

**BYLAWS
OF
MAPLE TERRACE SPOKANE HOMEOWNERS ASSOCIATION**

**ARTICLE 1
DEFINITIONS**

1.1 "Association" means and refers to Maple Terrace Spokane Homeowners Association, a Washington nonprofit corporation.

1.2 "Common Area" includes the Common Area described in the Declaration of Covenants, Conditions, Restrictions, and Easements for Maple Terrace Spokane, as amended, restated or otherwise supplemented, governing Maple Terrace Spokane subdivision, and as described in Article 3 (the "Declaration"), together with any other Property owned or otherwise maintained, repaired, or administered by the Association.

1.3 "Common Expense" means the costs incurred by the Association to exercise any of its powers or maintain the Common Area.

1.4 All other capitalized terms not otherwise defined in these Bylaws has the meaning assigned to them in the Declaration.

**ARTICLE 2
OFFICES**

2.1 Principal Office. The principal office of the Association will be that of the current President serving the Association.

2.2 Registered Office/Agent. The registered office and the registered agent located at that office is identified in the Articles of Incorporation of the Association, or any amendment filed with the Washington Secretary of State.

2.3 Other Offices. The Association may also, where necessary or convenient to the accomplishment of its purposes, maintain offices or facilities elsewhere within the State of Washington at locations selected by the Board of Directors.

**ARTICLE 3
ASSOCIATION JURISDICTION**

The jurisdiction of the Association includes all of the Property described in the Declaration recorded on May 16, 2008, with the Spokane County Auditor under their File No. 5676302, as amended or otherwise supplemented.

ARTICLE 4 PURPOSES

The purposes for which the Association is formed are those described in its Articles of Incorporation as may be amended and to do all other things incidental, necessary, convenient, or expedient for the attainment of the purposes identified in the Articles and for the accomplishment of the duties and responsibilities imposed upon the Association by the laws of the State of Washington and these Bylaws.

ARTICLE 5 MEMBERSHIP

5.1 Members. The members of the Association and their qualifications are described in the Association's Declaration and Articles of Incorporation.

5.2 Membership Meetings.

5.2.1 Annual Meeting. The first meeting of the membership after incorporation will be held on the date and time included in a notice sent by the initial Board of Directors in the manner described in Section 5.3. An annual meeting of the members of the Association must be held during the month of April of each year, commencing in the year 2008, at a date, time, and place designated in the notice for the meeting. At the annual meetings, a Board of Directors will be elected in accordance with Section 6.6 of these Bylaws. The members may also transact other business as may properly come before the meeting as specified under the Washington Nonprofit Corporation Act and the Homeowners Association Act ("Acts"), in the Governing Documents, or upon referral by the Board of Directors. In the event that an annual meeting is omitted by oversight or otherwise, a special meeting may be called in lieu of the annual meeting, and any business transacted at that meeting will have the same force and effect as if transacted or held at the annual meeting.

5.2.2 Regular Meetings. The Board of Directors by resolution may set a schedule for regular meetings, including the annual meeting, of the members for the ensuing year. Notice of regular meetings will be given as described in Section 5.3.

5.2.3 Special Meeting. Special meetings of the members may be called by the President, a majority of the Board of Directors, or by members having 10% of the votes in the Association. Notice of special meetings is to be provided in accordance with the requirements in Section 5.3.

5.2.4 Place of Meetings. Meetings of the membership may be held at any suitable place convenient to the members as may be designated by the Board of Directors and identified in the notices of the meetings. The annual meeting of the members may be held by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time.

5.3 Notice of Member Meetings. For any meeting of the members, the President or other officer of the Association specified in these Bylaws will cause notice of the meeting to be hand delivered or sent by prepaid, first class United States mail to the mailing address of each

member or to any other mailing address designated in writing by the members. The notice must be given not less than 14 days or more than 60 days in advance of any meeting. The notice must state the time and place of the meeting, the purpose for which the meeting is called, and the business to be placed on the agenda by the Board of Directors for a vote by the members, including the general nature of any proposed amendment to the Declaration, Articles of Incorporation, Bylaws, any budget or changes in the previously approved budget that result in a change in assessment obligation, or any proposal to remove a director.

5.4 Quorum. Except for the election of directors described in Section 6.6.3, the quorum necessary for conducting business at any meeting of the members of the Association is 34% of the votes of the Association represented by the members in person or by proxy at the beginning of the meeting. Unless otherwise provided in the Association's Declaration, Articles, or these Bylaws, action taken at a meeting in which a quorum was not initially present will be void and of no effect unless all members of the Association consent in writing to the action within 30 days after the date of the meeting.

5.5 Voting.

5.5.1 The members' voting rights are identified in the Association's Declaration.

5.5.2 At each meeting of the members, each Lot may be represented by one member, either in person or by proxy executed in writing by the member (or if more than one member then by all of the members), by the member's duly authorized attorney-in-fact, or by mail-in ballot as described in Section 5.10 (the "voting member").

5.5.3 When a quorum is present at the beginning of a meeting and at least 34% of the votes of the Association remain present at the meeting in person or by proxy at the time the vote is taken, the vote of a majority of the voting members represented in person or by written proxy at the meeting may decide any question brought before such meeting. This vote will be binding on all members, unless the question is one upon which, by express provision of the Acts or any Governing Document, a different vote is required, in which case the express provisions govern and control the decision of the question.

5.5.4 If a vote of the membership is taken by mail-in ballot, then the affirmative vote of a majority of all votes entitled to be cast will decide a question presented in the ballot.

5.6 Proxies. All proxies must be in writing and the proxy must be filed with the Secretary of the Association or other officer or agent authorized to tabulate votes before the meeting at which the proxies are to be used. A notation of the member votes represented by proxies will be made in the minutes of the meeting. Every proxy will be valid for a period of 11 months, or until it is earlier revoked, and will automatically cease upon conveyance of the member's interest in a Lot in the Association's jurisdiction.

5.7 Adjourned Meetings. Whether for failure to obtain a quorum or otherwise, an adjournment of any meeting of members may be taken to the date, time, and place as the majority of those present (in person or by proxy) may determine without any other notice than announcement at the meeting being adjourned.

5.8 Waiver of Notice. Any member may, in writing, waive notice of any meeting before, at, or after the meeting, and this waiver will be deemed equivalent to the giving of notice. Attendance by a member at any membership meeting, whether in person or by proxy, will be a waiver of notice of the time and place of the meeting, except where a member attends the meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Any objection must be made at the beginning of the meeting and the objection will be waived if the member votes on any action at the meeting.

5.9 Consent to Actions Without Meeting. Whenever the vote of the members is required, the meeting and vote of the members may be dispensed with if all members who would have been entitled to vote upon the action consent in writing to the action being taken, and, unless otherwise provided in the consent, the action will be effective when the last member signs the consent.

5.10 Mail-In Ballot. Whenever the vote of the members is required, the vote may be taken by mail-in ballot if full instructions for and the mail-in ballot are described in the notice for a meeting established for the actions upon which the ballots will be cast and the instructions are not in contradiction to any provisions contained in the Acts or Governing Documents. In order to be counted, all mail-in ballots must be sent to the Secretary of the Association and must be received before the date and time identified in the balloting instructions.

ARTICLE 6 DIRECTORS

6.1 Number. After the turnover meeting described in Section 5.6 of the Declaration, a Board of Directors consisting of no less than three and no more than five directors will manage the affairs of the Association. The initial Board of Directors established in the Articles of Incorporation has three members. The number of directors may be increased (but not more than five) or decreased (but not less than three) by unanimous approval of the Board of Directors except that a decrease cannot have the effect of shortening the term of any incumbent director.

6.2 Qualification. Except for the initial Board of Directors and any initial director appointed by the Declarant under Section 5.6 of the Declaration, all directors must be members of the Association.

6.3 Authority and Powers of the Board of Directors. The management of the affairs, property, and interests of the Association are vested in the Board of Directors. In addition to the powers and authorities expressly conferred upon the Board of Directors by these Bylaws and in any other Governing Document, the Board of Directors may exercise all powers of the Association and do all such lawful acts and things as are not directed or required to be exercised or done by the members of the Association by statute or any other Governing Document, including, but not limited to, the following items:

6.3.1 To levy and collect assessments, annually, quarterly, monthly, or otherwise, to cover the cost of operating, repairing, improving, insuring and maintaining Association Property;

6.3.2 To use and expend the assessments collected to maintain, improve, pay taxes, care for, replace and preserve Association Property;

6.3.3 To make, or contract to have made, repairs, restoration, or alteration of Association Property, if any, after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings;

6.3.4 To employ managers or independent contractors, including, but not limited to, legal counsel, accountants and other professionals or consultants as the Board of Directors deems necessary or appropriate, or other employees as the Board deems necessary and to prescribe their duties;

6.3.5 To open bank accounts and borrow money on behalf of the Association and to designate the signatories for the accounts;

6.3.6 To make reasonable rules and regulations and amendments;

6.3.7 To collect delinquent assessments by suit or otherwise, to abate nuisances, and to enjoin or seek damages from members for violations of the Declaration or rules and regulations adopted by the Board. The rules and regulations and amendments are binding upon the members when the Board has approved them in writing and mailed a copy of the rules and regulations, and all amendments, to each member at the address of the member reflected in the records of the Association. The rules and regulations may include reasonable limitations on the use of Association Property by guests of the members, as well as reasonable admission and other fees for that use; and

6.3.8 To bring and defend actions by or against one or more existing or former members, directors, officers, or agents pertinent to the operation of the Association and to levy special Assessments to pay the cost of litigation.

6.4 Restricted Authority of the Board. The Board of Directors does not have the authority to act on behalf of the Association in the following matters, which authority is reserved to the members:

6.4.1 To amend the Articles of Incorporation;

6.4.2 To take any action that requires the vote or approval of the members;

6.4.3 To terminate the Association;

6.4.4 To elect members of the Board of Directors (the Board of Directors, however, may fill vacancies in its membership for the unexpired portion of any term); and

6.4.5 To determine the qualifications, powers, duties, and terms of office of the members of the Board of Directors.

6.5 Duties of Board of Directors. It is the duty of the Board of Directors to:

6.5.1 Cause to be kept a complete record of all its acts and corporate affairs and to present a statement of these acts to the members at the annual meeting of the members, or at any special meeting when a statement is requested in writing by one fourth of the member votes;

6.5.2 Supervise all officers, agents, and employees of this Association and to see that their duties are properly performed;

6.5.3 Establish, levy, assess, and collect assessments or other charges referred to in the Declaration and these Bylaws as applicable to the Association; and to send written notice of each assessment to every Owner or contract purchaser subject to assessments at least 30 days in advance of each annual, monthly, or special assessment period;

6.5.4 Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate stating whether any assessment has been paid. A reasonable charge may be made by the Board for the issuance of a certificate. The certificate will be conclusive evidence of any assessment stated in the certificate to have been paid;

6.5.5 Procure and maintain adequate liability insurance, and to procure adequate hazard insurance on property owned by the Association, if any;

6.5.6 Cause all officers and employees having fiscal responsibilities to be bonded, as it may deem appropriate;

6.5.7 Cause any Common Area, if any, owned by the Association to be maintained; and

6.5.8 Where reasonably prudent, delegate duties and responsibilities to an officer or committee upon the affirmative resolution of the Board of Directors.

6.6 Election of Directors and Term.

6.6.1 The initial Board of Directors named in the Articles of Incorporation and any initial directors appointed by the Declarant under Section 5.6 of the Declaration will serve until their successors are otherwise elected by the members at their first annual meeting described in Section 5.6 of the Declaration.

6.6.2 At the initial annual meeting of the members, the members must elect three directors by secret ballot. In each succeeding year, elections must be held each year at the annual general membership meeting unless a vacancy occurs prior to the normal expiration of that director's term, in which instance the procedure described in Section 6.10 applies. The two members of the first Board of Directors elected by the membership who receive the most votes will serve for a two-year term and one member will serve for a one-year term. Each term will commence on the date elected at the first meeting of the members. Each term of the first directors will continue until the end of April of the last year of their term. Directors elected for subsequent terms will serve two-year terms, unless they earlier resign or are removed according to these Bylaws. Each year, the Board of Directors will hold a Board meeting in May after the

election of new directors, if any, to appoint officers, set a regular meeting schedule, and conduct other business.

6.6.3 **Voting for the annual election of directors by the members** may be accomplished by ballots delivered or mailed to the Secretary of the Association. Except as provided in these Bylaws, each member may cast the member's vote for each position that will become open on the Board of Directors. There will be no cumulative voting in the election of directors, and no member may cast more than the member's vote for any nominee. Once a Nominating Committee appointed by the Board has given notice of the nominees for Board positions, the Secretary will mail ballots to all members listing the nominees for election as directors. The ballots must have a return deadline of 45 days from the date of mailing. A quorum for this purpose consists of receipt of ballots representing at least 51% of the votes entitled to be cast. If insufficient ballots to achieve a quorum are received by the deadline, the officers must solicit the return of additional ballots. At the deadline, or a later time as a quorum is achieved, the results will be determined and described in a certificate by the Secretary sent to the President and the nominees who were elected.

6.7 **Removal of Directors.** Any one or more of the directors elected by the membership may be removed, either with or without cause, at any time by a majority of the votes cast by members represented in person or by proxy at a meeting of members called for that purpose at which a quorum is present. At this meeting, a successor may immediately be elected to fill the vacancy upon the majority vote of the members votes represented in person or by proxy at such meeting. The successor will serve for the unexpired term of the director. Any director whose removal has been so proposed will be given an opportunity to be heard at the meeting. Prior to the turnover meeting described in Section 5.6 of the Declaration, the Declarant shall have the authority to remove, with or without cause, any one or more of the directors appointed by the Declarant.

6.8 **Absent Directors.** If a director is absent from three or more consecutive regular meetings of the Board of Directors, the remaining directors may declare the position of such director vacant.

6.9 **Resignation of Directors.** Any director may resign at any time by delivering in person or by certified mail a written notice of the resignation to the Board of Directors by and through the Association's President or Secretary.

6.10 **Vacancies.** Whenever any vacancy occurs in the Board of Directors by death, resignation, removal, or otherwise, it must be filled without undue delay by the Declarant during the period of Declarant's control (before the turnover described in Section 5.6 of the Declaration). After the turnover meeting, vacancies may be filled by a majority vote by secret ballot of the remaining directors of the Board at a regular or special meeting of the Board. The person so chosen will hold office until their successor is elected and qualified according to these Bylaws.

6.11 **Remuneration.** No stated salary may be paid to directors, as such, for their services, but by resolution of the Board of Directors, directors may be reimbursed for expenses incurred in carrying out their duties on behalf of the Association.

6.12 Loans. The Association may not loan money or credit to its directors.

6.13 Disbursement. The Association may not make any disbursements of income to any director for the director's service on the Board of Directors.

6.14 Meetings of Board.

6.14.1 Annual Meeting. The first meeting of the Board of Directors following the annual election of directors by members will be known as the Annual Board Meeting. After notice is given by the Secretary of the results of the election of directors by the members, the President must call the Annual Board Meeting, and the Secretary will give notice to all directors of the date, time, and place thereof.

6.14.2 Regular Meetings. At the Annual Board Meeting, the Board may set a schedule of regular meetings of the Board. Notice of regular meetings will be given according to the provisions in Section 6.15.

6.14.3 Special Meetings. Special meetings of the Board of Directors may be called at any time by the President or upon written request by a majority of directors currently in office. Special meetings will be held at the principal office of the Association or at another place or places that the directors may designate in the notice.

6.14.4 Open and Closed Meetings.

6.14.4.1 All meetings of the Board of Directors must be open for observation by all Members of record and their authorized agents, except that, upon a motion duly made and seconded and the affirmative vote of the directors present in open meeting to assemble in closed session, the Board of Directors may convene in closed executive session to consider the following matters:

- a. To discuss personnel matters;
- b. To consult with legal counsel or consider communications with legal counsel;
- c. To discuss likely or pending litigation;
- d. To discuss matters involving possible violations of the Governing Documents of the Association; and
- e. To discuss matters involving the possible liability of an Owner to the Association.

The motion must state specifically the purpose for the closed session. Reference to the motion and the stated purpose for the closed session must be included in the minutes. The Board of Directors must restrict the consideration of matters during the closed portions of meetings only to those purposes specifically exempted and stated in the motion. No motion or other action adopted, passed, or agreed to in closed session may become effective unless the Board of

Directors, following the closed session, reconvenes in open meeting and votes in the open meeting on the motion or other action which is reasonably identified. The requirements of this subsection may not require the disclosure of information in violation of law or which is otherwise exempt from disclosure.

6.15 Notice of Board Meetings.

6.15.1 The schedule of regular Board meetings will be published in the minutes of the meeting at which the schedule was set. Further individual notice is not necessary.

6.15.2 Notice of all special meetings of the Board of Directors will be given to each director by 24 hours service of the notice by telegram, letter, telephone, facsimile, electronic mail, or personal delivery. The notice need not specify the business to be transacted at, or the purposes of, the meeting.

6.16 Quorum. A majority of the Board of Directors constitutes a quorum for the transaction of business, whether in person or by proxy. If a quorum is not present, a lesser number may adjourn the meeting to a day not more than 10 days later.

6.17 Chairperson. At all meetings of the Board of Directors, the President of the Association, or in the President's absence, a member of the Board chosen by the directors present, will preside as Chairperson.

6.18 Proxies. Board members are entitled to vote either in person at any regular or special meeting. Any proxy is only valid for that meeting for which the proxy is issued or subsequent adjourned meetings. All proxies must be in writing and the signatures must be witnessed or acknowledged. The proxy must be filed with the Secretary of the Association before the meeting at which the same is to be used. A notation of the vote by proxy must be made in the minutes of the meeting.

6.19 Voting. A majority of directors present at a meeting at which a quorum is present must concur any time the Governing Documents or a Board resolution calls for Board action. Each director possesses one vote in matters coming before the Board.

6.20 Deadlock. If the directors are unable to reach a decision, the directors must appoint a temporary director from the Association membership for a limited time and for the limited purpose of assisting to resolve the question before the Board. If the directors are unable to agree on a temporary director, each director must select a temporary director from the Association membership. The temporary directors must then select one other temporary director from the Association membership, and these temporary directors must assist for a limited time and for the limited purpose of assisting to resolve the question.

6.21 Registering Dissent. A director who is present at a meeting of the Board of Directors at which action on a matter is taken will be presumed to have assented to the action unless his dissent is entered in the minutes of the meeting, or unless he or she has filed his or her written dissent to the action with the person acting as the Secretary of the meeting, before the adjournment of the meeting. The right to dissent does not apply to a director who voted in favor of such action.

6.22 Minutes. The Board of Directors must keep minutes of all actions taken by the Board, which must be available to all Members.

6.23 Approval of Public Positions – Loans. Any proposal (i) that the Association take a public position on an issue of importance to the members, or (ii) that the Association borrow money or become a maker on a promissory note or other evidence of indebtedness for borrowed money, must be approved only if it receives the affirmative vote of all of the directors then in office.

6.24 Waiver of Notice. Attendance of a director or a committee member at a meeting in person constitutes a waiver of notice of the meeting, except where a director or a committee member attends for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened. A waiver of notice signed by the director or directors, whether before or after the time stated for the meeting, will be equivalent to the giving of notice.

6.25 Action by Directors Without a Meeting. Any action required by law or by these Bylaws to be taken at a meeting of the directors, or at a meeting of a committee, or any action which may be taken at a meeting, may be taken without a meeting if a consent in writing, describing the action taken, and must be signed by all of the directors or committee members entitled to vote with respect to the subject matter. The consent will have the same force and effect as a unanimous vote.

6.26 Actions of Directors by Other Communications Means. Directors may participate in a meeting of directors by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time and participation by these means will constitute presence in person at a meeting.

ARTICLE 7 COMMITTEES

7.1 Designation and Qualification. The Board of Directors, by resolution adopted by a majority of the directors, may designate and appoint one or more committees, each of which will consist of at least two directors and any number of members of the Association. The designation and appointment of any committee and the delegation of authority may not operate to relieve the Board of Directors or any individual director of any responsibility imposed upon it or the board or director by law. By resolution adopted by a majority of the directors in office, the Board may remove from any committee a member of a committee and may fill any vacancy on any committee, whether the vacancy is caused by resignation, removal, or otherwise.

7.2 Nominating Committee.

7.2.1 At least 60 days before the members' annual meeting, the Board of Directors must designate a Nominating Committee, with a number of members as the Board deems appropriate. The Nominating Committee may but need not consist solely of directors and will not have or exercise any of the power of the Board.

7.2.2 The Nominating Committee will solicit and accept nominations from members, and any member may propose nominees to the Nominating Committee. The provisions pertaining to the Board of Directors concerning the calling and conducting of meetings of the Board will govern the procedure of the Nominating Committee, except as may otherwise be provided in the resolution of the Board establishing the committee.

7.2.3 Within 30 days after appointment, the Nominating Committee must approve and give notice to the Secretary of its list of nominees for the positions on the Board of Directors and will indicate which of such nominees are proposed to be officers of the Association or chairman of any committees. In considering and making recommendations, the Nominating Committee will take into account such factors as it deems relevant.

7.3 Authority of Committees. These committees, to the extent provided in the board resolution, has and exercises the authority of the Board of Directors in the management of the Association except, no such committee has the authority of the Board of Directors in reference to:

7.3.1 Amending, altering, or repealing the Bylaws;

7.3.2 Electing, appointing, or removing any member of any committee or any director or officer of the Association;

7.3.3 Amending the Articles of Incorporation;

7.3.4 Adopting a plan of merger or adopting a plan of consolidation with another corporation;

7.3.5 Authorizing the sale, lease, or exchange of all or substantially all of the property and assets of the Association not in the ordinary course of business;

7.3.6 Authorizing the voluntary dissolution of the Association or revoking proceedings for a dissolution;

7.3.7 Adopting a plan for distribution of the assets of the Association; or

7.3.8 Amending, altering, or repealing any resolution of the Board of Directors which by its terms provides that it may not be amended, altered, or repealed by a committee.

7.4 Committee Chairperson. The Chairperson of each committee is responsible for adhering to the guidelines set by the Board.

ARTICLE 8 OFFICERS

8.1 Designations. The officers of the Association are a President, Secretary, and Treasurer, all of whom must be elected by the Board of Directors at the Annual Board Meeting, to hold office until the next Annual Board Meeting, subject to provisions relating to vacancy and removal. The officers must be members of the Association but need not be a director. The

officers have the powers described in these Bylaws but will at all times be subject to the authority and direction of the Board. Any two or more offices may be held by the same person, except the offices of President and Secretary.

8.2 Initial Officers. The initial officers will be appointed by the initial Board of Directors at its organizational meeting after incorporation of the Association, and will hold office until their successors are appointed and qualified by the first Board of Directors at the first annual Board meeting.

8.3 Officer Designations.

8.3.1 President. The President will preside at all meetings of directors and will have general supervision of the affairs of the Association. The President is the principal operating and administrative officer and possesses the power to sign all certificates, contracts, or other instruments of the Association.

8.3.2 Secretary. The Secretary has the following duties:

8.3.2.1 Issue notices for all meetings, if required, except the notices of special meetings of the directors which are called by the President or the requisite number of directors;

8.3.2.2 Keep minutes of all meetings, including but not limited to those persons in attendance at the meetings, motions made and votes, and other business conducted and decided at meetings;

8.3.2.3 Make reports and perform other duties as are incident to his or her office, or are properly required of him or her by the Board of Directors;

8.3.2.4 Provide copies of meetings minutes for all officers and voting members at all meetings;

8.3.3 Treasurer. The Treasurer has the following duties:

8.3.3.1 Keep custody of all moneys of the Association;

8.3.3.2 Maintain an accurate and timely accounting of all money received and disbursed by the Association;

8.3.3.3 Deposit all funds into the accounts established pursuant to the direction of the Board and be responsible for the proper maintenance of the accounts;

8.3.3.4 Disburse the funds of the Association in payment of just demands against the Association or as may be ordered by the Board of Directors, taking proper vouchers for disbursements;

8.3.3.5 Report at all meetings on the financial status of the Association, including funds on hand, outstanding obligations, if any, and all disbursements made since the last report;

8.3.3.6 Be one of the two required signers on all checks and drafts against the Association funds;

8.3.3.7 Comply with any and all State and Federal Guidelines that pertain to the Association as a non profit corporation; and

8.3.3.8 Fulfill all functions delegated to the Treasurer by the President of the Board.

8.4 Other Officers. The Board of Directors may appoint other officers or agents as it deems necessary or expedient, who will hold their offices for the terms and exercise the powers and perform such duties as determined by the Board of Directors.

8.5 Delegation. In the case of absence or inability to act of any officer of the Association and of any person authorized to act in his or her place, the Board of Directors may from time to time delegate the powers or duties of such officer to any other officer or any director or other person whom it may select.

8.6 Resignation of Officers. Any officer may resign at any time by giving written notice to the Secretary of the Association, who, in turn, must notify the Board of Directors of such resignation. Unless otherwise specified, written notice of such resignation will take effect upon receipt of the notice by the Association's Secretary.

8.7 Removal. Any officer may be removed, with or without cause, by an affirmative vote of a majority of the Board of Directors whenever in their judgment the best interest of the Association will be served.

8.8 Vacancies. The Board of Directors may fill vacancies in any office arising from any cause at any regular or special meeting of the Board for the unexpired term of the vacated office.

8.9 Loans to Officers. The Association may not loan money or credit to any officer.

8.10 Disbursement. The Association may not make any disbursement of income to any officer, except for reimbursement of expenses incurred in carrying out their duties on behalf of the Association upon approval by the Board of Directors.

8.11 Bonds. The Board of Directors may, by resolution, require any of the officers to give bonds to the Association, with sufficient surety or sureties, conditioned for the faithful performance of the duties of their respective offices, and to comply with other conditions as may be required by the Board of Directors.

8.12 Amendments to Governing Documents. Any officer of the Association has the right to prepare, execute, certify, file, and record properly adopted amendments to the Governing Documents without further specific authority from the Board.

ARTICLE 9 FISCAL POLICY

9.1 Record-Keeping.

9.1.1 The Association or its managing agent must keep financial and other records sufficiently detailed to enable the Association to fully declare to each Owner the true statement of its financial status. All financial and other records of the Association, including but not limited to checks, bank records, and invoices, in whatever form they are kept, are the property of the Association. Each managing agent of the Association must turn over all original books and records to the Association immediate upon termination of the management relationship with the Association or upon such other demand as is made by the Board of Directors. An Association managing agent is entitled to keep copies of Association records. All records, which the managing agent has turned over to the Association, will be made reasonably available to the examination and copying by the managing agent.

9.1.2 The Association must keep, at a minimum, at its registered office, its principal office in this state, or its Secretary's office if in this state, the following:

9.1.2.1 Current Governing Documents;

9.1.2.2 Correct and adequate records of accounts and finances;

9.1.2.3 A record of officers' and directors' names and addresses; and

9.1.2.4 Minutes of the proceedings of the Board of Directors, and any minutes that may be maintained by committees of the Board. Records may be written, or electronic if capable of being converted to writing.

9.2 Examination of Records. All records of the Association, including the names and addresses of Members and other occupants of the lots, must be available for examination by all members and their respective authorized agents on reasonable advance notice during normal working hours at the offices of the association or its managing agent. The Association may not release the unlisted telephone number of any member without prior written approval by the member. The Association may impose and collect a reasonable charge for copies and any reasonable costs incurred by the Association in providing access to records.

9.3 Financial Statement. At least annually, the Association must prepare, or cause to be prepared, a financial statement of the Association. If the financial statement of the Association reveals annual assessments of \$50,000 or more, it must be audited at least annually by an independent certified public accountant, but the audit may be waived if 67% of the votes cast by members, in person or by proxy at a meeting of the Association at which a quorum is present, vote each year to waive the audit.

9.4 Deposit of Funds. The funds of the Association must be kept in accounts in the name of the Association and cannot be commingled with the funds of any other Association, or with the funds of any manager of the Association or any other person responsible for the custody of the funds. The funds of the Association must be deposited in the name of the Association in a bank or trust company, as the Board of Directors designates.

9.5 Withdrawal of Funds. The Treasurer and any one of the other officers of the Association must sign all checks and drafts against the Association. Signers may not be related to each other. All committee expenditures over \$100 must be approved by a simple majority of the directors present at a Board Meeting. All financial commitments made by the Board dealing with the current year must be honored by the new Board and reflected in the new budget statement for the ensuing year.

ARTICLE 10 BUDGET

10.1 Authority. The Board of Directors has the power to adopt and amend budgets for revenues, expenditures, and reserves, and impose and collect assessments for common expenses from Members.

10.2 Board Action. Within 30 days after adoption by the Board of Directors of any proposed regular or special budget of the Association, or any amendment, the Board must set a date for a meeting ("budget meeting") of the members to consider ratification of the budget or a budget amendment.

10.3 Date of Budget Meeting. The budget meeting may not be held sooner than 14 days nor more than 60 days after the date the notice of the meeting and a summary of the budget to the Members is sent pursuant to Section 5.3.

10.4 Quorum. No quorum is required for a budget meeting.

10.5 Vote. At the budget meeting, the proposed budget or amendment must be ratified by the members unless a majority of members in the Association reject the proposed budget.

10.6 Rejection of Budget. In the event the proposed budget is rejected or the required notice and summary is not given, the periodic budget last ratified by the members will continue until the members ratify a subsequent budget proposed by the Board of Directors.

ARTICLE 11 AMENDMENTS TO GOVERNING DOCUMENTS

11.1 Articles and Bylaws. The Articles of Incorporation and Bylaws of this Association may be amended in the manner described in the Articles of Incorporation. Proposed amendments to the Articles of Incorporation or the Bylaws of this Association must be published to the voting membership at least one regular meeting prior to voting on any proposed amendment or provided with the notice of any special meeting called for their consideration. The proposed amendments must be submitted to a vote of the membership at a regular meeting or a special meeting called for that purpose following their initial publication.

11.2 Declaration. The Declaration may be amended in the manner described in the Declaration.

**ARTICLE 12
MISCELLANEOUS**

12.1 Copies of Resolution. Any person dealing with the Association may rely upon a copy of any of the records of the proceedings, resolutions, or votes of the Board of Directors or its members when certified as a true copy by the President or Secretary of the Association.

12.2 Corporate Seal. The corporate seal of the Association, if any, may be in such form as the Board of Directors may approve.

12.3 Fiscal Year. The fiscal year of the Association will be the calendar year from January 1 through December 31.

12.4 Rules of Order. The Board of Directors may adopt rules of procedure to govern any meetings of members or directors, to the extent the rules are not inconsistent with law or the Governing Documents. In the absence of any adopted rules of procedure, the rules contained in the most recent edition of Robert's Rules of Order will govern all meetings of the members and Board of Directors where those rules are not inconsistent with any of the Governing Documents.

12.5 Conflict.

12.5.1 Statute Controls. In case of any conflict between the Acts and the Articles of Incorporation and/or Bylaws of this Association, the Acts will control.


12.5.2 Articles Control. If there is any conflict between the Articles of Incorporation and these Bylaws, the Articles of Incorporation will control.

12.5.3 Declarations Control. If there is any conflict between the Declaration and these Bylaws, the Declaration will control.

Adopted by resolution of the Association's Board of Directors as of the 29th day of October, 2007.

Rachel Rivers
Secretary, Rachel Rivers

Affirmed by:


President, Melvin S. Aho