

BY-LAWS OF RIO DEL MAR IMPROVEMENT ASSOCIATION. INC.

ARTICLE I

NAME

The name of this Corporation shall be RIO DEL MAR IMPROVEMENT ASSOCIATION, INC.

ARTICLE II

PURPOSE

The purpose of this Corporation shall be the general improvement of living conditions in the Community known as Rio del Mar by:

- Informing the community
- Endorsing/opposing political issues affecting our community and/or personal finances
- Endorsing and/or sponsoring social events
- Promoting civic betterment
- Pursuing Improvements of streets and highways
- Proactively providing information and guidance to elected officials, boards, and/or other officials at the county, city, state, and/or federal level to change, establish, and/or maintain ordinances, rules, and/or guidelines.

ARTICLE III

FINANCIAL RESPONSIBILITY OF MEMBERS

Excepting only annual dues and/or assessments as hereinafter provided. no financial liability whatsoever shall ever be incurred for debts of the Corporation by reason of membership in this Corporation.

ARTICLE IV

MEMBERS, RIGHTS OF MEMBERS

Section 1. Regular Members

Any property owner in, or resident of, the community of Rio del Mar, who shall pay such entrance fees and/or annual dues in advance as shall be determined from time to time by the Board of Directors and who shall be recommended by the membership committee, may be elected to membership by the Board of Directors.

Section 2. Social Members

Any person meeting all requirements of Section One of the Article except residence of property owning requirements may be elected to Associate Membership. Associate members shall have no vote nor hold office in the Corporation.

### Section 3. Honorary Member

Any person, who shall be recommended by the membership committee may be elected to honorary membership. Honorary members shall have no rights in the property of the Corporation; may not vote or hold office in the Corporation; and shall not be subject to entrance fees, dues or assessments.

### Section 4. Joint Memberships

A husband and wife may be issued a joint membership which shall include both but respecting voting or property rights, or liabilities and in determining a quorum, joint membership holders shall be considered as one person. Upon the death of one joint member, the membership shall vest in the survivor. Either member of a joint membership may exercise all the prerogatives of the membership in the absence of the other member.

### Section 5. Good Standing

A member shall be in good standing only when all dues or assessments have been paid within 30 days after due date, or notice of due date in case of assessments. Any member failing to maintain good standing loses all rights in the Corporation.

### Section 6. Rights of Members

Excepting as herein otherwise provided, each member in good standing, shall be entitled to one vote on all matters coming before the members; to participate in all undertakings sponsored by the Corporation; to hold office and to a ratable portion of the distributable assets of the Corporation upon dissolution.

### Section 7. Non-transferability of Membership

Excepting only upon the death of one joint member as provided in Section 4 of this Article, memberships are non-assignable or transferable. All rights of members cease and vest in remaining members upon the death of a member.

### Section 8. Withdrawal

Any member in good standing may withdraw from membership by filing notice with the President or Secretary and all rights of the member terminate upon the date of the receipt of such notice.

## ARTICLE V

### MEMBERS MEETINGS

#### Section 1. Annual Meeting

The annual meeting of members shall be held in Santa Cruz County on the last Saturday of September, or as soon as possible thereafter, but not later than October 31.

#### Section 2. purpose of Annual Meetings

The annual meeting shall be held for the following purposes:

1. Hearing a report of the Corporation's business by the President.
2. Hearing a financial report by the Treasurer.
3. A general discussion of problems of the Corporation.
4. The transaction of any other business proper to come before the members. /5

### Section 3. Special Meetings

Special meetings of members may be held, in the vicinity of Rio del Mar, or Aptos, California, upon the call of the Board of Directors, the President or the Secretary upon written request of five Directors or Twenty-five voting members in good standing.

### Section 4. Notice of Meetings

*Electronic or* written notice shall be given to all voting members in good standing at least 10 days prior to any annual meeting or proposed Special Meeting. In determining the 10-day period the day of mailing and day of the meeting shall not be counted. The notice shall state the place, day, hour and purpose of the meeting. /5

### Section 5. Quorum

Twenty-five members in good standing> or twenty-five percent of the members in good standing, whichever is the smaller> shall constitute a quorum for the transaction of business at all members meetings. Excepting only where otherwise provided by law or these By-Laws, any proposed action receiving the affirmative or negative vote of a majority of members at a properly called meeting, at which a quorum is present> constitutes a valid act of the Corporation.

### Section 6. Proxy or Cumulative Voting

Neither attendance by proxy, or proxy voting, or cumulative voting> shall be permitted at members meetings.

## ARTICLE VI

### DIRECTORS

#### Section 1. Corporate Management

Subject to law, the Articles of incorporation and the By-Laws of this Corporation, the corporate powers and business of the Corporation shall be exercised and controlled by a Board of nine Directors elected by the members. PROVIDED HOWEVER THAT before the action of the Board of Directors involving the expenditure of corporate funds, or the incurring of any obligation in excess of Three Thousand Dollars (\$3,000.00) in any single transaction shall be valid, such action of the Board must be approved by a majority vote of the members present at a members meeting. /1/4/5

#### Section 2. Qualification of Directors

Only voting members in good standing shall be eligible to be elected as Directors. Loss of good standing shall automatically cause the office of director held by such person to be vacant. A Director shall be a property owner in Rio del Mar for one (1) year and a member of the Association for twelve (12) months prior to election.

#### Section 3. Term of Directors

The term of office of each Director shall be two years and until his successor shall be elected

and qualify. Five Directors shall be elected on uneven years, and four on even years. /1/3

#### Section 4. Vacancies

The office of director of one who is absent from three consecutive meeting of the Board without reasonable excuse may be declared vacant by the Board of Directors. Such vacancy as well as vacancies created by the death, disability or resignation of a Director, shall be filled by the remaining Directors. /3

#### Section 5. Annual Meeting of Board

The duly elected Directors shall meet promptly after the annual election of Directors for the primary purpose of organization and the election of officers as provided in Section I, Article VII of these By-Laws. Notice of such meeting is hereby dispensed with. /1

#### Section 6. Periodic Board Meetings

The Board of Directors may, in its discretion, provide for regular weekly, monthly, or quarterly meetings on days, or dates, certain. Notice of such meetings may also be dispensed with.

#### Section 7. Special Board Meetings, Emergency Email Meetings

Special meetings of the Board of Directors may be held at any time at the call of the Board, the President of the Secretary upon the written request of three Directors. Notice of special meetings called by resolution of the Board may be dispensed with.

For emergency situations that must be resolved prior to the next scheduled meeting), email meetings may be used. The process for an email meeting is as follows; the soliciting Board Member shall notify all other Board of Directors by email and telephone of his/her email meeting. Subsequently, the soliciting Board member shall email his/her proposal to all Board of Directors which shall include background, why it's time sensitive, what funding or commitment would be required of RDMIA, a motion, and a required response date (24 hours minimum). Email responses to the proposal must be done by "reply all". Complete email transactions will serve as minutes for the Email meeting.

To act on the proposal, the soliciting Board member must obtain a majority of a quorum including the committee chair appropriate to the opportunity being proposed, the President, and if funds are involved, the Treasurer.

#### Section 8. Notice Of Board Meetings

Unless dispensed with as herein provided, written notice of the time, place and hour of all meetings of the Board shall be given to each Director 48 hours prior to such meetings.

#### Section 9. Waiver of Notice

Any meeting of Board of directors, regardless of when or where held, or how called, shall be valid provided there be a quorum present and provided further that at said meeting, or prior to subsequent thereto all Directors sign a waiver of notice and consent to such meeting.

#### Section 10. Quorum

The presence of five or more Directors shall constitute a quorum for the transaction of business.

### Section 11. Compensation of Directors

Directors shall not receive compensation for service as Directors, but this provision shall not prevent any Director from being employed to render other services to the Corporation for compensation.

### Section 12. Nomination and Election of Officers

Nomination of candidates for the office of director shall be by a nominating Committee appointed by the Board. Members shall be notified by mail, not later than 60 days prior to the Annual Meeting, of the Committee's nomination. Upon written petition of any ten qualified members filed with the Board at least 45 days prior to the Annual Meeting, qualified candidates of their selection shall also be named on the ballot. The election shall be conducted by secret ballot mailed to all members not less than 15 days prior to the Annual Meeting. Ballots to be counted must be received at the Office of the Corporation not later than 5 days prior to the Annual Meeting and shall be tallied and the results announced at the Annual Meeting.

### Section 13. Liability of Directors

Directors shall incur no liability for the Corporation by reason of their serving as Directors.

## ARTICLE VII

### OFFICERS AND THEIR DUTIES

#### Section 1. Officers

The Board of Directors shall, at the annual meeting of the Board, elect from among their members a President, one or more Vice Presidents, a Secretary and a Treasurer. Officers shall serve for one year and until their successors be elected, unless removed by death, or by the Board, or by resignation. The Secretary need not be a Director.

#### Section 2. Subordinate Officers

The Board of Directors may, in its discretion, appoint an Assistant Secretary or Treasurer and/or such other officers, or employees, with term of office, duties and compensation as may be deemed proper.

#### Section 3. Standing Committees

The President may, with the approval of the Board, appoint such Standing Committees as the business of the Corporation may warrant or require.

#### Section 4. Removal of Officers

The Board of Directors may, by majority vote, remove any officer or employee from office and fill any vacancy thus or otherwise created.

#### Section 5. Duties of President

Subject to the authority of the Board, the President shall have the powers and duties as are usually vested in the Chief Executive Officer of a Corporation. He shall preside at all meetings of the Board of Directors or members. He shall, with Board approval appoint standing committees. He shall sign all documents in behalf of the Corporation and act as an ex-officio member of all standing committees. He shall make a report of the progress and business of the Corporation at the annual members meeting.

### Section 6. Duties of Vice President

The Vice President shall succeed to all powers and perform all duties of the President in the event of a temporary vacancy in that office, or the absence or disability of that officer to act.

### Section 7. Duties of Secretary

The Secretary shall keep and distribute accurate minutes of all meetings of the Board of Directors and members sign documents of the Corporation as approved by the Board and affix the seal of the Corporation thereto together with such other duties as may be required by the members or Board of Directors. /5

### Section 8. Duties of Treasurer

The Treasurer shall receive and deposit all moneys due the Corporation and disburse the same as ordered and in the manner as determined by the Board of Directors. He shall keep an accurate record of all receipts and disbursements of the Corporation and render an account thereof to the members at the annual meeting together with periodic accounts as requested by the President or the Board of Directors. /5

## ARTICLE VIII

### FEES DUES ASSESSMENTS

#### Section 1. Entrance Fees

Applicants for membership shall pay such entrance fees as shall be determined by the Board of Directors.

#### Section 2. Annual Dues

Annual dues of twenty dollars (\$20.00) shall be payable on *January 1<sup>st</sup>* of each year, and become delinquent 30 days thereafter. At the discretion of the Board of Directors, dues for new members accepted during the year may be prorated on a monthly basis. /2/3/4/5

#### Section 3. Assessments

Assessments for any lawful purpose may be levied against the members by majority vote of the Board of Directors and approved by majority vote of the members in good standing in attendance at a members meeting, especially called for that purpose, after two weeks written notice to members, which notice shall specify the time, place and purpose, together with the amount, purpose and due date and terms of payment of the proposed amendment. The amount, due date and terms of payment may be modified at the members meeting and written notice of the amount, due date and terms of payment must be given to all members before the assessment shall be valid. No remedy shall be pursued by the Corporation. or penalty incurred by the members for failure to pay any assessment other than forfeiture of the membership.

## ARTICLE IX

### MISCELLANEOUS

#### Section 1. Fiscal Year

The fiscal year of this Corporation shall be as determined by the Board of Directors but unless

and until changed by the Board, it shall be the calendar year: from January first until December thirty-first. /5

#### Section 2. Expenditures

No moneys of this Corporation shall be disbursed except on vouchers signed by at least two officers as designated by the Board.

#### Section 3. Amendments

These By-Laws may be amended by a majority vote of the members present at any annual or special meeting of the members at which a quorum is present provided a copy of such amendment(s) has been furnished to the membership by mail at least to days prior to such meeting. Amendments may be initiated by either the Board or by a petition directed to the Board and signed by at least 25 regular members. In lieu of consideration of amendment(s) at an annual or special meeting, the Board may circulate a ballot on such amendment( s) by mail, in which case such amendment(s) shall be deemed adopted if a majority of the regular members who return such ballots, completed on or before the specified date, vote in favor of such amendment(s). /2

#### Section 4. Reinstatement of Members

Withdrawn members or memberships forfeited through loss of good standing may be reinstated on terms and conditions as prescribed by the Board of Directors, but a membership forfeited by failure to pay an assessment shall not be reinstated until the assessment shall have been paid in full.

#### Section 5. Special Undertakings

Nothing in these By-Laws shall be construed as prohibiting this Corporation from accepting or collecting moneys from certain members and expending such moneys for the sole benefit of such contributing member or from promulgating projects by voluntary subscriptions and charging non-subscribing members for the use of, or charging them a higher fee for the use of, facilities so provided.

#### Section 6. Principal Place of Business

The principal place of business of this Corporation shall be the home of the President or such other place in the vicinity of Rio del Mar or Aptos, California, as shall be determined from time to time by the Board of Directors.

#### Section 8. Notice by Mail

Wherever in these By-Laws notice by mail is permitted or required, the publication of such notice in the Association's News-Letter shall fulfill the Notice by Mail requirements. /3/5

/1 As amended 10/3/70

/2 As amended 10/3/70; further amended 7/26/85

/3 As amended 10/3/70; 7/26/85; and further amended 10/25/87

/4 This document is revised based on *proposed* amendments for July 1999

/5 As amended and revised 11/22/04

Rio del Mar boundary map attached on next page