

AMENDED BYLAWS
of
SUMMERLAND BY THE SEA
A California Nonprofit Corporation

ARTICLE I

OFFICES

The office of the Corporation shall be located at 2155 Ortega Hill Road, Summerland, California, which is the address of the mobile home park owned and operated by the Corporation. The Corporation may also maintain offices at such other places within the United States as the Board of Directors may, from time to time, determine.

ARTICLE II

MEMBERS

Section 1 - Member Qualifications:

(a) Original members of the Corporation are those persons who were members at the time of adoption of these Amended Bylaws and are listed in Exhibit A. Original members shall continue to be members so long as they continue to qualify under Article II, Section 2, below.

(b) Any adult person who is a "qualifying resident" or "senior citizen" or who is a "qualified permanent resident" as defined by Civil Code S 53.3(c), shall be eligible for membership.

(1) "Qualifying resident" or "senior citizen" means a person who is 55 years of age or older.

(2) "Qualified permanent resident" means a person who meets the following requirements:

(a) Was residing with the qualifying resident prior to death, hospitalization, prolonged absence of, or dissolution of marriage with, the qualifying resident.

(b) Was 45 years of age or older, or was the spouse, cohabitant, or person providing primary physical or economic support to the qualifying resident.

(c) Has an ownership interest in, or is in expectation of acquiring an interest in the mobile home within the park. In the event that title to a mobile home is held by a trust, the trust shall be deemed the owner as the term is used in these bylaws and the occupant of the mobile home shall be the tenant as the term is used in these bylaws. The trust shall also be a member of the Corporation provided that the occupant of the mobile home (the life beneficiary of the trust entitled to occupy the mobile home) meets the qualifications for membership otherwise required: The occupant shall be a "qualifying resident", a "senior citizen", or a "qualified permanent resident" as these terms are used in the leases and bylaws.

Section 2 - Requirements or Membership: Any adult person qualifying under Article II, Section I shall be eligible for membership. provided he or she:

- (a) Is a tenant of Summerland By The Sea Mobile home Park ("the park") under a written occupancy agreement. "Tenant" for purposes of membership does not include subtenants.
- (b) Is accepted for membership by the Board of Directors or their appointed representative.
- (c) Complies with all other provisions of these Bylaws (including payment of any membership fees) and the rules and regulations of the mobile home park

Section 3 - Membership fees: Each member shall pay a membership fee and periodic dues and assessments. in such amounts and at such times as shall be determined by the Board of Directors.

Section 4 - Membership Right: Members shall be entitled to one vote for each space occupied under a written occupancy agreement. When more than one person holds a tenancy interest in any space, all such persons shall be members. The vote for each such space shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any space. If more than one of the members holding a tenancy interest in any space attempts to exercise any right or privilege of membership, including the casting of a vote, contrary to or inconsistent with the act or vote of another such person. then the membership shall not be deemed to have exercised such right or privilege or cast such vote at all.

ARTICLE III

MEETING OF MEMBERS

Section 1- Annual Meetings: The annual meeting of the members of the Corporation shall be held on the third Saturday in March of each year, for the purpose of electing directors, and transacting such other business as may properly come before the meeting. However, the annual meeting date may be changed by the shareholders from time to time, subject to applicable law.

Section 2 - Special Meetings: Special meetings of the members may be called at any time by the Board of Directors, the Chairman of the Board, the President or by members representing at least 5% of the total voting power of the membership.

Section 3 - Place of Meetings: All meetings of members shall be held within the mobile home park or at such other place as shall be designated in the notices or waivers of notice of such meetings. If a place other than within the mobile home park is designated, it shall be as close to the mobile home park as possible. Unless unusual conditions exist, members meetings shall not be held outside of Santa Barbara County.

Section 4 - Notice of Meetings:

- (a) Except as otherwise provided by statute, written notice of each meeting of the members (whether annual or special) stating the date, time and place of meeting, shall be given not less than ten or more than 90 days before the meeting to each member entitled to vote at such meeting and to any other member to whom the giving of notice may be required by law. Notice shall be given by first-class, registered, or certified mail or by personal delivery. Notice shall be mailed to each member at his or her address as it appears on the records of the Corporation, unless a member shall have previously filed with the secretary of the Corporation a written request that notices intended for him or her be mailed to some other address, in which case it shall be mailed to the address designated in that request.
- (b) Notice of a special meeting shall state the general nature of the business to be transacted, and no other business may be transacted at such special meeting.
- (c) Notice of a special meeting shall state the matters which the person or persons called the meeting intend to present for action by the members, but any business proper according to statute may be conducted at such meeting. The notice of any meeting at which directors are to be elected shall include the names of nominees which the Board of Directors intends to present for election. Notice shall be given in the same manner as notice of regular meetings.

Section 5 - Members Entitled to Vote: The Board of Directors may fix, in advance, a date as the record date for the purpose of determining the members entitled to vote at any meeting of members. Such record date shall not be more than 90 nor less than ten days before the date of the meeting. If no record date is fixed, members at the close of business on the business day preceding the day on which notice is given (or, if notice is waived, at the close of business on the business day preceding the day on which the meeting is held) are entitled to vote at a meeting of members. A determination of members entitled to vote at a meeting of members shall apply to any adjournment of the meeting unless the Board of Directors fixes a new record date for the adjourned meeting.

Section 6 - Waiver of Notice:

- (a) The transactions of any meeting of members, either annual or special, however called and noticed and wherever held, shall be as valid as though they were taken at a meeting held after regular call and notice, if a quorum is present either in person or by proxy, and if each person entitled to vote who was not present in person or by proxy, either before or after the meeting, signs a written waiver of notice of a consent to holding the meeting or an approval of the minutes of the meeting. All waivers, consents, and approvals shall be filed with the Corporate records or made a part of the minutes of the meeting. The waiver of notice, consent or approval need not specify either the business to be transacted or the purpose of the annual or special meeting of the members, except as provided in subsection (c) below.

(b) A member's attendance at a meeting also constitutes a waiver of notice of that meeting, unless the member at the beginning of the meeting objects to the transaction of any business on the ground that the meeting was not lawfully called or convened. Attendance at a meeting does not, however, constitute a waiver of any right to object to consideration of matters required by law to be included in the notice of the meeting which were not so included, if that objection is expressly made at the meeting.

(c) Unanimous approval by those entitled to vote shall be required as to those matters designated by California Corporations Code section 7511(f), unless the general nature of the action approved by the members was stated in the notice of meeting or is stated in the waiver of notice. These actions include the following:

- (1) Removal of a director (Corp. Code S 7222);
- (2) Election of a director to fill a vacancy created by removal (Corp. Code S 7224);
- (3) Approval of a Corporate transaction in which a director has a material financial interest (Corp. Code S 7233);
- (4) Amendment of the Articles of Incorporation (Corp. Code S 7812);
- (5) Dissolution of the Corporation (Corp. Code S 7812); and
- (6) Adoption of a plan of distribution of assets upon liquidation (Corp. Code S 8719).

Section 7 - Quorum:

(a) Except as otherwise provided in the Articles of Incorporation or these Bylaws, the presence at the commencement of a meeting of the members holding in person or by proxy, at least one-third of the total voting power of the membership shall be necessary and sufficient to constitute a quorum for the transaction of any business.

(b) The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, whether or not a quorum remains present, if any action taken (other than adjournment) is approved by a number of votes equal to a majority of the members necessary to constitute a quorum.

(c) In the absence of a quorum at the commencement of a meeting of the members, a majority of those present in person or by proxy may adjourn the meeting to another time, but may not transact any other business. An adjournment for lack of a quorum shall be to a date not less than five days or more than 30 days from the original meeting date.

Section 8 - Adjournment: Any members' meeting, annual or special, may be adjourned from time to time by majority vote of the members present, (whether or not a quorum is present), either in person or by proxy, at the time of adjournment. When any members' meeting is adjourned, notice of the adjourned meeting need not be given if the time and place are announced at the meeting which is adjourned. No meeting may be adjourned for more than 30 days. If after the adjournment a new record date is fixed for the adjourned meeting, notice of the adjourned meeting shall be given to each member of record entitled to vote at such meeting, according to the provisions of these Bylaws pertaining to notice of members' meetings.

Section 9 - Voting:

(a) A vote of a majority of the members entitled to vote and present in person or by proxy at a members' meeting at the time a vote is taken shall be sufficient to take any corporate action to be taken by a vote of the members unless the vote of a greater number is required by law, the Articles of Incorporation, or these Bylaws. Any such majority vote must, however, constitute a majority of the number required for a quorum.

(b) Members may cast only one vote for each space occupied. When more than one person holds a tenancy in any space, the vote for such space shall be exercised as they among themselves determine. If more than one of the persons holding a tenancy in any space attempts to cast a vote, then if the vote of any such person is inconsistent with the vote of any other such person, the members who are tenants of that space shall not be deemed to have voted at all.

(c) Each member entitled to vote may do so by proxy; provided, however, that the instrument authorizing such proxy to act shall have been executed in writing by the member, or by his or her attorney in-fact. No proxy shall be valid after the expiration of 11 months from the date of its execution. unless the person executing it shall have specified therein the length of time it is to continue in force, in which case the maximum duration shall be three years. Such instrument shall be filed with records of the corporation.

Section 10 - Action Taken Without A Meeting:

(a) Unless otherwise provided by statute, the Articles of Incorporation, or these Bylaws, any action that may be taken at any meeting of the members, including election of directors, may be taken without a meeting if;

- (1) the written ballot of every member entitled to vote is solicited,
- (2) the required number of signed approvals. setting forth the action so taken. is received.
- (3) the number of ballots cast within the time period specified equals or exceed the quorum required to be present at a meeting authorizing the action, and
- (4) the number of approvals equals or exceeds the number of votes that would be required to approve at a meeting at which the total number of votes cast was the same as the number of ballots cast.

(b) Ballots shall be solicited in a manner consistent with the provisions above respecting notices of members' meetings. All solicitations shall indicate the number of responses needed to meet the quorum requirement and, with respect to ballots other than for the election of directors, shall state the percentage of approvals necessary to pass the measure submitted. The solicitation must specify the time by which the ballots must be received in order to be counted.

(c) All ballots shall be filed with the Secretary of the Corporation and shall be maintained in the corporate records. Any member who has cast a written ballot may revoke it by a writing received by the Secretary of the Corporation before the number of ballots required to authorize the proposed action has been filed with the Secretary.

(d) The Board of Directors may fix, in advance, a date as a record date for the purpose of determining the members entitled to cast written ballots (California Corporations Code section 7513). Such record date shall not be more than 60 days before the day on which the first written ballot is mailed or solicited. if no record date is fixed, persons who are members on the last business day before the day the first written ballot is mailed or solicited, and who are otherwise eligible to vote, are entitled to cast written ballots.

ARTICLE IV
BOARD OF DIRECTORS

Section 1- Number. Election and Term of Office:

- (a) The authorized number of the directors of the Corporation shall be five. An amendment reducing the authorized number of directors to less than five cannot be adopted if the members voting against its adoption, or not consenting by written consent, constitute in the aggregate more than one-sixth of the total voting power of the membership.
- (b) Except as otherwise provided by statute, the Articles of Incorporation or these Bylaws, the directors (who need not be members of the Corporation) shall be elected by vote of the members, as defined in section 9 of Article III
- (c) Nominations for directors shall be made by the Board of Directors or by a nominating committee appointed by the Board. Nominations may also be made from the floor of a meeting at which directors are to be elected. The Board of Directors or nominating committee may make as many nominations for election to the Board as it desires, but not less than the number of vacancies to be filled.
- (d) Voting for directors shall be by secret written ballot.
- (e) Terms of office of the directors shall either be concurrent or staggered on a three-two basis, as determined by the Board of Directors.
- (f) Each director shall hold office until the first annual meeting of the members after his or her election, and until a successor is elected and qualified, or until his or her prior death, resignation or removal.

Section 2 - Duties and Powers: The Board of Directors shall be responsible for the control and management of the affairs, property and interests of the Corporation, and may exercise all powers of the Corporation, except those expressly conferred upon or reserved to the members in the Articles of Incorporation, these Bylaws or any statute.

Section 3 - Annual and Regular Meetings; Notice:

- (a) A regular annual meeting of the Board of Directors shall be held immediately following the annual meeting of the members, at the place of such annual meeting of the members.
- (b) The Board of Directors, from time to time, may provide by resolution for the holding of other regular meetings of the Board of Directors, and may fix the time and place thereof
- (c) Notice of any regular meeting of the Board shall not be required, unless the Board has changed the time or place of a regular meeting, in which case notice shall be given (in the manner specified for notice of special meetings) to any director not present at the meeting at which the time and place were changed.

Section 4 - Special Meeting; Notice:

- (a) Special meetings of the Board of Directors shall be held whenever called by the President or any two directors, at such time and place as may be specified in the notices or waivers of notice thereof.
- (b) Except as otherwise required by statute, notice of special meetings shall be mailed directly to each director, addressed to his or her residence or usual place of business, at least four days before the day on which the meetings is to be held, or shall be sent to him or her at such place by telegram or cable or delivered to him or her personally or given to him or her orally, not later than 48 hours before the day on which the meeting is to be held. A notice or waiver of notice need not specify the purpose of the meetings, nor need it specify the place of meeting if the meeting is to be held at the mobile home park.
- (c) Notice of any special meeting shall not be required to be given to any director who (i) either before or after the meeting signs a waiver of notice or consent to holding the meetings, or (ii) signs approval of the minutes of the meeting, or (iii) attends the meeting without protesting the lack of notice before or at the beginning of the meeting. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 5 - Chairman: At all meetings of the Board of Directors, the Chairman of the Board, if any and if present, shall preside. If there is no Chairman; or if he or she is absent, then the President shall preside, and in the President's absence, a chairman chosen by the directors shall preside.

Section 6 - Quorum and Adjournments:

- (a) At all meetings of the Board of Directors, a majority of the authorized number of directors shall be necessary and sufficient to constitute a quorum for the transaction of business.

(b) Except as otherwise provided by statute, by the Articles of Incorporation, or by these Bylaws, the action of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board of Directors, subject, however, to the provisions of Corporations Code Section 7233 (relating to transactions in which a director has a financial interest), section 7212 (e) (relating to indemnification). A meeting at which a quorum is initially present may continue to transact business, if any action taken is approved by at least a majority of the required quorum for that meeting. Any action authorized, in writing, by all of the directors entitled to vote thereon and filed with the minutes of the Corporation shall be the act of the Board of Directors with the same force and effect as if the same had been passed by unanimous vote at a duly called meeting of the Board of Directors.

Section 8 - Vacancies: Any vacancy in the Board of Directors occurring by reason other than removal shall be filled for the unexpired portion of the term by a majority vote of the remaining directors, even though less than a quorum, at any regular meeting or special meeting of the Board of Directors called for that purpose. Any vacancy on the Board occurring by reason of the removal of a director (as provided in sections 7221 and 7224 of the California Corporations Code) may be filled only by act of the members, as provided in Article III. sections 9 and 10. The members may elect a director at any time to fill a vacancy not filled by the Board of Directors.

Section 9 - Resignation: Any director may resign at any time by giving written notice to the Board of Directors, the President or the Secretary of the Corporation. Unless otherwise specified in such written notice, the resignation shall take effect upon receipt of notice by the Board of Directors or such officer.

Section 10 - Removal:

(a) Subject to the provisions of subsection (b), any director may be removed with or without cause at any time by the vote of members representing at least a majority of the voting power of the membership, and may be removed for cause, as defined by California Corporations Code section 7221, or its successor, by action of the Board of Directors.

(b) Unless the entire Board of Directors is removed by a vote of members, no director shall be removed (except for cause) prior to the expiration of his or her term of office if the votes cast against removal would be sufficient to elect him or her if voted cumulatively at an election at which the same total number of votes were cast and the entire number of directors authorized at the time of the most recent election of directors were then being elected.

Section 11 - Salary: No salary shall be paid to directors for their services, but by resolution of the Board of Directors a fixed sum and expenses of attendance may be allowed for attendance at each regular or special meeting of the Board; provided, however, that nothing herein contained shall be construed to preclude any director from serving the Corporation in any other capacity and receiving compensation therefor.

Section 12 - Conflicts of Interest:

(a) No transactions between the Corporation and one of its directors, or between the Corporation and any corporation, firm or association in which one of its directors has a material financial interest, is void or voidable because such director, corporation, firm or association is a party to the transaction, or because such director is present at the meeting at which the transaction is approved or ratified, if:

(1) The material facts of the transaction and as to the director's interest are fully disclosed or known to the members and the transaction is approved by the members, the shares owned by the interested director, however, not being entitled to vote on such transaction.

(2) The material facts of the transaction as to the director's interest are fully disclosed or known to the Board or committee, and the Board or committee approves or ratifies the transaction by a vote sufficient without counting the vote of the interested director, but a transaction approved according to the provisions of this subparagraph (2) must also be just and reasonable to the Corporation at the time it is authorized or ratified.

(3) The person asserting the validity of the transaction sustains the burden of proving that the transaction was just and reasonable as to the Corporation at the time it was authorized, approved or ratified.

b) A mere common directorship does not constitute a material financial interest within the meaning of this section.

(c) An interested or common director may be counted toward the presence of a quorum at a meeting of the Board or of a committee thereof which approves or ratifies a transaction.

(d) No transaction between the Corporation and a corporation, firm or association of which a director is also a director of the Corporation shall be void or voidable because such common director is present at the meeting at which such transaction is approved or ratified if

(1) The material facts of the transaction and the existence of the common directorships are disclosed or known to the Board or committees, and the Board or committee approves or ratifies such transaction without counting the vote of the common director.

(2) The transaction is approved by the members of the Corporation; or

(3) The transaction is just and reasonable to the Corporation at the time it is authorized, approved or ratified.

(e) Nothing in this Section shall be construed to invalidate any contract or transaction otherwise valid under law.

Section 13 - Committees: The Board of Directors, by resolution adopted by a majority of the directors, may from time to time create one or more committees, each consisting of two or more directors, to serve

at the pleasure of the Board. A committee may be granted any or all of the authority of the Board of Directors, except with respect to any authority reserved by law to the Board of Directors or the members. Specifically, the Board may not grant to any committee the following powers:

- (a) The approval of any action which by the terms of the Articles of Incorporation, these Bylaws, or the California Corporations Code, also requires approval of the members;
- (b) The filling of vacancies on the Board or any committee;
- (c) The fixing of compensation of any director for serving on the Board or any committee;
- (d) The amendment or repeal of Bylaws or the adoption of new Bylaws;
- (e) The appointment of other committees of the Board or their members;
- (f) The amendment or repeal of any resolution of the Board that by its terms is not so amendable or repealable;
- (g) The expenditures of corporate funds to support a nominee for director after there are more persons nominated for director than can be elected;
- (h) With respect to any assets held in charitable trust, the approval of any self-dealing transaction, except as otherwise provided by law.

ARTICLE V

OFFICERS

Section 1 - Number, Qualifications, Election and Term of Office:

- (a) The officers of the Corporation shall consist of a President, a Secretary, a Chief Financial Officer, and such other officers (including a Chairman of the Board of Directors, and one or more Vice Presidents) as the Board of Directors may from time to time deem advisable. The Chairman of the Board must be a director. Any other officer may be, but is not required to be, a director. Any two or more offices may be held by the same person, except that the offices of President and Secretary may not be held by the same person.
- (b) The officers shall be elected by the Board of Directors at the regular annual meeting of the Board following the annual meeting of the members.
- (c) Each officer shall hold office until the first annual meeting of the Board of Directors after his or her election, and until a successor shall have been elected and qualified, or until his or her death, resignation or removal.

Section 2 - Resignation: Any officer may resign at any time by giving written notice of such resignation to the Board of Directors, or to the President or the Secretary of the Corporation. Unless otherwise specified in such written notice, such resignation shall take effect upon its receipt, and shall not prejudice the rights of the Corporation under any contract to which the officer is a party.

Section 3 - Removal: Any officer may be removed, either with or without cause, and a successor elected by a majority vote of the Board of Directors at any time.

Section 4- Vacancies: A vacancy in any office by reason of death, resignation, inability to act, disqualification, or any other cause. may at any time be filled for the unexpired portion of the term by a majority vote of the Board of Directors.

Section 5 - Duties of Officers: Officers of the Corporation shall, unless otherwise provided by the Board of Directors, each have such powers and duties as generally pertain to their respective offices as well as such powers and duties as may be set forth in these Bylaws, or may from time to time be specifically conferred or imposed by the Board of Directors. The President shall be the chief executive officer of the Corporation.

Section 6- Sureties and Bonds: In case the Board of Directors shall so require, any officer, employee or agent of the Corporation shall execute to the Corporation a bond in such sum, and with such surety or sureties as the Board of Directors may direct, conditioned upon the faithful performance of his or her duties to the Corporation, including responsibility for negligence and for the accounting for all property, funds or securities of the Corporation which may come into his or her hands.

ARTICLE VI

MAINTENANCE AND INSURANCE

Section 1 - Maintenance: The Corporation shall maintain or provide for the maintenance of all property owned by it, and all improvements of whatever kind including recreational facilities, utility laterals, fences, walls or any other structures outside the individual mobile homes located on the property, in good order and repair. The maintenance obligations of the Corporation shall include all necessary landscaping and gardening outside of the individual space boundaries.

Section 2 - Fire & Casualty Insurance: The Corporation shall acquire, maintain and pay for a blanket policy or policies of fire insurance with extended coverage endorsement for at least the full insurable replacement value of the improvements to the Corporation's real property. Such policy or policies shall be placed with generally recognized insurance companies licensed to do business in California.

Section 3 - Liability Insurance: The Corporation shall acquire, maintain and pay for a comprehensive general liability policy or policies insuring the Corporation, the Board of Directors, managing agent and any other contracted agency against liability arising out of the activities of the Corporation, its officers, directors, agents and employees, or out of the ownership, maintenance and operation of the property owned by the Corporation, in an amount of not less than \$250,000 for anyone person injured; \$500,000 for any one occurrence; and \$50,000 for any property damage for anyone occurrence. Such policy or policies shall be placed with generally recognized insurance companies licensed to do business in California.

Section 4 - Other Insurance; The Corporation shall acquire, maintain and pay for such other insurance as may be required by law or which the Board of Directors may deem desirable to maintain for the benefit of the Corporation and its members.

ARTICLE VII

FISCAL YEAR

The fiscal year of the Corporation shall be one ending on December 31 of each year. However, the fiscal year may be changed by the Board of Directors from time to time, subject to applicable law.

ARTICLE VIII

ANNUAL REPORT TO MEMBERS

Section 1 - Right to Copy; An annual report shall be prepared, as required by Corporations Code section 8321. The chief financial officer shall notify each member yearly of the member's right to receive a copy of the annual report. Upon written request of a member, the Board of Directors shall promptly cause a copy of the most recent annual report to be sent to the requesting member.

Section 2 - Contents; The annual report shall be prepared not later than 120 days after the close of the Corporation's fiscal year. The report shall contain in appropriate detail the following:

- (a) A balance sheet as of the end of the fiscal year and an income statement and statement of changes in financial position for such fiscal year.
- (b) A state of the place where the names and addresses of the current members are located.
- (c) An audit report on the financial statements prepared by independent accountants, or if there is no such report, a certificate of an authorized officer of the Corporation that such statements were prepared without audit from the books and records of the Corporation.
- (d) Any other information required by California Corporations Code Sections 8321-8322 or any other statute.

ARTICLE IX

CORPORATE SEAL

The Corporate seal, if any, shall be in such form as shall be approved, from time to time by the Board of Directors.

ARTICLE X

AMENDMENTS

Section 1 - By Members; All Bylaws of the Corporation shall be subject to alteration or repeal, and new Bylaws may be made, by the affirmative vote of members representing at least a majority of the voting

power of the membership; provided, however, that the percentage of voting power necessary to amend a specific clause or provision shall not be less than the percentage prescribed for action to be taken under that clause.

Section 2 - By Directors: The Board of Directors shall have power to make, adopt, alter, amend and repeal Bylaws of the Corporation; provided, however, that such power is subject to the powers of members as set forth in California Corporations Code sections 7151 and 7220 (relating to the voting of members); 7613 (relating to proxy rights); and 7615 (relating to cumulative voting). If any Bylaw regulating an impending election of directors is adopted, amended or repealed by the Board of Directors, there shall be set forth in the notice of the next meeting of members for the election of directors, the Bylaw so adopted, amended or repealed, together with a concise statement of the changes made.

ARTICLE XI

INDEMNITY

The Corporation shall, to the maximum extent permitted by the California Mutual Benefit Corporations Law, indemnify each of its agents against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any proceeding arising by reason of the fact that any such person is or was an agent of the Corporation, and shall have powers to advance to each such agent expenses incurred in defending any such proceeding to the maximum extent permitted by that law. For purposes of this Article, an "agent" of the Corporation includes any person who is or was a director, officer, employee, or other agent of the Corporation, or is or was serving at the request of another corporation, partnership, joint venture, trust, or other enterprise, or was a director, officer, employee, or agent of a corporation which was a predecessor corporation of the Corporation or of another enterprise serving at the request of such predecessor corporation.

ARTICLE XII

TERMINATION OF MEMBERSHIP

(a) It is the intent of this section to set forth a procedure for expulsion or suspension from membership in the Corporation which will comport with the "fair and reasonable" standard mandated by California law.

(b) Violation of any of the provisions of these Bylaws, the written occupancy agreement, or the rules and regulations of the mobile home park shall be grounds for expulsion or suspension.

(c) Each member subject to expulsion or suspension shall be given written notice of the expulsion or suspension at least 15 days prior to the date upon which the expulsion or suspension is effective. The

notice must state the reasons for which the action is being taken. Such notice must be delivered personally, by telegraph, or by first class, certified or registered mail, postage prepaid, addressed to the member at his last address shown in the corporate records.

(d) At least five days prior to the effective date of the expulsion or suspension, the member must be given an opportunity to be heard by the Board of Directors. Such hearing may be oral or in writing, as designated by action of the board. A majority of the Board shall determine whether to impose the proposed suspension or expulsion. The right to a hearing before the Board is by the affected member unless the member's written request for hearing is received by the Secretary of the Corporation not less than seven days prior to the effective date of the suspension.

THESE AMENDED BYLAWS WERE ADOPTED
BY WRITTEN BALLOT OF THE MEMBERS;
EFFECTIVE NOVEMBER 21, 1996