

**Amendments of BY-LAWS of
LA RESIDENCIA DE STA. ROSA HOMEOWNERS' ASSOCIATION INC.**

ARTICLE I

DECLARATION OF PURPOSE

The purposes of this Association are those set forth in the Articles of Incorporation. Its primary concern is to facilitate the delivery of adequate social and economic services with the end view of improving the quality of life of its members.

ARTICLE II

NAME AND LOCATION

The name of this Association is **LA RESIDENCIA DE STA. ROSA HOMEOWNERS' ASSOCIATION, INC. (LRSRHOAI**, the Association, for brevity). Its principal office shall be located at LA RESIDENCIA DE STA. ROSA SUBDIVISION, Barangay Sto. Domingo, Santa Rosa City, Laguna.

ARTICLE III

MEMBERSHIP

Section 1. Members of LRSRHOAI. Every homeowner and/or lot owner of La Residencia de Sta. Rosa shall automatically become a member of the Association provided he/she pays the one-time membership fee amounting to P1,000.00. There shall only be one (1) membership per lot/homeowner. In case of co-ownership, only one (1) designated person will be qualified and authorized in writing to represent, act and have the right to vote and to be voted for, on behalf of the other co-owners.

Membership rights may be assigned by the property owner, except the right to run as Board of Trustee, to his tenants or long term lessees or assignees, provided however that the property owner shall remain to be principally and primarily liable to the Association for any unpaid obligation or for violation of this By-Laws or any of the policies, guidelines, rules and regulations of the Association. Such assignment, must be in writing and copy thereof given to the Board of Trustees. Without prejudice to the liability of property owners, such assignment of all rights and membership is also an assumption of all obligations and liabilities by the assignee. In such a case, the representative shall be recognized as the member. A lease or assignment should be in writing and is considered long term if the same is more than one (1) year.

Section 2. Member in Good Standing. A member is in good standing if he/she complies faithfully with all the duties and obligations of a member as enumerated and stated in this By-Laws and as determined by the Board of Trustees.

Section 3. Rights and Privileges of Member. Every Member shall have the following

A. Basic Rights:

1. To participate in any meeting and vote on the following matters:
 - a. Amendment of the Articles of Incorporation;
 - b. Sale, lease exchange, mortgage, pledge or other disposition of all or substantially all of the Association's assets;
 - c. Incurring, creating or increasing bonded indebtedness;
 - d. Increases or decreases of Association capitalization;
 - e. Merger or consolidation of the Association with another association or other associations;
 - f. Investment of Association funds in another association; and
 - g. Dissolution of the Association.

B. Privileges of Member in Good Standing:

1. The use, enjoyment, and to benefit from all amenities and services of the Association.
2. To vote at all elections of Board of Trustees, either in person or by representative authorized to act by written proxy;
3. Adoption and amendments of By-Laws;
4. Increases or decreases of association dues;
5. To be eligible to any elective and appointive office of the Association;
6. To participate and vote on all matters brought before any meeting or deliberation of the members of the Association;
7. To inspect Association books and records during regular working office hours upon written request stating the purpose and addressed to the Board of Trustees for approval; and
8. To examine all records involving the affairs of the Association upon reasonable prior notice, during normal working hours at the office of the Association; provided, that holders of mortgages on lots may have access to the information about the property held in mortgage with the written consent of the registered owner.

Section 4. Duties of Members. Every Member of the Association shall have the

1. To pay his membership fee, association dues, special assessments, and such other fees which may be levied on him by the Association;
2. To participate in important activities or social affairs of the Association as may be determined by the Board of Trustees;
3. To attend all meetings, assemblies and seminars as may be called by the Association, the Board of Trustees or its committees; and,
4. To obey and comply with this By-Laws, Deed of Restrictions and such other rules and regulations as may be promulgated by the Board of Trustees and approved by the majority of the members.

Section 5. Delinquent Member. Members who choose to pay on a monthly-basis as stated in Section 1.a, Article IV and failed to pay at least three (3) months association dues shall be considered as delinquent member. A member who chooses to pay association dues on a quarterly-basis and failed to pay at least one quarter shall also be considered as delinquent member. Finally, a member who failed to pay other charges/assessments based on the report of the Treasurer or as reflected in the Association's financial records, even without any demand by the Association or its Board of Trustees, shall be considered as delinquent member. Further, a member who has repeatedly violated the Association's By-Laws and/or declared policies of the Association, shall be considered as delinquent member subject to procedures/guideline in the succeeding Section.

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Section 6. Procedure in Declaring a Member Delinquent. The Board or a committee assigned by the Board shall observe the following procedure in declaring a member as delinquent:

1. The Board or the Committee shall determine whether a member (1) failed to pay fees or other charges, as reflected in the book of records of the Association, assessed by the Association, or (2) repeatedly or grossly violated the By-Laws or policies of the Association,

2. The President or the designated Officer of the Association shall forthwith notify the said member in writing of the violation and require him to explain in writing, within fifteen (15) days from receipt of notice, why he should not be declared delinquent.
3. After the lapse of fifteen (15) days, with or without a written explanation, the President or the designated Officer shall submit the matter to the Board or Committee for hearing and deliberation.
4. Thereafter, the member may be declared delinquent by the majority vote of all the members of the Board.

Section 7. Reinstatement of a Delinquent Member. The board shall, by majority vote, reinstate the membership of the delinquent member, provided that unpaid dues, fees or charges are paid or the sanctions imposed are satisfied.

Nothing in this Rule shall prevent the Association from imposing other sanctions against the delinquent member in accordance with the By-Laws.

Section 8. Membership Roll. The Association shall keep and maintain under the custody of the Corporate Secretary, a membership roll containing the list of all members and such additional members as may be admitted from time to time, including information and data, which may be required by the Board of Trustees.

Section 9. Expulsion from the Association. Any member may be expelled from the Association on any of the following grounds:

1. Default in the payment of association dues specified in Article IV hereof, for a period of thirty (30) days from written demand;
2. Ceasing to be a member in good standing, as determined by the Board of Trustees, after the notice and hearing, and,
3. Repeated violation of any of the provisions of Articles of Incorporation, Deed of Restrictions, By-Laws or existing rules and regulations of the Association and exhibiting conduct inimical to the interest of the Association as determined by the Board of Trustees, after due notice and hearing.

The grounds enumerated above are without prejudice to compliance with the basic bill of rights under the Philippine Constitution.

**ARTICLE IV
FEES AND DUES**

Section 1. Association Dues. Association dues shall be collected from every member. The Board of Trustees shall determine the amount to be collected and shall be reviewed and approved every two years by the Board of Trustees with the concurrence of majority of the members present in the meeting duly called for that purpose. The rate of these dues shall be set on a per square meter basis and at a level adequate to support the maintenance of the Association's facilities and services.

One-time membership fee of One Thousand Pesos shall be collected from each homeowner/lot owner as membership fee.

Section 1.a Mode of Payment of Association Dues. A member may choose any of the following modes of payment:

Monthly	Payable within the current month
Quarterly	Payable within the 1 month of the quarter
Annual	Payable within January of the reference year

Only those members who avail the annual payment of association dues as stated above shall be entitled to a 10% discount or as may be determined by the Board of Trustees in consultation with the members.

Section 1.b Interest and Penalties

1. The Board of Trustees shall determine and impose reasonable interest for late payments of association dues. This interest shall be based on the official inflation rates.
2. The Board as a body, may enter into any negotiation/amicable settlement with the unanimous approval of the Board of Trustees.

Section 2. Contributions. The Association may raise funds for its programs and activities, through contributions, donations and/or other forms.

Section 3. Special Assessments. The Board of Trustees, may from time to time, assess and collect from each member reasonable amounts as may be necessary to fund special community projects for the common good, and benefit of the Association as approved by the majority of the members of the Board and members of the Association.

ARTICLE V

SANCTIONS

Section 1. Sanctions for a Delinquent Member. The Board of Trustees shall impose the following sanctions:

1. Liens Against Members' Properties - Any and all unpaid dues and assessments on members, including all penalties and surcharges thereon, shall constitute a lien on their respective properties or voluntary mortgage to be annotated at the back of the Transfer Certificate of Title which may be enforced by judicial or extra judicial foreclosure of collection suit. Defaulting members shall likewise be liable for the cost of suit, attorney's fees and damages in the event of litigation necessitated to enforce payment of their obligations.
2. All the rights and privileges of a member as provided in Section 3 Article III as stated above are suspended upon the declaration of delinquency by the Board in relation to Section 2 Article V hereof.

Section 2. Sanctions for Non-Payment. The Board of Trustees may impose the following sanctions on members who do not fulfill their obligations with regards to fees and dues:

1. Suspension of garbage collection;
2. Non-issuance of construction permits and stop on-going construction works;
3. Suspension of right to use of clubhouse, swimming pool and other amenities of the Association.
4. Suspension of the service of security guards such as opening of the gates during entrance/exit;
5. And such other reasonable sanctions as may be determined by the Board.

ARTICLE VI

BOARD OF TRUSTEES

Section 1. Rights and Powers. The management of the business and affairs of the Association shall be directed by a Board of Trustees which shall exercise the following powers:

1. Exercise powers and duties necessary for the administration of the Association's affairs and for performing all responsibilities and exercising all rights of the Association as set forth in the Articles of Incorporation, the Association's By-Laws, Deed of Restrictions and as provided under the existing laws, rules and regulations of the Republic of the Philippines.

2. Impose reasonable fees upon any homeowner, lot owner, occupant, guest or lessee in accordance with the rules and regulations of the Association;
3. Suspend a member's right to vote or right to use the common area if said homeowner, lot owner, occupant or lessee violated the subdivision rules and regulations, the Association By-Laws, Deed of Restrictions, construction guidelines or any other rules and regulations adopted by the Board. Suspension shall take effect upon notice provided in Section 6 of Article III Membership;
4. Impose sanctions and/or suspend a member or any service provided by the Association upon any homeowner, lot owner, occupant, tenant or lessee if the same is delinquent in paying the Association dues and any assessment or charges owed to the Association;
5. Enforce any provision of the rules and regulations of the Association, the Association's By-Laws, the Articles of Incorporation and the Deed of Restrictions. The failure of the Board to enforce any provision of the Rules and Regulations of the Association, the Association's By-Laws, the Articles of Incorporation, the Deed of Restrictions or any rule shall not be deemed a waiver of the right of the Board to do so thereafter;
6. Cause compliance pertaining to height regulations, easements, use of homes, buildings, edifices or structures that may be built within the subdivision, in accordance with the National Building Code, zoning laws, HLURB rules and regulations, existing local ordinances and existing Deed of Restrictions;
7. Subject to consultation and with the approval of the 2/3 votes of the members, adopt and amend Articles of Incorporation;
8. Subject to consultation and with the approval of the members, in accordance with Section 5 Article X, adopt and amend By-Laws.
9. In behalf of its members, institute, defend or intervene in litigation and/or administrative proceedings affecting the welfare of the Association and the subdivision as a whole, excluding, however, disputes that are not the responsibility of the Association. Subject to consultation and with the approval of the 2/3 votes of the members, adopt and amend Articles of Incorporation;
10. Regulate the use, maintenance, repair, replacement and modification of common areas and cause additional improvements to be made part of the common areas: Provided, that the aforementioned do not contradict the provisions of the approved subdivision plan, the National Building Code, zoning laws and HLURB rules and regulations;
11. Subject to consultation with the approval of 2/3 votes the Association's members, acquire, hold, encumber and convey in its own name any right, title to or interest in real or personal property: Provided, that such approval of a simple majority of the Association's members shall not be required for the acquisition, holding, encumbrance and conveyance of personal properties in amounts not exceeding ten percent (10%) of the Association's cash holdings for its use in the course of its normal operations;
12. Ensure availability of quality water services in coordination with a water utility company; and,
13. Impose and collect reasonable fees for the use of open spaces, facilities, and services of the Association to defray necessary operational expenses, subject to the limitations and conditions imposed under the law, the regulations/resolutions of the Board, and the Association's By-Laws.

Section 2. Duties and Responsibilities of the Board of Trustees. The Board shall have the following duties and responsibilities:

1. Adopt an accounting system using generally accepted accounting principles, and maintain books of accounts, which shall be opened for inspection to any homeowner and duly authorized representatives of government agencies upon written request addressed to the Board of Trustees and after obtaining the latter's approval, during reasonable hours on business days;
2. Collect reasonable fees, dues and assessments that may be provided for in the By-Laws and approved by the majority of the members.
3. Collect reasonable charges for assessments, and after due notice and hearing by the Board in accordance with the procedures as provided in the By-Laws, and rules and regulations adopted by the Board, charge reasonable fines for late payments and for violation of the By-Laws, rules and regulations of the Association, in accordance with a

previously established schedule adopted by the Board and furnished to the homeowners;

4. Propose measures to raise funds and the utilization of such funds and submit the same for consideration of the members of the Association in a meeting duly called for that purpose;
5. Attend a free orientation by the HLURB or any other competent agency deputized by it on how to conduct meetings, preparation of minutes, handling of accounts, laws and pertinent rules and regulations within thirty (30) days after election or appointment;
6. Discharge the duties and responsibilities provided for in the Association's By-Laws;
7. Exercise such other powers as may be necessary and proper in accordance with this By-Laws and for the accomplishment of the purposes for which the Association was organized;
8. Act in all instances on behalf of the Association, except to amend the Articles of Incorporation, to dissolve the Association, to elect members of the Board or to determine the qualifications, powers and duties, or terms of office of the board, and other instances that require the vote or approval of the members themselves.

In the performance of their duties, the Officers and members of the Board shall exercise the degree of care and loyalty required by such position and shall be guided by the HLURB Code of Ethics and Ethical Standards for Officers/Board Members of Homeowners Association. Every member of the Board and Officer of the Association, upon assumption of his/her office must acknowledge the Code of Ethics by affixing his/her signature for submission to the HLURB.

Section 3. Number of Trustees; Qualifications and Disqualifications. The Board of Trustees of the Association shall be composed of seven (7) members who are in good standing and duly elected during the General Assembly called for that purpose.

3.1. Qualifications.

- a. Must be of legal age;
- b. Must be a member in good standing;
- c. Must be an actual resident of the subdivision for at least six (6) months as certified by the Corporate Secretary or in default, by a member having personal knowledge thereof;
- d. Have not been convicted by final judgment of an offense involving moral turpitude;
- e. The legitimate spouse of a member may be a candidate in lieu of the member.

3.2 Disqualifications. A member of the Association is disqualified to run for Trusteeship on any of the following grounds:

- a. Those convicted by final judgment of crimes involving fraud, falsification, defalcation/embezzlement or any other offense involving moral turpitude or or other acts inimical to the interests of the Association;
- b. Former Trustees and Officers of the Association who have not turned over the books, monies, and records of the Association during their term, in the interest of enforcing faithful discharge of their duties, transparency and
- c. Accountability.; The long-term lessees, developers and building contractors, engaged in build and sell of house and lot, in that they lack permanent and compelling interests in the welfare of the Association;
- d. Any member of the Board of Trustees who has served for two. (2) consecutive terms immediately preceding the election, in order to encourage active participation and develop leadership capabilities of other equally qualified and interested members of the Association;
- e. Any member engaged in the practice of their profession or in a business where the performance of such service may result in a real or perceived conflict of interest in the general welfare of the Association; and

f. Members who are related within the 2nd degree of affinity or consanguinity sitting together in the Board during the same term. In the event that related Trustees are elected, the director with the highest number of votes shall sit in the Board.

Section 4. Filing of Candidacy for Board of Trustees. Thirty (30) days before the election, any member in good standing may file his/her candidacy for the position of the Board of Trustees in the required form as may be prescribed by the Election Committee. The list of qualified candidates as determined by the Election Committee shall be posted at least fifteen (15) days prior to election day in the bulletin board of the Association or in any conspicuous place in the area of jurisdiction of the Association. In case no one or less than 7 filed for candidacy, nomination process will take place based on the election guidelines to be promulgated by the Election Committee as may be created by the Board of Trustees.

Section 5. Election and Term of Office of Board of Trustees. Board of Trustees shall be elected by secret ballot at the annual meeting of the members of the Association duly called for that purpose. The Trustees so elected shall hold offices for a term of two (2) years and until their successors are elected and qualified

Section 6. Removal of Trustee(s) by Members. A Trustee may be removed from office, through a verified petition duly signed by the majority of members in good standing of the Association, subject to verification and validation by the HLURB for any cause provided in the Association's By-Laws, such as but not limited to the following:

1. Deliberate violation of the Association's By-Laws and HLURB Rules relative to ethical conduct;
2. Gross negligence of his/her duties;
3. Grave offense or misconduct reflecting upon his/her moral character;
4. Incompetence, grave abuse of authority and conflict of interest; and
5. Practice of profession or engaged in a business where the performance of such service may result in a real or perceived conflict of interest in the general welfare of the Association.

Within sixty (60) days after removal, an election shall be called by the remainder of the Board for the purpose of determining who shall hold office for the unexpired term of the removed Trustee.

In the event the HLURB decides that the removal is invalid, the removed Trustee shall then be reinstated to his former position and serve the remainder of his term. The tenure of the person who replaced the removed Trustee from the time of his election up to the time of the reinstatement of the latter shall be respected.

Section 7. Dissolution of the Board. In the event two-thirds (2/3) of the Association's members submit a verified petition for the dissolution of the Board, the following procedure shall be observed:

1. The petition for the dissolution of the Board shall be based solely on the grounds or causes provided in the Association's By-Laws.
2. Until the new Board Members shall have been elected and qualified, the HLURB shall designate an interim board: Provided further, that such Board shall be composed of Association members in good standing: Provided, that such interim Board Members shall not be eligible to run in the election called for purpose of replacing the member of the dissolved Board.

This procedure shall also be adopted if a majority of the members of the Board is removed which shall be considered as a dissolution of the entire Board.

Section 8. Vacancies. Except as herein above provided, any other vacancies occurring in the Board either by resignation, incapacity or death, the resulting vacancy for the Board of Trustee shall be filled-up by the member who garnered the next higher votes during the Election/General Assembly without compliance with the foregoing provisions with respect to unexpired term(s) of

the resigning, incapacitated or deceased Trustee(s). Said new Board of Trustee(s) shall serve the unexpired term(s) of the resigning, incapacitated or deceased Trustee(s). If the member who garnered the next higher votes is not willing to accept and assume the vacant position, the next member who garnered the next higher votes shall assume the vacancy and so forth.

Except as herein above provided, any other vacancies occurring in the Board either by resignation, death or incapacity, shall without observing the provision of Section 4 above, be filled by a majority vote of the remaining Trustees, if still constituting a quorum, at a regular meeting duly called and held for the purpose. The Trustees so elected shall serve the unexpired terms of the resigning, incapacitated or deceased Trustees.

Section 9. Regular Meeting of the Board. The first regular meeting of the Board shall without notice be held immediately after the annual meeting/general assembly of the members. Thereafter, the regular meeting of the Board shall be held every first Saturday of the month at the principal office of the Association and no notice thereof shall be required.

Section 10. Special Meeting of the Board. Special meeting of the Board may be called by the Chairman of the Board or majority of the members of the Board and it shall thereupon be the duty of the Corporate Secretary of the Board to cause the notice of such meeting to be sent to each Trustee (either through email or personal delivery) at least two (2) days before the meeting.

Section 11. Quorum. To have a valid Board of Trustees meeting, majority of the member of the Board shall be present. To have a valid act/resolution on that meeting, majority vote of the Board of Trustees present is required.

Section 12. Minutes of Board Meetings. Minutes of all meetings of the Board of Trustees shall be kept and preserved as an official record of the matters and business transacted at each meeting. It shall contain such entries as may be required by law, the Articles of Incorporation or the Association's By-Laws. The minutes shall be posted in the bulletin board of the Association.

Section 13. Compensation. No Trustee shall receive any compensation for acting as such but may be entitled to a reasonable per diem and representation expense as may be determined and unanimously approved by the Board of Trustees.

ARTICLE VII

OFFICERS

Section 1. Officers. The Board of Trustees shall among themselves elect the Officers of the Association which shall include the President (and shall act as Chairman of the Board), Vice-President, Treasurer, Auditor, Secretary.

Section 2. Election and Term of Office. The Board shall initiate the election of new set of Officers. The Officers mentioned in Section 1 hereof shall hold office for a term of two (2) years, until their successors shall have been elected and qualified. If the election of Officers cannot be held at such meeting, the election shall be held during the next regular meeting.

Section 3. Compensation. Officers of the Association may receive reasonable honoraria, per diem and may be allowed for just representation expense. A Board Resolution shall be required to implement this provision.

Section 4. Removal of Officers. Any Officer of the Association may be removed by a majority vote of the members of the Board constituting a quorum whenever in its judgment the best interest of the Association will be served.

Section 5. Chairman of the Board/President. The President shall be elected by the Trustees from the members of the board and shall act as Chairman of the Board. He shall exercise such

powers and perform such duties incident to his office and such other duties as may from time to time be delegated to him by the Board. Among others, the president shall:

1. Preside at all meetings of the members and Officers of the Association;
2. Exercise general supervision over all employees of the Association;
3. Represent the Association in all activities to which it is a party or participant;
4. Present, in consultation with the appropriate Officers and committees, a yearly program of activities and submit an annual report of the operations of the Association to the members at the annual meeting, and to the Board of Trustees such statements, report, memoranda and accounts as may be requested by the latter;
5. Organize and supervise work groups among the members of the Association; and
6. With the concurrence of the majority of the Board of to create additional committees as may be necessary.

Section 6. Vice-President - Internal and External. The Internal Vice President (who shall act as Vice Chairman) shall be vested with all the powers and authorities of, and required to perform all of the duties of the President during the absence or incapacity of the latter for any cause, and he shall also perform such other duties as the Board of Trustees may from time to time assign to him:

Section 7. Treasurer. The Treasurer who is a Trustee shall perform the following duties,

1. Have custody of, and be responsible for, all the funds, securities, and bonds of the Association, and keep a complete and accurate record of receipts and disbursements and other commercial transactions in the corresponding book of accounts of the Association, and see to it that all disbursements and expenditures are evidenced by appropriate vouchers;
2. Disburse the funds of the Association, for specific purpose(s) authorized by a resolution of the Board of Trustees;
3. Receive and give receipts for all monies paid to the Association from any source whatsoever and take charge and have custody of petty cash funds as may be fixed by the Board;
4. Be responsible for keeping the financial records of the Association and the liquidation of any and all accounts, liabilities and obligations owing on dues from the Association
5. Shall monitor all delinquencies and send notices on overdue Association's dues and/or demand letters: and
6. In general, perform all the duties incident to the office of the treasurer and such other duties as may from time to time be assigned to him by the Board of Trustees.

The treasurer may delegate the routine duties of his/her office to one or more employees of the Association with the approval of the President.

Section 8. Corporate Secretary. The Secretary who is a member of the Board shall perform the following duties:

1. Keep full minutes of all of the members of the Board and of the members, in one or more books provided for this purpose;
2. Deliver or submit all notices in accordance with this By-Laws or as required by law or rules of the HLURB;
3. Keep all corporate records and the seal of the Association which shall be affixed to such instruments as may be required by the HLURB and thereupon be attested by his/her signature or that of the treasurer:
4. Keep a register or membership roll of the names and post office addresses of all members;
5. Provide each member a copy of the Deed of Restrictions, rules and regulations, By-Laws and all amendments; and,
6. In general, perform all duties incident to the office of the secretary and such other duties as may from time to time be assigned by the Board.

Section 9. Internal Auditor. The Internal Auditor shall be elected by the Board of Trustees from among themselves. In coordination with the Audit and Inventory Committee, shall perform the following duties:

1. Serve as the chairperson of the audit and inventory committee of the Association;
2. Examine and audit all financial transactions of the Association including all the books, ledgers, journals and other supporting records pertaining thereto;
3. Assure that transactions are properly approved and documented in accordance with Association's policies, guidelines and procedures;
4. Determine the correctness of financial reports and ensure that these are true and fair and free of material misstatements;
5. Ascertain and review the correctness of internal control systems and procedures;
6. Prepare periodic internal audit report in accordance with Internal Audit Program. to be submitted to the Board; and,
7. Perform all duties incident to the office of the auditor and such other duties as may from time to time be assigned by the Board.

Section 10. Management Staff. The Board shall employ, discharge or contract managing agents and other employees, independent contractors to ensure full functioning and operation of the Association.

ARTICLE VIII

ASSOCIATION COMMITTEES

Section 1. Various Committees. The Board shall immediately organize various committees necessary for the operations and managing the affairs of the Association. The members of these committees shall be appointed by the Board of Trustees and shall serve co-terminus with the Board until their successors have been appointed and duly qualified. Any member in good standing may volunteer as a member of any committee as herein enumerated:

1. Grievance and Adjudication Committee. The members of the grievance and adjudication committee should have experience in counseling. The committee shall accept and investigate complaints filed by a member against any other member or Officer, and shall settle or arbitrate any dispute within its power in the community.

In the event that the grievance is not settled by the committee, its decision may be appealed to the Board of Trustees.

Any controversy or dispute shall first be brought before the Board of Trustees prior to elevating the same to HLURB. The Board of Trustees shall issue a certification as to the non-settlement of a dispute before HLURB shall take cognizance of the dispute or controversy.

2. Audit and Inventory Committee. The audit and inventory committee shall be responsible for auditing the accounts of the Association. It shall conduct such audit at least semi-annually and submit its reports thereon to the Board of Trustees. It shall be responsible for adopting suitable audit program to strengthen internal control on the operations of the Association.

3. Election Committee. The election committee (EleCom) shall be composed of at least five (5) members in good standing who shall prepare and approve election guidelines and its mechanics in accordance with the Association By-Laws. The Committee shall supervise all election activities of the Association, including referenda, plebiscites, petitions and recalls of Trustees and shall resolve all election contests at the Association level.

4. Financial Management Committee. Subject to the approval of the Board of Trustees, the financial management committee shall prepare the budget of the Association and plan, adopt and implement canvassing, procurement, and disbursement guidelines that will or may require the use of the Association funds. The committee shall also serve as a coordinating body for all financial matters involving external institutions and shall evolve a savings campaign and other fund raising activities.

5. Project and Maintenance Committee. The maintenance committee shall assist, review and make recommendations on the upkeep and repair of community facilities and services. It shall form and organize the beautification or ecology team or group to maintain cleanliness and beauty in the community.

6. Peace and Order Committee. The peace and order committee shall assist, review and make recommendations in maintaining peace and order in the community. It shall form and organize the members into watch brigades to safeguard the security of the area and emergency/disaster brigade to meet any natural or man-made calamity.

7. Social Events and Cultural Affairs Committee. The social events and Cultural Affairs committee shall be tasked with planning, organizing and implementing social activities that will help improve interpersonal relations among members of the Association. It shall develop programs to strengthen the unity and cooperation among members. It shall form and organize sports and recreation brigade.

Section 2. Special/Ad Hoc Committees. Other special committees, councils or groups may be created by the Board of Trustees as the need arises.

ARTICLE IX

ELECTIONS

Section 1. Holding of Election. The Association shall hold regular election of Board of Trustees every two (2) years on the third (3rd) Saturday of November in a meeting duly called for that purpose. The newly elected Board of Trustees shall assume office at the beginning of the succeeding year.

Section 2. Proxies. Association members may vote in person or by proxy in all meetings of the Association. Proxy form shall be prescribed and initiated by the Election Committee. Proxies shall be signed by the member and filed before the scheduled meeting or as may be prescribed by the Election Committee. The proxy shall be valid only for the meeting for which it is intended.

Section 3. Failure of Election. When a regular or special election cannot be held or conducted due to any serious cause such as violence, terrorism, force majeure, and other analogous causes of such a nature that the holding of a free, orderly and honest election should become impossible, the Election Committee shall call for another election within a period of thirty (30) days from the date of the failed election or the cessation of the cause for such failure of election.

Section 4. Hold-Over. Where there is a failure to elect a new set of Trustees or Officers, the incumbent Trustees /Officers shall be allowed to continue in a hold-over capacity until their successors are elected and qualified.

Section 5. Election Contests. Election contests and their resolutions shall be governed by the Association's By-Laws and shall generally observe election rules. Unless otherwise provided by the Association's By-Laws, the election contest shall be in writing and filed by any of the aggrieved candidate within five (5) days after the proclamation of the winning candidates.

Section 6. Turnover of Records and Properties by Outgoing Trustees/Officers. To ensure the orderly turnover of the management of the Association, the outgoing Trustees and Officers shall turn over all Association books, records, properties and other assets, to the new set of Trustees and Officers within sixty (60) days from the election of the new Board.

ARTICLE X

MEETING OF MEMBERS

Section 1. Place of Meeting. The meeting of members shall be held at the principal office of the Association.

Section 2. Annual Membership Meeting. The Annual meeting of the members shall be held on third (3rd) Saturday of November of each year at which meeting, the members may transact such business as may properly be brought during the meeting.

Section 3. Special General Meeting. At any time during the interval between annual meeting, a special meeting of the members may be called by the Chairman/President or by a majority of the Board, or by at least ten (10) percent of homeowners may in writing, petition the Board of Trustees to call a special meeting of the members.

Section 4. Notice of Members Meeting. A written notice stating the date, place and hour of the meeting and, in case of special or an annual meeting, at which business requiring special notice is to be transacted, shall be notified by registered mail or by reputable courier service or through email to each member not less than five (5) days before the date of the meeting.

Section 5. Quorum. At least eighty (80) members in good standing of the Association shall be present and by proxy in the Annual General Assembly or Special General Assembly duly called for that purpose is required in order to have a valid meeting. Majority of such members present and by proxy shall constitute a valid act.

Section 6. Voting. Each member in good standing shall be entitled to one vote per lot owned. Voting by proxy shall be allowed. All questions shall be decided by a vote of majority of those present and by proxy, except as otherwise provided by law, the Articles of Incorporation and the Association's By-Laws.

Section 7. Proxies. Proxies shall be in writing, dated, signed by the member, filed and Certified before the scheduled meeting with the Corporate Secretary with the concurrence of the Chairman of Election Committee. It shall be valid only for the meeting for which it is intended.

Section 8. Annual Financial Statements. A true and full statement of the affairs of the Association shall be submitted at the annual meeting for consideration by the members.

Section 9. Minutes. Minutes of all meetings of the members shall be kept by the Corporate Secretary, and carefully preserved as a record of the matters and business transacted at such meetings. The minutes shall contain such entries as may be required by law.

ARTICLE XI

FINANCIAL TRANSACTIONS

Section 1. Contracts. The Board shall by specific resolution, authorize any Officer(s), or member(s) to enter any contract or execute and deliver any instrument in the name or in behalf of the Association.

Section 2. Signing of Checks, etc. All checks, drafts, or other orders for payment of money and all notes, bond or other evidence of indebtedness issued in the name of the Association shall be signed jointly by the Treasurer and the President or other Officers authorized by the Board.

Section 3. Deposit. All funds of the Association such as Association dues and membership fees shall be deposited from time to time to the credit or account of the Association in such bank or banks as the Board may designate.

Section 4. Fiscal Year. The fiscal year of the Association shall begin on the 1st day of January and end on the 31st day of December of each year. The Board shall cause to be made a full and complete audit of the books, accounts and financial condition of the Association. Such audit shall be made available for inspection by the members. For this purpose, the Association shall conduct such audit at least three (3) months before the end of the fiscal year, make pertinent recommendations to the Board and render a report to the members at the annual meeting. The

audited financial statement shall be posted in the bulletin Board or other conspicuous places within the subdivision and to be submitted to the HLURB and BIR

ARTICLE XII

MISCELLANEOUS PROVISIONS

Section 1. Board Rules and Regulations. The Board shall have the power to promulgate such rules and regulations consistent with law, the Articles of Incorporation or this By-Laws.

Section 2. Amendments. This By-Laws or any portion or provision hereof may be amended, repealed or otherwise changed, upon initiation of the Board in any manner not contrary to existing laws, rules, and regulations, the Articles of Incorporation, Deed of Restrictions, contracts or agreement, at a duly called and held regular meeting or special meeting, by the affirmative vote in accordance with Section 5 Article X, provided, however, that notice of such meeting, whether regular or special, shall contain a fair statement of the proposed amendments.

Section 3. Conflicts. If there are conflicts between the provisions of the Philippine law, the Deed of Restrictions, the Articles of Incorporation and this By-Laws, the house rules and regulations, the provision of the Philippine law, the Deed, the Articles of Incorporation and this By-Laws (in that order) shall prevail.

Section 4. Effectivity. Except for the term of the election of new Board of Trustees, this By-Laws shall take effect upon its ratification in accordance with the existing laws, rules and regulations and shall supersede the previous By-Laws. The term of two (2) years which the new Board of Trustees shall sit shall take effect in the next Annual Members Meeting duly called for that purpose.

Section 5. Separability. The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity of enforceability of the remaining provisions thereof.

The foregoing By-Laws were adopted by all members of the Board of Trustees on 13 February 2017, and ratified by the members of the Association qualified to vote under the existing laws, rules and regulations on _____² at La Residencia de Sta. Rosa, Barangay Don Jose, Santa Rosa City, Laguna, Philippines.

In **WITNESS WHEREOF**, we have hereunto set our hands this _____ day _____ of _____ 2017 at _____.

DONA MARTIN
Member, Board of Trustee & Corporate Secretary

JOBERT ROSARIO
Member, Board of Trustee &. Treasurer

PERCIVAL BULATAO
Member, Board of Trustee & VP Internal

JULITA JARES
Member, Board of Trustee & VP External

ATTY JOJO P. CAYANAN
President & Chairman of the Board