

**BYLAWS OF
PARADISE PARK MASONIC CLUB, Inc.
After elections of 07/2022**

TABLE OF CONTENTS

ARTICLE I	1
Name and Location	1
ARTICLE II	1
Seal	1
ARTICLE III	1
Membership	1
1. Members	1
2. Associate Member	1
3. Alternate Associate Member	2
4. Membership Certificate	2
5. Eligibility- Purchase	2
A. moral character	2
B. good standing	2
C. agree in writing	2
D. application/fees/contract	2
6. Application for Membership	2
7. Membership Certificate, example	3
8. Associate Membership Certificate, example	4
9. Alternate Associate Membership Certificate, example	5
10. Notice	6
11. Verification of Masonic Membership	6
12. Land Allotment	6
13. Allotment Maintenance	7
14. Building or Remodeling	7
15. Privilege of Use of Allotment	7
16. Reclamation of Allotment	7
17. Transfer of Use of Allotment	7
18. Loss of Use of Allotment	8
19. Allotment Boundaries	8
20. Death of Member	8
21. No Associate or Alternate Associate Member Named	8
22. Eligibility-Inheritance	8
23. Living Trusts	8
24. Suspension of Membership	9
A. Masonic offense	9
B. good citizenship	9
C. abide by Bylaws, Rules/Procedures	9
D. Membership fees	9
E. good standing	9

25. Procedure for Termination Of Membership	10
A. 15 day& prior notice	10
B. opportunity to be heard	10
C. Board decision	10
D. challenging a suspension	10
E. vacate all premises	10
26. Resignation of Member	10
27. Right to Vote	10
28. Acceptance of Corporation Bylaws and Rules and Procedures	11
29. Attorney Fees and Collection Costs	11
30. Mandatory Mediation	
ARTICLE IV	11
Membership Fees	11
1. Membership Fees	11
A. allotment fee	11
B. annual dues	11
C. annual budget assessment	11
1. allotment base	11
2. footage over base	11
3. total calculation	11
4. assessment rate	11
D. special assessment	11
E. initiation fee	12
F. transfer fees	12
G. fines	12
H. property taxes	13
I. late charge	13
J. unusable allotment	13
ARTICLE V	13
Membership Meetings	13
1. Annual Meeting	13
2. Location of Membership Meetings	13
3. Who May Call a Meeting of the Members	13
4. Items on the Agenda	13
5. Special Membership Meeting	13
6. Special Meeting Business	13
7. Content of Notice of Membership Meetings	13
8. Method of Notice of Membership Meetings	14
9. Quorum of Meetings	14
10. Action by Written Ballot	14
11. Proxy	14

ARTICLE VI	14
Organization of the Corporation	14
1. Board of Directors	14
2. Officers of the Corporation	15
ARTICLE VII	15
Board of Directors	15
1. Powers of the Board	15
A. adopt Rules and Procedures	15
B. employees	15
C. transfer of property	15
D. transaction of business	15
E. written contracts	15
2. Rules and Procedures	15
3. Procedure for Election of Directors	16
4. Vacancy on Board of Directors	16
5. Resignation of Director	16
6. Removal of Director	16
7. Meeting Place of Board Meetings	17
8. Meeting by Telecommunication	17
A. concurrent communication	17
B. means of participation	17
C. means of verification	17
i. participation/Director	17
ii. votes/Director	17
9. First Board Meeting After Annual Membership Meeting	17
10. Regular Board Meetings	17
11. Special Board Meetings	18
12. Notice of Special Board Meetings	18
13. Quorum for Board Meeting	18
14. Compensation	19
15. Budget	19
16. Committees	19
17. Indemnification	19
A. Approval of Indemnification	19
B. Advancement of Expenses	19
C. Insurance	20
18. Annual Audit and Report	20
A. balance sheet/income statement, etc	20
B. current Member directory	20
C. financial/annual report availability	20
19. Reportable Transactions	20
A. unless approved by members	20
i. director or officer	20
ii. holder of voting power	20
B. amounts/circumstances of loans, etc.	21

ARTICLE VIII

21

Officers and Manager of the Corporation	21
1. President	21
2. Vice President	21
3. Secretary	21
A. cc. of articles of incorporation, bylaws	21
B. record of members	21
C. notice of all meetings/committees	21
4. Chief Financial Officer	21
5. Officers	22
6. Manager	22
7. Signature of Authority	22

ARTICLE IX 22

Dissolution 22

1. Procedure for Dissolution	22
------------------------------	----

ARTICLE X 22

Property of the Corporation 22

1. Dedicated Areas	22
--------------------	----

ARTICLE XI 22

Records of the Corporation 22

1. Maintenance of Records	22
A. adequate & correct	23
B. written minutes	23
C. record of membership	23
2. Member Inspection Rights	23
3. Director Inspection Rights	23

ARTICLE XII 23

Amendment of Bylaws 23

1. Amendment by Membership	23
2. Amendment Procedure	23
3. Amendment by Petition	23

ARTICLE XIII

Reserve Plan 24

ARTICLE XIV 24

Action to Petition

**BYLAWS OF
THE PARADISE PARK MASONIC CLUB, INC.**
After elections of 7/3/2010

ARTICLE I
Name & Location

1. **NAME AND LOCATION** - The name of this California Nonprofit Mutual Benefit Corporation shall be THE PARADISE PARK MASONIC CLUB (hereafter known as "PPMC"). The principal office of PPMC will be located at such place within the County of Santa Cruz as the Board of Directors (hereafter known as the "Board") may from time to time designate by resolution.

ARTICLE II
SEAL

1. **SEAL** - The Corporate Seal of this corporation shall consist of a circle having on its circumference the words "THE PARADISE PARK MASONIC CLUB, Santa Cruz, CALIFORNIA" and in the center of the circle the words with figures, "INCORPORATED, AUGUST 16, 1924."

ARTICLE III
MEMBERSHIP

1. **MEMBERS** - A member of PPMC shall be limited to a person who has been issued a Certificate of Membership by PPMC and only a person who agrees in writing to comply with the provisions of these Bylaws shall be admitted to Membership (hereafter "Member" or "Members" as applicable). Membership requires unanimous approval of the Board of Directors. Each Certificate of Membership shall be registered in the name of the Member upon the books of PPMC provided for that purpose. Only one Certificate of Membership will be issued to any one person. Membership in good standing shall be evidenced by proof of a current paid dues receipt from a Lodge of Master Masons recognized and accredited by the Grand Lodge of the State of California Free and Accepted Masons or from a Chapter of the Order of Eastern Star and proof of payment issued by PPMC showing that all fees have been paid as required by these Bylaws and Rules and Procedures, which include, but are not limited to, taxes, allotment fees, assessments, dues, transfer fees, debts incurred, and any fines levied. A Member may designate one Associate Member and one Alternate Associate Member each of whom must meet all the requirements delineated in these Bylaws. Only a Member of PPMC shall be entitled to vote, except as provided in these Bylaws and each Member is entitled to only one vote. (Members, Associate Members, and Alternate Associate Members shall hereafter be referred to as "Collective Members") (7/17)

2. **ASSOCIATE MEMBER** - The Associate Member: is entitled to all the benefits and privileges to which the Member is entitled except the right to vote; is subject to the same Rules and Procedures as a Member; must agree in writing to abide by the Bylaws and the Rules and Procedures of PPMC; must have all the qualifications of a person entitled to inherit a Membership; must have been unanimously approved by the Board of Directors and shall be named on a Certificate of Associate Membership and upon the books of PPMC provided for that purpose. The Associate Member shall pay no dues, assessments, allotment fees, or initiation fees and shall not vote except as a proxy as provided in these Bylaws. The Certificate of Associate Membership shall be delivered to the Member.

3. **ALTERNATE ASSOCIATE MEMBER** - The Alternate Associate Member: is entitled to all the benefits and privileges to which the Member is entitled except the right to vote; is subject to the same Rules and Procedures as a Member; must agree in writing to abide by the Bylaws and the Rules and Procedures of PPMC; must have all the qualifications of a person entitled to inherit a Membership; must receive unanimous approval of the Board; and shall be named on a Certificate of Alternate Associate Membership. The Alternate Associate Member shall pay no dues, assessments, allotment fees, or initiation fees and shall not vote except as a proxy as provided in these Bylaws. The Certificate of Alternate Associate Membership shall be delivered to the Member.

4. **MEMBERSHIP CERTIFICATE** - A Membership Certificate is required for any Member, Associate Member, or Alternate Associate Member to occupy any house or building on the Member's allotment. A Member may hold only one (1) Member Membership Certificate, but may additionally hold Associate or Alternate Associate Certificates. An Associate Member may hold more than one Associate or Alternate Associate Membership Certificates. An Alternate Associate may hold more than one Alternate Associate Membership Certificate.

5. **ELIGIBILITY-PURCHASE** - To be eligible to purchase a Membership in PPMC, a person must comply with all four of the following requirements:

- A. Be of good moral character;
- B. Be a member in good standing of a duly and regularly constituted Lodge of Master Masons recognized and accredited by the Grand Lodge of the State of California, Free and Accepted Masons, or of a duly and regularly constituted Chapter of the Order of the Eastern Star recognized and accredited by the Grand Chapter of the State of California and such member shall have been a member in good standing for a minimum of one (1) year; (6/09)
- C. Agree in writing to abide by these Bylaws and the Rules and Procedures of PPMC;
- D. Have made application to the Board for Membership for a use of specific allotment, post with the Corporation all fees associated with the allotment, and have entered into a written contract to purchase the improvements on an allotment in accordance with these Bylaws. (6/09)

6. **APPLICATION FOR MEMBERSHIP** - Any person, who possesses the qualifications required by these Bylaws, may be elected to Membership in the Corporation provided such person shall submit a signed application on a form prepared by the Corporation to the Secretary of the Board with at least three (3) Master Mason and/or Order of the Eastern Star member references, and proof of current good standing as a member in one of these organizations. The application shall be submitted to the Secretary of the Board who shall cause to be conducted an immediate inquiry into the qualifications of the applicant, post a notice of the application at the principal office for PPMC for not less than forty-five (45) days, publish the applicant's name in the monthly bulletin, and report the results of such inquiry to the Board for its consideration. The applicant shall be notified to appear before the Board in person, with wife or husband or domestic partner, if any. All prospective Members shall sign the Paradise Park Masonic Club Fraternal Pledge to work amicably towards conflict resolution. All money owed to the Corporation including, but not limited to, membership fees, taxes, allotment fees, assessments, dues, transfer fees, debts incurred, and any fines, which are owed by the previous Member for that allotment, and that owed by the proposed new Member, shall be apportioned by the Board as it deems appropriate and paid to PPMC. A unanimous vote of the Board shall be necessary for applicant to be elected a Member. All payments due to the Corporation

must be made before a Membership Certificate is issued to the Member. After the Member has been elected by the Board, the transfer of the use of the allotment to the Member shall be completed by designating the Allotment Number of the Member's allotment on the officially adopted Maps of PPMC. Associate and Alternate Associate applications follow the same process. (6/09)

7. **MEMBERSHIP CERTIFICATE** -The Membership Certificate shall be as follows:

CERTIFICATE OF MEMBERSHIP
IN THE PARADISE PARK MASONIC CLUB
(Incorporated under the Laws of the State of California, a Nonprofit Mutual Benefit Corporation)

No. _____
(Certificate Number) (Assessors Parcel Number)

THIS IS TO CERTIFY THAT _____ IS A MEMBER OF THE PARADISE PARK MASONIC CLUB and is entitled to all the benefits and privileges thereof.

IN WITNESS WHEREOF, the Corporation has caused this Certificate to be signed by its duly authorized officers and to be sealed with its official Seal this ___ day of _____, _____.

THE PARADISE PARK MASONIC CLUB
[Seal]

BY _____
President

BY _____
Secretary

(On the back of the Certificate, the information pertaining to the allotment shall be recorded as follows:)

Name of Member Mailing Address

Park Address
By paying the Membership fee, taxes, allotment fee, and such other fees as may be required by the Bylaws of the Paradise Park Masonic Club, the aforementioned Member has acquired the right of occupancy, and use of Allotment No. ___ located in the County of Santa Cruz, State of California as set forth upon the officially adopted maps of this Corporation. The Associate Member for this Allotment shall be _____.
The Alternate Associate Member for this Allotment shall be _____.

THE PARADISE PARK MASONIC CLUB
BY _____
President

BY _____
Secretary

The ownership interest in the corporation created by this Certificate cannot be sold and is transferable only in accordance with the Bylaws of the Paradise Park Masonic Club. The Paradise Park Masonic Club is a nonprofit mutual benefit corporation which may not make distributions to its members except upon dissolution. (6/09)

8. ASSOCIATE MEMBERSHIP CERTIFICATE - The Associate Membership Certificate shall be as follows:

**CERTIFICATE OF ASSOCIATE MEMBERSHIP
IN THE PARADISE PARK MASONIC CLUB**

(Incorporated under the Laws of the State of California, a Nonprofit Mutual Benefit Corporation)

No. _____
(Certificate Number) (Assessors Parcel Number)

THIS IS TO CERTIFY THAT _____ IS AN ASSOCIATE MEMBER OF [Member's Name] WHO IS A MEMBER OF THE PARADISE PARK MASONIC CLUB and is entitled to all the benefits and privileges thereof, (except voting as set forth in the Bylaws of the Corporation).

IN WITNESS WHEREOF, the Corporation has caused this Certificate to be signed by its duly authorized officers and to be sealed with its official Seal this _____ day of _____, _____.

THE PARADISE PARK MASONIC CLUB

BY _____
President

BY _____
Secretary

(On the back of the Certificate, the information pertaining to the allotment shall be recorded as follows:)

Associate Member's Name	Address
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Name of Member	Address
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of The Paradise Park Masonic Club, has acquired the right of occupancy and use of Allotment No. _____ located in the County of Santa Cruz, State of California as set forth upon the officially adopted maps of this Corporation.

THE PARADISE PARK MASONIC CLUB

BY _____
President

BY _____
Secretary

This Certificate is transferable only in accordance with the Bylaws of the Paradise Park Masonic Club. The Paradise Park Masonic Club is a nonprofit mutual benefit corporation which may not make distributions to its members except upon dissolution. (6/09)

9. **ALTERNATE ASSOCIATE MEMBERSHIP CERTIFICATE** - The Alternate Associate Certificate shall be as follows:

**CERTIFICATE OF ALTERNATE ASSOCIATE MEMBERSHIP
IN THE PARADISE PARK MASONIC CLUB**
(Incorporated under the Laws of the State of California, a Nonprofit Mutual Benefit Corporation)

No. _____
(Certificate Number) (Assessors Parcel Number)

THIS IS TO CERTIFY THAT _____ IS AN ALTERNATE ASSOCIATE MEMBER OF [Member's Name] WHO IS A MEMBER OF THE PARADISE PARK MASONIC CLUB and is entitled to all the benefits and privileges thereof, (except voting as set forth in the Bylaws of the Corporation).

IN WITNESS WHEREOF, the Corporation has caused this Certificate to be signed by its duly authorized officers and to be sealed with its official Seal this ___ day of _____, _____.

THE PARADISE PARK MASONIC CLUB

BY _____
President

BY _____
Secretary

(On the back of the Certificate, the information pertaining to the allotment shall be recorded as follows:)

Alternate Associate Member's Name Address

Name of Member Address

of The Paradise Park Masonic Club, has acquired the right of occupancy and use of Allotment No. ___ located in the County of Santa Cruz, State of California as set forth upon the officially adopted maps of this Corporation.

THE PARADISE PARK MASONIC CLUB

BY _____
President

BY _____
Secretary

This Certificate is transferable only in accordance with the Bylaws of the Paradise Park Masonic Club. The Paradise Park Masonic Club is a nonprofit mutual benefit corporation which may not make distributions to its members except upon dissolution. (6/09)

Each Certificate of Membership shall be issued over the signature of the President and Secretary of the Club with the official Seal of the Club affixed. Whenever a Certificate of Membership has been lost, destroyed or wrongfully withheld, the Board may cancel such outstanding Certificate and a new Certificate may be issued pursuant to California Corporations Code section 7314.

A Certificate of Membership may not be sold, assigned, or transferred without the written approval of the Board in accordance with these Bylaws. A Member may not surrender a Certificate of Membership until his or her current indebtedness owed to the Corporation has been paid.

10. NOTICE - Any notice to be given to a Member **WHICH MAY CAUSE LOSS OF HIS/HER MEMBERSHIP** shall also be sent to the Associate Member and Alternate Associate Member **AND** shall be conclusively deemed to have been given when sent by prepaid first class mail to the addresses of the Associate Member and Alternate Associate Member as shown on the books of PPMC. It shall be the Associate Member's and Alternate Associate Member's responsibility to inform PPMC of his or her current address.(7/22)

11. VERIFICATION OF MASONIC MEMBERSHIP - Every Member, Associate Member, and Alternate Associate Member shall on or before April 1st of each year transmit to the office of the Corporation, a copy of a current dues receipt or current life membership card showing that the individual is a member in good standing of a Lodge of Master Masons recognized and accredited by the Grand Lodge of the State of California Free and Accepted Masons or a chapter of an Order of Eastern Star. The Board shall have the right at any time to demand that a Member, Associate Member, or Alternate Associate Member present proof of good standing in such a Masonic organization. (7/10)

12. LAND ALLOTMENT - PPMC shall maintain officially adopted maps showing which Member, Associate Member, and Alternate Associate Member is affiliated with each allotment. An allotment is a parcel of real property consisting of not less than one or more than six (6) lots with the right of occupancy and use subject to these Bylaws and Rules and Procedures of the Corporation. The Board shall designate the location of each allotment on the officially adopted maps of the Corporation. A lot or lots in an allotment may be noncontiguous if the reason therefore is limited solely to the need for vehicle parking. The title to all real property held by the Paradise Park Masonic Club shall remain in the name of the Corporation. All allotments shall be subject to annual fees as set forth in ARTICLE IV of these Bylaws. A Member can have an interest in only one allotment, except as provided herein. With Board approval, a Member may have an interest in two allotment improvements, if one of the allotment improvements is for sale at a reasonable price, which is agreed to by the Member and the Board. One of the allotment improvements shall be listed for sale within thirty (30) days of the Member acquiring an interest in a second allotment. The Board

is required to review, every six months, the status of the allotment improvements that are for sale, including the reasonableness of the asking price and whether the price needs to be reduced. In this instance, any improvements on an allotment that are for sale may not be occupied. The allotment affiliated with each Member, Associate Member, Alternate Associate Member shall be designated by Allotment Number on the reverse side of each Membership Certificate. (6/09)

13. ALLOTMENT MAINTENANCE - All allotments shall be maintained in such a manner as to preserve and enhance the natural beauty of PPMC; to establish good, clean, wholesome recreation; to reflect good housekeeping of property and to reduce accident, fire, health, and sanitary hazards. If, after notice to the Member of a nuisance or undesirable situation related to a Member's allotment, the Member refuses or fails to correct the undesirable situation, the Board may direct the manager to enter the property and correct the undesirable situation. The costs to PPMC of making such correction shall be assessed to the Member. Refusal or non-compliance by a Member to correct an undesirable situation may result in the assessment of a fine, suspension or revocation of Membership.

14. BUILDING OR REMODELING - All building or remodeling of any structure on an allotment shall comply with all applicable governmental building codes and the Rules and Procedures of PPMC.

15. PRIVILEGE OF ALLOTMENT - As long as a Member is in good standing, the Member shall have the exclusive right to the use of his or her designated allotment, contingent upon compliance with these Bylaws and allowing reasonable access to designated common areas. However, nothing contained herein, shall be construed to prohibit the Board from having the right to limit and restrict a Member's use of his or her allotment, which use, in the discretion of the Board, is determined to be detrimental to the best interests of PPMC. Each Collective Member is responsible for informing all persons using his or her allotment, as well as all property of PPMC, of the requirement to adhere to and comply with these Bylaws and the Rules and Procedures of PPMC. A Member is responsible for the actions of his or her family members and guests.

16. RECLAMATION OF ALLOTMENT - The Board may, by unanimous vote, after a hearing as set forth herein, terminate a Member's interest in an allotment, including but not limited to, the right to occupy and use of his or her allotment improvements, and the Board may reclaim an allotment for the benefit of the Corporation if the Member is paid the reasonable value thereof less all indebtedness currently owed the Corporation by the Member. A decision by the Board to reclaim an allotment will be made only after a hearing in which the adversely affected Member has an opportunity to be heard, either orally or in writing, not less than five days before the effective date of the scheduled expulsion. The adversely affected Member will have no less than fifteen (15) days prior notice of the hearing. The notice of the Board's decision to reclaim an allotment must be in writing and must specify the reason(s) for making the reclamation. Notice shall be sufficient if given by certified mail with return receipt requested to the last known address for the Member. Any resulting change to an allotment shall be so noted on the official maps of the Corporation. (6/09)

17. TRANSFER OF ALLOTMENT - No allotment or any improvements constructed upon such allotment shall be sold, assigned, or transferred voluntarily or involuntarily or by operation of law, except to a person whose application for Membership has been approved by the Board and upon payment of all indebtedness assessed against the previous Member and the allotment to the Corporation from the person who formerly held such right of occupancy for such allotment.

18. LOSS OF ALLOTMENT - If any Member loses all or part of an allotment so that the allotment is no longer usable; the Member may retain his or her Membership for up to five (5) years by paying the annual dues, and any assessments.

19. ALLOTMENT BOUNDARIES - Boundary lines for allotments are shown on the officially adopted maps of PPMC. If any dispute occurs between Members relative to a boundary line, the Board has the authority to determine the location of all boundary lines of the allotments on the real property of PPMC. If any dispute occurs between a Member and PPMC relative to a boundary line, the Board shall conduct a hearing where the Member has an opportunity to be heard, either orally or in writing. The Member will have no less than fifteen (15) days prior notice of the hearing. Notice shall be sufficient if given by certified mail with return receipt requested to the last known address for the Member. After the hearing, the Board shall issue a written decision to the Member as to the location of the boundary line within thirty (30) days.

20. DEATH OF MEMBER – Upon the death of a Member, immediate family and/or Executor of the Estate shall notify the Board, in writing, of said death within 30 days and shall provide the Corporation with a certified death certificate within 90 days of date of death. Upon notification, the Board shall cancel the deceased Member's Membership in the Corporation. Prior to any transfer of membership, all outstanding indebtedness to the Corporation must be paid in full. If there is an Associate Member or Alternate Associate Member named, and all requirements listed in Article III, Section 22 (Eligibility-Inheritance) are met, the Board shall issue a new Membership Certificate without fee. At the death of a Member, the Associate Member or Alternate Associate s may become the Member contingent upon membership eligibility. 07/06/19

21. NO ASSOCIATE OR ALTERNATE ASSOCIATE MEMBER NAMED - If a Member dies and no Associate Member or Alternate Associate Member has been designated by the deceased Member; the Board may petition the Superior Court of California to sell the deceased Member's allotment improvements. The proceeds of such sale shall be used to pay the Corporation for any money owed by the deceased Member to the Corporation with the balance of such proceeds paid to those persons legally entitled to receive such funds. (6/09)

22. ELIGIBILITY-INHERITANCE - To be eligible to inherit a Membership in PPMC, a person must be an Associate Member or Alternate Associate Member and comply with subparagraphs A., B., and C. in Section 5, Article III. The new Member shall have the right to designate the Associate Member and Alternate Associate Member, if any. When a Membership is transferred, or a Member changes allotment, both the Alternate Associate Membership and the Associate Membership to that Member become vacant. The new Member may make his or her own determination of whom, if anyone, will fill those positions. In order to acquire a new Membership certificate, all old certificates must be relinquished. (6/09)

23. LIVING TRUSTS- In order for an improvement on a member's allotment to be owned by a Member's Living Trust, such trust must contain a provision identical to the following that the transfer of the improvement to the Trust is valid and effective only so long as the provision remains in effect:

Notwithstanding any other provision of this trust instrument, the Trustee of who is a Member, Associate Member or Alternate Associate Member of Paradise Park Masonic Club, Inc., shall have exclusive control and powers relating to the Membership in Paradise Park Masonic Club, Inc. Notwithstanding the rights given the Trustee by the Trust or operation of Law. Any Trustor, trustee or beneficiary who is not a Member, Associate Member or Alternate Associate Member

of Paradise Park Masonic Club, Inc. shall have the right only to the proceeds which may be received from a sale of improvement by the Corporation and shall not gain ownership of the Membership itself. At all times, the Membership shall be subject to the Bylaws, Rules, and Procedures of Paradise Park Masonic Club, Inc. (7/11)

24. SUSPENSION OF MEMBERSHIP - The Membership of a Member, Associate Member, or Alternate Associate Member, including but not limited to the right of occupancy and use of the applicable allotment, may be suspended, in part or in full, with further action of the Board, if the Board finds, based on a good faith determination that such Member, Associate Member, or Alternate Associate Member has:

- A. Committed an act, which has been proven to be a Masonic offense; or
- B. Behaved in a manner that is not consonant with good citizenship or engaged in conduct materially and seriously prejudicial to the Corporation's purposes and interests; or
- C. Failed in a material and serious degree to abide by the Bylaws and/or the Rules and Procedures; or
- D. Failed to maintain his or her good standing in a duly regularly constituted Lodge of Master Masons recognized and accredited by the Grand Lodge of the State of California Free and Accepted Masons or of duly and regularly constituted Chapter of the Order of Eastern Star recognized and accredited by the Grand Chapter of the State of California.

Failure to pay financial obligations when due as provided in Article IV, Section 1 (Membership Fees) will result in Suspension of Membership. Financial obligations include but are not limited to: dues, taxes late penalties, finance charges, fines, assessments or special assessments. Suspension of Membership for delinquent financial obligations does not require a hearing by the Board of Directors and shall be an administrative function of the Park Management.

- A. The Board has the prerogative to turn the debt over to a collection agency, small claims court, or terminate the Membership.
- B. If the Membership is administratively suspended, the Management must notify the Member in writing and inform the Member. This notice must be delivered by certified mail (return receipt requested) or by an authorized process server.
- C. The Member has thirty (30) days after receipt of suspension notice to clear the outstanding debt(s). If payment is not received, and the Member requests a payment plan, the Board of Directors shall request a credit check at the Member's expense and establish a once in a lifetime per Membership payment plan to be paid in full within 12 months.
- D. Failure to maintain payment plans as agreed by the Member, will result in Membership termination proceedings as provided in Article III, Section 25.

With administrative suspension of Membership, the Member's right to vote is suspended and the Member, the Associate Member, and the Alternate Associate Member are no longer considered Members in good standing.

Membership fees, including dues, allotment fees, assessments, transfer fees, and taxes are still due and payable to PPMC by a Member who is suspended.

Notwithstanding the foregoing, the Membership of an Associate Member or Alternate Associate Member shall be automatically suspended, without action by the Board, if the Associate or Alternate Associate has failed to submit proof of his or her good standing in a duly and regularly constituted Lodge of Master Masons or of a duly and regularly constituted Chapter of the Order of Eastern Star, within three (3) months after having been notified in writing of such delinquency.

Failure to correct the act or omission that led to suspension of Membership may result in termination of Membership, Associate Membership, and Alternate Associate Membership.

25. PROCEDURE FOR TERMINATION OF MEMBERSHIP – If grounds appear to exist for terminating a membership pursuant to these bylaws, including offenses listed in Article III, Section 24, the following procedure shall be followed:

- A. The Board shall give the member at least 15 days prior notice of the proposed termination and the reasons for the proposed termination. Notice shall be given by certified mail, return receipt requested, to the member’s last address as shown on PPMC’s records.
- B. The member shall be given an opportunity to be heard, either orally or in writing, at the Next scheduled Executive Meeting of the Board of Directors, at least five days before The effective date of the proposed termination. The hearing shall be held, or the written Statement considered, by the Board to determine whether the termination should occur.
- C. The Board shall decide whether the member should be terminated. The decision of the Board shall be final.
- D. Any action challenging a suspension, or termination of membership, including a claim alleging defective notice, must be commenced within one year after the date of the expulsion, suspension, or termination.
- E. Upon termination, the Member shall vacate all premises on his or her allotment within sixty (60) days. The Corporation has the right to avail itself of all legal remedies, including unlawful detainer, to remove the Member from all premises on his or her former allotment.

26. RESIGNATION OF MEMBER - Any Member may at any time resign his or her Membership in the Corporation by delivering a written resignation to the Corporation. The resignation shall not be effective until all indebtedness of the Member has been paid and his or her Certificate of Membership delivered to the Corporation. Following any such resignation, the Membership shall be transferred to the Associate Member (or the Alternate Associate Member, as applicable) upon satisfaction of the conditions imposed pursuant to Article IV, Section 1 of these Bylaws. (6/09)

27. RIGHT TO VOTE - Every Paradise Park Masonic Club Member in good standing and not under suspension or expulsion from Paradise Park Masonic Club, shall be entitled to one (1) vote upon every matter coming before the Membership, including the election of Directors; on the disposition of all or substantially all of the assets of the Corporation; on any merger and its principal

terms and any amendment of those terms; and on any election to dissolve the Corporation. The Member may cast the vote in person or by proxy pursuant to the provisions of these Bylaws. In addition, all Members shall have all rights afforded Members under the California Nonprofit Mutual Benefit Corporation Law.

28. ACCEPTANCE OF CORPORATION BYLAWS AND RULES AND PROCEDURES - A condition precedent to anyone becoming a Collective Member of PPMC is the written acknowledgment and consent by the Member, Associate Member, and Alternate Associate Member that he or she agrees to abide by and comply with these Bylaws and Rules and Procedures of PPMC as adopted from time to time.

29. ATTORNEY FEES AND COLLECTION COSTS – If a legal dispute occurs between PPMC and a member, Associate Member, or Alternate Associate Member and PPMC incurs Attorney fees or a civil action or arbitration proceeding is commenced, the Court may order the recovery of attorney fees and costs incurred in connection with the prosecution of defense of the matter, including any appeal, and in addition to any other relief. When PPMC incurs litigation costs including but not limited to attorney fees, filing fees and/or arbitration fees due to a lawsuit brought by a member, Associate Member, or Alternate Associate Member, PPMC shall be entitled to recover all costs and fees from the Member(s) in the event of dismissal or withdrawal of said lawsuit. (07/22)

30. MANDATORY MEDIATION - In the event of a dispute between PPMC and a Collective Member, mediation is mandatory, prior to filing a lawsuit. Mediation is to begin within 45 days of request of either party. Member to Member mediation will continue to be voluntary. See Rules & Procedures, Addendum E for additional information.

ARTICLE IV MEMBERSHIP FEES

1. MEMBERSHIP FEES - Every Member is required to pay Membership Fees as determined by the Board. Membership Fees consist of allotment fees; dues, assessments, regular and special, initiation fees, transfer fees, fines and taxes. One half (1/2) of the regular annual assessment, dues and taxes are due December first (1st) and the balance is due April first (1st) each year. The Board has the authority to establish late charges and interest for any Membership Fees that are not paid when due. A ten percent (10%) late penalty will be assessed on payments not made by due date. A one and one half percent (1.5%) finance charge (18% APR) will be assessed at the end of each month on the unpaid balance. (6/09)

- A. An allotment fee is a Membership Fee assessed for each allotment.
- B. The annual dues for Members shall be Three Hundred Dollars (\$300.00) per year per Member (7/16)
- C. The Board shall annually budget the funds necessary to conduct the business of the Corporation. The Board shall then impose a regular annual assessment accordingly on each Member. The Board of Directors shall apportion the operational expenses of the Club according to the following:

1. All Members' allotments have a base of thirty-five hundred (3,500) square feet.
 2. Any footage over thirty-five hundred (3,500) square feet is divided in half (1/2) and rounded off to the nearest fifty (50) square feet.
 3. Total of the base plus half (1/2) the remaining is calculated at the current assessment rate.
 4. The assessment rate shall not exceed Thirty-two Dollars (\$32.00) per one hundred (100) square feet nor shall the Assessment Rate be increased more than Two Dollars (\$2.00) per one hundred (100) square feet from the previous year.
- D. If the Board determines that the regular assessment is insufficient to pay for the cost of operations for PPMC, it may propose a special assessment to the Membership. If a special assessment is proposed by the Board, the amount of the special assessment, the necessity for the imposition of a special assessment, how the special assessment will be utilized, and how the special assessment will be paid for by the Membership, shall be published for two consecutive months in PPMC's monthly bulletin. The Board shall hold a meeting of the Members, so that the Members can make inquiry of the Board as to the necessity of the special assessment and the Board can receive comments from the Membership. After the hearing, if the Board determines that the special assessment is necessary, it shall conduct a vote of the members by sending ballots to each Member in good standing. A special assessment shall be paid by the Members, if majority of the ballots received are in favor of the assessment.
- E. A Membership fee of Ten Thousand Dollars (\$10,000) shall be paid to PPMC. The Membership fee will be solely used for the continued funding of PPMC's reserve account:
- (i) by an applicant upon making application for Membership as a Member; or
 - (ii) by any person who purchases allotment improvements from a Member within two (2) years after being named as that Member's Associate Member or Alternate Associate Member. (7/17)
- F. If a Member resigns there shall be a transfer fee assessed the Member in the amount of \$200. If a Member sells his or her allotment improvements, there shall be assessed a transfer fee of \$200. If a Member resigns his or her Membership in favor of an Associate Member, or, if no Associate Member exists, in favor of an Alternate Associate Member, the person assuming such Membership shall be assessed a transfer fee in the amount of \$500. If a Member changes his or her Associate or Alternate Associate Member, a transfer fee of \$100 shall be assessed against the Member; provided, however, that there shall be no charge for the first time that a Member names an Associate and/or an Alternate Associate Member. All transfer fees shall be payable to PPMC. (6/09)
- G. A fine may be assessed by the Board against any Member for the failure of the Member, his or her Associate Member, Alternate Associate Member, family member, guest or visitor, to comply with the Bylaws or the Rules and Procedures of PPMC.

- H. PPMC shall pass through to the respective Members all property or other taxes imposed upon it by the County of Santa Cruz or any other governmental entity.
- I. A late charge shall be assessed for any money that is owed to PPMC, which is not paid on the due date.
- J. The Club may transfer an unusable allotment or a portion of an unusable allotment to a member upon written request by the member and upon a payment by the member to the Club as determined by the Board of Directors. The minimum fee for such a transfer shall be \$500.

ARTICLE V

MEMBERSHIP MEETINGS

1. **ANNUAL MEETING** - An annual meeting of Members shall be held on the Saturday preceding the fourth of July of each year at 7:30 p.m., unless the Board fixes another date or time and so notifies members as provided in these Bylaws. At the meeting, Directors shall be elected or the result of an election by mail announced and other proper business may be transacted, as provided for in these Bylaws.

2. **LOCATION OF MEMBERSHIP MEETINGS** - Meetings of the Members shall be held at a place to be determined within the County of Santa Cruz, California as designated by the Board upon proper notice.

3. **WHO MAY CALL A MEETING OF THE MEMBERS** - The president of the Board, any two officers of the Board, or ten percent (10%) or more of the members in good standing, may call a special meeting of the Members for any lawful purpose at any time.

4. **ITEMS ON THE AGENDA** - The members shall be entitled to have an item of business to be transacted at an annual meeting placed on the agenda for the meeting, if five (5) percent or more of the members make such a request of the Secretary of the Board in writing at least 45 days prior to the date of the meeting.

5. **SPECIAL MEMBERSHIP MEETING** - The Board shall give notice of a special meeting called by ten percent of the membership. A special meeting called by any person entitled to call a meeting (other than the Board) shall be called by written request, specifying the general nature of the business proposed to be transacted, and submitted to the president or secretary of the Corporation. The officer receiving the request shall cause notice to be given promptly to the Members entitled to vote, 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 35, but no more than 90 days, after receipt of the request. If the notice is not given within 20 days after the request is received, the person or persons requesting the meeting may give the notice, including time and place. Nothing in this paragraph 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. **SPECIAL MEETING BUSINESS** - No business, other than the business that was set forth in the notice of the meeting, may be transacted at a special meeting.

7. CONTENT OF NOTICE OF MEMBERSHIP MEETINGS - Whenever Members are required or permitted to take any action at a meeting, a written notice of the meeting shall be given to each Member entitled to vote at that meeting. The notice shall specify the place, date, and hour of the meeting. For the annual meeting, the notice shall state the matters that the Board intends to present, for action by the members. For a special meeting, the notice shall state the nature of the business to be transacted and shall state that no other business may be transacted. The notice of any meeting at which Directors are to be elected shall include the names of all persons who are nominees when notice is given.

8. METHOD OF NOTICE OF MEMBERSHIP MEETINGS - Notice of any meeting of members shall be in writing and shall be given at least 35, but no more than 90, days before the meeting date. The notice shall be given either personally or by first-class, registered, or certified mail, or by other means of written communication, charges prepaid, and shall be addressed to each Member entitled to vote, at the address of that Member as it appears 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 notice is sent to that Member by first-class mail or facsimile or other written communication to the Member's last known address.

9. QUORUM OF MEETINGS - Twenty Five (25) percent of the Members in Good Standing represented in person or by proxy, shall constitute a quorum for the transaction of business at any Membership meeting of the Corporation. The Members present at a duly called or held meeting at which a quorum is 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 a majority of the Members required to constitute a quorum. A meeting can continue with less than a quorum for the purpose of presenting reports and information for the benefit of all Members of the Corporation.

10. ACTION BY WRITTEN BALLOT - Any action that Members may take at any meeting of members may also be taken without a meeting by written ballot. The Corporation shall distribute one written ballot to each member entitled to vote on the matter. The ballots shall be mailed or delivered in the manner required by paragraph 7 above. All solicitations of votes by written ballot shall (a) state the number of responses needed to meet the quorum requirement; (b) state, with respect to ballots other than for election of Directors, the percentage of approvals necessary to pass the measure or measures; and (c) specify the time by which the ballot must be received in order to be counted. Each ballot so distributed shall (a) set forth the proposed action; (b) give the members an opportunity to specify approval or disapproval of each proposal; and (c) provide a reasonable time in which to return the ballot to the corporation.

11. PROXY - Each Member entitled to vote on a matter before the Membership shall have the right to do so either in person or by a written proxy, signed by the person and filed with the secretary of PPMC. A proxy shall be deemed signed if the Member's name is placed on the proxy by the Member, whether by manual signature, or facsimile transmission. A Member shall only be able to nominate as his or her proxy a Master Mason or a member of a chapter of Eastern Star, who is in good standing.

ARTICLE VI
ORGANIZATION OF THE CORPORATION

1. **BOARD OF DIRECTORS** - Subject to the provisions and limitations of the California Nonprofit Mutual Benefit Corporation Law and any other applicable laws, and subject to any limitations of the articles of incorporation or these Bylaws regarding actions that require approval of the members, the Corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board. The Board of the Corporation shall consist of five (5) Members to be known as the Board of Directors. The term of office of a Director shall be two (2) years. No Member shall serve on the board for more than 6 years in any 10-year period. Any Member that has been recalled from the board may not serve for 6 years following the recall.

Minutes of all meetings of the Board shall be maintained in writing by the Secretary and shall be incorporated in the minutes book of the Board. (7/22)

2. **OFFICERS OF THE CORPORATION** - The officers of the Corporation shall be the president, vice president, secretary, chief financial officer and director at large. The officers shall be elected by the members of the Board. More than one office may be held by the same director, except that neither the secretary nor the chief financial officer may serve concurrently as the president. The term for an officer shall be one year and officers may succeed themselves.

ARTICLE VII
BOARD OF DIRECTORS

1. **POWERS OF THE BOARD** - The Board shall have the power and authority to:
- A. Adopt Rules and Procedures consistent with the Articles of Incorporation, these Bylaws, the laws of the State of California, and the purposes for which the Corporation was created and exists;
 - B. Employ, terminate and fix the compensation for such employees as necessary for conducting the business of the Corporation;
 - C. Transfer for adequate compensation an interest in any property owned by the Corporation to a Member; (6/09)
 - D. Assume any obligations, enter into any contracts or perform any acts incidental to the transaction of the business of the Corporation;
 - E. Enter into any written contract that is necessary for the operation of PPMC and has been budgeted or approved by membership. Whenever the amount of a contract exceeds twenty five thousand dollars (\$25,000.00), the membership must be given notification in the next monthly bulletin of PPMC.

2. **RULES AND PROCEDURES** - The Board shall adopt, amend or repeal Rules and Procedures it determines to be in the best interests of the Members and to further the purposes of the Corporation. Any amendment to the Rules and Procedures must be published in PPMC's monthly

bulletin before it can be adopted by the Board, except, if by a unanimous vote, the Board determines that an amendment needs to be made without prior publication, it may do so, but such action shall then be published in the monthly bulletin. Rule changes, deletions and additions passed by the Board are effective immediately. Each change, deletion and/or addition to the Rules and Procedures adopted by the Board shall be submitted to a vote of the Membership for ratification or repeal at the next scheduled election. Each change shall be published for two (2) consecutive months in the bulletin before a vote by mail and must be approved by a majority of those voting. Changes, deletions and additions to the Rules and Procedures may be proposed to the Membership by petition submitted to the Board by not less than 10% of the Members. All Member proposed changes, deletions and/or additions shall be published for two (2) consecutive months in the Corporation's monthly bulletin before a vote by the Membership.

3. PROCEDURE FOR ELECTION OF DIRECTOR - Prior to the twenty-first (21st) day of February of each year the Board shall appoint a Nominating Committee composed of at least five (5) members. Each Director shall select one (1) member of the Nominating Committee. The Nominating Committee shall elect its own chairperson. The Nominating Committee shall submit to the Board at the March Board meeting a list of nominees, from the Members of PPMC, of not less than one (1) candidate for director for each vacancy on the Board to be filled at the next regularly scheduled Membership meeting. Any Member may submit his or her name in nomination to be elected a director, if presented to the Board at the April Board meeting along with signatures of at least ten (10) percent of the Members. At least thirty (30) days prior to the date on which the annual Membership meeting is to be held, a ballot bearing the names of Members nominated as Directors shall be sent to all Members. At the regular monthly meeting prior to the election, the Board shall appoint three (3) Collective Members known as the Election Committee, who shall supervise the balloting. The Board shall designate the Election Committee member who shall act as Chairperson. The Election Committee shall conduct and supervise the election of Directors, which shall be held at the regularly scheduled annual Membership meeting or by mail prior to this meeting. Depending on the number of vacancies on the Board, the candidate(s) receiving the most votes shall be elected as a member of the Board of Directors for the term prescribed. The newly elected Directors shall take office at the close of the annual meeting.

4. VACANCY ON BOARD OF DIRECTORS - If a vacancy on the Board occurs, the remaining Board members shall appoint (by majority vote) a -Past Director who served on the Board within the preceding five years who is willing and able to serve as director until the close of business at the next annual meeting. The names of eligible Past Directors shall be drawn-by-lot until one has been found who is willing and able to serve as the replacement Director. At the first election following the existence of a vacancy, a Board Member will be elected to complete the remainder of the term vacated. In that election, the candidate who is elected to the Board, but who receives the least number of votes of those elected, shall serve out the unexpired term of the vacated director. If no eligible Past Director is willing or able to fill the vacancy, a new election shall be held. (7/11)

5. RESIGNATION OF DIRECTOR - Any Director may resign by giving written notice to the president or the secretary of PPMC. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective. The Board may appoint a successor, through the process described above, to take office as of the date when the resignation becomes effective.

6. REMOVAL OF DIRECTOR - The members shall have the power to recall a member of the Board, for any reason, including lack of confidence, which must be stated on the **Official PPMC Petition Form (as defined in Article XIV Action to Petition)**. If twenty-five (25) percent or more of the members submit a petition in writing to the Secretary of the Board requesting a Director be recalled, the Board shall conduct a recall election by mail within sixty (60) days of receiving the

request, provided the original petition was submitted to the Park office and stamped with the beginning date. All copies will then be made from the original and have the same date on them. The elapsed time for submission with signatures must not exceed sixty (60) days following the official stamped date. If the time limit is not met, the petition will not be valid, and the process may be repeated at the option of the initiator of the petition. If a majority of those voting are in favor of the recall of the Director(s), he or she shall be removed from office immediately. (07/21)

7. **MEETING PLACE OF BOARD MEETINGS** - Meetings of the Board shall be held at the office of PPMC or any place within Santa Cruz County, California that has been designated by resolution of the Board or in the notice of the meeting.

8. **MEETING BY TELECOMMUNICATION** - Any Board meeting may be held by conference telephone, video screen communication, or other communications equipment. Participation in a meeting under this paragraph shall constitute presence in person at the meeting if all of the following apply:

- A. Each member participating in the meeting can communicate concurrently with all other members.
- B. Each member is provided the means of participating in all matters before the Board, including the capacity to propose, or to interpose an objection to, a specific action to be taken by the corporation.
- C. The Board has adopted and implemented a means of verifying both of the following:
 - (i) A person participating in the meeting is a Director or other person entitled to participate in the Board meeting.
 - (ii) All actions of or votes by the Board are taken or cast only by the Directors and not by persons who are not Directors.

9. **FIRST BOARD MEETING AFTER ANNUAL MEMBERSHIP MEETING** - Within five (5) days after each annual meeting of Members, the Board shall hold a general meeting for purposes of organization, election of officers, and transaction of other business. Notice of this meeting is not required. The Board shall elect a president, vice president, secretary, and chief financial officer.

10. **REGULAR BOARD MEETINGS** - The Board shall hold regular Board meetings once a month at such time and place as the Board determines

A. **MEMBER RIGHTS TO ATTEND AND PARTICIPATE IN OPEN BOARD MEETINGS**

- (i) Any Collective Member has the right to attend any Open Board Meeting. The Board of Directors may limit the attendance of non-members.
- (ii) During each board meeting, the Board shall hold an Open Forum in which the Members can address the board on any topic pertinent to PPMC and its membership. During Open Forum, the board may impose reasonable time limits on Member comments but cannot restrict the range of topics that Members can raise so long as the topics are pertinent to PPMC and its membership. Members do not have a right to participate in board

discussions and votes. Even so, boards can invite comments from the audience on particular items of business if they so choose.

B. PURPOSES FOR WHICH EXECUTIVE SESSION MEETINGS ARE PROPER

The Board may call an executive session for any regular or special board meeting. Members do not have the right to attend executive session unless specifically invited by the Board. The only topics that can be discussed at executive session are as follows:

- (i) To discuss or act on legal issues or to receive legal advice from counsel
- (ii) To discuss or act on matters related to the formation of contracts
- (iii) To discuss or to act on personnel issues
- (iv) Member disciplinary hearings
- (v) To meet with a Member to discuss financial matters
- (vi) To consider personal issues of members

All other matters are to be conducted in Open Board Meetings.

The board shall report all actions taken in Executive Session at the next open Board Meeting. Such report shall preserve the privacy rights of members.

C. THE BOARD SHALL NOT TAKE ACTION ON ANY ITEM OF BUSINESS OUTSIDE OF A REGULAR OR SPECIAL BOARD MEETING.

11. SPECIAL BOARD MEETINGS- Special meetings of the Board for any purpose may be called at any time by the president or any two Directors.

12. NOTICE OF SPECIAL BOARD MEETINGS - Notice of the time and place of special Board meetings shall be given to each director by (a) personal delivery of written notice; (b) first-class mail, postage prepaid; (c) telephone, including a voice messaging system or other system or technology designed to record and communicate messages, 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; (d) facsimile; (e) electronic mail; or (f) other electronic means. All such notices shall be given or sent to the director's address or telephone number as shown on the corporation's records. Notices sent by first-class mail shall be deposited in the United States mails at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, or electronic mail shall be delivered, telephoned, or sent, respectively, at least 48 hours before the time set for the meeting. The notice shall state the time of the meeting and the place, if the place is other than the Corporation's principal office. The notice need not specify the purpose of the meeting.

13. QUORUM FOR BOARD MEETING - A majority of the authorized number of Directors shall constitute a quorum for the transaction of any business except adjournment. Every action taken or decision made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be an act of the Board, subject to the more stringent provisions of the California Nonprofit Mutual Benefit Corporation Law, including, without limitation, the provisions on (a) approval of contracts or transactions between this Corporation and one or more Directors or between this 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 some Directors, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting. A Majority of Directors present, whether or not a quorum is present, may adjourn any meeting to another date and time.

14. **COMPENSATION** - The Directors shall not be compensated for the services rendered on behalf of the Corporation. Board members shall be allowed mileage, as established by the Internal Revenue Service, and reimbursement of actual expenses when travel is required to perform necessary business of PPMC.

15. **REQUIRED ANNUAL BUDGET** – It shall be the responsibility of the Board prior to the first day of February of each year to instruct the Budget Committee to prepare a draft annual operational budget and present that draft budget to the Board by the March Executive Meeting. It shall be the responsibility of the Board by the first day of May of each year to adopt an annual operational budget. The adopted budget shall be printed in the May bulletin. It shall be the responsibility of the Board and manager to operate within the budget as adopted.

16. **COMMITTEES** - The Board may create such committees as may be necessary for properly conducting the affairs of PPMC. There shall be a standing committee for Staking, Bylaws, Budget, Recreation, Building, Past Presidents, Long Range Planning, and Tree. Each committee shall be composed of no fewer than three (3) Collective Members, as the Board may deem necessary. All temporary committees, such as the Nominating Committee, will be created for a specific purpose and will automatically cease to function after the purpose for which they were created is accomplished. Any Member, Associate Member, or Alternate Associate Member may serve on any committee. With the exception of the Election committee, each committee shall choose its own officers.

17. **INDEMNIFICATION**- To the fullest extent permitted by law and in the discretion of the Board, PPMC 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 PPMC, 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.

- A. Approval of Indemnity. On written request to the Board by any person seeking indemnification hereunder, the Board shall promptly determine under Section 7237(e) of the California Corporations Code whether the applicable standard of conduct set forth in Section 7237(b) or 7237(c) has been met and, if so, the Board shall have the authority to indemnify. 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 shall promptly 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 may authorize indemnification.
- B. 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 these Bylaws in defending any proceeding covered by those sections shall be advanced by PPMC before final disposition of the proceeding, on receipt by PPMC 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 PPMC for those expenses.

- C. Insurance. PPMC shall have the power to purchase and maintain insurance on behalf of its Directors and Officers against other liability asserted against or incurred by any Director or Officer in such capacity or arising out of the Director's or Officer's status as such.

18. ANNUAL AUDIT AND REPORT- The Board shall appoint a Certified Public Accountant to audit the Corporation's financial books at the end of each fiscal year. The Board shall cause an annual report to be prepared within 120 days after the end of the corporation's fiscal year. That report shall contain the following information in appropriate detail:

- A. A balance sheet as of the end of the fiscal year; an operating income statement for the fiscal year; and a statement of changes in financial position for the fiscal year, accompanied by an independent accountants' report or, if none, by the certificate of an authorized officer of the corporation that they were prepared without audit from the corporation's books and records;
- B. A statement advising Members of the place where the names and addresses of current Members are located.
- C. The Corporation shall annually notify each Member of the Member's right to receive a copy of the financial report under these Bylaws. On written request by a Member, the Board shall promptly cause the most recent annual report to be sent to the requesting Member.

19. REPORTABLE TRANSACTIONS - The corporation shall annually prepare and mail or deliver to its Members and furnish to its Directors a statement of any transaction or indemnification of the following kinds within 120 days after the end of the corporation's fiscal year:

- A. Unless approved by Members under Corporations Code section 7233(a), any transaction (1) to which PPMC 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):
 - (i) Any director or officer of the corporation, its parent, or its subsidiary;
 - (ii) 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, except that, in a partnership in which such person is a partner, only the partnership interest need be stated.

- B. 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, unless the loan, guaranty, indemnification, or advance has already been approved by the Members under Corporations Code section 5034, or the loan or guaranty is not subject to Corporations Code section 7235(a).

ARTICLE VIII

OFFICERS AND MANAGER OF THE CORPORATION

1. **PRESIDENT** - The president shall preside over all meetings of the Membership and the Board. The president's duties include, but are not limited to, calling meetings of the Membership or the Board as necessary, having general supervision of the business affairs of the Corporation, and being an ex-officio member of all committees.

2. **VICE PRESIDENT** - In the absence of the president, the vice-president shall preside at all meetings of the Corporation and the Board and perform the duties of the president. If both the president and vice president are absent, the director-at-large shall call the meeting to order and preside.

3. **SECRETARY** - 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 that the meeting was held; whether the meeting was annual, general, or special, and, if special, how authorized; the notice given; the names of persons present at Board and committee meetings; and the number of members present or represented at members' meetings.

- A. The secretary shall keep or cause to be kept, at the principal California office, a copy of the articles of incorporation and bylaws, as amended to date.
- B. The secretary shall keep or cause to be kept, at the corporation's principal office or at a place determined by resolution of the Board, a record of the corporation's members, showing each member's name, address, and class of membership.
- C. The secretary shall give, or cause to be given, notice of all meetings of members, of the Board, and of committees of the Board that these bylaws require to be given. The secretary shall keep the corporate seal, if any, in safe custody and shall have such other powers and perform such other duties as the Board or the bylaws may require.

4. **CHIEF FINANCIAL OFFICER** - The chief financial officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the corporation's properties and transactions. The chief financial officer shall send or cause to be given to the members and Directors such financial statements and reports as are required to be given by law, by these bylaws, or by the Board. The books of account shall be open to inspection by any director at all reasonable times. The chief financial officer shall (i) 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; (ii) disburse the corporation's funds as the Board may order; (iii) render to the president, chairman 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 (iv) have such other powers and perform such other duties as the Board or the bylaws may require.

5. **OFFICERS** - An officer of the Corporation may be removed from office with or without cause by the members of the Board, but remains a member of the Board. Any officer may resign at any time by giving written notice to the Board. A vacancy to any office may be filled by the Board in accordance with these Bylaws. The fifth member of the Board, who is not an officer, shall act as the director-at-large.

6. **MANAGER** - The Board, on behalf of PPMC, may employ a Manager, who under the supervision of the Board President, shall carry out the directives of the Board, and oversee the daily operation of the business and property of PPMC.

7. **SIGNATURE AUTHORITY** - All contracts, bonds, checks drawn on PPMC's account, and other written instruments shall be signed by any two of the following three persons: the president, the chief financial officer, or an employee designated by the Board. If either the president or the chief financial officer is not available, then any other Board member may sign.

ARTICLE IX DISSOLUTION

1. **PROCEDURE FOR DISSOLUTION** - Any decision to voluntarily dissolve PPMC, shall be determined by a vote of the Members in accordance with the Corporations Code. Upon dissolution, either voluntary or involuntary, of PPMC and, after the payment of all of the corporate debts, its properties shall be sold and converted into money which shall be distributed among the Members as follows: all moneys received from the sale of all of the properties of the Corporation, of whatsoever kind or wherever situated, shall be distributed ratable among the Members who are registered owners and holders of record on the books of the Corporation of a Membership Certificate in the Corporation at the date of the dissolution. The basis of ratable distribution, in such an event, shall be the fair market value of each Member's allotment used for the determination of the annual operating assessment on such allotment and in effect for at least one (1) year prior to the occurrence requiring and/or calling for the determination to dissolve in addition to the full county appraisal of the improvements on the allotments for tax purposes.

ARTICLE X PROPERTY OF THE CORPORATION

1. **DEDICATED AREAS** - The following areas of the property of the Corporation are designated as common sites: Social Hall, Flagstaff Hill, tennis courts, office, bridge, firehouse, shuffleboard courts, horseshoe pits, playground areas, beaches, river, and picnic grounds. These areas are permanently dedicated as common sites and their usage cannot be changed without the approval of a majority of the Members.

ARTICLE XI RECORDS OF THE CORPORATION

1. **MAINTENANCE OF RECORDS** - The Corporation shall keep at its principal office:

- 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.

2. **MEMBER INSPECTION RIGHTS** - The accounting books and records and minutes of proceedings of the Members and the Board and committees of the Board shall be open to inspection upon the written demand on PPMC of any Member or his or her duly appointed representative at any reasonable time, for a purpose reasonably related to such person's interests as a Member. The inspection shall be available within ten business days of the request.

- A. Member may obtain from the secretary of PPMC, upon written demand and tender of a reasonable charge, a list of the names, addresses and voting rights of those members entitled to vote for the election of Directors. The demand shall state the purpose for which the list is requested. The membership list shall be made available on or before 10 business days after the demand is received.

These rights of inspection may be exercised by Members for a purpose reasonably related to that person's interest as a Member. Where the Corporation reasonably believes that the information will be used for another purpose, or where the Corporation is able to provide a reasonable alternative that will achieve the Member's stated purpose, PPMC may deny the member access to membership information.

3. **DIRECTOR INSPECTION RIGHTS** - Every director shall have an absolute right at any reasonable time to inspect all books, records, documents and minutes of PPMC and the physical properties owned by PPMC. The right of inspection by a director includes the right to make extracts and copies of the documents.

ARTICLE XII

AMENDMENT OF BYLAWS

1. **AMENDMENT BY MEMBERSHIP** - The Board may not adopt, amend, or repeal these Bylaws unless the action is approved by the Members.

2. **AMENDMENT PROCEDURE** - Amendments to the Bylaws may be proposed to the Membership by the Board or a petition submitted to the Board by not less than 10% of the Members. All amendments shall be published for two (2) consecutive months in the Corporation's monthly Bulletin before a vote by mail of the Membership and must be approved by a majority of those voting.

2. **AMENDMENT BY PETITION-** If an amendment is proposed by petition, the Board shall refer the proposed amendment to the Bylaws Committee, which shall make a recommendation to the Board within 30 days. If disapproved by the Board, the proposed change is to be published for two (2) consecutive months in PPMC’s monthly Bulletin before presentation to a vote of the Membership. Published along with the proposed amendment shall be a statement by the Board, stating their reasons for disapproval and a statement by the petitioners, stating their reasons for proposing the Bylaw change.

**ARTICLE XIII
RESERVE PLAN**

The members of PPMC hereby establish a Reserve Plan, consisting of a Reserve Policy, Reserve Study, and Reserve Fund.

RESERVE POLICY—The stated policy of this Reserve Plan is to provide for the maintenance, repair and replacement of Paradise Park Masonic Club corporate physical assets as identified by the Reserve Study; to provide for a means of accumulating funds for that purpose; and, except as provided herein, to assure that the accumulated monies in the Reserve Fund are only used for the intended purposes expressed herein.

RESERVE STUDY—The Reserve Study is an established listing of PPMC corporate physical assets. The purpose of the Study is the identification, evaluation, maintenance assumptions, and estimation of the remaining useful life, of all corporate assets. The Study shall be professionally updated annually.

RESERVE FUND—The Reserve Plan is funded by 90% of new member initiation fees, and by other sources of funding as approved by a vote of the Membership. Reserve Fund monies shall be held separate from any other Park funds and held in insured accounts. An annual reporting of Reserve Funds acquired and spent will be presented to the Membership by the Board at the Annual Meeting.
07/06/19

**ARTICLE XIV
ACTION TO PETITION**

PPMC Bylaws, Article XIV Action to Petition – The PPMC Official Petition Form shall be used to provide transparency to all PPMC Members and Employees, to ensure there is only one Petition of the same purpose out for signature circulation, and to deliver a fair and consistent Petition process for all to follow. A prospective Member Petitioner must obtain the official forms from the office to begin the petition process.07/21.