FIRST AMENDMENT TO THE AMENDED BYLAWS

OF

DEANE GARDENHOME ASSOCIATION

ARTICLE IV. MEMBERSHIP VOTING AND MEETING OF MEMBERS

SECTION 2. MEETINGS OF *MEMBERS AND NOTICE*

Section 2.7. Action by Ballot. Any action, which may be taken at a regular or special meeting of members, may be taken without a meeting if a proper ballot is prepared containing all the legal requirements of Corporations Code §7513 **and Civil Code**.

ARTICLE VI. NOMINATION AND ELECTION OF DIRECTORS

SECTION 2. ELECTION. Election to the Board of Directors shall be by secret written ballot **or secret electronic ballot**. At such election the members or their proxies may cast one vote per Lot. Cumulative voting for one candidate shall not be permitted. The persons receiving the largest number of votes shall be elected. A vote for a Director nominated may be cast by a member by mall on a ballot forwarded by the Board to the member at least five (5) days prior to the annual meeting, provided such a ballot is received by the Board or the Secretary prior to or at the annual meeting. A member not personally present at the meeting but who has so cast his ballot shall be counted as present at the meeting for quorum purposes

ARTICLE VIII. POWERS AND DUTIES OF THE BOARD OF DIRECTORS

SECTION 2. DUTIES. It shall be the duty of the Board of Directors to:

1. Cause to be kept a complete record of all its acts and corporate affairs;
2. Delegate powers to committees, officers or employers and supervise all officers, agents, and employees of the association and to see that their duties are properly performed;
3. As more fully provided herein, and in the Restated Declaration:
    1. Send written notice of each increase in regular assessment or imposition of special assessment to every Owner subject thereto within thirty (30) to sixty (60) days before the increase or assessment becomes due;
    2. In Its discretion, foreclose a recorded lien against any properties for which assessments are at least sixty (60) days delinquent, or to bring an action at law against the Owner personally obligated to pay the same;
4. Issue, or to cause an appropriate officer to issue, upon demand by any person or entity entitled to receive that information, a certificate setting forth whether or not any assessment has been paid. The Board for the Issuance of these certificates may make a reasonable charge. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

5. Procure and maintain adequate liability, hazard, and other risk insurance on property owned by the Association; and errors and omissions insurance on Board members;
6. Cause the Common Area and utility laterals to be maintained as provided more fully in the Restated Declaration;
7. Cause all taxes and assessments against the property of the Association that are or could become a lien on the Common Area to be paid when due.

Section 3. FINANCIAL REPORTING. The Board of Directors shall fulfill the annual financial reporting requirements of Civil Code by distributing to all members:

Section 3.2. (Audit) Review. A (audit) review of the financial statement of the Association which is prepared in accordance with generally accepted accounting **principles** by a licensee of the California State Board of Accountancy for any fiscal year in which the gross income to the Association exceeds **the amounts required under Civil Code Section 5305 or the like** must be distributed within 120 days after the close of each fiscal year to all members of the Association.

ARTICLE XIII. AMENDMENTS

These Amended Bylaws may be amended, at a regular or special meeting of the members, or by written ballot, **electronic written ballot** or by approval of a majority of a quorum (as set forth in Article 4, Sections 1 and 2) of members of the Association. If amended, the new bylaws are required to be recorded with the state of California, County of Orange before they are placed in effect.

ARTICLE XV. RECORD DATE

Only persons who are owners of record as of the date and time of any meeting shall be entitled to vote at that meeting. In a written ballot **or electronic ballot** campaign, the date of record for voting purposes is the date the ballots are first due to be returned to the Association.