governing Documents.

(B) **Location of Office and Membership Meetings.** To change the principal office of the Association or location of members meetings, within reasonable proximity to the Project, in the sole discretion of the Board.

(C) Bank Accounts. Maintain bank accounts, certificates of deposits, or other accounts on behalf of the Association, and designate the signatories to such accounts.

(D) Litigation. Bring and defend actions on behalf of the Association to enforce the Governing Documents, or to protect the interests of the Members or the Association, as such, as long as the action is pertinent to the operations of the Association.

Section 2. Number and Qualifications of Directors. The Board shall consist of seven (7) Directors, who shall be Owners of a Lot or Unit. Owners who are in good standing (whose rights are not suspended and who are current in payment of assessments) are eligible to serve as a Director. Only one Owner per Lot or Unit shall be eligible to serve on the Board at any time.

Section 3. Election and Term of Office. The terms of the Directors shall be term-staggered. Each Director shall serve a two (2) year term, with three (3) Directors or four (4) Directors, respectively, being elected to serve the expired terms of the preceding Directors. All Directors shall hold office until their term expires or until their position is declared vacant. Appointed Directors shall serve the remaining term of a vacant position. The Board shall have the power to adjust the term of Directors to be elected to achieve staggered terms.

Section 4. Nomination Procedures. Nomination for election to the Board of Directors may be made by a Nominating Committee, personal declaration of candidacy or any other Member. Any Nominating Committee appointed by the Board shall include a chairperson who is a member of the Board. The Nominating Committee may nominate any number of eligible candidates, but not less than the number of Directors to be elected. Nominations shall also be allowed from the floor at the meeting, and shall be seconded.

Section 5. Election Procedures. The annual election of Directors shall be conducted by secret ballot, subject to Member's rights to vote by proxy as set forth in these Bylaws.

(A) Cumulative Voting. Each Member entitled to vote at any election of Directors may cumulate his or her votes and give one candidate the number of votes equal to the number of Directors to be elected, or distribute his or her votes among the candidates. No Member shall be entitled to cumulate his or her votes unless the candidate's name has been placed in nomination prior to the voting, and the Member has given notice at the meeting prior to the voting of the Member's intention to cumulate votes. "Notice of cumulative voting" shall be deemed made by any Member's voting as such in his or her proxy or ballot, and no formal verbal announcement is required. If any one Member has been given such notice, all Members may cumulate their votes. The Board may satisfy this requirement by commencing cumulative voting as part of the Notice of Meeting or proxy.

Section 6. Removal of Directors. The entire Board may be removed by the vote of a majority of the voting power of the Association. Where cumulative voting is in effect, no individual Director shall be removed if the number of votes cast against his or her removal would be sufficient to elect the Director if voted cumulatively at an election at which the same total number of votes were cast, and the entire number of Directors authorized by these Bylaws at the time of the most recent election of Directors were then being elected, pursuant to Corporations Code Section 7222(b).

Section 7. Vacancies. A vacancy shall exist in the case of death, resignation in writing, removal of any Director, where the Members increase the authorized number of Directors but fail to elect the additional Directors, or where the Members fail at any time to elect the full number of authorized Directors.

The Board shall further have the right, but not the obligation, to declare a vacancy in the case of the absence of a Director from three (3) consecutive regular meetings during the period October 1 through May 31 without reasonable justification as determined by the Board, or where a Director has four (4) absences from regular meetings during a one (1) year period, or where a Director has failed to pay assessments for more than ninety (90) days. Prior to declaring a vacancy of a Director, the remaining Board shall give written notice by certified and regular mail to the Director, requesting the Director bring his or her account current within thirty (30) days.

Vacancies on the Board may be filled by the Board, except that vacancies due to the removal of a Director shall be filled by the Members. Members have the right to call a meeting to elect Directors to fill any vacancy not filled by the Directors.

If the Board of Directors then in office is less than a quorum, such vacancies shall be filled by either the unanimous written consent of the remaining Directors, the affirmative vote of a majority of the Directors then in office at a meeting, or a sole remaining Director.

ARTICLE IV

BOARD MEETINGS

Section 1. Place of Meetings. Regular and special meetings of Board of Directors may be held at a time and place as may be designated by the Board, on a monthly basis, or as determined by the Board as business reasonably requires.

Section 2. Organizational Meetings. As soon as reasonably practical, following each annual meeting of Members, the Board shall hold a meeting for the purpose of organization, election of Officers and the transaction of other business. Notice of such meeting is not required.

Section 3. Notice of Regular Meetings. Notice of each regular meeting of the Board shall be communicated to all Directors by first class mail not less than four (4) days before the meeting, or not less than forty eight (48) hours before such meeting where notice is delivered personally, by telephone, voice mail, facsimile, electronic mail or other technology designed to receive and record messages. Notice of regular meetings of the Board shall be given to the Members by newsletter, notes on billing statements, or other mailings, no less than four (4) days prior to the meeting, except in the case of emergency meetings.

Section 4. Special Meetings. Special meetings of the Board for any purpose may be called at any time by the President or by any two (2) Directors. Written notice of the time and place of special meetings and the nature of any special business to be considered shall be communicated in the manner prescribed for notice of regular meetings to Members, and by four (4) days notice by mail or forty eight (48) hours notice by personal delivery or telephone or other technology designed to receive and record messages. An emergency meeting of the Board may be called by the President of the Association, or by any two (2) Directors, if there are circumstances that could

not have been reasonably foreseen which require immediate attention and possible action by the Board, and which of necessity make it impracticable to provide the notice required herein.

Section 5. Waiver of Notice. The transactions of any meeting of the Board, however called and noticed, shall be as valid if before or after the meeting, each of the Directors not present signs a written waiver of notice or a consent to holding such meeting, or an approval of the minutes thereof. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 6. Entry of Notice. Whenever any Director has been absent from any meeting of the Board, an entry in the minutes to the effect that notice has been duly given shall be sufficient evidence that due notice of such meeting was given to such Board Member.

Section 7. Quorum. The presence in person of a majority of the Directors shall be necessary to constitute a quorum for the transaction of business, except to adjourn. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board. However, the Rules and Regulations may be amended only by a majority of the full Board.

Section 8. Adjournment. A majority of a quorum of the Directors may adjourn any Directors' meeting to meet again at a stated date and hour. In the absence of a quorum, a majority of the Directors present at the Directors' meeting, either regular or special, may adjourn from time to time until the time fixed for the next regular meeting of the Board. Unless a meeting is adjourned for more than twenty-four (24) hours, notice of adjournment of any Directors meeting need not be given to absent Directors if the time and place are fixed at the meeting adjourned.

Section 9. Members' Attendance at Meetings and Executive Sessions.

(A) Meetings of the Board, as defined by Civil Code Section 1363.05 or other successor statute, shall be open to all Members of the Association, except when the Board adjourns to executive session as set forth below in Section (B). Members who are not on the Board may not participate in the meeting, except that a reasonable time for Members to speak shall be established by the Board. Members shall give their comments in a reasonable and courteous manner.

(B) The Board may, upon the vote of a majority of a quorum, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, termination and formation of contracts with third parties, litigation in which the Association is or may become involved, and other matters or business of a similar nature. Only Directors and consultants as the Board may deem appropriate shall be entitled to attend executive sessions. The general nature of any and all business to be considered in executive session shall first be announced in open session or at the next regularly scheduled Board meeting, and shall be generally noted in the minutes. The Board shall also meet in executive session if requested by a member being disciplined, and such member shall be entitled to attend the executive session. The Board shall not be required to first call an open meeting before meeting in executive session.

Section 10. Minutes. The minutes, minutes proposed for adoption that are marked to indicate draft status, or a summary of the minutes of any meeting of the Board, other than an executive session, shall be available to Members within thirty (30) days of a meeting. Said minutes shall be

distributed to any Member of the Association upon request and upon reimbursement of the Association's costs of providing copies.

Section 11. **Action Without Meeting.** Any action required or permitted to be taken by the Board may be taken without a meeting if all Members of the Board consent in writing to that action. The Board may also take action by written ballot of the majority of the Board of Directors. Action by unanimous written consent or by written ballot shall have the same force and effect as a properly noticed and voted Board of Director's motion. Such consent shall be filed with the minutes of the proceedings of the Board.

Section 12. **Meetings By Telephone Conference.** Members of the Board may participate in a meeting through use of conference telephone, electronic video screen or other communication equipment, provided the requirements set forth in Corporations Code Section 7211 for holding such a meeting are satisfied. The Board may take action by telephone balloting of a unanimous consent of the Board of Directors. Action by telephone balloting shall have the same force and effect as a properly noticed and voted Board of Director's motion. Actions taken by telephone balloting shall be ratified at the next regularly scheduled Board of Director's meeting.

Section 13. **Compensation.** Directors, Officers and Members of Committees shall not be entitled to compensation for their services as such, although they may be reimbursed for such actual expenses as may be determined by resolution of the Board of Directors to be just and reasonable, where supported by a proper receipt or invoice.

ARTICLE V

OFFICERS

Section 1. **Officers.** The Officers of the Association shall consist of a President, Vice President, Secretary and Chief Financial Officer who shall be Directors, and such other officers as the Board may, from time to time by resolution, create.

Section 2. **Election and Term.** The Board, by majority vote, shall appoint Officers annually, and each shall hold his or her office until he or she shall resign or be removed. The offices of Secretary and Chief Financial Officer may be held by the same person, and no person shall hold more than one of the other offices. The Board may appoint such other Officers as the business of the Association may require, having such authority and perform such duties as are provided in these Bylaws or as the Board may determine.

Section 3. **Removal and Resignation from Office.** Any Officer may be removed, with or without cause, by a majority of the Directors at any meeting of the Board. Any Officer may resign at any time by giving written notice to the Board.

Section 4. **Vacancies.** A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer replaced.

Section 5. **President.** The President 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

business and Officers of the Association. The President shall preside at all meetings of the Members and the Board. The President shall be an ex-officio member of all committees, and shall have the general powers and duties of management usually vested in the office of President of a corporation, and other powers and duties as may be prescribed by the Board or by these Bylaws. The President, at his or her sole discretion, may make motions and vote on said motions or refrain from voting on an issue. The President shall sign all leases, mortgages, deeds and other written instruments, and shall co-sign all checks, unless the Board has designated another officer or person to sign such documents.

Section 6. **Vice President.** In the absence or disability of the President, the Vice President shall perform all the duties of the President, and when doing so, shall have all powers of and be subject to all the restrictions upon the President. The Vice President shall have such other powers and perform such other duties as from time to time may be prescribed for him or her by the Board or by these Bylaws.

Section 7. **Secretary.** The Secretary shall keep, or cause to be kept, a book of the minutes at the principal office or such other place as the Board may determine, of the meetings of Directors and Members, and any Committees. The Secretary shall give or cause to be given, notice of all the meetings of the Members and of the Board required by these Bylaws or by law to be given, and shall have other powers and perform such other duties as may be prescribed by the Board or these Bylaws.

Section 8. **Treasurer/Chief Financial Officer.** 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, disbursements, gains, losses, capital and surplus. The books of account shall at all times be open to inspection by any Director.

The Treasurer shall deposit, or cause to be deposited, all monies in the name of the Association with such depositories as may be designated by the Board. The Treasurer shall co-sign on checks, unless other officers or persons are designated to do so by the Board as may be ordered by the Board, except reserve withdrawals as set forth below in Article VI, Section 1, and shall cause to kept an account of all financial transactions, and shall have such other powers and perform such other duties as may be prescribed by the Board or these Bylaws.

Section 9. **Delegation of Duties.** The Association, acting by and through the Board, may delegate the duties of any of its Officers to committees or employees, including a professional managing agent. The Board may appoint and remove, at its discretion, committees, and prescribe their duties and functions.

ARTICLE VI

MISCELLANEOUS

Section 1. **Checks, Drafts, Etc.** All checks, drafts or other orders for payment of money or other evidences of indebtedness, issued in the name of the Association, shall be signed or endorsed

by persons designated by the Board, which shall include one officer. One signature may be delegated to the property manager or other person designated by the Board. Reserve Fund withdrawals shall be signed by at least two (2) Directors or one (1) Director and an Officer of the Board of Directors.

Section 2. Execution of Contracts. The Board may authorize any Officer or agent to enter into any contract or execute any instrument in the name and on behalf of the Association. Such contract or instrument shall be signed by at least one (1) Officer, or other person as determined by the Board. Unless so authorized by the Board, no Officer, agent or employee shall have any power or authority to bind the Association by any contract or engagement or to pledge its credit or to render it liable for any purpose or to any amount.

Section 3. Members' Right to Inspect Books and Records. The accounting books and records, and minutes of the Association shall be made available for inspection and copying by any Member of the Association, by any Member's duly-appointed representative, and by all first Mortgagees, at any reasonable time and for a purpose reasonably related to such person's interest as a Member or Mortgagee. Said inspection may be made during reasonable business hours, and with at least five days prior written notice to the Association or its managing agent. Copies will be made at Member's expense. Inspection and copying of lists of Members' names, addresses and voting rights shall be subject to the requirements set forth in Corporations Code Section 8330 through 8332, or successor statutes.

Section 4. Directors' Right to Inspect Books and Records. Subject to certain restrictions set forth in California law, every Director shall have the absolute right at any reasonable time to inspect and copy all books, records, and documents of the Association.

Section 5. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the thirty-first day of December, or other dates as determined by the Board.

Section 6. Financial Statements/Documents. The following documents or statements shall be prepared annually by the Association and a copy distributed to all its Members as follows:

(A) **Operating Budget.** Pursuant to Civil Code Section 1365, a pro forma operating budget, or summary of such budget with written notice that the pro forma budget is available upon request, at the expense of the Association, shall be distributed annually not less than forty-five (45) days nor more than sixty (60) days prior to the beginning of the Association's fiscal year. The budget shall include all of the following:

(i) The estimated revenue and expenses on an accrual basis;

(ii) A summary of the Association's reserves based upon the most recent study conducted pursuant to Civil Code Section 1365.5, which shall be printed in bold type and include all of the following:

(a) The current estimated replacement cost, estimated remaining life, and estimated useful life of each major component;

(b) As of the end of the fiscal year for which the study was prepared, (i) the current estimate of the amount of cash reserves necessary to repair, replace, restore or maintain the major components; (ii) the current amount of accumulated cash reserves actually set aside to repair, replace, restore or maintain major components.

(c) The percentage that the amount determined for purposes of clause (ii) of subparagraph (b) is of the amount determined for purposes of clause (i) of subparagraph (b).

(iii) A statement as to whether the Board has determined or anticipates that the levy of a special assessment will be required to repair, replace or restore any major component or to provide adequate reserves therefor.

(iv) A general statement setting forth the procedures used by the Board in the calculation and establishment of those reserves to defray the costs of repair, replacement or additions to major components that the Association is obligated to maintain.

(B) Annual Audit. An annual report prepared in accordance with generally accepted accounting principles by a licensee of the California State Board of Accountancy shall be distributed to each Member of the Association within one hundred twenty (120) days after the close of the Association's fiscal year.

(C) Assessment Collection Policy. A statement of the Association's policies and practices in enforcing its remedies against Members for default in the payment of assessments, including the recording and foreclosing of liens, shall be distributed to Members of the Association within sixty (60) days before the beginning of each fiscal year.

(D) Members' Right to Obtain Copies of Minutes. At the time the budget or budget summary is mailed, Members shall be notified of their right to obtain copies of minutes of meetings of the Board, and the manner and place from which they may obtain them.

(E) Summary of Insurance. Pursuant to Civil Code Section 1365(e), Members shall be provided a summary of the Association's property, general liability, and if carried, earthquake and flood insurance, policies including: (i) the name of the insurer; (ii) the type of insurance; (iii) policy limits; (iv) the insurance deductible amount, and the notification set forth in Section 1365(e). The Association shall, as soon as reasonably practical, notify its Members by first class mail if any such policies have lapsed, been canceled and not immediately renewed, restored or replaced or if there is a significant change, such as reduction in coverage or limits, or increase in the deductible. If the Association receives notice of non-renewal, the Association shall notify its Members immediately if replacement coverage will not be in effect by the date of lapse of the existing coverage. To the extent the declarations page of such policies meets the above requirements, the Association may distribute same.

Section 7. Reserve Funds. The Board shall establish reasonable reserve funds, in accounts separate from the operating account, and shall expend such funds for the purpose for which they were established, pursuant to Civil Code Section 1365.5 or as otherwise provided by law. The Board may borrow from such funds as provided under Civil Code Section 1365.5 or as otherwise provided by law.

Section 8. Documents Provided to First Mortgage Holder, Guarantor, Insurer. Any holder, insurer or governmental guarantor of a first Mortgage encumbering a Lot shall be entitled, upon written request, to a financial statement for the immediately preceding fiscal year, free of charge to the party requesting it. The financial statement shall be furnished within a reasonable time following the request.

Section 9. Documents Provided to Prospective Purchaser.

(A) Within ten (10) days of a written request by an Owner or their agent, the Association shall provide the following documents to such Owner:

- (i) A copy of the governing documents of the Association;
- (ii) A copy of the most recent documents distributed pursuant to Civil Code Section 1365;
- (iii) A true statement in writing as to the amount of any assessments levied upon a Lot which are unpaid. The statement shall also include late charges, interest, and costs of collection which, as of the date of the statement, are or may be made a lien.
- (iv) Any change in the Association's current regular and special assessments and fees which have been approved by the Board, but which have not become due.

The Association may charge a fee for the reasonable cost to prepare and reproduce the requested items.

(B) The Association shall not impose or collect any fee in connection with a transfer of title except the Association's reasonable estimated costs involved with such transfer.

Section 10. Parliamentary Procedure. The rules contained in the current edition of Robert's Rules of Order shall govern the Association in all cases in which they are applicable and in which they are not inconsistent with these Bylaws, any resolutions of the Board, or laws applicable to non-profit mutual benefit corporations.

Section 11. Construction and Definitions. Unless the context requires otherwise or a term is specifically defined herein, the general provisions, rules of construction, and definitions in the California Nonprofit Mutual Benefit Corporation Law shall govern the construction of these Bylaws.

ARTICLE VII

INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 1. Indemnification of Directors and Officers By Association. Every Director and every Officer, past or present, of the Association, shall be indemnified by the Association against expenses and liabilities, including reasonable attorney's fees, incurred or imposed upon him in connection with any proceeding in which he may be a party, or in which he may become involved, by reason of his or her being, or having been, a Director or an Officer of the Association, or any

settlement thereof, except in such cases wherein the Director or Officer is adjudged guilty of gross negligence, willful or intentional misconduct in the performance of his or her duties. Indemnification shall be in addition to and not exclusive of all other rights to which such Director or Officer may be entitled.

ARTICLE VIII

AMENDMENTS

Section 1. Amendment Procedures.

(A) Amendment by Members. These Bylaws may be amended only by the affirmative vote (in person or by proxy) or by written consent of Members representing a majority of the total voting power of the Association.

CERTIFICATE OF AMENDMENT

We, the President/Secretary hereby certify as follows:

I am duly elected and acting President/Secretary of PGA WEST RESIDENTIAL ASSOCIATION, INC., a California Nonprofit Mutual Benefit Corporation (“Corporation”) and certify that the foregoing RESTATED BYLAWS, consisting of 12 pages, were duly adopted by the Members pursuant to the amendment provisions contained in Article VIII of the Bylaws.

Dated: _____, 2004

By: _____
_____, President

Dated: _____, 2004

By: _____
_____, Secretary