

BYLAWS

Corona Highlands Property Owners Association, Inc. (A Non-Profit Mutual Benefit Corporation)

PROPOSED AMENDMENT TO THE BY-LAWS.

Subject to Membership approval

NOTICE OF SPECIAL MEMBERSHIP MEETING

Notice is hereby given that a Special Meeting of the Members of the Corona Highlands Property Owners Association, Inc. (“Association”) will be held:

Date: April 22, 2026

Time: 6:30 pm

Location: Oasis Senior Center, 801 Narcissus Ave., Corona del Mar, CA. (large conference Room 2ab)

The purpose of this meeting is to vote upon the following proposed amendment to the Bylaws of the Association.

MEMBER SUMMARY OF PROPOSED CHANGES

The proposed amendments:

1. **Establish a flexible Board size of 5 to 9 Directors**
2. **Increase Board spending authority to \$20,000 per item**
3. **Clarify officer titles and succession structure**
4. **Confirm that the Architectural Review Committee operates under Board authority**

These changes do not alter property rights or assessment authority. They clarify governance structure and operational authority.

Article I – Purpose and Intent

The principal purpose, object, and aim of the Association shall be the protection and improvement of private and public property within Tract 1237, and the implementation, interpretation, and enforcement of the covenants, conditions, restrictions, provisions, and charges contained in that certain Declaration Concerning Restrictions and Improvements recorded in Book 1837, Page 452 of the Official Records of Orange County, California (the “Declaration”).

Article II – Corporate Powers

The corporate powers of the Association shall be vested in a Board of Directors consisting of not fewer than five (5) nor more than nine (9) Directors, each of whom shall be a member of the Association in good standing.

Article III – Office

The Association shall maintain its principal office in the County of Orange, State of California, but may have offices and transact business at such other places as the Board of Directors may from time to time determine.

Article IV – Board of Directors

A. Composition, Election, and Vacancies

1. The Board of Directors shall consist of not fewer than five (5) nor more than nine (9) Directors. Five (5) Directors shall serve as the duly elected officers of the Association. All Directors shall serve without compensation.
2. The quorum requirement for meetings of the Board of Directors shall be determined by the size of the Board then in office. When the Board consists of five (5) Directors, the presence of three (3) Directors shall constitute a quorum.
3. Directors shall be elected at the annual meeting of the Association held in the first quarter of the year. The top vote-getters, not to exceed nine, shall be elected as directors.

4. Any vacancy on the Board of Directors, whether resulting from resignation, removal, death, or otherwise, shall be filled by the remaining Directors, even if less than a quorum. A Director so appointed shall serve until a successor is duly elected.
5. Any Director or officer may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. Such resignation shall take effect upon receipt unless a later time is specified.

B. Powers and Duties of the Board

1. The Board of Directors shall have the power to call special meetings of the Association whenever it deems necessary and shall call a special meeting upon the written request of 10% of members of the Association in good standing.
2. The Board shall have the power to appoint and remove, at its discretion, all agents and employees of the Association, prescribe their duties, and fix their compensation.
3. The Board shall have the power to conduct, manage, and control the affairs and business of the Association and to adopt rules, regulations, and policies consistent with California law and the Association's governing documents.
4. Pursuant to the California Nonprofit Mutual Benefit Corporation Law and these Bylaws, all architectural review and enforcement authority of the Association shall be exercised by or under the direction of the Board of Directors (the "Board"). The Board retains final authority over the interpretation and application of the architectural provisions of the Declaration.
5. Committees of the Board, including the Architectural Review Committee, shall have no authority independent of the Board unless expressly delegated by written resolution of the Board.

C. Board Authority to Incur Indebtedness

1. The Board of Directors may incur indebtedness on behalf of the Association in an amount not to exceed Twenty Thousand Dollars (\$20,000) per item without prior approval of the membership. The terms of such indebtedness shall be recorded in the minutes and executed by the President and Secretary.
2. Any indebtedness incurred without prior approval shall be submitted to the membership for ratification at the next duly called meeting. Any indebtedness exceeding Twenty Thousand Dollars (\$20,000) per item shall require prior approval of the membership.

At no time shall the Board incur indebtedness in excess of funds on deposit in the Association's bank accounts.

D. Committees

Architectural Review Committee

1. The Board of Directors may establish an Architectural Review Committee ("ARC") as a standing committee of the Association. Members of the ARC shall be appointed and removed by the Board. The ARC shall perform such duties and exercise such authority as may be delegated by the Board, subject at all times to the direction and control of the Board and the provisions of the Declaration.
2. The Board is authorized to adopt, amend, and repeal written Architectural Review Procedures and Interpretive Guidelines ("Guidelines") to implement and administer the architectural provisions of the Declaration. Such Guidelines may address, among other matters:
 - Application submittal requirements and review procedures;
 - Documentation, surveys, story poles, and professional review reasonably necessary to evaluate compliance;
 - Notice to neighboring property owners for informational purposes;
 - Methodologies for interpreting height, grade, and story limitations set forth in the Declaration;
 - Administrative fees reasonably related to the cost of review.

E. Effect and Limitation of Guidelines

The Interpretive Guidelines, when adopted by resolution of the Board, shall constitute official policies of the Association governing the administration of architectural review. The Guidelines shall be binding upon all applicants seeking architectural approval as procedural and interpretive instruments implementing the Declaration.

In the event of any conflict between the Guidelines and the Declaration, the Declaration shall control.

F. Condition Precedent to Construction

Submission of plans and receipt of written approval from the Association, acting through the Board or the ARC on behalf of the Board, shall be a condition precedent to the commencement of any construction, alteration, or exterior modification subject to the architectural provisions of the Declaration.

G. Enforcement

Any enforcement action, remedy, or penalty imposed by the Association shall arise from a violation of the Declaration as determined by the Board. Failure to comply with the architectural review process established by the Board may constitute evidence of a violation of the Declaration but shall not, standing alone, create an independent restriction.

Article V – Officers

The officers of the Association shall be a President, First Vice President, Second Vice President, Secretary, and Treasurer. All officers shall be Directors of the Association and shall be elected at the annual meeting.

Article VI – President

The President shall preside at all meetings of the Association and the Board of Directors, execute approved contracts on behalf of the Association, and perform such other duties as may be assigned by the Board. The President shall draw checks upon the Association treasury when directed by the Board.

Article VII – Vice Presidents

1. In the absence or incapacity of the President, the First Vice President shall assume the duties and powers of the President.
2. In the absence or incapacity of both the President and First Vice President, the Second Vice President shall assume such duties and powers.

Article VIII – Secretary

The Secretary shall keep accurate records of meetings of the Association and the Board of Directors and maintain Association records as required by law.

Article IX – Treasurer

The Treasurer shall serve as chief financial officer of the Association and oversee the financial affairs of the Association. The Treasurer shall ensure that accurate books and records of account are maintained and that financial reports are presented to the Board of Directors in accordance with the Association's governing documents and applicable law.

The Board may retain a professional property management company to perform accounting and financial functions under the Treasurer's oversight. Delegation of such functions shall not relieve the Treasurer or the Board of fiduciary responsibility.

Article X – Nominating Committee

A Nominating Committee of three (3) qualified members shall be appointed by the Board prior to the annual meeting to present a slate of candidates. Floor nominations shall not be precluded.

Article XI – Meetings of the Association

State of the Association Meeting

1. **State of the Association Meeting.** The Association shall hold a State of the Association Meeting at least once every three (3) years, to be conducted during the first quarter of the calendar year at a date, time, and location determined by the Board of Directors. The State of the Association Meeting may be held in conjunction with the Annual Meeting of the Members.
2. **Notice.** Notice of meetings shall be given not less than seven (7) days in advance by electronic mail or U.S. Mail.
3. **Quorum.** One-fifth (1/5) of the qualified voting members, present in person or by proxy if permitted, shall constitute a quorum at the State of the Association Meeting.
4. **Voting.** A majority of votes cast at a meeting with a quorum present shall be sufficient to approve Association business unless otherwise required by law or the governing documents.
5. There will be no quorum requirement for Director elections.

Article XII – Membership

1. One (1) voting membership shall be issued for each of the member owners in good standing within Tract 1237.

2. Membership is voluntary and shall remain valid only while dues are current. Delinquency beyond thirty (30) days shall result in automatic lapse.
3. Reinstatement may occur upon payment of all delinquent dues.
4. Neither members nor Directors shall be personally liable for Association obligations.
5. The fiscal year for the Association begins April 1 of each calendar year.

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Adopted by the membership of the Corona Highlands Property Owners Association, Inc. on April 22, 2026 in accordance with the Bylaws.

Know all men by these presents: That we, the undersigned, being all of the Directors of Corona Highlands Property Owners Association, Inc., hereby assent to the foregoing bylaws and adopt the same as the bylaws of said Association.

Karen Behringer, President

Michael Pilsitz, 1st Vice-President

Paul Taylor, 2nd Vice-President

Maria Forino, Secretary

Mark Paz, Director

Know all men by these presents: That the undersigned secretary of the corporation known as “Corona Highlands Property Owners Association, Inc.” does hereby certify that the above and foregoing bylaws were duly adopted by the members of said corporation that the same do now constitute the bylaws of said corporation.

Maria Forino

Article XIII – Amendments

These Bylaws may be amended by a vote of the Membership at a duly called meeting at which a quorum is present, subject to any higher approval requirements imposed by the Articles of Incorporation, the Declaration, or applicable law.

VOTING PROCEDURE

This amendment is being submitted to the Members for approval by secret ballot in accordance with California Civil Code §5100–5145.

Ballots will be issued on 4/22/2026 at Oasis Senior Center and must be marked and returned by 7:30 pm. that evening. Each member property in good standing may cast one vote. Three independent community members in good standing will count the ballots at the meeting and announce the results to those in attendance.