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**BYLAWS OF THE EAGLE POINT AT AMERICAN LAKE  
HOMEOWNER'S ASSOCIATION**

**ARTICLE I Purpose**

EAGLE POINT AT AMERICAN LAKE HOMEOWNER'S ASSOCIATION (the "Corporation") is organized and operates as a non-profit corporation under the Washington Nonprofit Corporation Act (the "Act") for the purpose of providing a mechanism for meeting and carrying out the purposes of the Declaration of Covenants, Conditions and Restrictions for the plat of Eagle Point at American Lake, as amended from time to time, and to own, operate and maintain certain real estate and improvements, including roads, sidewalks, common areas, clubhouse, septic system, dock and other amenities as provided in such Covenants, Conditions and Restrictions. In addition, the Corporation may engage in other activities allowable to a non-profit corporation which its directors may deem appropriate from time to time, and engage in any lawful activity under the laws of the State of Washington.

**ARTICLE II Offices**

The Corporation shall have and continuously maintain in the State of Washington, a registered office and a registered agent, which agency may be either an individual resident in the State of Washington whose business office is identical with such registered office, or a domestic corporation for profit or a foreign corporation for profit authorized to conduct affairs in the State of Washington that is authorized by its articles of incorporation to act as such agent having a business office identical with such registered office, and may have other offices with or without the State of Washington as the board of directors may from time to time determine.

**ARTICLE III Members**

Section 1: Every lot owner of a lot at Eagle Point at American Lake shall be a member of the association. Membership shall be appurtenant to and may not be separated from ownership of any lot. Ownership of a lot shall be the sole qualification for membership.

Section 2: Voting Rights. The association shall have two classes of voting membership.  
a. Class A. Class A members shall be all owners, with the exception of the owners of lots 9A, 1C and 2C, and shall be entitled to one vote for each lot owned.  
b. Class B. Class B members shall be the owners of lots 9A, 1C and 2C, and shall be entitled to two votes for each lot owned, because each lot is or shall be improved with a duplex.

**ARTICLE IV Meetings of Members**

Section 1: Annual Meeting. An annual meeting of the members shall be held on the last Tuesday in September each year, beginning with the year 2002, for the purpose of electing directors, if applicable, and for the transaction of such other business as may come before the meeting.

Section 2: Special Meeting. Special meetings of the members may be called by the president, the board of directors, or a majority of the members of the Corporation.

Section 3: Place of Meeting. The board of directors may designate any place, either within or without the State of Washington, as the place of meeting for any annual meeting or for any special meeting called by the board of directors. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be the registered office of the Corporation in the State of Washington, provided, however, that if all of the members shall meet at any time and place, either within or without the State of Washington, and consent to the holding of a meeting, such meeting shall be valid without call or notice, and at such meeting any corporate action may be taken.

Section 4: Notice of Meetings. Written or printed notice stating the place, day, and hour of any meeting of members shall be delivered, either personally or by mail, to each member entitled to vote at such meeting, not less than ten (10) nor more than sixty (60) days before the date of such meeting, or in the case of a removal of one or more directors, a merger, consolidation, dissolution or sale, lease or exchange of assets not less than twenty (20) nor more than sixty (60) days before the date of such meeting, by or at the direction of the president, or the secretary, or the officers or persons calling the meeting. In case of a special meeting or when required by statute or by these bylaws, the purposes for which the meeting is called shall be stated in the notice. If mailed first-class or registered mail, the notice of a meeting shall be deemed delivered three business days after it is deposited in the United States mail addressed to the member at his or her address as it appears on the records of the Corporation, with postage thereon prepaid.

Section 5: Informal Action by Members. Any action required to be taken at a meeting of the members of the Corporation entitled to vote, or any other action which may be taken at a meeting of members, may be taken without a meeting and without a vote if a consent in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof.

Section 6: Quorum. The members holding a majority of the votes which may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting of members, a majority of the members present may adjourn the meeting from time to time without further notice.

Section 7: Proxies. At any meeting of members a member entitled to vote may vote either in person or by proxy executed in writing by the member or by his or her 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.

#### **ARTICLE V Board of Directors**

Section 1: General Powers. The affairs of the Corporation shall be managed by its board of directors.

Section 2: Number, Tenure and Qualification.

a. Initial Board of Directors. The initial Board of Directors shall consist of Kevin Byrne and Tom Folk, who shall serve as directors until eighty percent (80%) of the lots in the plat of Eagle Point at American Lake have a single family house built on them. In the event that either of these director positions become vacant during such time, the other initial director shall have the power and authority to appoint a successor director to fill the vacancy for the remainder of that term.

b. Subsequent Board of Directors. After eighty percent (80%) of all lots in the plat at Eagle Point at American Lake have a single family house built on them, the directors shall be elected by the members at the annual meeting of members, or a special meeting of members called for that purpose. Each of these directors shall hold office until the next annual meeting of the members and until his or her successor shall have been elected.

c. After eighty percent (80%) of all lots in the plat at Eagle Point at American Lake have a single family house built on them the number of directors shall be at least two (2) and not more than ten (10), as set by resolution of the board of directors or of the members, but any such resolution reducing the number of directors shall not be effective to shorten the term or eliminate the position of a then sitting director.

Section 3: Regular Meetings. A regular meeting of the board of directors shall be held without other notice than this bylaw jointly with the annual meeting of members or immediately after, and at the same place as, the annual meeting of members. The board of directors may provide by resolution the time and place, either within or without the State of Washington, for the holding of additional regular meetings of the board without other notice than such resolution.

Section 4: Special Meetings. Special meetings of the board of directors may be called by or at the request of the president or any director. The person or persons authorized to call special meetings of the board may fix any place, either within or without the State of Washington, as the place for holding any special meeting of the board called by them.

Section 5: Notice. Notice of any special meeting of the board of directors shall be given at least two days previously thereto by written notice delivered personally or sent by mail, overnight courier service, telecopy, or telegram to each director at his or her address as shown by the records of the Corporation. If mailed first class or registered mail, such notice shall be deemed to be delivered three business days after being deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice be given by telegram, overnight courier service or telecopy, such notice shall be deemed to be delivered the following business day. Any director may waive notice of any meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except when a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these bylaws, except that no special meeting of directors may remove a director, unless written notice of the proposed removal is delivered to all directors at least twenty days prior to such meeting.

Section 6: Quorum. A majority of the directors then in office shall constitute a quorum for the transaction of business at any meeting of the board, provided, that if less than a majority of the directors are present at said meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

Section 7: Manner of Acting. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors, except where otherwise provided by law or by the articles of incorporation or by these bylaws. Directors or non-director committee members

may participate in and act at any board of directors or committee meeting through the use of a conference telephone or other communications equipment by means of which all persons participating in the meeting can communicate with one another. Participation in such meeting shall constitute attendance and presence in person at the meeting of the person or persons so participating.

Section 8: Vacancies. Any vacancy occurring in the board of directors, or any directorship to be filled by reason of an increase in the number of directors, shall be elected by the remaining members of the board of directors. A director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

Section 9: Informal Action by Directors. Any action required to be taken at a meeting of the directors of the Corporation, or any other action which may be taken at a meeting of directors or a committee thereof, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors and all the non-director committee members entitled to vote with respect to the subject matter thereof, or by all the members of such committee, as the case may be.

Section 10: Removal. After eighty percent (80%) of all lots in the plat at Eagle Point at American Lake have a single family house built on them a director may be removed, with or without cause, at any time, by the affirmative vote of two thirds of the members at a special meeting of members called for that purpose.

Section 11: Committees.

(a) There shall be an architectural control committee established and elected as provided in Article VIII of the Covenants, Conditions and Restrictions for Eagle Point at American Lake.

(b) The board of directors by a vote of a majority of the directors may create one or more other committees and appoint directors or such other persons as the board designates, to serve on the committee or committees. Each committee shall have two or more directors, a majority of its membership shall be directors, and all committee members shall serve at the pleasure of the board.

(c) Unless the appointment by the board of directors requires a greater number, a majority of any committee shall constitute a quorum, and a majority of committee members present and voting at a meeting at which a quorum is present is necessary for committee action. A committee may act by unanimous consent in writing without a meeting and, subject to action by the board of directors, the committee by majority vote of its members shall determine the time and place of meetings and the notice required therefore.

(d) To the extent specified by the board of directors, each committee may exercise the authority of the board of directors; provided, however, a committee may not:

- (1) Adopt a plan for the distribution of the assets of the Corporation, or for dissolution;
- (2) Approve or recommend to members any act the Act requires to be approved by members;
- (3) Fill vacancies on the board or on any of its committees;

(4) Elect, appoint or remove any officer or director or member of any committee, or fix the compensation of any member of a committee;

(5) Adopt, amend, or repeal the bylaws or the articles or incorporation;

(6) Adopt a plan of merger or adopt a plan of consolidation with another corporation, or authorize the sale, lease, exchange or mortgage of all or substantially all of the property or assets of the Corporation; or

(7) Amend, alter, repeal or take inconsistent with any resolution or action of the board of directors when the resolution or action of the board of directors provides by its terms that it shall not be amended, altered or repealed by action of a committee.

#### ARTICLE VI Officers

Section 1: Officers. The officers of the Corporation shall be a president, who shall also act as chairperson of the board, a secretary and a treasurer and such other officers as may be elected in accordance with the provisions of this Article VI. The board of directors may elect or appoint such other officers, including one or more vice presidents and assistant secretaries and one or more assistant treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed, from time to time, by the board of directors. Any two or more offices may be held by the same person.

Section 2: Election and Term of Office. The officers of the Corporation shall be elected annually by the board of directors at the regular annual meeting of the board of directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Vacancies may be filled or new offices created and filled at any meeting of the board of directors. Each officer shall hold office until his or her successor shall have been duly elected and shall have qualified.

Section 3: Removal. Any officer or agent elected or appointed by the board of directors may be removed by the board of directors with or without cause, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4: Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise may be filled by the board of directors for the unexpired portion of the term.

Section 5: Chairperson of the Board: President. The president shall be the principal officer of the Corporation and shall in general supervise and control all of the business and affairs of the Corporation. The president shall preside at all meetings of the members and of the board of directors, as chairperson of the board. He or she may sign, with any vice president, the secretary or treasurer or any other proper officer of the Corporation authorized by the board of directors, any deeds, mortgages, bonds, contracts, or other instruments which the board of directors authorizes to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the board of directors or by these bylaws or by statute to some other officer or agent of the Corporation;

and in general shall perform all duties incident to the office of president and such other duties as may be prescribed by the board of directors from time to time.

Section 6: Vice Presidents. In the absence of the president or in the event of his or her inability or refusal to act, the vice presidents, in the order of their seniority, shall perform the duties of the president, and when so acting, shall have all the powers of and be subject to all the restrictions upon the president. The vice presidents shall perform such other duties as from time to time may be assigned to them by the president or by the board of directors.

Section 7: Treasurer. If required by the board of directors, the treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the board of directors shall determine. The treasurer shall: have charge and custody of and be responsible for all funds and securities of the Corporation; receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation in such banks, trust companies or other depositories as shall be selected by the board of directors; and in general perform all the duties incident to the offices of treasurer and such other duties as from time to time may be assigned to him or her by the president or by the board of directors.

Section 8: Secretary. The secretary shall keep minutes of the meetings of the members of the board of directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these bylaws or as required by law; be custodian of the corporate records and of the seal of the Corporation; keep a register of the post office address of each member which shall be furnished to the secretary by such member; and in general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him or her by the president or by the board of directors.

Section 9: Assistant Treasurers and Assistant Secretaries. If required by the board of directors, the assistant treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the board of directors shall determine. The assistant treasurers and assistant secretaries, in general, shall perform such duties as shall be assigned to them by the treasurer or the secretary or by the president or the board of directors.

#### **ARTICLE VII Director Conflict of Interest**

Section 1: If a transaction is fair to the Corporation at the time it is authorized, approved or ratified, the fact that a director of the Corporation is directly or indirectly a party to the transaction is not grounds for invalidating the transaction.

Section 2: In a proceeding contesting the validity of a transaction described in Section 1, the person asserting validity has the burden of proving fairness unless (i) the material facts of the transaction and the director's interest or relationship were disclosed or known to the board of directors or committee consisting entirely of directors and the board or committee authorized, approved or ratified the transaction by the affirmative votes of a majority of disinterested directors, even though the disinterested directors be less than a quorum; or (ii) the material facts of the transaction and the director's interest or relationship were disclosed or are known to the members entitled to vote, if any,

and they authorized, approved or ratified the transaction by affirmative vote of the members without counting the vote of any member who is an interested director.

Section 3: The presence of the director, who is directly or indirectly a party to the transaction described in Section 1, or a director who is otherwise not disinterested, may be counted in determining whether a quorum is present but may not be counted when the board of directors or a committee of the board takes action on the transaction.

Section 4: For purposes of this Article, a director is "indirectly" a party to a transaction if the other party to the transaction is an entity in which the director has a material financial interest or of which the director is an officer, director or general partner.

#### **ARTICLE VIII Indemnification of Directors and Officers**

(a) The Corporation shall indemnify each director and each officer who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he or she is or was a director or officer of the Corporation, or who is or was serving at the request of the Corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

(b) The Corporation shall indemnify each director and each officer who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that such person is or was a director or officer of the Corporation, or is or was serving at the request of the Corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Corporation unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite that adjudication of liability but

in view of all the circumstances of the case, such director or officer is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

(c) The Corporation shall indemnify each director and officer who is held to be a fiduciary under any employee pension, profit sharing or welfare plan or trust of the Corporation or any of its divisions and who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that such person is or was such a fiduciary and was serving as such at the request of the Corporation, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding for any breach of any of the responsibilities, obligations or duties imposed upon fiduciaries by the Employee Retirement Income Security Act of 1974 and any amendments thereto, if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of such plan or trust, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of such plan or trust, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful. The provisions of all the following paragraphs of this Article relating to directors, officers, employees or agents shall apply also to directors, officers, employees or agents held to be fiduciaries under this paragraph (c), specifically including the power of the Corporation (under paragraph (h)) to purchase and maintain insurance on behalf of such fiduciaries.

(d) To the extent that a person who is or was a director, officer, employee or agent of the Corporation, or of any other corporation, partnership, joint venture, trust or other enterprise with which such person is or was serving in such capacity at the request of the Corporation, has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in paragraphs (a), (b) and (c) of this article, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith.

(e) Any indemnification under paragraphs (a), (b) and (c) of this Article (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director or officer is proper in the circumstances because such person has met the applicable standard of conduct set forth in paragraphs (a), (b) or (c). Such determination shall be made: (1) by the board of directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding; or (2) if such a quorum is not obtainable, or, even if obtainable but a quorum of disinterested directors so directs, by independent legal counsel in a written opinion; or (3) by the members entitled to vote.

(f) Expenses incurred in defending a civil or criminal action, suite or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceedings, as authorized by the board of directors in the specific case, upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the Corporation as authorized in this Article.



(g) The indemnification provided by this Article shall not be deemed exclusive of any other rights to which a director or officer seeking indemnification may be entitled under any statute, provision in the Corporation's articles of incorporation, bylaw, agreement, vote of members or disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

(h) The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify such person against such liability under the provisions of this Article.

(i) For purposes of this Article, references to "the Corporation" shall include, in addition to the surviving corporation, any merging corporation (including any corporation having merged with a merging corporation) absorbed in a merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, and employees or agents, so that any person who is or was a director, officer, employee or agent of such merging corporation or is or was serving at the request of such merging corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Article with respect to the resulting or surviving corporation as such person would have with respect to such constituent corporation if its separate existence had continued.

(j) For purposes of this Article, references to "other enterprises" shall include employee benefit plans; reference to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the Corporation" shall include any service as a director, officer, employee or agent of the Corporation which imposes duties on or involves services by such director, officer, employee or agent with respect to an employee benefit plan, its participants, or beneficiaries. A person who acted in good faith and in a manner he or she reasonably believed to be in the best interests of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Corporation" as referred to in this Article.

(k) The invalidity or unenforceability of any provision in this Article shall not affect the validity or enforceability of the remaining provisions of this Article.

#### **ARTICLE IX Contracts, Checks, Deposits & Funds**

Section 1: Contracts. The board of directors may authorize any officer or officers, agent or agents of the Corporation, in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 2: Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents of the Corporation and in such manner, as shall from time to time be determined by resolution of the board of directors. In the absence of such determination by the board of directors, such instruments shall be signed by the treasurer or an assistant treasurer and countersigned by the president or a vice president of the Corporation.

Section 3: Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the board of directors may select.

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Section 4: Gifts. The board of directors or the president may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Corporation.

#### **ARTICLE X Books and Records**

The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members and board of directors, and shall keep at the registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the Corporation may be inspected by any member or his or her agent or attorney for any proper purpose at any reasonable time.

#### **ARTICLE XI Fiscal Year**

The fiscal year of the Corporation shall end on the last day of the month of December in each year.

#### **ARTICLE XII Seal**

The board of directors may provide a corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the Corporation and the words "Corporate Seal."

#### **ARTICLE XIII Waiver of Notice**

Whenever any notice whatever is required to be given under the provisions of the Act or under the provisions of the articles of incorporation or by the bylaws of the Corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

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#### **ARTICLE XIV Amendments to Bylaws**

These bylaws may be altered, amended or repealed and new bylaws may be adopted by a majority of the directors present at any regular meeting or at any special meeting, provided that at least two days' written notice is given of intention to alter, amend or repeal or to adopt new bylaws at such meeting, and provided further that Article V may not be amended during the term of the initial board of directors.

**ARTICLE XX Conflicts With the Covenants, Conditions and Restrictions**

In the event of conflict between these Bylaws and the provisions of the Covenants, Conditions and Restrictions for the plat at Eagle Point at American Lake, as the same may be amended from time to time, the provisions of the Declaration of Covenants, Conditions and Restrictions shall supercede the provisions of these Bylaws.

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KEVIN BYRNE, Managing Member

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### **Eagle Point Meetings (ByLaws):**

- Every lot owner is a member of the Association and the ownership of a lot shall be the sole qualification for membership.
- Two classes of voting membership:
  - Class A members shall be all owners with the exception of the owners of lots 9A, 1C and 2C and shall be entitled to one vote for each lot owned.
  - Class B members shall be the owners of lots 9A, 1C and 2C and shall be entitled to two votes for each lot owned because each lot is or shall be improved with a duplex.
- Annual Meeting shall be held on the last Tuesday in September.
- Special Meetings of the members may be called by the president, the board of directors; or a majority of the members of the Corporation.
- Board of Directors may designate any place, either within or without the State of Washington as the place for the annual meeting or for any special meeting called by the board of directors. If no designation is made the place of the meeting shall be the registered office of the Corporation.

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- Written or printed notice stating the place, day and hour of any meeting of the members shall be delivered either personally or may mail to each member entitled to vote not less than 10 nor more than 60 days before the date of such meeting – in the case of a removal of one or more directors, a merger, consolidation, dissolution or sale, lease or exchange of assets, not less than 20 days nor more than 60 days before the date of the meeting.
- In the case of a special meeting or when required by statute or these bylaws, the purposes for which the meeting is called shall be stated in the notice. If mailed 1<sup>st</sup> class or registered mail, the notice of the meeting shall be deemed delivered 3 bs. days after it is deposited in the United States mail addressed to the member at his or her address as it appears on the records of the Corporation with postage prepaid.
- Quorum: The members holding a majority of the votes which may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting of members, a majority of the members present may adjourn the meeting from time to time without further notice.
- Proxies. At any meeting of members, a member entitled to vote may vote either in person or by proxy executed in writing by the member or by his or her duly authorized attorney in fact. No proxy shall be valid AFTER ELEVEN MONTHS FROM THE EXECUTION UNLESS OTHERWISE PROVIDED IN THE PROXY.
- Notice of an special meeting of the board of directors shall be given at least two days previously thereto by written notice delivered personally or sent by mail, overnight courier service, telecopy, or telegram to each director at his or her address.
- A majority of the directors then in office shall constitute a quorum for the transaction of business at any meeting of the board....
- The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors except where otherwise provided by law or by the articles of incorporation or by these bylaws. Participation may also occur with the use of a conference telephone or other communications equipment by means of which all persons participating in the meeting can communicate with each other. Participation in such meeting shall constitute attendance.

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- Vacancies on the board may be filled by the board of directors and the vacancy shall be for the expired term of his or her predecessor in office.
- Removal of a board member, with or without cause, can be done by the affirmative vote of two-thirds of the members at a special meeting of members called for that purpose.
- Article VI Officers: Section 3. Removal. Any Officer or agent elected or appointed by the board of directors may be removed by the board of directors with or without cause but such removal shall be without prejudice to the contract rights, if any, of the person so removed page 5 – Bylaws).