

being understood that at the present time the provisions of this Article X comply with the requirements of California Corporations Code Section 7237. 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.

10.08 Forms of Indemnification Not Permitted. No indemnification or advance shall be made under this Article X, except as provided in Section 10.04 or 10.05(c), in any circumstances where it appears :

(a) That it would be inconsistent with a provision of the Articles, 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 prohibit or otherwise limits indemnification; or

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

10.09. Insurance. The Association shall have power to purchase and maintain insurance on behalf of any agent of the Association against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such whether or not the Association would have the power to indemnify the agent against such liability under the provisions of this Article X.

## ARTICLE XI

### Miscellaneous

11.01 Checks, Drafts, etc. All checks, drafts or other orders for payment of money, notes or other evidence of indebtedness, issued in the name of or payable to the Association, shall be signed or endorsed by the President and Treasurer and by any additional person or persons and in such manner as, from time to time, shall be determined by resolution of the Board of Directors.

11.02 Contracts, etc. - How Executed. The Board of Directors, except as otherwise provided in the Restrictions, may authorize any officer or officers, agent or agents, to enter into contracts or execute any instrument in the name and on behalf of the Association, and such authority may be general or confined to specific instances; and unless authorized by the Board of Directors, no officer, agent or employee shall have power or authority to bind the Association by any contract or engagement or to pledge its credit or to render it liable for any purpose or any amount.

11.03 Inspection of Articles and Bylaws. The Association shall keep in its principal office for the transaction of business the original or a copy of its Articles of Incorporation and these Bylaws as amended to date, which shall be open to inspection by the Members at all reasonable times during office hours.

11.04 Fiscal Year. The fiscal year of the Association 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.

11.05 Conflicts. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control. In case any of these Bylaws conflict with any applicable law or statute of the State of California, the provisions of said law or statute shall control.

## ARTICLE XII

### Amendments

These Bylaws may be amended by the Association by the vote or written consent of members, representing at least (1) a majority of the voting power of each class of the members, and (2) a majority of the voting power of the Association residing in the members other than Declarant; provided that the specified percentage of each class of the 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. The prior written approval of beneficiaries of sixty-seven percent (67%) of all first mortgages on Condominiums in the project must be secured before any amendment to the provisions of these Bylaws affecting matter delineated in Article VII, Section 7.06 of the Declaration may take effect, and this sentence may not be amended without such prior written approval. Notwithstanding the foregoing, if a first mortgagee who receives a written request from the Board to approve a proposed amendment or amendments to the Bylaws does not deliver a negative response to the Board within thirty (30) days of the mailing of such request by the Board, such first mortgagee shall be deemed to have approved the proposed amendment or amendments.

Any amendment to these Bylaws shall require the prior approval of the City of Lakewood.

WE, THE UNDERSIGNED, being all of the Directors of the Association, hereby assent to the within and foregoing Bylaws and hereby adopt them as the Bylaws for the Association.

Executed this 15 day of DECEMBER, 1987.

Frank Houston Wilson  
Veronice Ledbetter

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"Directors"