

AMENDED AND RESTATED BYLAWS
OF
THE CALIFORNIA ASSOCIATION OF COMMUNITY MANAGERS, INC.sm

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FOR AMENDED AND RESTATED BY-LAWS
OF

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AMENDED AND RESTATED BYLAWS

OF

THE CALIFORNIA ASSOCIATION OF COMMUNITY MANAGERS, INC.

ARTICLE I

1. Association Name and Application.

The name of the corporation is THE CALIFORNIA ASSOCIATION OF COMMUNITY MANAGERSsm, hereinafter referred to as "CACMsm." The principal office of CACM shall be located in California. The provisions of these Amended and Restated Bylaws ("Bylaws") are applicable to all Members of CACM. All present and future Members are subject to the regulations set forth in these Bylaws and such rules and regulations as may be adopted by the Board of Directors of CACM. Mere membership in CACM shall signify that these Bylaws are accepted, ratified, and shall be complied with.

ARTICLE II

2. CACM Membership and Voting Rights.

2.1 Membership and Voting Rights. CACM shall have two (2) classes of membership.

(a) Active. Active Members shall be those Members granted Active Membership status by the Board of Directors, pursuant to Section 2.2, below. Only Active Manager Members and Active Certified Community Association Manager Members ("Voting Active Members"), described below, shall have the right to vote and to hold office in CACM. Voting Active Members shall be entitled to one (1) vote on each matter submitted to a vote of the Active Membership. There shall be four categories of Active Membership defined as follows:

(1) Manager. A voting Member actively engaged in Community Association Management who has met the qualification standards established by CACM and who will meet the criteria of a Certified Community Association Manager.

(2) Certified Community Association Manager®. A voting Member who has met the qualification standards established by CACM.

(3) Management Firm Council. A management firm which has met qualification standards established by CACM. Management Firm Council members shall not be entitled to vote or hold office in CACM.

(4) Affiliate Member. An individual or firm, actively engaged in community association industry activities, which desires to be active in CACM, and meets the qualification standards established by CACM. Affiliate Members shall not be entitled to vote or hold office in CACM.

(b) Inactive Member. Inactive Members shall be those Members granted Inactive Status by the Board of Directors of CACM, or the President, to whom the Board may delegate this authority in accordance with such rules and regulations as the Board of Directors may adopt. Inactive Members shall not be entitled to vote or hold office in CACM, and shall not be entitled to attend meetings of the Members.

2.2 Application for Membership. Active Membership may be granted to (i) an individual or (ii) a management firm upon written application to and determination by the Board of Directors, or, as the Board of Directors may designate, the President, that the individual or firm has met all requirements for Active Membership. Minimum criteria for Active Membership status include: (i) subscribing to the Bylaws, the Code of Professional Ethics and Standards of Practice, as developed and adopted by the Board of Directors, and (ii) satisfying such other membership requirements as established by the Board of Directors. In addition to the foregoing, each Member shall agree to abide by decisions reached by the Professional Standards Committee (or, upon appeal, the Ethics Appeal Committee), and upon the request of a client or recommendation of the Professional Standards Committee, agree to mediate and/or arbitrate matters of contract between the Member and the client.

2.3 Duration of Membership and Resignation. Membership in CACM is annual. Membership renewal is contingent upon payment of Membership dues within thirty (30) days of the Membership renewal date established by CACM. Membership in CACM may terminate by voluntary withdrawal or otherwise in accordance with these Bylaws and rules and regulations as adopted by the Board of Directors. All rights, privileges, and interests of a Member in or to CACM, including use of designations, shall cease upon termination of membership. Any Member may withdraw by giving written notice of such intention to the President.

Withdrawals shall be effective upon fulfillment of all financial obligations to CACM through the last day of the current Fiscal Year of CACM.

2.4 Suspension, Termination, and Reinstatement. A Member's membership or membership status may be suspended or terminated, as determined by the Professional Standards Committee, or upon appeal, the Ethics Appeal Committee. Sufficient cause for suspension or termination of membership or membership status shall include, but is not limited to, a violation of (i) these Bylaws, (ii) such rules and regulations as adopted by the Board of Directors, or (iii) the Code of Professional Ethics and Standards of Practice of CACM. Any action to be taken concerning the suspension or termination of a membership or membership status shall be based upon the independent investigation of the Professional Standards Committee together with the examination of such allegations and supporting documentation as the Professional Standards Committee shall deem appropriate. The Member shall then be afforded notice and an opportunity for a hearing, pursuant to the Disciplinary and Appeals Procedures adopted by the Board of Directors. The Professional Standards Committee shall, in its sole discretion, determine the sufficiency of the evidence presented to it, and shall adhere to the Disciplinary and Appeals Procedures. Provided, however, the Professional Standards Committee may, in its discretion, provide such additional procedures as shall be solely intended to protect the interests of any person who is brought before the Professional Standards Committee. It shall conduct such proceeding so as to provide a full and adequate hearing of all allegations. Upon the failure of the Professional Standards Committee to demonstrate good cause as to why the membership or status should be suspended or terminated, such membership or status shall be retained. Notwithstanding the foregoing, upon the presentation of sufficient evidence to, and a showing of good cause by, the Professional Standards Committee, any membership or status may be suspended or terminated, with or without publication, based upon the determination of the Professional Standards Committee. Additionally, any membership or status may be:

- (a) suspended if the Member or holder of the status has been formally charged by legal authorities with having committed a criminal offense arising out of community association management and/or related activities; and,
- (b) terminated if the Member or holder of the status has been convicted of any crime arising out of community association management and/or related activities, or committed an act, or failed to act, resulting in the loss of such Member's legal right to engage in community association activities; and,
- (c) terminated for nonpayment of dues or fees charged by CACM in accordance with Article VII, Section 7.1, hereof. A former Member who has

resigned his/her membership or status before a decision has been made in a pending ethics proceeding may reapply for membership two years after the date of resignation. Any pending ethics proceeding shall be resolved upon re-application for membership.

A decision to terminate membership for any reason other than nonpayment of dues or fees charged by CACM in accordance with Article VII, Section 7.1 hereof shall be published in CACM's Vision magazine and on CACM's website, which is accessible to the public, and that membership may never be reinstated.

2.5 Majority of Quorum. Unless otherwise expressly provided in these Bylaws, any action which may be taken by CACM may be taken by a majority of a quorum of the Voting Active Members of CACM.

2.6 Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of at least twenty-five percent (25%) of the voting power of the voting Active Membership of CACM shall constitute a quorum of the Voting Active Members. The Voting Active Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Voting Active Members to leave less than quorum, if any action taken (other than adjournment) is approved by at least a majority of the Voting Active Members required to constitute a quorum.

2.7 Proxies. Votes may be cast in person or by proxy and all proxies must be in writing. Voting by proxy is not allowed in any election of Directors. Every proxy shall be revocable and shall automatically cease after completion of the meeting for which the proxy was filed. Any form of proxy or written ballot distributed by any Voting Active Member to the Voting Active Members of CACM shall afford the opportunity to specify a choice between approval and disapproval of each matter or group of matters to be acted upon. The proxy or written ballot shall provide that when the Voting Active Member specifies a choice the vote shall be cast in accordance with that choice. The proxy shall also identify the person or persons authorized to exercise the proxy and the length of time it will be valid.

ARTICLE III

3. Administration.

3.1 CACM Responsibilities and Objectives. CACM's objectives shall be determined by the Board of Directors, and may include:

- (a) granting membership status, certifying or accrediting qualified individuals and organizations engaged in the management of community associations,

- (b) establishing a Code of Professional Ethics and Standards of Practice for its membership to encourage professional community association management services offered to the general public,
- (c) evaluating, promoting and requiring educational programs and materials to broaden the knowledge and professional competence of its membership, applicants for membership, and other persons interested in community association management,
- (d) rendering public service to appropriate government officials and bodies by providing advice and counsel in matters regarding the management of community associations,
- (e) encouraging the exchange of ideas and experience within its membership and the public to increase the knowledge and competence of its membership and take such steps as may be approved by the Board of Directors to make available to the public its knowledge, position and views in matters relating to community associations,
- (f) identifying and promoting the professional services offered by CACM's Members,
- (g) bestowing awards and other recognitions upon Members,
- (h) initiating and executing disciplinary proceedings, including without limitation, censure of the member, suspension and termination of membership or membership status in CACM for violations of such rules and regulations or the Code of Professional Ethics and Standards of Practice in accordance with the Disciplinary and Appeals Procedures adopted by the Board of Directors of CACM.

3.2 Place of Meetings of Members. Meetings of the Members shall be held in the principal office of CACM, or such other suitable place as practicable, as may be designated by the Board of Directors.

3.3 Annual Meetings. The annual meetings of the Members shall be held in the first quarter of each year. All Members shall be entitled to attend meetings of Members, however, only Voting Active Members shall be counted towards a quorum and entitled to vote. The Board of Directors shall set the agenda for the annual meeting, and Members may transact such business of CACM as may properly come before them.

3.4 Special Meetings of Members. It shall be the duty of the Chair or the Board of Directors to call a special meeting of the Members, as directed by resolution of a majority of a quorum of the Board of Directors, or upon receipt by the Secretary of a petition signed by Voting Active Members representing at least five percent (5%) of the total voting power of CACM. The notice of any special meeting shall be given within twenty (20) days after adoption of such resolution or receipt of such request or petition and shall state the date, time and place of such meeting and the general nature of the business to be transacted. The special meeting shall be held not less than thirty-five (35) days or more than ninety (90) days after adoption of such resolution or receipt of such request or petition. No business shall be transacted at a special meeting except as stated in the notice.

3.5 Notice; Record Dates. It shall be the duty of the Secretary to send or cause to be sent notice of each annual or special meeting by first-class mail, at least ten (10) but not more than sixty (60) days prior to such meeting, stating the purpose thereof as well as the day, hour and place where it is to be held, to each Member of record. The notice may set forth time limits for speakers. The mailing of a notice, postage prepaid, in the manner provided in this Section, shall be considered notice served, forty-eight (48) hours after such notice has been deposited in a regular depository of the United States mail. Such notice shall be posted in a conspicuous place in the principal office of CACM, and such notice shall be deemed served upon a Member upon posting if no address for such Member has been furnished the Secretary. The Board of Directors may fix a date in the future as a record date for the determination of the Members entitled to notice of any meeting of Members. The record date so fixed shall be not less than ten (10) days or more than sixty (60) days prior to the date of the meeting. If the Board of Directors does not fix a record date for notice to Members, the record date for notice shall be the close of business on the business day preceding the day on which notice is given. In addition, the Board of Directors may fix a date in the future as record date for the determination of the Active Members entitled to vote at any meeting of Members. The record date so fixed shall be not less than ten (10) days or more than sixty (60) days prior to the date of the meeting. If the Board does not fix a record date for determining Members entitled to vote, Members on the day of the meeting who are otherwise eligible to vote are entitled to vote at the meeting.

3.6 Adjourned Meetings. If any meeting of Members cannot be organized because a quorum is not present, a majority of the Voting Active Members who are present, either in person or by proxy, may adjourn the meeting to a time not less than one (1) day nor more than thirty (30) days from the time the original meeting was called, at which meeting the quorum requirement shall be the presence in person or by proxy of the Voting Active Members holding at least fifteen percent (15%) of the voting power of CACM. Such an adjourned meeting may be held without notice thereof as provided in this Article III, provided that notice is given by announcement at the meeting at which such adjournment is taken. If, however, such

an adjourned meeting is actually attended, in person or by proxy, by Voting Active Members having less than twenty-five percent (25%) of the voting power of CACM, notwithstanding the presence of a quorum, no matter may be voted upon except such matters notice of the general nature of which was given pursuant to Section 3.5 hereof. No action by the Voting Active Members on any such matter shall be effective if the votes cast in favor are fewer than the minimum number of votes required by these Bylaws or the rules and regulations adopted by the Board of Directors to approve such an action.

3.7 Order of Business. The order of business at all meetings of the Members may be as follows: (a) roll call to determine the voting power represented at the meeting, (b) proof of notice of meeting or waiver of notice, (c) reading or waiver of reading of Minutes of preceding meeting, (d) annual accrual financial reports, (e) reports of officers, (f) reports of committees, (g) unfinished business; and (h) new business.

3.8 Action Without Meeting. Any action, which may be taken at a meeting of the Members (except for the election of Directors) may be taken without a meeting by written ballot of the Voting Active Members. Ballots shall be solicited in the same manner as provided in Section 3.5 for the giving of notice of meetings to Members. Such solicitations shall specify (a) the number of responses needed to meet the quorum requirements, (b) the percentage of approvals necessary to approve the action, and (c) the time by which ballots must be received in order to be counted. The form of written ballot shall afford an opportunity to specify a choice between approval and disapproval of each matter and shall provide that, where the Voting Active Member specifies a choice, the vote shall be cast in accordance therewith. Receipt within the time period specified in the solicitation of a number of ballots which equals or exceeds the quorum which would be required if the action were taken at a meeting and a number of approvals which equals or exceeds the number of votes which would be required for approval if the action were taken at a meeting at which the total number of votes cast was the same as the total number of ballots cast shall constitute approval by written ballot.

3.9 Consent of Absentees. The transactions of any meeting of Members, either annual or special, however called and noticed, shall be as valid as though conducted at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy, and if, either before or after the meeting, each of the Voting Active Members not present in person or by proxy, signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the Minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the Minutes of the Meeting.

3.10 Minutes, Presumption of Notice. Minutes or a similar record of the proceedings of meetings of Members, when signed by the Chair or Secretary, shall be presumed to truthfully evidence the matters set forth therein. A recitation in the Minutes executed by the Secretary that notice of the meeting was properly given shall be prima facie evidence that such notice was given.

ARTICLE IV

4. Board of Directors.

4.1 Number, Qualifications and Compensation.

(a) The affairs of CACM shall be governed and managed by a Board of Directors, composed of the following:

(1) Voting Active Members. Seventeen (17) Voting Active Members; and

(2) Qualifications. At all times, all Directors must adhere to and uphold these Bylaws, the Code of Professional Ethics and Standards of Practice, and the Board's then-in-effect Governing Policies.

(3) Additional Qualifications. By majority vote of the Directors present at the meeting at which the matter is voted upon, the Board of Directors may establish additional qualifications for Directors.

(b) The authorized number of Directors set forth in these Bylaws may be changed in the following manner:

(1) the Board may vote to change the number of Directors to not less than nine (9) or more than seventeen (17) by a 2/3 majority vote of the Directors present at the meeting at which the matter is voted on. Any change in the number of Directors shall be effective at the next election of Directors. Upon a Director vacancy, the Board may fill a vacancy as defined in Section 4.5 of the Bylaws.

(2) other than as stated above, the number of Directors may be changed only by approval of a majority of a quorum of Voting Active Members.

(c) Compensation and Expenses. Directors shall not receive any salary or compensation for their services as Directors unless such compensation is approved by the vote or written consent of Voting Active Members representing at least one-third (1/3) of the voting power of CACM; provided, however, that (1) nothing herein contained shall be construed to preclude any Director from serving CACM in some other capacity and receiving compensation therefore, and (2) any Director may be reimbursed for actual expenses incurred in the performance of such director's duties.

4.2 Powers and Duties. The Board of Directors has the powers and duties necessary for the administration of the affairs of CACM and may do all such acts and things as are not by law or by these Bylaws directed to be exercised and done by the Voting Active Members.

4.3 Special Powers and Duties. The governing body of CACM is the Board of Directors, which shall have supervision, control and direction of the affairs of CACM. The Board of Directors may adopt such rules, regulations and policies for the conduct of its business as it deems advisable, as may be consistent with law, its Articles of Incorporation, and these Bylaws; and may, in the execution of the powers granted, delegate certain of its authority to the elected officers and directors, board committees and the President, including but not limited to:

(a) The power and duty to select, appoint and remove all officers, agents and employees of CACM, to prescribe such powers and duties for them may be consistent with law, Articles of Incorporation, and these Bylaws; to fix their compensation and to require from them security for faithful service when deemed advisable by the Board.

(b) The power but not the duty to change the principal office for the transaction of the business of CACM from one location to another within the State of California, as provided in Article I hereof; to designate any place within said State for the holding of any annual or special meeting or meetings of Members consistent with the provisions of Article III, Section 3.2 hereof; and to adopt and use a corporate seal and to alter the form of such seal from time to time, as the Board of Directors, in its sole judgment, may deem best, provided that such seal shall at all times comply with the provisions of law.

(c) The power but not the duty to borrow money and to incur indebtedness for the purposes of CACM, and to cause to be executed and delivered therefore, in CACM's name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations or other evidences of debt and securities therefore.

(d) The power and duty to fix and levy from time to time annual dues and fees for membership and/or services, to determine and fix the due date for the payment of such dues or fees, and the date upon which the same shall become delinquent. Should any Member fail to pay such dues or fees before delinquency, the Board of Directors in its discretion is authorized to enforce the payment of such delinquent dues or fees as provided herein.

(e) The power and duty to enforce the provisions of these Bylaws or other agreements of CACM.

(f) The power and duty to contract for and pay for insurance, as the Board of Directors deems reasonably necessary, including without limitation, (i) fidelity bond coverage which names CACM as an obligee for any person or entity handling funds of CACM, including, but not limited to officers and Directors, (ii) errors and omissions insurance covering Directors and officers of CACM, and (iii) directors and officers liability insurance.

(g) The power and duty to contract for and pay for maintenance, legal, accounting, and for materials and supplies and other expenses related to the operation of CACM, including legal and accounting services.

(h) The power and duty to adopt such rules and regulations, Code of Professional Ethics and Standards of Practice and procedures as the Board of Directors may deem necessary for the management of CACM, which rules and regulations, Code of Professional Ethics and Standards of Practice and procedures shall become effective and binding after (1) they are adopted by a majority of the Board of Directors at a meeting called for that purpose, or by the written consent of the Board of Directors in accordance with Section 4.11, and (2) they are posted in a conspicuous place in the principal office of CACM. Such rules and regulations, Code of Professional Ethics and Standards of Practice and procedures may concern, without limitation, initiation and enforcement of disciplinary procedures against Members, due process notice and hearing procedures, minimum standards of professional conduct and code of ethics, and any other matter within the jurisdiction of CACM; provided however, that such rules and regulations, Code of Professional Ethics and Standards of Practice and procedures shall be enforceable only to the extent that they are consistent with the Articles of Incorporation and these Bylaws. The rules and regulations, Code of Professional Ethics and Standards of Practice and procedures may not be used to amend any of said documents.

(i) The power and duty to keep, or cause to be kept, a complete record of all acts and corporate affairs of CACM and to present a statement thereof to the Active Members at the annual meeting of the Members and at any

other time that such statement is requested by a Member.

(j) The power but not the duty to appoint committees.

4.4 Election and Term of Office.

(a) Election.

(1) Voting Active Members. Pursuant to Section 7513 of the California Corporations Code, Directors shall be elected by the Voting Active Members without a meeting, upon distribution of a written ballot by CACM to every Voting Active Member. The ballot and any related material shall be sent to the Voting Active Members by U.S. Mail or electronic transmission in accordance with Section 20 of the California Corporations Code, and responses shall be returned to CACM by U.S. Mail or electronic transmission in accordance with Section 21 of the California Corporations Code. The ballot shall provide a reasonable time within which to return the ballot to CACM. Election of Directors by U.S. Mail or electronic ballot shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and 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 votes cast by ballot. In any such election, the number of candidates, nominated in accordance with Section (3) below, equal to the number of vacancies receiving the highest number of votes cast shall be declared elected.

(2) Nomination. Members seeking election as Directors shall be nominated only by (i) the Nominating Committee, or (ii) a petition signed by no fewer than five percent (5%) of the Voting Active Members, and delivered to the President no fewer than ninety (90) days in advance of the date which has been set for the election of the Board of Directors. The names of those individuals nominated by the Nominating Committee or nominated by petition shall be reported to the Voting Active Membership no more than sixty (60) but not less than thirty (30) days in advance of the date set for the election of the Board of Directors.

(b) Term and Term Limits. Directors shall serve staggered three (3) year terms, with approximately one-third of the Directors elected each year. No Director may serve more than two (2) consecutive three (3) year terms.

(1) Re-Election After One (1)-Year Absence. Former Directors who have served two (2) consecutive three (3) year terms may seek election to two (2) additional three (3) year terms after a one (1) year absence from the Board.

(2) Appointed Directors. A Director appointed to fill a vacancy, with less than half of the term remaining, is eligible for election to two (2) additional three (3) year terms.

(3) Transition. Directors in office on December 31, 2011, who have been in office for six (6) or more consecutive years, are eligible for election to one (1) additional three (3) year term.

(c) Absence. The Board of Directors may establish in these Bylaws or its governing policies a minimum attendance requirement for its Directors' participation at regularly scheduled Board of Directors meetings. If a Director fails to attend such required number of meetings, that person shall be deemed to have resigned from the Board of Directors. By majority vote of those present at the meeting at which the matter is voted upon, the Board of Directors may grant waivers to this requirement.

4.5 Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Voting Active Members of CACM shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum. Any vacancy caused by the removal of a Director may be filled by the vote of the majority of the remaining Directors. A Director may resign at any time by giving notice to the Chair or President, Secretary or the Board of Directors. Any Director who ceases to be an Active Member shall be deemed to have resigned from the Board. A vacancy or vacancies shall be deemed to exist in case of death, resignation, removal or judicial adjudication of mental incompetence of any Director, or in case the Voting Active Members fail to elect the full number of authorized Directors at any meeting at which such election is to take place. Any vacancy not filled by the Directors may be filled by vote of the Voting Active Members at the next annual meeting of the Members or at a special meeting of the Members called for such purpose.

4.6 Removal of Directors. At any regular or special meeting of the Members duly called, any one individual Director or the entire Board may be removed prior to the expiration of their terms of office with or without cause by the vote of Voting Active Members representing a majority of the total voting power of CACM. At any regular or special meeting of the Board of Directors, at which notice of consideration of removal is duly noticed as an agenda item, the Board may remove an individual Director, for cause, by affirmative vote of two-thirds of the remaining

Directors present at the meeting at which the matter is voted on. Cause for this purpose shall be defined as failure of the Director to uphold and adhere to these Bylaws and the governing policies of the Board of Directors then in effect.

4.7 Regular Meetings of Board. Regular meetings of the Board of Directors shall be open to all Members, provided that Members who are not Directors may not participate in any deliberation or discussion at such regular meetings unless expressly so authorized by a vote of a majority of a quorum of the Board of Directors. Regular meetings may be held at such time and place as shall be determined, from time to time, by a resolution adopted by a majority of a quorum of the Directors, provided, however, that such meetings shall be held no less frequently than quarterly. Notice of the time and place of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone, facsimile, or electronic mail at least four (4) days prior to the date for such meeting.

4.8 Special Meetings of Board. Special meetings of the Board of Directors shall be open to all Members, provided that Members who are not Directors may not participate in any deliberation or discussion at such special meetings, unless expressly so authorized by a vote of a majority of a quorum of the Board of Directors. Special meetings may be called by the Chair or the President or by any three (3) Directors upon four (4) days' notice by first-class mail or seventy-two (72) hours notice delivered personally or by telephone, facsimile or electronic mail. The notice shall state the time, place (as hereinabove provided) and the purpose of the meeting.

4.9 Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive personal notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice to such Director. Attendance by a Director at any meeting of the Board shall constitute a waiver by such Director of personal notice of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice to Directors shall be required and any business may be transacted at such meeting. The transactions of any meeting of the Board, however called and noticed or wherever held, shall be valid as though they had occurred at a meeting duly held after regular call and notice, if (1) a quorum is present, and (2) either before or after the meeting, each of the Directors not present signs a written waiver of notice, a consent to holding such meeting, or an approval of the Minutes thereof. All such waivers, consents and approvals shall be filed with the records of CACM or made a part of the Minutes of the meeting.

4.10 Action Without Meeting. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, if all Directors individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the Minutes of the proceedings of the Board of Directors. Such action by written consent shall have the same force and effect as a unanimous vote

of such Directors.

4.11 Quorum and Adjournment. Except as otherwise expressly provided herein, at all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If at any meeting of the Board of Directors there is less than a quorum present, the majority of those present may adjourn the meeting to another time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

The Board of Directors may, with the approval of a majority of a quorum of the Directors, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which CACM is or may become involved and contracts with third parties. The nature of any and all business to be considered in executive session shall first be announced in open session.

4.12 Committees. The Board of Directors, by resolution, may from time to time designate such committees or subcommittees as it shall desire, and may establish the purposes and powers of each such committee created. The resolution designating and establishing the committee shall provide for the appointment of its members, as well as a chair, shall state the purposes of the committee, and shall provide for reports, termination, and other administrative matters as deemed appropriate by the Board. Such committees shall include but shall not be limited to, a Professional Standards Committee and an Ethics Appeals Committee.

(a) Professional Standards Committee: The Professional Standards Committee shall be appointed by the Board of Directors. The number, qualification and composition of the Professional Standards Committee shall be in accordance with such rules, regulations and procedures as shall be adopted by the Board of Directors. The Professional Standards Committee shall be responsible for: (i) developing and recommending to the Board of Directors a code of ethics and standards of professional conduct, care and service to community associations; (ii) enforcing the Code of Professional Ethics and Standards of Practice; (iii) investigating allegations of wrongdoing against members of CACM preliminary to the filing of a formal charge in connection with the Disciplinary and Appeals Procedures. The Professional Standards Committee shall also be responsible for: (i) following the Disciplinary and Appeals Procedures adopted by the Board of Directors in connection with the holding of hearings to determine the sufficiency of evidence presented to the Committee; (ii) informing the President of disciplinary action taken as a result of a hearing conducted in accordance with the Disciplinary and Appeals Procedures; (iii)

recommending the reinstatement of members whose status has been suspended or terminated based upon a showing that the Member has complied with all requirements mandated at a hearing which resulted in the suspension, and who has been suspended previously; and (iv) such other duties and responsibilities as may be designated by the Board of Directors.

(b) Ethics Appeals Committee. The Ethics Appeals Committee shall be appointed by the Board of Directors, and shall (i) hear any case in which the decision by the Professional Standards Committee was adverse to the Complainant or Respondent as requested by that party; (ii) summarize and publish in the CACM newsletter publication the opinions, findings and actions of the Ethics Appeals Committee in matters brought before it, as it deems appropriate; (iii) meet at such times and places as may be necessary to conduct hearings on matters referred to it, upon the call of the Chairperson; and (iv) act as the sole judge of all matters that come before it.

ARTICLE V

5. Elected Officers.

5.1 Designation. The principal officers of CACM shall be a Chair, Vice Chair, and Secretary.

5.2 Election of Officers. The elected officers of CACM shall be elected annually by the Board of Directors. Each officer shall hold office at the pleasure of the Board of Directors for a term of one year or until such officer shall resign or be removed or otherwise disqualified to serve or such officer's successor shall be elected and qualified to serve.

5.3 Removal of Officers. Upon an affirmative vote of a majority of the Board of Directors present at the meeting at which the matter is voted on, any officer may be removed, and such officer's successor elected at any regular meeting of the Board of Directors or at any special meeting of the Board of Directors called for such purpose. Any officer may resign at any time by giving written notice to the Board of Directors or to the Chair or Secretary. Any such resignation shall take effect at the date of receipt of such notice or at any later time specified therein, and unless otherwise specified in said notice, acceptance of such resignation by the Board shall not be necessary to make it effective.

5.4 Compensation. No elected officer shall receive any compensation for services performed in the conduct of CACM's business unless such compensation is approved by the vote or written consent of the Voting Active Members representing at least a majority of the voting power of CACM, and provided further, that (1) nothing herein contained shall be construed to preclude any officer from serving CACM in some other capacity and receiving compensation thereof, and (2) any officer may be reimbursed for actual expenses incurred in the performance of such officer's duties. Appointment of any officer shall not of itself create contractual rights of compensation for services performed by such officer.

5.5 Chair. The Chair, serving as CACM's chief governance officer, shall ensure the fulfillment of the Board of Director's governance obligations, presides over meetings of the Board and Membership and shall fulfill other responsibilities as may be designated from time to time by the Board in its Governing Policies.

5.6 Vice Chair. The Vice Chair shall take the place of the Chair and perform the Chair's duties whenever the Chair shall be absent or disabled or whenever the Chair refuses or is unable to act. The Vice Chair shall become the Chair and shall complete the remaining unexpired term of the Chair in the event of a vacancy in the office of the Chair. If neither the Chair nor the Vice Chair is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim

basis. The Vice Chair shall also perform such other duties as shall from time to time be imposed upon the Vice Chair by the Board of Directors or these Bylaws.

5.7 Secretary. The Secretary shall attend all meetings of the Board of Directors and the Members. The Secretary shall keep or cause to be kept the Minutes of all meetings of the Board of Directors and the Members, and the governing policies of the Board of Directors, at the principal office of CACM or at such other place as the Board of Directors may order. The Secretary shall have or cause to have charge of such books and papers as the Board of Directors may direct, and the Secretary shall, in general, perform the entire duties incident to the office of Secretary. The Secretary shall give, or cause to be given, notices of meetings of the Members of CACM and of the Board of Directors required by these Bylaws or by law to be given. The Secretary shall maintain or cause to be maintained a record of Members, listing the names, mailing addresses and telephone numbers of Members, as furnished to CACM (“Membership Register”). Termination or suspension of Membership or status of any Member shall be recorded in the Membership Register together with the date of the action. The Secretary shall perform such other duties as may be prescribed by the Board of Directors or these Bylaws.

ARTICLE VI

6. Chief Executive Officer.

6.1 President. The Board of Directors shall employ, pursuant to a written contract, a chief executive officer who shall have the title of President or such other title as may be determined by the Board of Directors and whose term and conditions of employment shall be specified by the Board of Directors. The President shall manage and direct all day-to-day and operational activities of CACM in accordance with these Bylaws and the Board’s Governing Policies. The President shall be responsible for the employment of all additional staff in a manner consistent with the Board’s Governing Policies. The President may establish operating committees comprised of Board members, his/her staff, CACM members and/or other interested parties for purposes he/she may deem necessary or beneficial in the performance of his/her duties.

ARTICLE VII

7. Obligations of Members.

7.1 Dues and Fees.

(a) All Members are obligated to pay, in accordance with such rules and regulations adopted by the Board of Directors, all dues and fees imposed by CACM, to meet all expenses of CACM.

(b) All delinquent dues and fees shall be enforced and collected in accordance with the procedures established by the Board of Directors. Members who fail to pay their membership dues within thirty (30) days shall receive notice thereof. Membership shall not be renewed if a Member fails to pay his or her membership dues within sixty (60) days of said notification. Notwithstanding the foregoing, the Board of Directors may, by resolution, prescribe procedures for extending the due date for payment of fees, dues and assessments and continuation of membership status privileges upon written request of a member, and upon showing of good cause.

7.2 Other Obligations as described in Article II Section 2.4.

7.3 Additional Obligations. In addition to financial obligations, Members are required to abide by these Bylaws, all rules and regulations adopted by the Board of Directors, and the Code of Professional Ethics and Standards of Practice of CACM.

ARTICLE VIII

8. Amendments to Bylaws.

8.1 In General. Except as provided in California Corporations Code Section 7150, these Bylaws may be adopted, amended or repealed by

(a) the Board of Directors; provided (i) written notice of the general nature of the proposed changes shall have been sent to the Members not less than thirty (30) days in advance of the meeting of the Board of Directors at which such action is to be taken, and (ii) the proposed changes are approved by a majority of the Directors present at the meeting at which the matter is voted upon.

(b) the vote or written consent of Voting Active Members representing a majority of the voting power of CACM; provided that the specified

percentage of the Voting Active Members necessary to amend a specific Section or provision of these Bylaws shall not be less than the percentage of affirmative votes prescribed for action to be taken under that Section or provision.

8.2 Obsolete Material. By majority vote of those Directors present at the meeting at which the matter is voted on, the Board of Directors may amend the Bylaws to eliminate any language that may no longer apply, without notice to the Members.

ARTICLE IX

9. Conflicting Provisions. In case any of these Bylaws conflict with any provisions of the laws of the State of California, such conflicting Bylaws shall be null and void upon final court determination to such effect, but all other Bylaws shall remain in full force and effect. In case of any conflict between the Articles of Incorporation and these Bylaws, the Articles of Incorporation shall control. In case of any conflict between these Bylaws and rules and regulations adopted by the Board of Directors, these Bylaws shall control.

ARTICLE X

10. Indemnification of Directors and Officers, Employees, and Other Agents.

10.1 Definitions. For the purpose of this Article,

(a) “agent” means any person who is or was a Director, officer, employee or other agent of this Corporation, or is or was serving at the request of this Corporation as a Director, officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, or was a Director, officer, employee or agent of a foreign or domestic corporation that was a predecessor corporation of this Corporation or of another enterprise at the request of the predecessor corporation;

(b) “proceeding” means any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative; and

(c) “expenses” includes, without limitation, attorneys’ fees and any expenses of establishing a right to indemnification under Paragraph 10.4 or 10.5(c) of this Article X.

10.2 Indemnification in Actions by Third Parties. The Corporation shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of the Corporation to procure a judgment in its favor, an action brought under Section 5233 of the California Corporations Code, or an action brought by the Attorney General or a person granted relator status by the Attorney General for any breach of duty relating to assets held in charitable trust) by reason of the fact that such person is or was an agent of the Corporation, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the Corporation and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of the Corporation or that the person had reasonable cause to believe that the person's conduct was unlawful.

10.3 Indemnification in Actions by or in the Right of the Corporation. The Corporation shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action by or in the right of the Corporation, or brought under Section 5233 of the California Corporations Code or brought by the Attorney General or a person granted relator status by the Attorney General for breach of duty relating to assets held in charitable trust, to procure a judgment in its favor by reason of the fact that such person is or was an agent of the Corporation, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of such action if such person acted in good faith, in a manner such person believed to be in the best interests of the Corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. No indemnification shall be made under this Paragraph 10.3:

- (a) In respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation in the performance of such person's duty to the Corporation, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for the expenses which such court shall determine;
- (b) Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or
- (c) Of expenses incurred in defending a threatened or pending action

which is settled or otherwise disposed of without court approval, unless such action concerns assets held in charitable trust and is settled with the approval of the Attorney General.

10.4 Indemnification Against Expenses. To the extent that an agent of the Corporation has been successful on the merits in defense of any proceeding referred to in Paragraph 10.2 or 10.3 of this Article X, or in defense of any claim, issue or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

10.5 Required Determinations. Except as provided in Paragraph 10.4 of this Article X, any indemnification under this Article X shall be made by the Corporation only if authorized in the specific case, upon a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in Paragraphs 10.2 or 10.3 of this Article X by:

- (a) A majority vote of a quorum consisting of Directors who are not parties to such proceeding;
- (b) Approval of the Members, with the persons to be identified not being entitled to vote thereon; or
- (c) Determination of the court in which such proceeding is or was pending upon application made by the Corporation or the agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney or other person is opposed by the Corporation.

10.6 Advance of Expenses. Expenses incurred in defending any proceeding may be advanced by the Corporation prior to the final disposition of such proceeding upon receipt of an undertaking by or on behalf of the agent to repay such amount unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized in this Article X.

10.7 Other Indemnification. No provision made by the Corporation to indemnify it or its subsidiary's directors or officers for the defense of any proceeding, whether contained in the Articles of Incorporation, these Bylaws, a resolution of Members or Directors, an agreement or otherwise, shall be valid unless consistent with this Article X. Nothing contained in this Article X shall affect any right to indemnification to which persons other than such Directors and officers may be entitled by contract or otherwise.

10.8 Forms of Indemnification Not Permitted. No indemnification or advance shall be made under this Article X, except as provided in Paragraphs 10.4 or 10.5(c), in any circumstances where it appears:

(a) That it would be inconsistent with a provision of the Articles of Incorporation, these Bylaws, a resolution of the members, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

(b) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

ARTICLE XI

11. Miscellaneous.

11.1 Checks, Drafts and Documents. All checks, drafts, orders for payment of money, notes and other evidences of indebtedness issued in the name of or payable to CACM shall be signed or endorsed in the manner and by the person or persons as the Board of Directors shall determine by resolution.

11.2 Execution of Documents. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name and on behalf of CACM, and such authority may be general or confined to specific instances; and unless so authorized by the Board of Directors, no officer, agent or employee shall have any power or authority to bind CACM by any contract or engagement or to pledge its credit or to render it liable for any purpose or in any amount.

11.3 Availability of CACM Documents. CACM shall maintain at its principal office its Articles, Bylaws, rules and regulations, Code of Professional Ethics and Standards of Practice and CACM's books of account; Minutes of meetings of Members, the Board of Directors and Board committees; and the Membership Register (collectively, "CACM's Documents"), each of which shall be made available for inspection and copying by any Member or the Member's duly appointed representative for a purpose reasonably related to the Member's interest as a Member. The Board of Directors shall establish reasonable rules regarding (1) notice to be given to the custodian of CACM's Documents by the Member desiring to make the inspection, (2) hours and days of the week when such an inspection may be made, and (3) payment of the cost of copying any of CACM's documents requested by a Member; provided that every Director shall have the absolute right at any reasonable time to inspect all documents and the physical properties owned or

controlled by CACM, which right shall include the right to make extracts and copies of documents.

11.4 Books, Audit.

(a) Annual Report. The Board of Directors shall prepare or cause to be prepared a report consisting of the following information which shall be made available to Members upon written request:

- (1) A balance sheet as of the end of the Fiscal Year.
- (2) An operating (income) statement for the Fiscal Year.
- (3) A statement of changes in financial position of the Fiscal Year.
- (4) Any information required to be reported under Section 8322 of the California Corporations Code.
- (5) A statement of the place where the names and addresses of the Members is located.
- (6) The above-referenced report will be prepared or reviewed by an independent accountant no later than one hundred twenty (120) days after the end of the Fiscal Year.

11.5 Fiscal Year. The Fiscal Year of CACM shall be determined by the Board of Directors, and having been so determined, is subject to change from time to time as the Board of Directors shall determine.

ARTICLE XII

12. Alternative Dispute Resolution: Matters covered by the Code of Professional Ethics and Standards of Practice shall be administered by the Professional Standards Committee and, upon appeal, by the Ethics Appeals Committee. Matters of criminal law shall be administered by the appropriate authorities. Matters between members which do not involve the Code of Professional Ethics and Standards of Practice may be settled by negotiation, mediation, arbitration, or such other method of the members' own choosing. Matters of dispute between a member and a client regarding contractual obligations which cannot be settled by negotiation shall be submitted to mediation and/or arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and the judgment upon the award rendered by the arbitrator, including the awarding of fees and costs, may be entered in any court having jurisdiction thereof.

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify that:

1. I am the duly elected and acting Recording Secretary of THE CALIFORNIA ASSOCIATION OF COMMUNITY MANAGERS, a California corporation (“CACM”) and;
2. Upon adoption of these Amended and Restated Bylaws, the Bylaws previously adopted on February 3, 1992, and amended on October 4, 1992, November 1, 1992, March 1, 1994, February 9, 1995, July 10, 1997, February 2, 2001, December 5, 2005, August 1, 2007, September 29, 2010, and February 1, 2012 respectively, shall be superseded in their entirety, and these Amended and restated Bylaws shall be the bylaws of CACM.
3. The foregoing Amended and Restated Bylaws comprising 24 pages including this page constitute the Bylaws of CACM duly adopted by the Board of Directors and/or its Voting Active Membership in accordance with the requirements of Article VIII, Section 8(a) of the Bylaws on February 1, 2012.

IN WITNESS WHEREOF, I have hereunto subscribed my hand and affixed the seal of CACM this 1st day of February 2012.

Karen D. Conlon
Recording Secretary
(signature(s) on file)