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**RESTATED ARTICLES OF INCORPORATION  
OF RANCHO SANTA FE ASSOCIATION**

**FILED** *JK*  
Secretary of State  
State of California

The undersigned certify that:

1. They are the president and secretary, respectively, of Rancho Santa Fe Association, a California corporation.
2. The Articles of Incorporation of this corporation are amended and restated to read as follows:

*JK* NOV 14 2016 *JK*

**Amended and Restated  
Articles of Incorporation  
of Rancho Santa Fe Association**

**I.**

The name of the corporation shall be "Rancho Santa Fe Association," hereafter referred to as the "Association" and also as the "Corporation". The terms "Building Site" and "Member" shall have the meanings set forth in Article VI of these Articles.

**II.**

This Corporation is a nonprofit mutual benefit corporation organized under the Nonprofit Mutual Benefit Corporation Law. The purpose of this Corporation is to engage in any lawful act or activity, other than credit union business, for which a corporation may be organized under such law. The Corporation is formed as an association to manage a common interest development under the Davis-Stirling Common Interest Development Act (the "Davis-Stirling Act").

The specific purposes for which the Corporation is formed are as follows:

- (1) Generally, to do any and all lawful things which may be advisable, proper, authorized and/or permitted to be done by the Association under and by virtue of any restrictions, conditions, and/or covenants or laws affecting the property hereinafter referred to or any portion thereof (including areas now or hereafter dedicated to public use) and to do and perform any and all acts which may be either necessary for, or incidental to the exercise of any of the following powers or for the peace, health, comfort, safety, and/or general welfare of owners of said property, or portions thereof, or residents thereon.

(2) To create, maintain, and operate a department of buildings, which shall be in charge of a Building Commissioner named by the Board of Directors of the Corporation to serve at their pleasure, which Building Commissioner shall have full and sole authority to approve or disapprove in the name of the Corporation, and to issue building permits for, any and all plans, specifications or construction work of any kind within the jurisdiction of the Corporation, and shall inspect and supervise the construction of buildings and structures in or upon said property in accordance with the powers and rights conferred upon it by virtue of any restrictions or contractual agreements which may be placed upon or exist in connection with any of said property; to provide for the safety of building construction by establishing regulations for the granting of building permits, and for making and collecting a charge therefor, including such provisions as are usually contained in building codes; and to provide for light, air, sanitation, health, comfort, and convenience for the occupants of existing and/or hereafter erected buildings by establishing such regulations as are usually included in housing codes or zoning regulations.

(3) To approve and/or disapprove as provided by restrictions, conditions, and covenants affecting said property, plans and specifications for and/or location of buildings, fences, walls, poles and structures to be erected or maintained upon said property or any portion thereof, and to approve or disapprove the kind, shape, height, and material of same and/or the block plan indicating the location of such structures on their respective Building Sites and such grading plans as may be required, and to issue or refuse to issue permits for the same, and to make a charge therefor; to pay any and all expenses and charges in connection with the performance of any of said powers or the carrying out of any of said purposes; to supervise construction of any buildings or structures to the extent deemed necessary by the Board of Directors and to establish rules therefor.

(4) To approve or disapprove of subdivisions or re-subdivisions of any of said property from time to time to the extent and in the manner that it may exercise such approval or disapproval as provided in restrictions, conditions, and covenants affecting said property.

(5) To regulate and/or prohibit the erection, posting, pasting or displaying upon any of said property of bill-boards and/or signs of all kinds and character, and to remove and/or destroy all signs placed, erected or maintained upon said property without the authority of the Corporation and/or the Art Jury as provided in such restrictions, conditions, and covenants, as may affect the said property or any portion thereof.

(6) To fix, establish, levy and collect annually, such charges and/or assessments upon any lot or parcel of said property which may be subject to and in accordance with the restrictions, conditions, and covenants affecting said property; provided that the amount of such annual charges or assessments shall be determined as provided in such restrictions, conditions and covenants by the Board of Directors of the Corporation.

(7) To expend the moneys collected by the Corporation from assessments and charges and other sums received for the payment and discharge of costs, expenses and obligations incurred by the Corporation in carrying out any or all of the purposes for which the Corporation is formed.

(8) To care for any lots and plots in said property, remove grass, weeds and any unsightly or obnoxious thing therefrom, and to take any action with reference to such lots and plots as may be necessary or desirable in the opinion of the Board of Directors of the Corporation, to keep the property neat and in good order; and to make and collect charges therefor.

(9) To provide for the sweeping, cleaning and sprinkling of streets, collection and disposition of street sweepings, garbage, ashes, rubbish and the like; and to make and collect charges therefor.

(10) To provide, so far as it may be lawful so to do, for community fire and/or police protection for the protection of all or any portion of the said property and/or the owners of said property and/or residents thereon.

(11) To purchase, construct, improve, repair, maintain, operate, care for, own and/or dispose of parks, parkways, playgrounds, open spaces and recreation areas, tennis courts, golf courses and/or club houses, swimming pools, life guards, life saving apparatus, band

stands, dancing pavilions, places of amusement, museums, aquariums, community buildings, community club houses, and, in general, community facilities appropriate for the use and benefit of the Members and/or for the improvement and development of the property hereinafter described, whether situate in Rancho Santa Fe or at points outside the boundaries thereof approved by the Board of Directors.

(12) To improve, light and/or maintain streets, roads, alleys, trails, bridle paths, courts, walks, gateways, fences, and ornamental features now existing or hereafter to be erected or created, fountains, shelters, comfort stations, and/or buildings and improvements ordinarily appurtenant to any of the foregoing, grass plots and other areas, trees and plantings within the lines of the streets immediately adjoining or within the property hereinafter referred to.

(13) To purchase, construct, maintain, and operate water works, pumping plants, and systems for the transportation and distribution of water and/or to purchase and distribute water for irrigation, domestic and/or other purposes in connection with the maintenance and use of property under its jurisdiction and care.

(14) To purchase, construct, improve, and/or maintain sewer systems, storm water sewers, drains, and other utilities installed or to be installed upon said lands in connection therewith.

(15) So far as it can legally do so, to grant franchises, rights of way, and easements for public utility or other purposes upon, over and/or under any of said property.

(16) To acquire by gift, purchase, lease or otherwise and to own, hold, enjoy, operate, maintain, and to convey, sell, lease, transfer, mortgage and otherwise encumber, dedicate for public use and/or otherwise dispose of real and/or personal property either within or without the boundaries of said property.

(17) To acquire by purchase, gift or otherwise, and to own, and/or dispose of such works of art as may be approved by the Art Jury established by restrictions effective upon said property or portions thereof.

(18) To keep records of building permits and/or other approvals or disapprovals made or issued by the Corporation and to keep books and records showing all charges, levies and assessments made and to furnish certified copies of any record which the Board of Directors may authorize to be furnished and, from time to time, to issue certificates of compliance covering respective parcels of property with respect to which buildings, structures, and/or other improvements or changes have been made, all as provided in the restrictions, conditions and covenants affecting said property or portions thereof; and to make and collect charges therefor.

(19) To enforce liens, charges, restrictions, conditions and covenants existing upon and/or created for the benefit of parcels of real property over which the Corporation has jurisdiction and to which said parcels may be subject to the extent that the Corporation has the legal right to enforce the same; and to pay all expenses incidental thereto; and to enforce the decisions and rulings of the Art Jury having jurisdiction over any of said property to the extent that the Corporation is authorized in said restrictions, conditions and covenants to enforce the same and to pay the expenses in connection therewith and such other expenses of the Art Jury as the Corporation may assume.

(20) To pay the taxes and assessments which may be levied by any public authority upon property used or set apart for streets, parks or recreation areas, and improvements thereon, now or hereafter opened, laid out or established in said property or on such other open recreation spaces as shall be maintained for the general benefit and use of the owners of lots in said property, and their successors in interest, and also on ornamental features, tennis courts, pumping plants, water systems, community club houses, sewers, and other utilities and storm drains established in or upon said property whether taxed or assessed as a part of said property or separately, and on any property of the Association or which may be held in trust for the Art Jury, as provided in any restrictions, conditions, or covenants to which said property may be subject.

(21) To establish or make provision for the establishing of such Planning Board, Park Board, Health

Board, Library Board, Recreation Board, and/or any other board specified in or permitted by the By-Laws of the Corporation for the general welfare of the owners of said property or residents thereon, and for these purposes to have authority to delegate to such boards such powers as the Association may lawfully delegate, and to make provision for the use by any such board and/or boards of such funds as the Board of Directors of the Association may, from time to time, deem advisable.

(22) To exercise such powers of control, interpretation, construction, consent, decision, determination, modification, amendment, cancellation, annulment, and/or enforcement of covenants, reservations, restrictions, liens and charges imposed upon said property, as may be vested in, delegated to, or assigned to the Corporation and such duties with respect thereto as may be assigned to and assumed by the Corporation.

(23) To nominate to the proper person or corporation and/ or to make appointments of members of the Art Jury having jurisdiction over said property in accordance with the provisions of such restrictions, conditions, and covenants as may be in effect upon any of said property.

(24) To receive, file and preserve such reports as may, from time to time, be made to it; and to publish and distribute bulletins and reports.

(25) To borrow money and mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred and to do any and all things that a corporation organized under the said laws of the State of California may lawfully do when operating for the benefit of its members or the property of its members, and without profit to said corporation.

All of the foregoing purposes and powers are to be carried into effect and exercised for the purpose of doing, serving, and applying the things above set forth for the benefit of that certain district or area and/or the people residing therein, situate in the County of San Diego, State of California, as per map of the Subdivision of the Rancho Santa Fe filed in the office of the Recorder of said County on December 28th, 1922, and numbered 1742, and/or lands contiguous and/or adjacent thereto, and

more particularly for the benefit of such parcels or portions thereof as may be, together with any and all other property which may hereafter be, through the operation of restrictions, conditions, covenants, and/or agreements pertaining to same, placed under or submitted to the jurisdiction of the Corporation and be accepted as within the jurisdiction of the Corporation by resolution of the Board of Directors of the Corporation.

### III.

The Corporation elects to be governed by all the provisions of the new law not otherwise applicable to it under Part 5 of Division 2 of Title 1 of the California Corporations Code.

### IV.

The Corporation shall have perpetual existence.

### V.

The number of directors of the Corporation shall be seven (7).

### VI.

The voting power and property rights and interests of the members of the Corporation (the "Members") shall be equal and shall be determined and fixed as follows:

(a) For the purpose of determining the voting power and the property rights and interests of each Member, a building site (a "Building Site") shall be taken to be (exclusive of streets, open recreation areas and lands excepted, reserved, segregated or retained in accordance with the restrictions, conditions and covenants affecting the same, shown on any map of record with the County Recorder of said County):

(1) Any lot or parcel of said abovementioned property provided that each said lot or parcel of said property shall first have been made subject to the jurisdiction of the Corporation and of Rancho Santa Fe Art Jury by a declaration of restrictions, conditions, covenants, reservations, liens and charges approved by the Corporation and duly filed of record with the County Recorder of said County; or

(2) Any re-subdivision of any plots or parcels of said property which re-subdivision is approved by the

Corporation and is approved by the restrictions applicable thereto and thereby allowed to be used as a Building Site; or

(3) Any subdivision or re-subdivision of any land which hereafter becomes subject to the jurisdiction of the Corporation by virtue of the restrictions, conditions, covenants and/or agreements relating thereto and by acceptance of said jurisdiction by the Board of Directors of the Corporation; or

(4) Any common interest development, as defined in Section 4100 of the Davis-Stirling Act, or successor statute (excepting a planned development as defined in Section 4175 of the Davis-Stirling Act, or successor statute); provided, however, that any such common interest development shall be deemed to consist of two Building Sites.

(b) The owner of record of a Building Site (whether title is held individually, by two or more individuals in joint tenancy or otherwise or by an entity or trust) shall be qualified to be and shall become, ipso facto, one indivisible Member; provided, however:

(i) an association managing a common interest development (other than a planned development, as described in subparagraph (4) of paragraph (a) above) shall be deemed to be the sole owner of record of any and all Building Sites within such common interest development, rather than the owners of record of, or an interest in, the separate interests (as defined in Section 4185 of the Davis-Stirling Act, or successor statute) comprising such common interest development; and

(ii) whenever an owner of record of a Building Site or Building Sites transfers or disposes all Building Sites owned of record by such owner, then such owner shall, ipso facto, cease to be a Member.

(c) Each Member shall have the right to cast two votes on all matters to be determined by a vote of the Members; provided, however:

(i) the Association shall not have the right to cast any votes on any matter as a result of being the owner of record of any Building Site;

(ii) any Member who owns of record more than one Building Site shall only be entitled to a total of two



votes, regardless of how many Building Sites are owned of record by such Member; and

(iii) an association (other than a planned development) described in paragraph (b)(i) of this Article VI shall have the right to cast a total of four (4) votes on all matters to be determined by a vote of the Members.

Notwithstanding any provisions to the contrary in this paragraph (c), no person holding title as security for the payment of money or performance of other obligations shall have the right to vote by reason thereof.

(d) Each Member shall have an equal interest in all the property owned by the Corporation; provided, however, that during the continuance and life of the Corporation and renewals thereof, no Member shall have the right of distribution of any real or personal property held by or in the possession or control of the Corporation. Those persons who are Members at the time of the Corporation's dissolution, be and become entitled to such property as may be owned by the Corporation and as may be subject to distribution among the Members in proportion to their interests and property rights as above determined and according to the law then in force.

(e) The privilege of each individual to the use and enjoyment of the recreational facilities from time to time owned or controlled by the Corporation, including without limitation the Golf Club and Tennis Club, shall be determined by the rules which are, from time to time, proposed by the governing bodies of such facilities and approved by the Board of Directors of the Corporation.

## VII.

Any other provision of these Articles or of the Bylaws of the Corporation to the contrary notwithstanding, the Association shall not approve or enter into any covenant or other written instrument for the purpose of making any lands of property subject to the provisions of Rancho Santa Fe Protective Covenant, or the jurisdiction of the Association, except in compliance with the provisions of this Article. For the purpose of this Article, any such action taken by the Board may be referred to as an "annexation."

(a) No annexation shall be valid unless and until the Board of Directors shall first conduct a hearing thereon at which Members shall have the right to speak. Notwithstanding the existence of a quorum at a meeting of the Board of Directors, approval by the Board of any annexation shall require the affirmative vote of at least a majority of all members of the Board.


(b) With respect to any lands or property within any of Block 1 through 47, inclusive, as described in Map 1742, filed in the Office of the County Recorder of San Diego County, California on December 28, 1922, or within any of part of Map 2089 filed in the Office of said County Recorder on April 17, 1928, or within any of part of Map 2129 filed in the Office of said County Recorder on November 22, 1928, no such approval by the Board of Directors shall become effective until thirty (30) days' written notice of such approval has been mailed by first class mail, postage prepaid, to all Members. If during such thirty (30) day period there shall be presented to the Secretary of the Association a petition signed by one hundred (100) Members protesting the approval, then such approval shall not become effective unless thereafter approved by the Members as prescribed in the Bylaws.

(c) With respect to any other real property, with the exception of that described in the foregoing paragraph (b), no such approval given by the Board of Directors for any annexation shall become effective until thirty-five (35) days' written notice of such approval has been mailed by first-class mail, postage prepaid, to all Members and unless and until approved by the Members as prescribed in the Bylaws.


3. The foregoing amendment and restatement of the Articles of Incorporation has been duly approved by the Board of Directors.
4. The foregoing amendment and restatement of the Articles of Incorporation has been duly approved by the required vote of the Members.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

Date: 11/17/2016

  
Fred W. Wasserman, President

Date: 11/14/2016

  
Christy Whalen, Secretary



I hereby certify that the foregoing transcript of 11 page(s) is a full, true and correct copy of the original record in the custody of the California Secretary of State's office.

NOV 18 2016

Date: \_\_\_\_\_

*Alex Padilla*

ALEX PADILLA, Secretary of State