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FERNSIDE HOME OWNERS ASSOCIATION

[INCORPORATED]

ARTICLES of
INCORPORATION
AND
BY-LAWS

ADOPTED JANUARY 25, 1927

*Keep this document with
your deed.*

**CERTIFICATE OF
SECRETARY OF STATE**

FRANK C. JORDAN, Secretary of State
FRANK H. CORY, Deputy
ROBERT V. JORDAN, Deputy

**STATE OF CALIFORNIA
DEPARTMENT OF STATE**

I, FRANK C. JORDAN, Secretary of State of the State of California, do hereby certify that I have carefully compared the transcript, to which this certificate is attached, with the record on file in my office of which it purports to be a copy, and that the same is a full, true and correct copy thereof. I further certify that this authentication is in due form and by the proper officer.

IN WITNESS WHEREOF, I have hereunto set my hand and have caused the Great Seal of the State of California to be affixed hereto this 18th day of January, A. D. 1927.

(GREAT SEAL) FRANK C. JORDAN,
Secretary of State.

By FRANK H. CORY,
Deputy.

**ARTICLES OF INCORPORATION OF
FERN SIDE HOME OWNERS
ASSOCIATION**

KNOW ALL MEN BY THESE PRESENTS: That we, the undersigned, a majority of whom are citizens and residents of the State of California, have this day voluntarily associated ourselves together for the purpose of forming a non-profit co-operative corporation, under the provisions of Title XXII of Part IV of Division First of the Civil Code, State of California, approved March 21, 1872, as thereafter amended, and we hereby certify:

I

The name of the corporation shall be "FERN SIDE HOME OWNERS ASSOCIATION."

II

The purposes for which it is formed are:

1. To purchase, construct, improve, repair, maintain, operate, care for, own, and/or dispose of parks, parkways, playgrounds, open spaces and recreation

areas, club houses, community buildings, and, in general, community facilities appropriate for the use and benefit of its members and/or for the improvement and development of the property hereinafter described.

2. To improve, light and/or maintain streets, roads, alleys, paths, courts, walks, gateways, fences, and ornamental features now existing or hereafter to be erected or created, fountains, shelters, comfort stations, and/or buildings and improvements ordinarily appurtenant to any of the foregoing, grass plots and other areas, trees and plantings within the lines of the streets immediately adjoining or within the property hereinafter referred to.

3. To care for any lots and plots in said property, remove grass, weeds, and any unsightly or obnoxious thing therefrom, and to take any action with reference to such lots and plots as may be necessary or desirable in the opinion of the Board of Directors of this corporation, to keep the property neat and in good order; and to make and collect charges therefor.

4. To provide for the sweeping, cleaning, and sprinkling of streets, collection and disposition of street sweepings, garbage, ashes, rubbish, and the like; and to make and collect charges therefor.

5. To provide, so far as it may be lawful so to do, for community fire and/or police protection for the protection of all or any portion of the said property and/or the owners of said property and/or residents thereon.

6. So far as it can legally do so, to grant franchises, rights-of-way, and easements for public utility or other purposes upon, over and/or under any of said property.

7. To acquire by gift, purchase, lease or otherwise acquire and to own, hold, enjoy, operate, maintain, and to convey, sell, lease, transfer, mortgage and otherwise encumber, dedicate for public use and/or otherwise dispose of, real and/or personal property either within or without the boundaries of said property.

8. To create, maintain, and operate a Department of Buildings which shall be in charge of a Supervising Architect named by the Board of Directors of said corporation to serve at their pleasure, which Supervising Architect shall have full and sole authority to approve or disapprove in the name of said corporation and to issue building permits for

any and all plans, specifications or construction work of any kind within the jurisdiction of said corporation, and shall inspect and supervise the construction of buildings and structures in or upon said property in accordance with the powers and rights conferred upon it by virtue of any restrictions or contractual agreements which may be placed upon or exist in connection with any of said property, to provide for the safety of building construction by establishing regulations for the granting of building permits, and for making and collecting a charge therefor, including such provisions as are usually contained in building codes; and to provide for light, air, sanitation, health, comfort and convenience for the occupants of existing and/or hereafter erected buildings by establishing such regulations as are usually included in housing codes or zoning regulations.

9. To keep records of building permits and/or other approvals or disapprovals made or issued by this corporation and to keep books and records showing all charges, levies, and assessments made, and to furnish certified copies of any record which the Board of Directors may authorize to be furnished and, from time to time, to issue certificates of completion and compliance covering respective parcels of property with respect to which buildings, structures, and/or other improvements or changes have been made, all as provided in the restrictions, conditions, and covenants affecting said property or portions thereof; and to make and collect charges therefor.

10. To enforce liens, charges, restrictions, conditions, and covenants existing upon and/or created for the benefit of parcels of real property over which said corporation has jurisdiction and to which said parcels may be subject to the extent that this corporation has the legal right to enforce the same; and to pay all expenses incidental thereto; and to enforce the decisions and rulings of the Department of Buildings and/or of the Supervising Architect having jurisdiction over any of said property to the extent that said corporation is authorized in said restrictions, conditions, and covenants to enforce same and to pay the expenses in connection therewith and such other expenses as this corporation may assume.

11. To pay the taxes and assessments which may be levied by any public authority upon property used or set apart for streets, parks or recreation areas, and improvements thereon, now or hereafter opened, laid out or established in said

property or on such other open recreation spaces as shall be maintained for the general benefit and use of the owners of lots in said property, and their successors in interest, and also on ornamental features, tennis courts, community club houses, sewers, and other utilities and storm drains established in or upon said property whether taxed or assessed as a part of said property or separately, and on any property of the FERNSIDE HOME OWNERS ASSOCIATION, as provided in any restrictions, conditions or covenants to which said property may be subject.

12. To exercise such powers of control, interpretation, construction, consent, decision, determination, modification, amendment, cancellation, annulment, and/or enforcement of covenants, reservations, restrictions, liens, and charges imposed upon said property, as may be vested in, delegated to, or assigned to this corporation and such duties with respect thereto as may be assigned to and assumed by this corporation.

13. To receive, file, and preserve such reports as may, from time to time, be made to it; and to publish and distribute bulletins and reports.

14. To approve and/or disapprove, as provided by restrictions, conditions, and covenants affecting said property, plans and specifications for and/or location of fences, walls, poles and structures to be erected or maintained upon said property or any portion thereof, and to approve or disapprove the kind, shape, height, and material for same and/or the block plan indicating the location of such structures on their respective building sites and such grading plans as may be required, and to issue or refuse to issue permits for the same; to pay any and all expenses and charges in connection with the performance of any of said powers or the carrying out of any of said purposes; to supervise construction of any buildings or structures to the extent deemed necessary by the Board of Directors, and to establish rules therefor.

15. To approve or disapprove of subdivisions or re-subdivisions of any of said property from time to time to the extent and in the manner that it may exercise such approval or disapproval as provided in restrictions, conditions, and covenants affecting said property.

16. To regulate and/or prohibit the erection, posting, pasting or displaying upon any of said property of billboards

and/or signs of all kinds and character, and to remove and/or destroy all signs placed, erected or maintained upon said property without the authority of this corporation as provided in such restrictions, conditions, and covenants, as may affect the said property or any portion thereof.

17. To fix, establish, levy, and collect annually such charges and/or assessments upon each and every lot or parcel of said property which may be subject to and in accordance with the restrictions, conditions, and covenants affecting said property; provided, that the amount of such annual charges or assessments shall be determined as provided in said restrictions, conditions, and covenants by the Board of Directors of this corporation.

18. To expend the moneys collected by this corporation from assessments and charges and other sums received for the payment and discharge of costs, expenses, and obligations incurred by said corporation in carrying out any or all of the purposes for which this corporation is formed.

19. Generally, to do any and all lawful things which may be advisable, proper, authorized, and/or permitted to be done by FERNSIDE HOME OWNERS ASSOCIATION under or by virtue of any restrictions, conditions, and/or covenants or laws affecting said property or any portion thereof (including areas now or hereafter dedicated to public use) and to do and perform any and all acts which may be either necessary for, or incidental to the exercise of any of the foregoing powers or for the peace, health, comfort, safety, and/or general welfare of owners of said property, or portions thereof, or residents thereon.

20. To borrow money and mortgage, pledge or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred and to do any and all things that a corporation organized under the said laws of the State of California may lawfully do when operating for the benefit of its members or the property of its members, and without profit to said corporation.

All of the foregoing purposes and powers are to be carried into effect and exercised for the purpose of doing, serving and applying the things above set forth for the benefit of that certain tract of land and all of the lots, pieces,

and parcels of real property therein situate in the City of Alameda, County of Alameda, State of California, shown on that certain map (consisting of three sheets) entitled, "FERNside," filed in the office of the County Recorder of the County of Alameda, State of California, on the 9th day of June, 1925, in Map Book 4, at Pages 76 and 77, together with any and all other property which may hereafter through the operation of conditions, covenants, restrictions and/or contracts pertaining to the same, be placed under or submitted to the jurisdiction of this corporation and be accepted as within the jurisdiction of this corporation by resolution of the Board of Directors of this corporation, being the real property subject to the "DECLARATION (dated June 15, 1925) of conditions, covenants, restrictions and charges affecting the real property known as 'FERNside'," recorded in the Office of the County Recorder of Alameda County, State of California, on the 22nd day of June, 1925, Recorder's Series Number U-51569.

III

The principal place of business of said corporation shall be in the City of Alameda, County of Alameda, State of California.

IV

The term for which said corporation is to exist is fifty (50) years from the date of its incorporation.

V

The number of directors of said corporation shall be seven (7), and the names and residence of the directors who are appointed for the first year and to serve until the election or qualification of their successors are as follows:

Names	Residing at
BURNETT HAMILTON	Alameda, Calif.
JOSEPH B. KAHN	Alameda, Calif.
JOHN J. MULVANY	Alameda, Calif.
WALTER E. TUFT	Alameda, Calif.
EDWIN M. OTIS	Alameda, Calif.
STANLEY SHARP	Alameda, Calif.
FRED T. WOOD	Alameda, Calif.

VI

The voting power and property rights and interests of the members shall be unequal and shall be determined and fixed as follows:

For the purpose of determining the voting power and the property rights and interests of each member of the corporation, a building site shall be taken to

be a lot (exclusive of streets, open recreation areas, and lands excepted, reserved, segregated or retained in accordance with the restrictions, conditions, and covenants affecting same, shown on any map of record):

(a) Of any ordinary subdivision of said land subject to the jurisdiction of this corporation, or

(b) Of any re-subdivision of any plots or parcels of said land which re-subdivision is permitted by this corporation and is approved by the restrictions applicable thereto and thereby allowed to be used as a building site, or

(c) Of any subdivision or re-subdivision of any land which hereafter becomes subject to the jurisdiction of the FERNside HOME OWNERS ASSOCIATION by virtue of restrictions, conditions, covenants, and/or contracts relating thereto, and by acceptance of jurisdiction by the Board of Directors of this corporation.

That each member of this corporation shall have the right to cast as many votes at any meeting of the members of this corporation as the number of building sites to which, as shown by the records of this corporation, he holds the legal or equitable title, and/or contract of purchase; provided, however, that no person or corporation holding title as security for the payment of money or performance of other obligations shall have the right to a vote by reason thereof; and provided, further, that when the legal or equitable title to, or contract for purchase of, a building site is vested in or is in the name of two or more persons in joint tenancy or otherwise, the several owners or contract holders or purchasers of said building site shall collectively be entitled to only one vote, which vote may be cast in the manner provided by the By-Laws of this corporation.

Each member of this corporation shall have such an interest in all the property owned by this corporation as is represented by the ratio of the number of votes to which said member is entitled to the total number of votes to which all members of this corporation are entitled; provided, however, that during the continuance and life of this corporation and renewals thereof, no member of this corporation shall have the right of distribution of any real or personal property held by or in the possession or control of this corporation; provided, however, that those persons who are members of

this corporation at the time of its dissolution may, upon said dissolution, be and become entitled to such property as may be owned by this corporation and as may be subject to distribution among its members in proportion to their interests and property rights as above determined and according to the law then in force and effect.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this 14th day of January, 1927.

(SEAL) BURNETT HAMILTON,
JOSEPH B. KAHN,
JOHN J. MULVANY,
WALTER E. TUFT,
EDWIN M. OTIS,
STANLEY SHARP,
FRED T. WOOD.

STATE OF CALIFORNIA,)
)ss
COUNTY OF ALAMEDA.)

On this 14th day of January in the year One Thousand Nine Hundred and Twenty-seven before me, Hazel K. Holbrook, a Notary Public in and for the County of Alameda, State of California, residing therein, duly commissioned and sworn, personally appeared BURNETT HAMILTON, JOSEPH B. KAHN, JOHN J. MULVANY, WALTER E. TUFT, EDWIN M. OTIS, STANLEY SHARP and FRED T. WOOD, known to me to be the persons described in and whose names are subscribed to the within instrument and they acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal, the day and year in this certificate first above written.

(Notarial Seal) HAZEL K. HOLBROOK,
Notary Public in and for said
County of Alameda, State
California.

ENDORSED:
Filed January 20, 1927.
GEO. E. GROSS, County Clerk.
By F. L. COTTON, Deputy.

The foregoing instrument is a correct copy of the original on file in this office.
ATTEST: July 26, 1927.

(SEAL) GEO. E. GROSS,
County Clerk and ex-officio Clerk
of the Superior Court of the
State of California in and for
the County of Alameda.
By H. P. ANGUS, Deputy.

**BY-LAWS
OF
FERNSIDE HOME OWNERS
ASSOCIATION
ARTICLE I
MEMBERSHIP AND DUES**

Section I. Building Site Defined. A "building site" shall be taken to be a lot (exclusive of streets, open recreation areas, and lands excepted, reserved, segregated or retained in accordance with the restrictions, conditions, and covenants affecting same, shown on any map of record):

(a) Of any original subdivision which is now on file or which shall hereafter be filed in the office of the County Recorder of the County of Alameda, California, of that certain tract of land situated in the County of Alameda, State of California, shown on that certain map (consisting of three sheets) entitled "Fernside," filed in the office of said County Recorder June 9, 1925, in Map Book 4, at pages 76 and 77.

(b) Of any re-subdivision of any plots or parcels of said land which re-subdivision is approved by this corporation and is permitted by the restrictions applicable thereto and thereby allowed to be used as a building site, or

(c) Of any subdivision or re-subdivision of any land which hereafter becomes subject to the jurisdiction of FERNSIDE HOME OWNERS ASSOCIATION by virtue of restrictions, conditions, covenants and/or contracts relating thereto, and by acceptance of jurisdiction by the Board of Directors of this corporation.

The members of this corporation shall be all who hold legal title of record to any such building site or who, while holding a contract for the purchase of any such building site from The Oakland Bank, shall reside upon the building site described in such contract. Such holding of legal title or such residence shall be the sole qualification for membership in the corporation. Contract holders shall establish their right to membership to the satisfaction of the Secretary of this corporation.

Section 2. Qualifications of Members. The following persons shall be qualified to be, and shall become members of this corporation:

(a) Persons holding legal title to or an interest in any such building site, except as provided in (b) of this paragraph and provided, further, that no person or corporation taking title hereafter as security for the payment of money or performance of other obligations shall thereby become entitled to membership.

(b) Persons holding a contract for the purchase of any building site, who shall reside upon the property described in such contract, in which case the holder of the legal title shall not be qualified for membership by virtue of holding the title to such building site.

Section 3. Creation of Membership.

(a) The acceptance by a grantee of a deed conveying to him such real property as to qualify him for membership in said Association shall ipso facto constitute such grantee a member of said Association.

(b) The acceptance by a purchaser of a contract of sale covering such real property as shall qualify him for membership, together with the act of residing thereon by such purchaser, shall ipso facto constitute such purchaser a member of said Association.

(c) The certificate of the Secretary certifying that a person is a member of this corporation shall be conclusive evidence in favor of all third persons as to the facts recited therein.

Section 4. Termination of Membership. Whenever a member of said Association becomes disqualified for membership, as hereinabove provided, such person shall ipso facto cease to be a member of said Association; if the member holds the legal title to more than one such building site, then upon the transfer of record of the legal title to all his building sites, or, if the member does not hold the legal title to any building site, then upon such member ceasing to be the holder of a contract for the purchase of any such building site or upon his ceasing to reside upon the building site described in such contract. A member holding the legal title of record to more than one building site may transfer membership with each building site transferred and retain membership for each building site not transferred. When a building site is owned of record in joint

tenancy or tenancy-in-common, the membership as to such building site shall be joint and the rights of such membership shall be exercised only by the joint action of all owners of such building site.

Section 5. Fees and Dues of Members. No membership fee shall be charged, nor shall members be required to pay at any time any amount to carry on the business of the corporation, except to pay annually the maintenance charge or assessment, which is or may be made a lien on the respective properties of the members, and such other liens, fees and charges as are set forth, authorized or permitted in the declaration of conditions, covenants, restrictions and charges of The Oakland Bank, dated June 15th, 1925, and recorded on June 22, 1925, in the office of the County Recorder of the County of Alameda, State of California, in Volume 1085 of the Official Records of Alameda County at page 10 and following pages, or any amendments thereof, or as set forth in any other Declaration of THE OAKLAND BANK its assigns or successors in interest, applicable to said property on file or hereafter filed in the office of said County Recorder.

Section 6. Property Rights and Interest. No member of this corporation shall have any right of property in any of the real or personal property held by, or in the possession and control of this corporation, except those persons who are members of this corporation at the time of its dissolution and their rights shall be determined by the law then in force and effect. Each member of this corporation shall have such an interest in all the property owned by this corporation as is represented by the ratio of the number of votes to which said member is entitled to the total number of votes to which all members of this corporation are entitled; provided, however, that during the continuance and life of this corporation and renewals thereof, that no member of this corporation shall have the right of distribution of any real or personal property held by or in the possession or control of this corporation, provided, however, that those persons who are members of this corporation at the time of its dissolution may, upon said dissolution, be and become entitled to such property, as may be owned by this corporation and as may be subject to distribution among its members in proportion to their interests and property rights as above determined and according to the law then in force and effect.

ARTICLE II VOTING POWER

At all corporate meetings the voting power of the members of this corporation shall be unequal according to the following rules, to-wit:--

(a) Except as provided in (d) of this paragraph, each member of this corporation shall have at least one vote at any meeting of the members of the corporation.

(b) Except as provided in (d) of this paragraph, each member of this corporation holding legal title to more than one building site shall have the right as such member, at any meeting of the members of this corporation, to cast a number of votes equal to the total number of building sites, the title to which is held by him.

(c) Except as provided in (d) of this paragraph, each person who is a member of this corporation by reason of being a purchaser of more than one building site located in any sub-division of the said property under a contract or contracts of purchase shall have the right to cast as many votes, at any meeting of the members of this corporation, as shall equal the total number of building sites covered by his contract or contracts.

(d) When equal title to a building site is vested in, or subject to contract or agreement to convey to two or more persons in joint tenancy or otherwise, the several owners or purchasers of said building site shall collectively be entitled to one vote only therefor.

ARTICLE III CORPORATE POWERS

The corporate powers of this corporation shall, except as otherwise provided herein, be vested in a Board of Directors who shall be members of this corporation, and four shall constitute a quorum for the transaction of business but a smaller number may adjourn from time to time.

ARTICLE IV THE BOARD OF DIRECTORS

Section 1. Seven Directors shall be elected by ballot at the Annual Meeting of the members to serve for one year and until their successors are elected. The Board of Directors shall be the judge

of the election and qualifications of its own members subject to review by the courts.

Section 2. **Vacancies in the Board of Directors.** Vacancies in the Board of Directors shall be filled by the remaining Directors when assembled as a Board and such appointees shall hold office until the next Annual Meeting of the members thereafter.

Section 3. **Powers of Directors.** The Directors shall have power:

(a) To call special meetings of the members whenever they deem it necessary, and they shall call a meeting at any time upon the written request of members holding the legal title of record of 20% in number of all said building sites.

(b) To select from their own number a president and vice-president and a treasurer and to appoint and remove a secretary and a supervising architect; and subject to the further provisions hereof, to adopt appropriate resolutions prescribing their duties, fixing their compensation and requiring from them security for faithful service.

(c) Except as otherwise herein provided, to conduct, manage, and control the affairs and business of this corporation and to make regulations and rulings not inconsistent with the laws of the State of California, or of the By-Laws of this corporation for the guidance of the officers and management thereof.

(d) To determine its own rules of procedure, and compel attendance of directors.

(e) To determine, levy and assess annually the maintenance charge or assessment mentioned in Article 1 hereof, and such other charges or fees as it may have power or jurisdiction over and to fix the rate per annum of such maintenance charge or assessment, but subject, however, to the limitations hereof in said Declaration provided.

(f) To make all needful rules and regulations for the conduct of election.

Section 4. **Duties of Directors.** It shall be the duty of the Directors:

(a) To cause to be kept a complete record of their minutes and acts, and of the proceedings of the members, and present a full statement at the regular annual meeting of the members, showing in detail the assets and liabilities of the corporation, and generally the condition of its affairs.

(b) Except as otherwise provided herein, to supervise all officers and see

that their duties are properly performed, and cause certificates of membership to be issued to the members of the corporation.

(c) To hold, after due notice, such public hearings as may be necessary or advisable for the modification, amendment, or approval of any restrictions, conditions, covenants, reservations, liens or charges applicable to any property subject to the jurisdiction of this corporation, or applying for acceptance thereof; provided, however, that any proposal to alter any of the existing restrictions on said property before it may be acted upon must first be submitted to the Directors in writing specifying the particular property immediately affected and if a public hearing be had on such proposal, it shall be only after five days' notice of the time, place and subject matter thereof shall have been posted on said property and a copy thereof mailed to each member of this corporation as herein provided.

ARTICLE V MEETINGS

Section 1. **Meetings of Members.** The annual meeting of the members shall be held in the City of Alameda, County of Alameda, on the second Tuesday in January of each year, and shall be called by a notice in writing mailed to each member as herein provided, such notice to be deposited in the United States postoffice at Alameda at least ten days preceding the date of meeting, and postage thereon must be paid.

Special meetings of the members shall be called in like manner after five days' notice.

No meeting of members shall be competent to transact business unless the record holders of legal title to a majority of the said building sites be represented, except to adjourn from day to day or until such time as may be deemed proper.

At such annual meeting of the members, Directors for the ensuing year shall be elected by ballot, to serve as herein provided and until their successors are elected. If, however, for want of a quorum or other cause, a members' meeting shall not be held on the day above named, or should the members fail to complete their elections, or such other business as may be presented for their consideration, those present may adjourn from day to day until the same shall be accomplished.

Section 2. **Meetings of Directors.** Regular meetings of the Directors, shall be held on the second Tuesday of each month, at the office of this corporation at 7:30 o'clock p. m., provided that the Board of Directors may change, by regulation, the day of holding the regular meeting. No notice of the regular meeting of the Board of Directors need be given. The President or any two of the Directors, may call special meetings of the Directors at any time, and notice shall be given of such called meeting by depositing in the United States postoffice at Alameda, California, a written notice thereof, with the postage thereon prepaid, addressed to each Director at the last address left with the Secretary, at least three days before the time of meeting, or by serving personally such notice on each Director one day before such meeting. Such service of notice shall be entered on the minutes of the corporation, and the said minutes, upon being read and approved at a subsequent meeting of the Board shall be conclusive upon the question of service.

Notice specified in this Article for the members need be given only to members appearing as such on the books of the corporation.

All meetings of Directors and sessions of their committees shall be open to members.

ARTICLE VI REGULATIONS AND RESOLUTIONS

The Board of Directors shall act only by the adoption of a regulation or a resolution; and all regulations and resolutions, except regulations making appropriations, shall be confined to one subject which shall be clearly expressed in the title. The regulations making appropriations shall be confined to the subject of appropriations.

ARTICLE VII OFFICERS

The officers shall be a President, Vice-President, Secretary and Treasurer, which officers shall be elected by and hold office at the pleasure of the Board of Directors, except as provided herein.

ARTICLE VIII PRESIDENT AND VICE-PRESIDENT

The Board of Directors shall at their first regular meeting, elect one of their members to act as President and another to act as Vice-President, to serve for one year and until their successors are

elected; and, if at any time the President shall be unable to act, the Vice-President shall take his place and perform his duties; and, if the Vice-President, from any cause, shall be unable to act, they shall appoint some other member of the Board to act, in whom shall be vested for the time being all the duties and functions of the office of President, or in his absence, or inability to act, the Vice-President, or, in the absence or inability to act of both the President and the Vice-President, the Director appointed as above provided, who:

1st. Shall preside over all meetings of the members and Directors.

2nd. Shall sign as President all certificates of membership and all instruments of writing which have been first approved by the Board of Directors.

3rd. Shall be recognized as the official head of Fernside Home Owners Association by the courts for serving civil processes.

ARTICLE IX SECRETARY

The Board of Directors shall elect a Secretary to serve at the pleasure of the Board, with the following duties:

1. To keep a record of all the proceedings of the Board of Directors and of the members.

2. To keep the corporate seal of the corporation and the book of blank certificates of membership; to fill out and countersign all certificates issued, and make the corresponding entries in the margin of such book of issuance; and he shall affix said corporate seal to all papers requiring a seal.

3. To keep up to date, in so far as possible a complete list of members and their addresses, provided, however, that the last address registered with the Secretary by a member shall be deemed to be the proper address to which notices shall be sent as required by these By-Laws or the laws of the State of California, provided further that in the event of the failure of any member so to register an address, then and in that event his address for all purposes of this corporation shall be deemed to be Alameda, California, and the Secretary shall mail such notices to such members by U. S. mail, postage prepaid, addressed to such member "General Delivery, Alameda, California."

4. To serve all notices required either by law or the By-Laws of the corporation, and in case of his absence, inability, refusal or neglect so to do, then such notices may be served by any person thereunto directed by the President or Vice-President of the corporation.

5. To keep proper books showing the date of issuance of each certificate of membership and the name of the person to whom issued, and showing the date of and parties to each transfer of membership.

ARTICLE X

SUPERVISING ARCHITECT

Section 1. The Supervising Architect shall be named by the Board of Directors to serve at their pleasure and shall have full, sole and final authority to approve or disapprove in the name of said corporation and to issue Building Permits and Certificates of Approval and Compliance for any and all plans, specifications or construction work of any kind within the jurisdiction of said corporation, and shall inspect and superintend the construction of buildings and structures in or upon said property in accordance with the powers and rights conferred upon it by virtue of any and all restrictions or contract agreements which may at any time be placed upon or exist in connection with any of said property or any property over which this corporation shall have or accept jurisdiction.

Section 2. **Building Code.** The Board of Directors shall provide for the granting of said Building Permits and Certificates of Approval and Compliance by the Supervising Architect and for making and collecting a charge therefor.

Section 3. **Records.** The Supervising Architect shall keep records of all building permits and/or other approvals or disapprovals made or issued by and in the name of this corporation and furnish certified copies of any record which the Board of Directors may authorize to be furnished and, from time to time, issue Certificates of Approval and Compliance covering respective parcels of property with respect to which buildings, structures, and/or other improvements or changes have been made, as herein provided.

ARTICLE XI

FINANCIAL PROVISIONS

Section 1. The Treasurer shall have direct supervision over the administra-

tion of the financial affairs of the corporation, including the keeping of accounts and financial records; the levy, assessment and collection of charges or assessments, and other fees and revenues (except as otherwise provided herein); the custody and disbursement of corporation funds and moneys and the deposit of the same in such bank or banks as the Board of Directors shall designate; the control over expenditures; and such other duties as the Board of Directors may, by regulation, provide.

Section 2. Accounts and Records. Accounts shall be kept by the Treasurer showing the financial transactions of the corporation, and shall be adequate to record all cash receipts and disbursements, all revenues accrued and liabilities incurred, and all transactions affecting the acquisition, custody, and disposition of values.

Section 3. Annual Budget. Not later than one month before the end of each fiscal year the Treasurer shall prepare and submit to the Board of Directors an annual budget for the ensuing year, based upon detailed estimates, according to a classification as nearly uniform as possible. The budget shall present the following information:

(a) An itemized statement of the appropriation recommended by the Board of Directors for current expenses and for permanent improvements for the ensuing fiscal year, with comparative statements in parallel columns of the appropriations and expenditures for the current and next preceding fiscal year, and the increases or decreases in the appropriations recommended;

(b) An itemized statement of the charges or assessments required and of the estimated revenues of the corporation from all other sources for the ensuing fiscal year, with comparative statements in parallel columns of the revenues for the current and next preceding fiscal year, and of the increases or decreases estimated or proposed;

(c) A statement of the financial condition of the corporation and

(d) Such other information as may be required by the Board of Directors. Copies of the budget shall be available for distribution not later than two weeks after its submission to the Board of Directors; and a public hearing shall be given thereon by the Board of Directors or a Committee thereof before action by the Board of Directors.

Section 4. Appropriation Regulations: Temporary Appropriations: Transfers.

(a) Not later than one month before the beginning of the fiscal year, except as hereinafter provided for the year 1927, the Board of Directors shall pass an annual appropriation regulation, which shall be based on the budget submitted by the Treasurer. The total amount of appropriations shall not exceed the estimated revenues of the corporation. Before the annual appropriation regulation has been passed, the Board of Directors may make such appropriations for current expenses, chargeable to the appropriations of the year when passed, to an amount sufficient to cover the necessary expenses until the annual appropriation is in force. No other liabilities shall be incurred by any officer or employee of the corporation, except in accordance with the provisions of the annual appropriation regulation or under continuing contracts and loans authorized under the provisions hereof or as otherwise provided herein. At any meeting after the passage of the appropriation regulation and after at least one week's public notice, the Board of Directors, by affirmative vote of five members thereof, may amend such regulations, so as to authorize the transfer of unused balances appropriated for one purpose to another purpose, or to appropriate available revenues not included in the annual budget.

(b) Appropriation, collection and disbursement of revenues for the year 1927 shall be at the discretion of the Board of Directors.

Section 5. On or before the 15th day of December, in each year the Board of Directors shall, by regulation, fix and establish the amount of the annual maintenance charge or assessment mentioned in Article 1 hereof, necessary to meet the appropriations made.

Section 6. Money may be borrowed, in anticipation of the receipts from maintenance charges or assessments during any fiscal year, by the issue of notes or certificates of indebtedness; but the aggregate amount of such loans at any time outstanding shall not exceed twenty (20%) per cent of the receipts from maintenance charges or assessments during the preceding fiscal year.

Section 7. Collection and Custody of Moneys. All charges and assessments and fees accruing to the corporation shall be collected by the Treasurer. All moneys received by any officer or employee of

the corporation for or in connection with the business of the corporation shall be paid promptly into the corporation treasury, and shall be deposited with such responsible banking institutions as furnish such security as the Board of Directors may determine and shall agree to pay the highest rate of interest; and all such interest shall accrue to the benefit of the corporation subject, however, to the provisions of said Declaration of Conditions, Covenants, Restrictions and Charges. The Board of Directors shall provide by regulation for the prompt and regular payment and deposit of all moneys as required by this section;

Section 8. Payment of Claims. Payments by the corporation shall be made only upon vouchers and the Treasurer shall examine all bills and other claims and demands against the corporation and shall issue no warrants for payment unless he finds that the claim is in proper form, correctly computed; that it is justly and legally due and payable; that an appropriation has been made therefor which has not been exhausted or that the payment has been otherwise legally authorized; and that there is money in the corporation treasury to make payment.

Section 9. All accounts and the records of every office and department of the corporation shall be open to the members at all reasonable times under reasonable regulations.

ARTICLE XII

CERTIFICATE OF MEMBERSHIP

Certificates of membership shall be of such form and device as the Board of Directors may direct, and each certificate shall be signed by the President and by the Secretary, and express on its face its number, date of issuance, the description of the building sites for which, and the person to whom it is issued, and shall contain a statement that the property rights and interest in the corporation, evidenced by said certificates, shall be appurtenant to the building site therein described, and that the membership, represented by the certificate, shall be transferred only with a building site described in the certificate.

If a certificate shall be lost or destroyed, the Board of Directors may order a new certificate issued upon such guaranty by the parties claiming the same as the Directors may deem satisfactory.

ARTICLE XIII

TRANSFER OF MEMBERSHIP

Upon satisfactory evidence of such transfer of a building site the membership of the transferor shall be marked "cancelled" on the books of the corporation as to the building site transferred, without requiring a surrender or cancellation of the transferor's certificate of membership and a new certificate of membership may thereupon be issued to such transferee.

If a certificate shall be lost or destroyed, the Board of Directors may order a new certificate issued upon such guaranty by the parties claiming the same as the Directors may deem satisfactory.

ARTICLE XIV

AMENDMENTS

The By-Laws may be repealed or amended or new By-Laws may be adopted at any meeting of the members by a vote representing two-thirds of all the said building sites owned by members, or by the Board of Directors when thereunto authorized at any meeting of the members, by a vote representing two-thirds of all the said building sites, or by the written assent of the record holders of the legal titles to two-thirds of all the said building sites; provided, however, that any proposed amendment must be filed with the Secretary in writing before being submitted for adoption or rejection and in no event may any proposed amendment be acted upon earlier than one day following its submission, except that the meeting to which it is submitted may prescribe such additional notice of its pendency to be given as said meeting may deem proper.

ARTICLE XV

SEAL

The corporation shall have a common seal consisting of a circle, having conveniently arranged on said seal the words, "FERNside HOME OWNERS ASSOCIATION, ALAMEDA, CAL., INC., JANUARY 18, 1927."

WRITTEN ASSENT TO BY-LAWS

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, the Directors and Secretary of the Fernside Home Owners Association, a corporation under the laws of the State of Califor-

nia, having its principal place of business in the City of Alameda, County of Alameda, in said State, do hereby on this 25th day of January, 1927, adopt the foregoing By-Laws contained on pages one to ten inclusive of this book of By-Laws as and for the By-Laws of said corporation.

(SEAL) BURNETT HAMILTON,
JOSEPH B. KAHN,
JOHN J. MULVANY,
EDWIN M. OTIS,
STANLEY SHARP,
W. E. TUFT,
FRED T. WOOD.

STANLEY SHARP,
Secretary of Fernside Home
Owners Association.

