

**BYLAWS
FOR
UPLANDS SOUTH HILL COMMUNITY ASSOCIATION**

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**BYLAWS
FOR
UPLANDS SOUTH HILL COMMUNITY ASSOCIATION**

The following are the Bylaws of Uplands South Hill Community Association (the "Association"). These Bylaws apply to each Unit within and the Common Elements of Uplands South Hill, a Planned Development District (the "Community") governed by the Washington Uniform Common Interest Ownership Act, Chapter 64.90 RCW (the "Act") and that certain Declaration of Covenants, Conditions, and Restrictions for Uplands South Hill, a Planned Development District recorded in Pierce County under Recording Number 202303090141, as amended by supplemental declarations adding more units to the Community (collectively, the "Declaration"). Each owner is a member of the Association. All present and future owners, mortgagees and other encumbrancers, lessees, tenants, licensees and occupants of units, and their guests and employees, and any other person who may use the common elements of the Community are subject to these Bylaws, the Declaration and the Use Restrictions and Rules established by the Declarant or the Association for the use and operation of the Community. These Bylaws have been established by the Declarant and may be amended as provided herein. The Act is referenced herein regarding various requirements, procedures and protocols. The Board and members shall act in accordance with the Act regardless of whether those requirements are specifically stated in these Bylaws.

**ARTICLE I
MEMBERSHIP; VOTING; REGISTER**

1. Membership. The Association is composed of the owners of each unit who may participate through designated representatives, as set forth in the Declaration. Owners of a unit as joint tenants, tenants in common, community property, or other ownership involving more than one Owner, shall be joint members of the Association but their vote shall not exceed the voting power allocated to the Unit owned. If any Unit is owned by more than one person, those Owners shall designate one representative to represent the ownership group in the Association, by written notice to the Board of Directors. A designation may be revoked at any time by the Owners of the Unit on written notice to the Board of Directors; provided, however, that such revocation shall not be effective until the Board of Directors has been notified. The vote for a Unit must be cast as a single vote, and fractional votes shall not be allowed. If joint Owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question. If more than one vote is cast for a Unit then none of those votes shall be counted.

2. Voting. Each unit is entitled to the number of votes stated in the Declaration. Cumulative voting for directors is allowed.

3. Register of Members. The Board of Directors of the Association shall maintain a register containing the names and addresses of all owners of units, their designated representatives, any voting rights pledges and any proxies that have been filed with the Association. Owners who sell or convey their interests in a unit shall promptly report to the Board of Directors the name and address of their successor in interest. Persons claiming membership in the Association shall, upon request, furnish the Board of Directors with a copy of any documents under which they assert ownership to a unit, or any interest therein. The Board of Directors may require owners to supply it with copies of any security instrument affecting their interests.

**ARTICLE II
MEETINGS OF MEMBERS**

1. General. Meetings of the Association shall be held at such reasonable place as may be designated from time to time by the Board of Directors. All meetings shall be held in accordance with RCW 64.90.445.

2. Annual Meeting. The Association shall hold its annual meeting in the first quarter of each year at such reasonable place and time as may be designated by written notice of the Board of Directors to the owners not less than fourteen (14) nor more than fifty (50) days prior to the date fixed for the meeting. At the annual meeting the owners or their designated representatives shall elect Directors or fill vacancies in the Board of Directors as provided in the Declaration and shall consider such other business as may properly come before the meeting.

3. Special Meetings. The secretary of the Association shall call a special meeting of the Association at the request of the President, a majority of the Board of Directors, or owners having twenty percent (20%) or more of the total votes. Written notice shall be given to the owners not less than fourteen (14) nor more than fifty (50) days prior to the date fixed for the special meeting. No business shall be transacted at a special meeting except as stated in the notice given therefor.

4. Notice of Meetings. The Secretary shall send notice of each annual and special meeting to each owner or his designated representative (and any other person entitled to notice under the Declaration or Bylaws) in any manner authorized by RCW 64.90.515 and Section 1 of Article X of these Bylaws. The notice shall state the time, date and place of the meeting and the items on the agenda to be voted on by the members, including the text of any proposed amendments to the Declaration or Bylaws, any changes in the previously approved budget that result in a change in assessment obligations, and any proposal to remove a director or officer. The notice shall be given to the owners not less than fourteen (14) nor more than fifty (50) days prior to the date fixed for the annual or special meeting. Notice of any meeting of the Association may be waived in writing at any time and is waived by actual attendance at such meeting unless such appearance is limited expressly to object to the legality of the meeting.

Any holder of a mortgage on a unit (or any insurer or guarantor of such mortgage) will, upon written request filed with the Association, be entitled to written notice of all meetings of the Association and be permitted to designate a representative to attend all such meetings.

5. Quorum. The presence in person or by proxy of owners or their designated representatives having at least twenty-five percent (25%) of the total votes shall constitute a quorum for the transaction of business at any meeting of the Association.

6. Adjourned Meetings. If any meeting of the Association cannot be held because a quorum is not in attendance, the owners or their designated representatives present may adjourn the meeting to a later date and give notice thereof to each owner or his designated representative (and each other person entitled to notice) in accordance with the Declaration. No amendment to the Declaration or Bylaws shall be adopted except as prescribed by the Declaration and Bylaws, and further, no amendment to these Bylaws shall be adopted unless approved by owners or their designated representatives holding a majority of the votes present at a meeting of the Association duly held for that purpose.

7. Proxies. Any owner or his designated representative may vote by proxy. Proxies shall be in writing, signed by the owner or his designated representative, and filed with the Board of Directors. A proxy must be for all the voting power of the Unit. An owner may not revoke a proxy except by actual notice of revocation given to the President (or such other person presiding over the meeting). A proxy is void if it is not dated or purports to be revocable without notice. Unless otherwise stated in the proxy, a proxy terminates eleven months after its date of issuance.

8. Majority Vote. Except as otherwise provided by the Declaration or these Bylaws, passage of any matter submitted to vote at a meeting or adjourned meeting duly called, where a quorum is in attendance in person or by proxy, shall require the affirmative vote of more than fifty percent (50%) of the total votes present in person or by proxy.

9. Voting Electronically. The Board may decide that voting of the members may be in person, by mail or by electronic transmission for any election, adoption of any proposed amendment to the Declaration or Bylaws, or any other action of the members. Any member may also vote by proxy in the form of a record executed by the member or a duly authorized attorney-in-fact. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy. Whenever proposals are to be approved by the members, or directors or officers are to be elected by the members, by mail or by electronic transmission, the name of each candidate and the text of each proposal to be voted upon are set forth in a record accompanying or contained in the notice of meeting. In addition, when an election is conducted by electronic transmission, the Board shall designate an address, location, or system to which the ballot may be electronically transmitted and the ballot must be electronically transmitted to the designated address, location, or system, in an executed electronically transmitted record. Members voting by mail or electronic transmission are present for all purposes of quorum, count of votes, and percentages of total voting power present.

10. Written Ballot. At the discretion of the Board, any matter which might come before the Association at a meeting, including election of directors, may be determined by written ballot, rather than at a meeting. Ballots shall be sent to all Owners in the same manner as notice of meetings, with a specified deadline for return of ballots. Ballots for such meetings must be properly executed and returned in sufficient quantity to constitute a quorum, and determination of the matter presented shall be based upon the required percentage of ballots returned, unless approval of a specified percentage of all voting power is required by law, the Declaration or these Bylaws. The vote by ballot shall be determined by the Board within 48 hours of the deadline for return of ballots. Within 10 days after the ballots have been counted, each Owner shall be notified by mail or other delivery of written notice of the results of the ballot or that a quorum of ballots as not returned.

11. Order of Business. The order of business at meetings of the Association shall be as follows unless dispensed with or altered by motion:

- (a) Roll call
- (b) Proof of notice of meeting or waiver of notice
- (c) Minutes of preceding meeting
- (d) Reports of officers
- (e) Reports of committees
- (f) Election of Directors (annual meeting or special meeting called for such purpose)
- (g) Unfinished business
- (h) New business
- (i) Adjournment

12. Parliamentary Authority. In the event of a dispute, the parliamentary authority for the meetings shall be the current available edition of Roberts Rules of Order, Revised.

ARTICLE III BOARD OF DIRECTORS; SUBMISSION OF OFFICIAL BUSINESS

1. Declarant-Controlled Board. Not later than the conveyance of the first unit in the Community, the affairs of the Association shall be governed by the Board of Directors who shall be elected by Declarant as provided in the Declaration (the "Declarant-Controlled Board").

2. Election of an Owner Representative. Not later than sixty (60) days after conveyance of 25% of the Units that may be created to Owners other than the Declarant, the Declarant shall call a special meeting of the Association to elect at least one member and not less than 25% of the members of the Board by Owners other than the Declarant. Not later than sixty (60) days after conveyance of 50% of the Units that may be created to Owners other than the Declarant, the Declarant shall call a special meeting of the Association to elect not less than one-third of the members of the Board by Owners other than the Declarant. The directors elected by the Owners other than the Declarant pursuant to this Section shall serve until the Owner-Elected Board of Directors is elected pursuant to Section 3 below.

3. Transition to the Owner-Elected Board. The Declarant shall call a special meeting of the Association for the purpose of electing the Owner-Elected Board of Directors to be held no later than the earlier of: (a) two (2) years from the last conveyance of record of a Unit except as security for a debt; (b) two (2) years from the date Declarant last added Units to the Community; or (c) sixty (60) days from the date on which the Declarant shall have closed the sale of seventy-five percent (75%) of the Units which may be created. The Owner-Elected Board of Directors elected pursuant to this Section shall consist of the number of directors stated by the Declarant in the most recently recorded supplemental declaration adding Units to the Community. The directors shall serve without compensation and a majority of whom shall be owners. Thereafter, the Community's affairs shall be governed by the Owner-Elected Board of Directors. During its term of office, the Declarant-Controlled Board (and the Declarant until such Board is appointed) shall exercise the rights, duties and functions of the Board of Directors as set forth in the Declaration and these Bylaws.

The term of office of the directors elected pursuant to this Section 3 shall be two (2) years, with a simple majority of the directors being elected at each annual meeting during even-numbered years, and the other director(s)

being elected at each meeting during odd-numbered years. At the special meeting provided for in this Section 3, the directors so elected shall, by lot, determine whether each shall have a one or two-year term to stagger the expiration dates of the terms of the appropriate number of directors. Any director may be elected to serve for an additional term or terms.

4. Vacancies. Vacancies in the Owner-Elected Board of Directors caused by any reason shall be filled by the vote of the members of the class that elected the former director; and each person so elected shall serve for the unexpired portion of the former Director's term. Vacancies in the Declarant-Controlled Board shall be filled by the Declarant without a meeting of the Association.

5. Removal of Directors. At any annual meeting of the Association or special meeting of the Association called for that purpose, any one or more of the Directors who have been elected by the owners or their designated representatives may be removed, with or without cause, by the lesser of (i) a majority of the total voting interests in the Association or (ii) a two-thirds vote of the Owners or their designated representatives present and entitled to vote at any meeting at which a quorum is present. Except for members elected by owners, the Declarant may remove members of the Declarant-Controlled Board with or without cause and appoint directors to fill the vacancies thus created without a meeting of the Association.

6. Compensation and Qualifications. No compensation shall be paid to Directors for their services as Directors. The qualifications for officers and directors are that such person is an owner of a Unit in the Community (which includes any director, member, officer, partner or trustee of an entity owner), and has not been convicted of a crime involving dishonesty (e.g., fraud, embezzlement, theft, etc.).

7. Organizational Meeting. The Owner-Elected Board of Directors shall hold an organizational meeting within ten (10) days of their appointment or election at such place as determined by agreement of the Board members. No notice to the new Directors is required to legally constitute the meeting provided a majority of the Board members are present. The Directors shall appoint all officers during such organizational meeting.

8. Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Directors, but at least two (2) such meetings shall be held during each fiscal year; provided, however, prior to the transition to the Owner-Elected Board pursuant to Section 3 of this Article III, the Board must meet at least four times a year and at least one of those meetings must be held at the Community. Unless the meeting is included in a schedule given to the members or the meeting is called to deal with an emergency, the Secretary shall provide notice of each Board meeting to each director and to the owners. The notice must be given at least 14 days before the meeting and must state the time, date, place, and agenda of the meeting. The Board shall make copies of any materials distributed to the Board before the meeting available to the members except unapproved minutes to be considered in executive session.

9. Special Meetings. Special meetings of the Board may be called by the President. The Secretary shall provide notice of each special Board meeting to each director and to the owners. The notice must be given at least 14 days before the meeting and must state the time, date, place, and agenda of the meeting. The Board shall make copies of any materials distributed to the Board before the meeting available to the owners except unapproved minutes to be considered in executive session.

10. Waiver of Notice. Before or after any meeting of the Board, any Director or member may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of notice. Attendance by an owner or Director at any meeting of the Board shall be a waiver of notice by such person of the time and place thereof.

11. Quorum. At all meetings of the Board, the attendance of Directors entitled to cast a majority of the votes shall be required for a quorum, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board. If there is less than a quorum present at any meeting of the Board, the majority of those present may adjourn the meeting from time to time. At the adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice.

12. Complaints and Official Business. Any complaints and all official business shall be transmitted in writing, emergencies excepted, and such written business shall be submitted to the Board through the President if available, and the Secretary if the President is not available.

13. Requirements for Meetings. The following requirements apply to meetings of the Board and committees authorized to act for the Board:

(a) Meetings must be open to the owners except during executive sessions, but the Board may expel or prohibit attendance by any person who, after warning by the chair of the meeting, disrupts the meeting. The Board and those committees may hold an executive session only during a regular or special meeting of the Board or a committee. A final vote or action may not be taken during an executive session.

(b) An executive session may be held only to:

i. Consult with the Association's attorney concerning legal matters;

ii. Discuss existing or potential litigation or mediation, arbitration, or administrative proceedings;

iii. Discuss labor or personnel matters;

iv. Discuss contracts, leases, and other commercial transactions to purchase or provide goods or services currently being negotiated, including the review of bids or proposals, if premature general knowledge of those matters would place the Association at a disadvantage; or

v. Prevent public knowledge of the matter to be discussed if the Board or committee determines that public knowledge would violate the privacy of any person.

(c) A gathering of directors or committee members at which the directors or committee members do not conduct Association business is not a meeting of the Board or committee. Board members and committee members may not use incidental or social gatherings to evade the open meeting requirements stated in this Section.

(d) After the transition meeting, all Owner-Elected Board meetings must be at the Community or at a place convenient to the Community.

(e) At each Board meeting, the Board must provide a reasonable opportunity for owners to comment regarding matters affecting the common interest community and the Association.

(f) Unless the meeting is included in a schedule given to the owners or the meeting is called to deal with an emergency, the secretary must provide notice of each Board meeting to each director and to the owners. The notice must be given at least 14 days before the meeting and must state the time, date, place, and agenda of the meeting.

(g) If any materials are distributed to the Board before the meeting, the Board must make copies of those materials reasonably available to those owners, except that the Board need not make available copies of unapproved minutes or materials that are to be considered in executive session.

(h) Fewer than all directors may participate in a regular or special meeting by or conduct a meeting using any means of communication by which all directors participating can hear each other during the meeting. A director participating in a meeting by these means is deemed to be present in person at the meeting.

(i) The Board may meet by participation of all directors by telephonic, video, or other conferencing process if:

i. The meeting notice states the conferencing process to be used and provides information explaining how owners may participate in the conference directly or by meeting at a central location or conference connection; and

ii. The process provides all owners the opportunity to hear or perceive the discussion and to comment.

(j) Instead of meeting, the Board may act by unanimous consent as documented in a record by all directors. Actions taken by unanimous consent must be kept as a record of the Association with the meeting minutes. After the transition meeting, the Board may act by unanimous consent only to undertake ministerial actions, actions subject to ratification by the owners, or to implement actions previously taken at a meeting of the Board.

(k) A Board member who is present at a Board meeting at which any action is taken is presumed to have assented to the action taken unless the Board member's dissent or abstention to such action is lodged with the person acting as the secretary of the meeting before adjournment of the meeting or provided in a record to the secretary of the Association immediately after adjournment of the meeting. The right to dissent or abstain does not apply to a Board member who voted in favor of such action at the meeting.

(l) A Board member may not vote by proxy or absentee ballot.

(m) Even if an action by the Board is not in compliance with this Section, it is valid unless set aside by a court. A challenge to the validity of an action of the Board for failure to comply with this Section may not be brought more than ninety days after the minutes of the Board of the meeting at which the action was taken are approved or the record of that action is distributed to owners, whichever is later.

14. Standard of Care for Directors. In the performance of their duties, directors must exercise the degree of care and loyalty to the Association required of a director of a corporation organized under Chapter 24.06 RCW. The directors are subject to the conflict-of-interest rules governing directors under Chapter 24.06 RCW. More specifically, each director shall discharge his or her duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the director believes to be in the best interests of the Association.

15. Power and Duties of the Board. The Board of Directors shall have all powers and authority granted to the Board of Directors under the Act and the Declaration. The Board of Directors shall arrange for goods and services necessary for the proper functioning of the Community, and the cost shall be shared among the Owners in the manner provided in the Declaration. The Board may delegate any of its powers to a managing agent or to a committee established by the Board. The Board's powers and authority include the following:

(a) Adopt and amend the Bylaws and the Use Restrictions and Rules for the Community;

(b) Adopt and amend budgets for revenues, expenditures, and reserves, and impose and collect assessments for common expenses from the owners;

(c) Hire and discharge or contract with managing agents and other employees, agents, and independent contractors;

(d) Institute, defend, or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more Owners on matters affecting the Community; provided, however, that the approval of Owners holding at least 67% of the votes in the Association cast at a special meeting held for that purpose and not by proxy or consent in lieu of a meeting shall be required before the Association may institute, commence or intervene in any litigation or administrative proceeding, including arbitration, other than litigation or other

proceedings against owners for collection of delinquent Assessments or for enforcement of the Declaration or the Use Restrictions and Rules; but owner approval shall not be required for settlement of such litigation or administrative proceedings;

- (e) Make contracts and incur liabilities;
- (f) Regulate the use, maintenance, repair, replacement, and modification of the Units and any Limited Common Element;
- (g) Provide for the maintenance, repair, replacement and modification of the Common Elements;
- (h) Acquire, hold, encumber, convey, and dispose of, in the Association's name, right, title, or interest to real or tangible and intangible personal property, and arrange for and supervise any addition or improvement to the Common Elements, provided that the beneficial interest in any property acquired by the Association pursuant to this Section shall be owned by the owners in the same proportion as their respective interests in the Common Elements and shall thereafter be held, sold, leased, mortgaged, or otherwise dealt with as the Board shall determine;
- (i) Grant easements, leases, licenses, and concessions through or over the Common Elements and petition for or consent to the vacation of streets and alleys;
- (j) Dedicate streets within the Community to the City or County for public use or dedicate utility facilities to the utility provider provided that such dedications shall have been approved by Owners holding a majority of the votes in the Association;
- (k) Impose and collect any payments, fees, or charges for the use, rental, or operation of the Common Elements and for services provided to Owners;
- (l) Acquire and pay for all goods and services reasonably necessary or convenient for the efficient and orderly functioning of the Community;
- (m) Impose and collect charges for late payment of assessments and, after Notice and an Opportunity to be Heard, as defined in Section 5.15.10 of the First Supplemental Declaration, levy reasonable fines in accordance with a previously established schedule thereof adopted by the Board and furnished to the Owners for violations of this Declaration, the Bylaws, and the Use Restrictions and Rules;
- (n) Impose and collect reasonable charges for the preparation and recording of amendments to this Declaration, resale certificates required by RCW 64.90.640, and statements of unpaid assessments;
- (o) Provide for the indemnification of its officers and Board, and maintain directors' and officers' liability insurance;
- (p) Assign its right to future income, including the right to receive Assessments;
- (q) Exercise any other powers conferred by this Declaration or the Bylaws;
- (r) Exercise all other powers that may be exercised in this state by the same type of corporation as the Association; and
- (s) Exercise any other powers necessary and proper for the governance and operation of the Association.

16. Limitations on Board's Authority.

(a) Spending Limit. Despite the foregoing, the Board of Directors shall not have the authority to acquire and pay for capital additions and improvements having a total cost in excess of Twenty-Five Thousand Dollars (\$25,000.00) without first obtaining the affirmative vote of the Owners holding a majority of the voting power represented at a meeting called for such purpose, or if no such meeting is held, then the written consent of the Owners having more than fifty percent (50%) of the total votes in the Association; provided that any expenditure or contract for capital additions or improvements in excess of Fifty Thousand Dollars (\$50,000.00) must be approved by the Owners having not less than sixty-seven percent (67%) of the total votes in the Association. This limitation does not apply to the replacement of improvements to the extent reserves have been collected for the cost of replacement, or to the rebuilding improvements following damage by casualty which is covered by Article 19 below.

(b) Borrowing Secured by Future Assessments. The Board may not obtain any financing secured by an assignment of the Association's right to receive future income from Assessments or otherwise, without first having that financing ratified by the Owners in accordance with RCW 64.90.405(4).

(c) Adoption or Amendment of Rules. The Board must, before adopting, amending, or repealing any rule, give all Owners notice of its intention to adopt, amend, or repeal a rule and provide the text of the rule or the proposed change, and the date on which the Board will act on the proposed rule or amendment after considering comments from Owners. Following adoption, amendment, or repeal of a rule, the Board must give notice to the Owners of its action and provide a copy of any new or revised rule. The Board may adopt rules to establish and enforce construction and design criteria and aesthetic standards. If the Board elects to do so, then it must adopt procedures for enforcement of those standards and for approval of construction applications, including a reasonable time within which the Board or any Architectural Committee must act after an application is submitted and the consequences of its failure to act. All rules must be reasonable and must be applied on a uniform, nondiscriminatory basis. All rules must comply with those regulatory limitations stated in RCW 64.90.510. In interpreting those regulatory limitations, the Board shall be given the maximum authority and discretion allowed thereunder to limit signs, solar panels, and other displays that are visible to the public or other Owners.

**ARTICLE IV
OFFICERS**

1. Designation. The officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected by and from the Board of Directors.

2. Election of Officers. The officers of the Association shall be elected each year at the first meeting of Directors after the annual meeting of the Members, and they shall hold office at the pleasure of the Board.

3. Removal of Officers. At any regular meeting of the Board or at any special meeting called for that purpose, any officer may be removed, with or without cause, and his successor elected, upon an affirmative vote of a majority of the members of the Board of Directors.

4. President. The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the Association and of the Board of Directors and shall have all powers and shall perform all duties usually incident to the office of President of a business corporation.

5. Vice President. The Vice President shall perform the duties of the President in the absence of the President and such other duties as may be assigned by the Board.

6. Secretary. The Secretary shall keep the minutes of all meetings of the Board. The Secretary shall also maintain the register of owners, designated representatives, voting rights pledges and proxies. In addition, the Secretary shall perform all duties usually incident to the office of Secretary of a business corporation.

7. Treasurer. The Treasurer shall have responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association.

8. Other Officers, Assistants, Employees. Other officers of the Association, assistants to the officers, or persons employed to assist the officers, shall have such authority and shall perform such duties as the Board may prescribe within the provisions of the applicable statutes, the Declaration, and these Bylaws.

9. Compensation. The Board may determine to pay reasonable compensation to any officer, agent, assistant or owner who performs substantial services for the Community in carrying out the management functions. The Board's decision to compensate an officer shall not become final until 60 days after notice of it (including the amount of compensation to be paid) has been given to all persons entitled to notice of meetings of the Association, and such decision may be reversed by the members of the Association at a meeting duly called and held within 60 days after the notice of the decision was given.

10. Standard of Care for Officers. In the performance of their duties, officers must exercise the degree of care and loyalty to the Association required of an officer of a corporation organized. The officers are subject to the conflict-of-interest rules governing officers under Chapter 24.06 RCW. More specifically, each officer shall discharge his or her duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the officer believes to be in the best interests of the Association.

ARTICLE V COMMITTEES

1. Committees of Directors. The Board of Directors may designate one or more committees, each of which shall consist of one or more Directors. Such committees, if composed entirely of Board members, shall have and exercise, to the extent provided in the resolution establishing the committee, the authority of the Board of Directors in the management of the Association, but the designation of such committees shall not operate to relieve the Board of Directors of any responsibility imposed upon it by law.

2. Other Committees. Other committees, not having or exercising the authority of the Board of Directors in the management of the Association, may be designated by the President or by the Board of Directors, and such committees may be composed of one or more members of the Association other than Board members, but each shall have one Board member as a member or chairman.

ARTICLE VI OBLIGATIONS OF OWNERS

1. Monthly Assessments. Owners are obligated to pay the maintenance assessments and other assessments imposed by the Association to meet all common expenses of the Community as set forth in the Declaration, and the Board of Directors shall act to establish, assess, collect and expend such assessments as therein provided.

2. Rules and Regulations. The Board of Directors may, from time to time, adopt such reasonable rules and regulations (in addition to the restrictions set forth in the Declaration) as may be required for the use, occupancy and maintenance of the units and common elements and when so adopted, such rules and regulations shall be binding upon the owners and occupants. Such rules and regulations shall be consistent with the Declaration and Bylaws, and, to the extent they are inconsistent, the rules and regulations shall be invalid. The Board of Directors may from time to time amend any such rules and regulations.

ARTICLE VII HANDLING OF FUNDS

1. Accounts. The Board shall establish the necessary funds or accounts to properly provide for the operation and maintenance of the property. Overall superintendence of these funds shall be the responsibility of the

Treasurer of the Association. The Treasurer shall administer the Association's accounts in such a way that the funds are secure and that signature cards at the various institutions containing the funds are current.

2. Insurance Account. The Treasurer shall establish an interest-bearing savings account at a federally insured financial institution, this account to be known as the Insurance Account. Each month the Treasurer shall first cause to be deposited in the Insurance Account an amount equal to at least one-twelfth of the total cost of all premiums for the policy or policies that are provided for the Community.

3. Reserve Account. The Treasurer shall establish an interest-bearing savings account at a federally insured financial institution, this account to be known as the Reserve Account. The purpose of the Reserve Account is to provide for major renovation or replacement of components of the interior and exterior common areas, for replacement of structural elements and mechanical equipment of the Community, for financial stability during periods of special stress, and to meet deficiencies in the general funds that may occur from time to time because of delinquent payment of assessments, and for other contingencies.

4. General Account. The Treasurer shall establish a checking account in a federally insured financial institution to be known as the General Account. This account will be the working capital account for the current operations of the Community and will normally receive all monthly assessments, and all income and other funds received by the Association. Checks shall be issued from this account for all management, maintenance, and operation expenditures necessary for the Community. Funds for the Insurance Account and Reserve Account will normally be received and deposited in the General Account and checks issued to the other accounts immediately so that an overall accounting of the funds received and disbursed by the Association is centralized in the check register of the General Account.

ARTICLE VIII KEEPING RECORDS AND REPORTS

1. General. The Board shall keep all records required by RCW 64.90.495(1) which include the following:

(a) The current budget, detailed records of receipts and expenditures affecting the operation and administration of the Association, and other appropriate accounting records within the last seven years;

(b) Minutes of all meetings of its owners and Board other than executive sessions, a record of all actions taken by the owners or Board without a meeting, and a record of all actions taken by a committee in place of the Board on behalf of the Association;

(c) The names of current owners, addresses used by the Association to communicate with them, and the number of votes allocated to each unit;

(d) Its original or restated declaration, organizational documents, all amendments to the declaration and organizational documents, and all rules currently in effect;

(e) All financial statements and tax returns of the Association for the past seven years;

(f) A list of the names and addresses of its current directors and officers;

(g) Its most recent annual report delivered to the Secretary of State of the State of Washington;

(h) Financial and other records sufficiently detailed to enable the Association to comply with RCW 64.90.640;

(i) Copies of contracts to which it is or was a party within the last seven years;

(j) Materials relied upon by the Board or any committee to approve or deny any requests for design or architectural approval for a period of seven years after the decision is made;

(k) Materials relied upon by the Board or any committee concerning a decision to enforce the governing documents for a period of seven years after the decision is made;

(l) Copies of insurance policies under which the Association is a named insured;

(m) Any current warranties provided to the Association;

(n) Copies of all notices provided to owners or the Association in accordance with the Act, Declaration or these Bylaws; and

(o) Ballots, proxies, absentee ballots, and other records related to voting by owners for one year after the election, action, or vote to which they relate.

2. Inspection of Records. Except as provided below in this Section, all records required to be retained by an Association must be made available for examination and copying by all owners, holders of mortgages on the units, and their respective authorized agents (who include insurers or guarantors of those mortgages) (collectively, "Interested Parties") during reasonable business hours or at a mutually convenient time and location at the offices of the Association or its management company. Provided, however, the Association may withhold from inspection and copying any of its records to the extent that they concern: (a) Personnel and medical records relating to specific individuals; (b) Contracts, leases, and other commercial transactions to purchase or provide goods or services currently being negotiated; (c) Existing or potential litigation or mediation, arbitration, or administrative proceedings; (d) Existing or potential matters involving federal, state, or local administrative or other formal proceedings before a governmental tribunal for enforcement of the governing documents; (e) Legal advice or communications that are otherwise protected by the attorney-client privilege or the attorney work product doctrine, including communications with the managing agent or other agent of the Association; (f) Information the disclosure of which would violate a court order or law; (g) Records of an executive session of the Board; (h) Individual unit files other than those of the requesting owner; (i) Unlisted telephone number or electronic address of any owner or resident; (j) Security access information provided to the Association for emergency purposes; or (k) Agreements that for good cause prohibit disclosure to the owners.

2. Audit. Upon the written request of any of the Interested Parties, the Association shall provide the requesting party(ies) with an audited financial statement for the preceding fiscal year if one is available.

ARTICLE IX AMENDMENTS

These Bylaws may be amended or repealed by owners or their designated representatives holding a majority of the votes present at a meeting of the Association duly held for that purpose where a quorum is present. Notwithstanding the foregoing, any amendment of the Bylaws modifying, changing, limiting, altering or otherwise materially affecting the rights conferred upon any Mortgagee (as defined in the Declaration), or which is of a material adverse nature to Mortgagees, shall require the prior approval of a certain percentage of Mortgagees as provided in the Declaration.

ARTICLE X MISCELLANEOUS

1. Notices for all Purposes. Notices for all purposes shall be delivered in accordance with RCW 64.90.515, which states the following:

(a) Notice to the Association, Board, or any owner or occupant of a unit must be provided in the form of a record (i.e., either in a tangible medium or by electronic transmission).

(b) Notice provided in a tangible medium may be transmitted by mail, private carrier, or personal delivery; telegraph or teletype; or telephone, wire, or wireless equipment that transmits a facsimile of the notice.

i. Notice in a tangible medium to the Association may be addressed to the Association's registered agent at its registered office, to the Association at its principal office shown in its most recent annual report, the address stated in a notice to the owners, or to the President or Secretary at the address shown in the Association's most recent annual report or the address stated in a notice to the owners.

ii. Notice in a tangible medium to a owner or occupant must be addressed to the unit address unless the owner or occupant has requested, in a record delivered to the Association, that notices be sent to an alternate address or by other method allowed by this Section and the governing documents.

(c) Notice may be provided in an electronic transmission as follows:

i. Notice to owners or directors by electronic transmission is effective only upon owners and directors who have consented, in the form of a record, to receive electronically transmitted notices and have designated in the consent the address, location, or system to which such notices may be electronically transmitted, provided that such notice otherwise complies with any other requirements of the Act and applicable law.

ii. Notice to owners or directors under this Subsection includes material that the Act or the governing documents requires or permits to accompany the notice.

iii. An owner or director who has consented to receipt of electronically transmitted notices may revoke this consent by delivering a revocation to the Association in the form of a record.

iv. The consent of any owner or director is revoked if: The Association is unable to electronically transmit two consecutive notices given by the Association in accordance with the consent, and this inability becomes known to the Secretary or any other person responsible for giving the notice. The inadvertent failure by the Association to treat this inability as a revocation does not invalidate any meeting or other action.

v. Notice to owners or directors who have consented to receipt of electronically transmitted notices may be provided by posting the notice on an electronic network and delivering to the owner or director a separate record of the posting, together with comprehensible instructions regarding how to obtain access to the posting on the electronic network.

vi. Notice to the Association in an electronic transmission is effective only with respect to an Association that has designated in a record an address, location, or system to which the notices may be electronically transmitted.

(d) Notice may be given by any other method reasonably calculated to provide notice to the recipient.

(e) Notice is effective as follows:

i. Notice provided in a tangible medium is effective as of the date of hand delivery, deposit with the carrier, or when sent by fax.

ii. Notice provided in an electronic transmission is effective as of the date it is electronically transmitted to an address, location, or system designated by the recipient for that purpose, or has been posted on an electronic network and a separate record of the posting has been sent to the recipient containing instructions regarding how to obtain access to the posting on the electronic network.

(f) The ineffectiveness of a good-faith effort to deliver notice by an authorized means does not invalidate action taken at or without a meeting.

2. Waiver. The failure of the Board of Directors in any one or more instances to insist upon the strict performance of any of the terms, covenants, conditions or restrictions of the Declaration, or of these Bylaws, or any rules and regulations established by the Board of Directors, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment for the future of such term, covenant, condition or restriction, but such term, covenant, condition or restriction shall remain in full force and effect. The receipt by the Board of Directors of any assessment from an owner, with knowledge of any such breach, shall not be deemed a waiver of such breach, and no waiver by the Board of Directors of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Board of Directors.

3. Limitation of Liability. To the extent permitted by law, the members of the Board of Directors and the Association shall not be liable for any failure of any utility or other service to be obtained and paid for by the Board of Directors or for injury or damage to person or property caused by the elements, or by another owner or person; or resulting from electricity, water, rain, dust, smoke or sand which may lead or flow from outside or from any parts of the property, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other cause or place; or resulting from loss, damage, or theft of articles used or stored by owners on the property or in units. No diminution or abatement of assessments shall be claimed or allowed for inconveniences or discomfort arising from the making of repairs or improvements to the common elements, or from any action taken to comply with any law, ordinance, or order of a governmental authority. This Section shall not limit the liability of directors appointed by the Declarant for breach of a fiduciary duty owed to the owners. This Section shall not be interpreted to impose any form of liability by any implication upon the Board of Directors or upon the Association.

4. Interpretation.

a. The provisions of the Declaration and these Bylaws shall be liberally construed to effectuate the purpose of creating a uniform plan for the development and operation of the Community. It is intended also that, insofar as it affects the Declaration, these Bylaws and the Community, the provisions of the Act referenced herein under which the Declaration and these Bylaws are operative, shall be liberally construed to effect the intent of the Declaration and these Bylaws insofar as reasonably possible.

b. When interpreting the Declaration and these Bylaws, the term "person" may include natural persons, partnerships, corporations, Associations, and personal representatives. The term "mortgage" shall include a Deed of Trust or real estate contract. The singular may include the plural and the masculine may include the feminine, or vice versa, where the context so admits or requires. It is intended that the terminology used herein be interpreted in conformity with the definitions and usages in the Act.

c. The Declarant is the original owner of all units and property and will continue to be deemed the owner thereof except as conveyances or documents changing such ownership regarding specifically described units and the appurtenances thereof are filed of record.

d. The terminology, such as, but not limited to, the term "unit" used herein is intended to have the meaning given in the Act unless the context clearly requires otherwise.

The undersigned Directors confirm that these Bylaws were adopted this 16th day of JANUARY 2025.



Mark Enebrad, Director