

AMENDED
BY-LAWS OF
THE VENICE CANALS ASSOCIATION

ARTICLE I
INCORPORATION

Section 1.01. The Venice Canals Association (VCA) is incorporated in the State of California per Articles of Incorporation dated December 30, 1975, and recorded with the State of California on January 30, 1976, as amended June 10, 1986, and recorded with the State of California on July 14, 1986.

Section 1.02. No member of the VCA, including Directors or the Board of Directors, shall be personally liable for the debts, liabilities or obligations of the VCA or the Corporation.

ARTICLE II
DEFINITIONS

Section 2.01. The term "owner" as used in these By-Laws shall be defined as any person or persons who legally hold title to real estate located within the Venice Canals Membership Area, regardless of whether or not such interest is encumbered as security for the repayment of a loan or for the performance of other promises (hereinafter referred to as Owner). A holder of a security interest in such real estate may not rely on that security interest to become an Owner as the term is used in these By-Laws.

Section 2.02. The term "general member" as used in these By-Laws shall be defined as an owner of real estate in what is considered the Membership Area of the Venice Canals (hereinafter referred to as General Member).

Section 2.03. The term "Friend of the Canals" as used in these By-Laws shall be defined as a non-owner resident in what is considered the Membership Area of the Venice Canals (hereinafter referred to as Friend of the Canals).

Section 2.04. The term "membership area" as used in these By-Laws shall be defined as that area of the Venice Canals that is comprised of the canals and real estate properties immediately adjacent to and fronting the canals, located between Washington Boulevard and South Venice Boulevard, on the South and North respectively; and between Eastern Canal Court and Strongs Drive, on the East and West respectively; commonly identified as Grand Canal, Eastern Canal, Sherman Canal, Howland Canal, Linnie Canal, and Carroll Canal (hereinafter referred to as the Membership Area).

Section 2.05. The entities referred to as the VCA and the Corporation, are one and the same.

Section 2.06. The term "financial impact" as used in these By-Laws shall be defined as any monetary or fiscal cost to an Owner. The determination of financial impact shall be determined by a vote of the Board of Directors.

Section 2.07. The term "simple majority" as used in these By-Laws shall be defined as 50% +1 (hereinafter referred to as simple majority).

ARTICLE III
OFFICES/ NOTICES

Section 3.01. The principal address of the Venice Canals Association for the transaction of its business is Post Office Box 893, Venice, California 90294, located in Los Angeles County, State of California. Notices shall be sent to the presiding VCA President at this address.

Section 3.02. The County of the VCA's principal address can be changed only by amendment of the Articles of Incorporation of the VCA. The Board of Directors, upon duly enacted resolution, may change the principle address from one location to another within the named county by noting the changed address and effective date below, and such change of address shall not be deemed an amendment of these By-Laws:

Address	Dated
---------	-------

Address	Dated
---------	-------

Section 3.03 The VCA may also have offices at such other places within or without the State of California as its affairs may require and as the Board of Directors may from time to time designate.

ARTICLE IV
MEMBERS

Section 4.01. The VCA shall have two (2) classes of membership only: General Member; and Friend of the Canals.

Section 4.01(a). General Members have the right to be elected to the Board of Directors; the right to vote for all issues brought before the VCA Membership; and the right to participate in all activities and serve on all committees established by the VCA.

Section 4.01(b). Friends of the Canals do have the right to participate in VCA activities and serve on VCA committees. Friends of the Canals do not have the right to vote; nor to be elected to the Board of Directors.

Section 4.02(a). In the event that real estate within the Membership Area is owned in joint tenancy, tenancy in common, as community property, or in a trust, all of the Owners of said property shall be entitled to only one membership between them and upon applying for membership in the VCA shall designate the identity of the person who may exercise the rights and privileges of membership on behalf of all such Owners.

Section 4.02(b). In the event of a question as to whether or not a given person or persons is qualified to become a member of the VCA, then the Board of Directors shall hold a duly noticed hearing on the dispute, take evidence from each party to the dispute and render a decision as to whether the person or persons in dispute is qualified to become a member of the VCA. Such decision of the Board of Directors shall be considered as a binding arbitration of the dispute and shall be final and conclusive.

Section 4.03. All persons qualifying for membership above shall be admitted to membership upon making written application therefor, and payment of any dues so established by the Board of Directors.

Section 4.04. The VCA shall not be obligated to issue membership certificates.

Section 4.05. The VCA shall keep membership records containing the name and address of each member, and such additional information as may be requested by the Board of Directors to facilitate operation of the VCA. The Board of Directors shall keep such information confidential. Termination of any membership shall be recorded, together with the date on which the membership ceased.

Section 4.06. Membership in the VCA may not be transferred nor assigned.

Section 4.07. The membership of any member of the VCA shall terminate upon written request by the member for such termination delivered to the President or Secretary of the VCA, upon the death of the member, or upon sale of property whereby the member no longer qualifies for General Membership.

Section 4.07(a). In the event a member fails to pay his/her dues, then said person's membership shall terminate April 1, following notice of annual renewal sent to the member by the Board of Directors of the VCA. If a membership is terminated for non-payment of dues, said member shall not be qualified for membership in the VCA until the dues have been brought current.

Section 4.8. The General Members shall meet annually (the Annual Membership Meeting) in January in each year, beginning with the year 1976, at 7:00 p.m., on such date and at such place as duly noticed, for the purpose of electing Directors and transacting such other business as may come before the Annual Membership Meeting.

Section 4.9. Special Meetings of the General Members may be called by the President, by the Secretary, and by any two Directors of the VCA, and may be held at such time and place within the County of Los Angeles, State of California as may be deemed appropriate and duly noticed. Written notice of the time, date, and place of every Special Meeting shall be delivered personally to each and every General Member, or sent to him/her by United States mail, postage prepaid at least ten (10) days prior to such meeting. If sent by mail the notice shall be addressed to the General Member at the address as shown in the records of the VCA, and shall be deemed given at the time it is deposited in the U.S. mail. The Notice of Special Meeting shall specify the place, date, and hour of such Special Meeting and the general nature of the business to be transacted,

Section 4.10. A quorum shall consist of twenty (20) percent (20%) of the General Members of the VCA. In the absence of a quorum, any meeting of the members may be adjourned by the vote of a simple majority of the members present in person or by proxy, but no other business shall be transacted. When a meeting is adjourned it is necessary to give at least one (1) week's notice of

the time, date, and place to re-adjourn the meeting, and the general nature of the business to be transacted.

Section 4.11. Cumulative voting shall not be authorized.

Section 4.12. In advance of any meeting of members, the Board of Directors may appoint any persons, other than nominees for office, as Inspectors of Election, to act at such meeting or any adjournment thereof. There shall be two (2) Inspectors. In the event any person appointed as an Inspector fails to appear, or fails or refuses to act, the vacancy may be filled by appointment of the Board of Directors, in advance of the meeting, or at the meeting, by the presiding Officer. The Inspectors of Election shall determine the number of General Members present; the existence of a quorum; the authenticity and validity of proxies; receive votes, ballots, or consents; and detaining all challenges and questions arising in connection with the right to vote, count and tabulate all votes; and to determine the results and to do such acts as may be proper to conduct the election or vote with fairness to all General Members.

ARTICLE V DIRECTORS

Section 5.01. The VCA shall have eleven (11) Directors and collectively they shall be known as the Board of Directors. The number may be changed only by amendment of the Articles of Incorporation of this corporation. The Board of Directors may recognize the service of a former VCA Director by appointing that person, by a simple majority vote of the Board of Directors present, to a non-voting "Emeritus" Director position, in addition to the eleven (11) Directors.

Section 5.02. The Directors shall exercise the powers of the VCA, control its property and conduct its affairs, except as otherwise provided by law.

Section 5.03. It shall be the duty of the Directors to perform any and all duties imposed upon them collectively or individually by law, by the Articles of Incorporation of the VCA, or by these By-Laws, and Amendments thereto. They shall appoint and remove the officers, agents and employees of the VCA, and supervise all officers to assure that their duties are properly performed. The Directors shall meet at such times, dates, and places as required by these By-Laws, and Amendments thereto, and register their addresses with the California Secretary of State. Notices of meetings e-mailed and/or mailed to them at such addresses shall be valid notices thereof.

Section 5.04. Only a General Member of the VCA is eligible to be elected a Director thereof.

Section 5.05_ Each Director shall hold office for a two (2) year term, such term commencing with the first regular Board Meeting held following the election results of the VCA Annual Membership Meeting, unless otherwise provided in these By-Laws, and Amendments thereto. Such two-year terms shall be staggered: elections for six (6) Director positions shall be held in even-numbered calendar years; elections for the remaining five (5) Director positions shall be held in odd-numbered calendar years. Said staggered two-year terms shall commence with the elections to be held at the VCA Annual Membership Meeting in January, 2005.

Section 5.06. Any vacancy caused by the death, resignation, or any reason other than removal of any Director, shall be filled by a vote of the simple majority of the remaining Directors, within forty-five (45) days.

Section 5.07. Directors shall be elected at the Annual Membership Meeting. The candidates receiving the highest number of votes, up to the number of Directors to be elected, shall be deemed the elected Board of Directors. Directors shall be eligible for re-election without limitation on the number of terms they may serve.

Section 5.08. Directors shall serve without compensation.

Section 5.09. Meetings shall be held at such time, date, and place as may from time to time be designated by resolution of the Board of Directors. Faunal Notice of Regular Meetings of Directors is unnecessary, but the Secretary of the VCA, or other person designated by the President, shall deliver or mail written notice of the time, date, and place of Special Meetings of the Board of Directors, to each Director personally, by U.S. mail, and if possible, by e-mail, at least ten (10) days prior to the date of such Special Meeting. If sent by U.S. mail, the notice shall be deemed to be delivered on its deposit in the United States mail.

Section 5.10. Meetings of Directors shall be presided over by the President of the VCA, or in the President's absence, by the Vice President, or in the absence of both, by a Chairperson chosen by a simple majority of the Directors present. The Secretary of the VCA shall act as Secretary of all VCA Meetings. In case the Secretary is absent from any meeting of the Directors, the presiding Officer may appoint any person at such meeting to act as Secretary for said meeting.

Section 5.11. A quorum shall consist of six (6) Directors. Every act or decision done or made by a simple majority of the Directors present at a meeting duly held at which a quorum is present, is the act of the Board of Directors.

Section 5.12. The entire Board of Directors, or any individual Director, may be removed from office at any time by the vote of a simple majority of the General Members of the VCA. If any or all Directors are so removed, new Directors may be elected at a duly noticed Special Meeting, and they shall hold office for the remainder of the terms of the removed Directors. If new Directors are not elected at such meeting, the vacancy created by removal shall be filled by a vote of the simple majority of the remaining Directors, though less than a quorum, or by a sole remaining Director.

Section 5.13. Four (4) unexcused absences from the VCA Board of Directors shall be cause for removal from the Board by a unanimous vote of all other Board members.

ARTICLE VI OFFICERS

Section 6.01. The Officers of the VCA shall be a President, a Vice President, a Secretary, and a Treasurer. The Board of Directors may appoint additional Vice Presidents, Assistant Secretaries, and/or Assistant Treasurers as it may deem desirable.

Section 6.02. Any Board Member of the VCA is qualified to be an officer of the corporation. Officers shall be elected annually by the Board of Directors at the first Regular Meeting of the Board following the annual election of Directors.

Section 6.03. Any Officer may be removed from office by a two-thirds (2/3) majority of the full Board of Directors at any Regular or Special Meeting of the Board of Directors.

Section 6.04. Any vacancy caused by the death, resignation, removal or otherwise, of any Officer shall be filled by the Board of Directors for the portion of the term remaining within forty-five (45) days.

Section 6.05. The President shall be the Chief Executive Officer of the corporation and shall in general, subject to the control of the Board of Directors, supervise and control the affairs of the corporation and VCA. He/she shall preside at all meetings of the General Members and of the Board of Directors and shall, in the name of the VCA and the corporation, execute such deeds, mortgages, bonds, contracts, checks, or other instruments, which may from time to time be authorized by the Board of Directors.

Section 6.06. In the absence of the President, or in the event of the President's inability to act, the Vice President shall perform all the duties of the President and, when so acting, shall have the powers of and be subject to the same restrictions on the President.

Section 6.07. The Secretary, or designated officer, shall certify and keep at a location agreed to by the Board of Directors, the original, or a copy thereof, of the Articles of Incorporation, these By-Laws, as amended or otherwise altered to date, together with the Minutes of all meetings of the Directors and General Members. The Secretary shall give all notices required by these By-Laws, and Amendments thereto, and be custodian of the records and Seal of the corporation. The Secretary shall keep a record of membership containing the name, address, e-mail, and telephone number of each General Member and Friend of the Canals. In any case where membership has been terminated, the Secretary shall record such fact in the records, together with the date the membership ceased. Board of Directors shall designate the person and/or location for maintenance of such records.

Section 6.08. The Treasurer shall have charge and custody of, and be responsible for, all funds and securities of the VCA, and deposit all such funds in the name of the VCA in such banks, trust companies, or other depositories, as shall be authorized by the Board of Directors.

Section 6.09. In the event that any Officer requires the assistance of a committee in the performance of his/her duties, that Officer may appoint to assist them such committees as may be appropriate. Any such committee, however, may be dissolved by a vote of the simple majority of the Directors present at any meeting of the Board of Directors.

ARTICLE VII AMENDMENT

Section 7.01. These By-Laws may be amended by the vote of a simple majority of the General Members of the VCA at a meeting duly called and noticed for that purpose.

Section 7.02. The Board of Directors may make recommended Amendments to the By-Laws, subject to ratification of the General Members, by the vote of a simple majority of Directors present at any Special or Regular Meeting of Directors at which a quorum is present, provided that written notice of such meeting, and of the intention to amend the By-Laws thereat, is delivered to each Director at least ten (10) days prior to the date of such meeting.

Section 7.02(a). Written notice of recommended Amendments to the By-Laws shall be delivered to all Board members for distribution to the General Membership at least thirty (30) days prior to such meeting.

CERTIFICATE

I, NADINE D. PARKOS, hereby certify that I am the duly elected and acting President of the Venice Canals Association, a California corporation, and that the foregoing amended By-Laws, consisting of seven (7) pages, including this one, constitute the By-Laws of said corporation, as duly amended by the Board of Directors and approved and adopted by the VCA General Membership at the January 26, 2004 Annual Membership Meeting.

Dated: April 5, 2004

(Signed) _____
NADINE D. PARKOS, President