

BY-LAWS

of

CAMINO DEL VINO ESTATES, INC.  
a Nonprofit, Mutual Benefit, California corporation

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ARTICLE I

DIRECTORS; MANAGEMENT

Section 1.

a.

Powers.

Subject to the provisions of the General Corporation Law of California, operative January 1, 1980, and as may have been amended (to which the various Section numbers quoted herein relate) and subject to any limitation in the Articles of Incorporation and the By-Laws relating to action required to be approved by the members, the business and affairs of this corporation shall be managed by and all corporate powers shall be exercised by or under direction of the Board of Directors. Directors shall be members of this corporation, as hereinafter defined.

b.

Standard of Care.

Each Director shall exercise such powers and otherwise perform such duties in good faith, in the manner such Director believes to be in the best interests of the corporation, and with such care, including reasonable inquiry, using ordinary prudence, as a person in a like position would use under similar circumstances. (Sec. 309)

Section 2.

Number and Qualification.

The authorized number of Directors of the corporation shall be five (5).

This number may be changed by amendment to the Articles of Incorporation or by an amendment to this Section 2, ARTICLE I, of these By-Laws, adopted by the vote or written assent of the members entitled to exercise majority voting power as provided in the Articles of Incorporation. :

Section 3.

Election and Tenure of Office.

The Directors shall be elected by ballot at the annual meeting of the members, to serve for one year or until their successors are elected and have qualified. Their term of office shall begin immediately after election.

Section 4.

Vacancies.

Vacancies in the Board of Directors may be filled

by a majority of the remaining Directors, though less than a quorum, or by a sole remaining Director, and each Director so elected shall hold office until his successor is elected at an annual meeting of members or at a special meeting called for that purpose.

The members may at any time elect a Director to fill any vacancy not filled by the Directors, and may elect the additional Directors at the meeting at which an amendment of the By-Laws is voted authorizing an increase in the number of Directors.

A vacancy or vacancies shall be deemed to exist in case of the death, resignation or removal of any Director, or if the members shall increase the authorized number of Directors but shall fail at the meeting at which such increase is authorized, or at an adjournment thereof, to elect the additional Director so provided for, or in case the members fail at any time to elect the full number of authorized Directors.

If the Board of Directors accepts the resignation of a Director tendered to take effect at a future time, the Board, or the members, shall have power to elect a successor to take office when the resignation shall become effective.

No reduction of the number of Directors shall have the effect of removing any director prior to the expiration of his term of office.

#### Section 5. Removal of Directors.

Any or all of the Board of Directors or any individual Director may be removed from office by majority vote of all members as provided by Secs. 7221 - 7223 of the Corporations Code of the State of California. In such case, the remaining Board members may elect a successor Director to fill such vacancy for the remaining unexpired term of the Director so removed.

#### Section 6. Notice, Place and Manner of Meetings.

Meetings of the Board of Directors may be called by the President, or any Vice President, or the Secretary, or any two (2) Directors and shall be held at the principal executive office of the corporation in the State of California, unless some other place is designated in the notice of the meeting. No notice need be given of regular meetings held at the corporate offices at the time and date set forth herein. Notice shall be given of other meetings as herein provided. Members of the Board may participate in a meeting through use of a conference telephone or similar communications equipment so long as all members participating in such a meeting can hear one another at the same time. Accurate minutes of any meeting of the Board, or any committee thereof, shall be maintained as required by Sec. 7215 of the Code by the Secretary or other Officer designated for that purpose.

Section 7. Organization Meeting - Regular Meetings.  
The organization meeting of the newly elected Board of Directors shall be held immediately following the adjournment of the annual meeting of the members.

Other Regular Meetings.

Regular meetings of the Board of Directors shall be held at the corporate offices, or such other place as may be designated by the Board of Directors, as follows:

Time of Regular Meeting: 7:00 P.M.

Date of Regular Meeting: Second Thursday of each month

If said day shall fall upon a holiday, such meetings shall be held on the next succeeding business day thereafter.

Section 8. Special Meetings - Notices.

Special Meetings of the Board may be called at any time by the President or, if he is absent or unable or refuses to act, by any Vice President or the Secretary or by any two Directors.

At least forty-eight (48) hours notice of the time and place of special meetings shall be delivered personally to all Directors or personally communicated to them by a corporate Officer by telephone or telegraph. If the notice is sent to a Director by letter, it shall be addressed to him at his address as it is shown upon the records of the corporation, (or if it is not so shown upon such records or is not readily ascertainable, at the place in which the meetings of the Directors are regularly held). In case of such notice, it shall be messengered to the Director at least one (1) day prior to the time of the holding of the meeting. Such telegraphing, telephoning, or delivery as above provided shall be due, legal and personal notice to such Director.

Section 9. Waivers.

When (i) all of the Directors are present at any organization, regular or special meeting, however called or noticed, and sign a written consent thereto on the records of such meeting, or, (ii) if a majority of the Directors are present and if those not present sign a waiver of notice of such meeting or a consent to holding the meeting or an approval of the minutes thereof, whether prior to or after the holding of such meeting, which said waiver, consent or approval shall be filed with the corporate records or made a part of the minutes of the meeting, and/or (iii) if a Director attends a meeting without notice but without protesting, prior thereto or at its commencement, the lack of notice to him, then the transactions thereof are as valid as if had at a meeting regularly called and noticed.

Section 10. Directors Acting by Unanimous Written Consent.

Any action required or permitted to be taken by the Board of Directors may be taken without a meeting and with the same force and effect as if taken by a unanimous vote of Directors, if authorized by a writing signed individually or collectively by all members of the Board. Such consent shall be delivered to the Secretary and filed with the regular minutes of the Board.

Section 11. Quorum.

A majority of the number of Directors as fixed by the Articles of Incorporation or By-Laws shall be necessary to constitute a quorum for the transaction of business, and the action of a majority of the Directors present at any meeting at which there is a quorum, when duly assembled, is valid as a corporate act; provided that a minority of the Directors, in the absence of a quorum, may adjourn from time to time, but may not transact any business. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors, if any action taken is approved by a majority of the required quorum for such meeting.

Section 12. Notice of Adjournment.

Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place be fixed at the meeting adjourned and held within twenty-four (24) hours, otherwise notice shall be given to all Directors not present at the time of the adjournment.

Section 13. Compensation of Directors.

Directors, as such, shall not receive any stated salary for their services, but by resolution of the Board a fixed sum and expense of attendance, if any, may be allowed for attendance at each regular and special meeting of the Board; provided that nothing herein contained shall be construed to preclude any Director from serving the corporation in any other capacity and receiving compensation therefor.

Section 14. Committees.

Committees of the Board may be appointed by resolution passed by a majority of the Board of Directors. Committees shall be composed of two or more members of the corporation, and shall have such powers of the Board as may be expressly delegated to it by resolution of the Board of Directors, except those powers expressly made non-delegable by Secs. 7134 and 7140 of the Corporations Code.

Section 15. Advisory Directors.

The Board of Directors from time to time may elect

one or more persons to be Advisory Directors who shall not by such appointment be members of the Board of Directors. Advisory Directors shall be available from time to time to perform special assignments specified by the President, to attend meetings of said Board of Directors upon invitation and to furnish consultation to the Board. The period during which the title shall be held may be prescribed by the Board of Directors. If no period is prescribed, the title shall be held at the pleasure of the Board.

Section 16. Resignations.

Any Director may resign effective upon giving written notice to the President, the Secretary, or the Board of Directors of the corporation, unless the notice specifies a later time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be elected to take office when the resignation becomes effective.

ARTICLE II

OFFICERS

Section 1. Officers.

The Officers of the corporation shall be a President, Vice Presidents, a Secretary, and a Chief Financial Officer. The corporation may also have, at the discretion of the Board of Directors, one or more Vice Presidents, one or more Assistant Secretaries, an Assistant Chief Financial Officer, and such other Officers as may be appointed in accordance with the provisions of Section 3 of this Article. One person may hold two or more offices. Officers shall be members of this corporation, as hereinafter defined.

Section 2. Election.

The Officers of the corporation, except such Officers as may be appointed in accordance with the provisions of Section 3 or Section 5 of this Article shall be chosen annually by the Board of Directors, and each shall hold his office until he shall resign or shall be removed or otherwise disqualified to serve, or his successor shall be elected and qualified.

Section 3. Subordinate Officers, Etc.

The Board of Directors may appoint such other Officers as the business of the corporation may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided in the By-Laws or as the Board of Directors may from time to time determine.

Section 4. Removal and Resignation.

Any Officer may be removed, either with or without

cause, by a majority of the Directors at the time in office, at any regular or special meeting of the Board, or except in case of an Officer chosen by the Board of Directors, by any Officer upon whom such power of removal may be conferred by the Board of Directors.

Any Officer may resign at any time by giving written notice to the Board of Directors, or to the President, or to the Secretary of the corporation. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Vacancies.

A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in the By-Laws for regular appointments to such office.

Section 6. President.

The President shall be the Chief Executive Officer of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction, and control of the business and Officers of the corporation. He shall preside at all meetings of the members and at all meetings of the Board of Directors. He shall be ex officio a member of all the standing committees, including the Executive Committee, if any, and shall have the general powers and duties of management usually vested in the office of President of a corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors or the By-Laws.

Section 7. Vice President.

In the absence or disability of the President, the Vice Presidents, in order of their rank as fixed by the Board of Directors, or if not ranked, the Vice President designated by the Board of Directors, shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to, all the restrictions upon, the President. The Vice Presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board of Directors or the By-Laws.

Section 8. Secretary.

The Secretary shall keep, or cause to be kept, a book of minutes at the principal office or such other place as the Board of Directors may order, of all meetings of Directors and members, with the time and place of holding, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at Directors' meetings, the number

present or represented at members' meetings and the proceedings thereof.

The Secretary shall keep, or cause to be kept, at the principal office, a register of members showing the names of the members and their addresses; and the number and date of certificates issued for the same.

The Secretary shall give, or cause to be given, notice of all the meetings of the members and of the Board of Directors required by the By-Laws or by law to be given, and shall keep the seal of the corporation in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or by the By-Laws.

Section 9.

Chief Financial Officer.

This Officer shall keep and maintain, or cause to be kept and maintained in accordance with generally accepted accounting principles, adequate and correct accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, and earnings (or surplus). The books of account shall at all reasonable times be open to inspection by any Director.

This Officer shall deposit all moneys and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board of Directors. He shall disburse the funds of the corporation as may be ordered by the Board of Directors, shall render to the President and Directors, whenever they request it, an account of all transactions and of the financial condition of the corporation, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors of the By-Laws.

ARTICLE III

THE MEMBERSHIP

Section 1.

Definition.

This corporation shall have only one class of members, and no more than one membership may be held by any one person. Membership is qualified by the requirement of ownership in fee of a lot, consisting of approximately five (5) acres more or less, located within the Camino Del Vino Estates development as defined by Parcel Map \_\_\_\_\_ dated \_\_\_\_\_. No more than two memberships may qualify for each lot within the development based upon an indivisible interest in said lot. A member who owns an interest in more than one lot may, however, hold a separate membership in this corporation for each such lot of interest in keeping with these qualifications.

There shall be an absolute equality of memberships without discrimination of any kind, and all memberships shall have the same rights, privileges, preferences, and obligations as are set forth in these By-Laws and the Articles of Incorporation.

All other individuals who donate or contribute to the corporation shall be known as general contributors, notwithstanding the amount individually or collectively donated or contributed, and such persons shall not be members.

All donations or contributions to this corporation shall be in the name of the contributor only and not on behalf of another. Any rights, privileges, or responsibilities recognized by reason of any donation or contribution shall not be assignable, transferable, or subject to sale, conveyance, encumbrance, or accumulation.

The Board of Directors shall reserve the right to approve or disapprove, accept or reject any donation or contribution to this corporation.

Members shall have the right to elect and be the Directors of this corporation, adopt and amend the corporation Articles and By-Laws, and to serve as committee persons to carry out the purposes of this corporation. Members shall also have the fundamental right to manage, control, and disburse funds; the responsibility to account for the funds of this corporation; and may delegate these rights and responsibilities as, in their discretion, best serves the corporation.

Members shall have the privilege of petition for any purpose, and the privilege of participation in the activities of this corporation for the purpose of free expression, communication, and understanding.

Section 2. Place of Meetings.

Meetings of the members shall be held at the principal executive office of the corporation, in the State of California, as some appropriate and convenient location is designated for that purpose from time to time by the Board of Directors.

Section 3. Annual Meetings.

The annual meetings of the members shall be held, each year, at the time and on the day following:

Time of Meeting: 7:00 P.M.

Date of Meeting: March 15

If this day shall be a legal holiday, then the meeting shall be held on the next succeeding business day, at the same hour. At the annual meeting, the members shall elect a Board of Directors, consider reports of the affairs of the corporation and transact such other business as may be properly brought before the meeting.



Section 4. Special Meetings.

Special meetings of the members may be called at any time by the Board of Directors, the President, a Vice President, or the Secretary. Except as next provided, notice shall be given as for the annual meeting.

Upon receipt of a written request addressed to the President, Vice President, or Secretary, mailed or delivered personally to such Officer by any member, who shall be entitled to call a special meeting of members, such Officer shall cause notice to be given, to the members entitled to vote, that a meeting will be held at a time requested by the person or persons calling the meeting; not less than thirty-five nor more than sixty days after the receipt of such request. If such notice is not given within twenty days after receipt of such request, the person calling the meeting may give notice thereof in the manner provided by these By-Laws or in accordance with Sec. 7511 of the Corporations Code, and may apply to the Superior Court to compel the corporation to hold a regular meeting if the corporation has failed to do so.

Section 5. Notice of Meetings - Reports.

Notice of Meetings, annual or special, shall be given in writing not less than four nor more than thirty days before the date of the meeting, to members entitled to vote thereat by the Secretary or the Assistant Secretary, or if there be no such Officer, or in the case of neglect or refusal, by any Director or member as stated hereinabove.

Such notices or reports shall be given personally or by mail or other means of written communication and shall be sent to the member's address appearing on the books of the corporation, or supplied by him to the corporation for the purpose of notice, and in the absence thereof, as provided in Sec. 7511 of the Code.

Notice of any meeting of members shall specify the place, the day and the hour of meeting, and (1) in case of a special meeting, the general nature of the business to be transacted, or (2) in the case of an annual meeting, those matters which the Board at date of mailing, intends to present for action by the members.

If a member supplies no address, notice shall be deemed to have been given to him if mailed to the place where the principal executive office of the corporation, in California, is situated, or published at least once in some newspaper of general circulation in the County of said principal office.

Notice shall be deemed given at the time it is delivered personally or deposited in the mail or sent by other

means of written communication. The Officer giving such notice or report shall prepare and file an affidavit or declaration thereof.

When a meeting is adjourned for twenty-four hours or more, notice of the adjourned meeting shall be given as in case of a regular meeting. Save, as aforesaid, it shall not be necessary to give any notice of adjournment or of the business to be transacted at an adjourned meeting other than by announcement at the meeting at which such adjournment is taken.

Section 6. Validation of Members' Meetings.

The transactions of any meeting of members, however called and noticed, shall be valid as though had at a meeting duly held after regular call and notice, if a quorum by majority be present either in person or by proxy, and if, either before or after the meeting, each of the members entitled to vote, not present in person or by proxy, sign 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. Attendance shall constitute a waiver of notice, unless objection shall be made, and in that event notice need be given upon demand.

Section 7. Members Acting Without A Meeting - Directors.

Any action which may be taken at a meeting of the members may be taken without a meeting or notice of meeting if authorized by a writing signed by all of the members entitled to vote at a meeting for such purpose and filed with the Secretary of the corporation, provided further that while Directors can only be elected by members as to a vacancy created by death, resignation or other causes, if the Directors fail to fill a vacancy, then a Director to fill that vacancy may be elected by the written consent of persons constituting a majority of members entitled to vote for the election of Directors.

Section 8. Quorum.

The majority of the members entitled to vote thereat, present in person, or represented by proxy, shall constitute a quorum at all meetings of the members for the transaction of business except as otherwise provided by law, by the Articles of Incorporation, or by these By-Laws. If, however, such majority shall not be present or represented at any such meeting, the members entitled to vote thereat, present in person, or by proxy, shall have the power to adjourn the meeting from time to time, until the requisite majority shall be present. At such adjourned meeting at which the requisite number of members shall be represented, any business may be transacted which might have been transacted at a meeting as originally notified.

If a quorum be initially present, the members may continue to transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum, if any action taken is subsequently approved by a majority of the members required to initially constitute a quorum.

Section 9. Voting Rights.

Only persons named as members on the records of the corporation shall be entitled to vote on the day of any meeting of members, unless some other day be fixed by the Board of Directors for the determination of members of record, and then on such other day only members of record shall be entitled to vote at such meetings.

Section 10. Proxies.

Every member entitled to vote, or to execute consents, may do so, either in person or by written proxy, executed in accordance with the provisions of Sec. 7613 of the Code and filed with the Secretary of the corporation.

Section 11. Organization.

The President, or in the absence of the President, any Vice President, shall call the meeting of the members to order, and shall act as chairman for such meeting. In the absence of the President and all of the Vice Presidents, the members shall appoint a chairman for such meeting. The Secretary of the corporation shall act as Secretary of all meetings of the members, but in the absence of the Secretary at any meeting of the members, the presiding Officer may appoint any person to act as Secretary of the meeting.

## ARTICLE IV

### CERTIFICATES OF MEMBERSHIP

Section 1. Certificates for Membership.

Certificates for membership shall be of such form and device as the Board of Directors may designate and shall state the name of the record holder of the member represented thereby; its number; date of issuance; the land lot of membership for which it is issued; and a statement of the rights, privileges, preferences and restrictions, if any, thereon.

Every certificate for membership must be signed by the President and the Secretary of the corporation or must be authenticated by a facsimile of the signature of its President and the written signature of its Secretary.

## ARTICLE V

### CORPORATE RECORDS AND REPORTS -- INSPECTION.

Section 1. Records.

The corporation shall maintain, in accordance with generally accepted accounting principles, adequate and correct accounts, books, and records of its business and properties. All of such books, records and accounts shall be kept at its principal executive office in the State of California, as fixed by the Board of Directors from time to time.

Section 2. Inspection of Books and Records.

All books and records provided for by the Directors in accordance with Sec. 8320 shall be open to inspection of the Directors and members from time to time and in a reasonable manner during regular business hours without further limitation.

Section 3. Certification and Inspection of By-Laws.

The original or a copy of these By-Laws, as amended or otherwise altered to date, certified by the Secretary, shall be kept at the corporation's principal executive office, and shall be open to inspection by the members of the corporation, at all reasonable times during business office hours.

Section 4. Checks, Drafts, Etc.

All checks, drafts or other orders for payment of money, notes, or other evidences of indebtedness, issued in the name of or payable to the corporation, shall be signed or endorsed by such person or persons and in such manner as shall be determined from time to time by resolution of the Board of Directors.

Section 5. Contracts, Etc. -- How Executed.

The Board of Directors, except as in the By-Laws or otherwise provided, may authorize any Officer or Officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the corporation. Such authority shall be confined to specific instances. Unless so authorized by the Board of Directors, no Officer, agent or employee shall have the power or authority to bind the corporation by any contract or agreement, or to pledge its credit, or to render it liable for any purpose or to any amount.

## ARTICLE VI

### ANNUAL REPORTS

Section 1. Due Date, Contents.

The Board of Directors shall cause an annual report or statement to be sent to the members of this corporation not

later than 120 days after the close of the fiscal or calendar year in accordance with the provisions of Sec. 8321. Such report shall be sent to members at least fifteen days prior to the annual meeting of members. Such report shall contain a balance sheet as of the end of the fiscal year, an income statement and a statement of changes in financial position for such fiscal year, accompanied by any report thereon of an independent accountant, or if there is no such report, a certificate of the Chief Financial Officer or President that such statements were prepared without audit from the books and records of the corporation, and a statement of the place where the names and addresses of the current members are located.

Section 2. Waiver.  
The foregoing requirement of an annual report may be waived by the Board so long as this corporation shall have less than ten thousand dollars (\$10,000.00) in gross revenues or receipts during the fiscal year.

## ARTICLE VII

### AMENDMENTS TO BY-LAWS

Section 1. By Members.  
New By-Laws may be adopted or these By-Laws may be repealed or amended at their annual meeting, or at any other meeting of the members called for that purpose, by a vote of members entitled to exercise a majority of the voting power of the corporation, or by written assent of such members.

Section 2. Powers of Directors.  
Subject to the right of the members to adopt, amend or repeal By-Laws, as provided in Section 1 of this Article VII, the Board of Directors may adopt, amend or repeal any of these By-Laws other than a new By-Law or amendment thereof changing the authorized number of Directors.

Section 3. Record of Amendments.  
Whenever an amendment or new By-Law is adopted, it shall be copied in the book of By-Laws with the original By-Laws in the appropriate place. If any By-Law is repealed, the fact of repeal with the date of the meeting at which the repeal was enacted or written assent was filed shall be stated in said book.

ARTICLE VIII

MISCELLANEOUS

Section 1. References to Code Sections.

"Sec." references herein refer to the equivalent Sections of the General Corporation Law effective January 1, 1980, as amended.

Section 2. Indemnity.

The corporation may indemnify any Director, Officer, agent or employee as to those liabilities and on those terms and conditions as are specified in Sec. 8215. In any event, the corporation shall have the right to purchase and maintain insurance on behalf of any such persons whether or not the corporation would have the power to indemnify such person against the liability insured against.