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Document Title: BYLAWS OF THE GLEN ACRES HOMEOWNER'S ASSOCIATION

Reference Numbers of Documents Released: This document replaces the Bylaws recorded in 1996 under recording number 9610301259, in 2000 under recording number 20000901000160, and in 2001 under recording number 20010316000495, and later amended in 2003 under recording number 20030701001020, in 2004 under recording number 20040213001342, and in 2013 under recording number 20131120000282.

Grantor: GLEN ACRES HOMEOWNER'S ASSOCIATION

Grantee: GLEN ACRES HOMEOWNER'S ASSOCIATION

Legal Description: Not applicable.

Related Assessor's Property Tax Parcel Numbers: 6054700000, 6054710000, 6054730000, 6054740000, 6054750000, 6054760000, 6054770000

**BYLAWS OF
GLEN ACRES HOMEOWNERS ASSOCIATION**

Preamble

Glen Acres Homeowners Association (the "Corporation" or "GAHOA") is a "homeowners' association," as defined in RCW 64.38, with the rights and responsibilities of such an association as set out in the Homeowners' Associations Act ("HOA Act"). GAHOA is a golf and country club community. The Members of GAHOA collectively own the golf course and related properties including the clubhouse, pro shop, and swimming pool. GAHOA is subject to the restrictions and maintenance obligations contained in The Protective Covenants Running with the Land, recorded with the King County Recorder, and to its Articles of Incorporation, filed in 1966 and as amended thereafter.

These Bylaws shall not apply to Parcel Number 605470-0590, located at 10903 Glen Acres Drive South, Unit B, Seattle, Washington, and Parcel Number 605475-0220, located at 10652 Glen Acres Drive South, Seattle, Washington. The Bylaws recorded with King County under Record No. 9610301259 shall govern these delineated parcels, inasmuch as they do not conflict with the Global Settlement Agreement reached in 2011, which shall govern the rights and obligations of those two parcels.

Any amendment to these Bylaws shall not be enforceable against these delineated parcels without the owners' written consent.

Certain Definitions. For the purposes of these bylaws, the following definitions shall apply.

- (a) "Corporation" includes any successor entity of the Corporation in its merger, dissolution or other transaction in which the predecessor's existence ceased upon consummation of the transaction.
- (b) "Director," also known as a "GAHOA Board Member" and in the protective covenants running with the land as a "Trustee," means an individual who is or was a Director of the Corporation or an individual who, while a Director of the Corporation, is or was serving at the Corporation's request as a Director, officer, committee Member, employee, or agent of another foreign or domestic Corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise. A Director is considered to be serving an employee benefit plan at the Corporation's request if the Director's duties to the Corporation also impose duties on, or otherwise involve services by, the Director to the plan or to participants in or beneficiaries of the plan. "Director" includes, unless the context requires otherwise, the estate or personal representative of a Director.
- (c) "Division" or "Phase" refer to one of the seven condominiums separately overseen by the Phase/Division Management Committees, also known as "Condominium Boards."
- (d) "Expenses" include attorney fees.

- (e) "Member," also known as an "Owner" and a "Condominium Unit Owner," means a GAHOA Member as defined in Article II.
- (f) "Official capacity" means (i) when used with respect to a Director, the office of Director in the Corporation, and (ii) when used with respect to an individual other than a Director, as contemplated in the Act, the office in the Corporation held by the officer, committee Member or the employment or agency relationship undertaken by the employee or agent on behalf of the Corporation. "Official capacity" does not include service for any other foreign or domestic Corporation or any partnership, joint venture, trust, employee benefit plan, or other enterprise.
- (g) "Proceeding" means any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal.

Article I Office

The principal office of the Glen Acres Homeowners Association in the State of Washington shall be located in the County of King.

The Corporation shall have and continuously maintain in the State of Washington a registered office, and a registered agent whose office is identical with such registered office, as required by the Washington Non-Profit Corporation Act. The registered office may be, but need not be identical with the principal office in the State of Washington, and the address of the registered office may be changed from time to time by the Board of Directors. Any change in the registered agent or registered office shall be effective upon filing such change with the Office of the Secretary of State of the State of Washington, unless a later date is specified.

Article II GAHOA Members

1. **Classes of Members.** The Corporation shall have one class of Members. The designation, qualifications and rights of such class are described in the Glen Acres Articles of Incorporation as every person or entity who is the contract purchaser or record owner of a fee interest in any Condominium Unit in the Glen Acres property as recorded with King County. If any Unit is held jointly by two or more persons, the several owners of such interests shall designate one of their numbers as the "member".
2. **Golf & Country Club Membership.** As provided for in the protective covenants, all GAHOA members are also members of the Glen Acres Golf & Country Club (the "Golf Club") and must meet the obligations of Golf Club membership.
3. **Voting Rights.** Voting rights shall be as described in the Articles of Incorporation.
4. **Transfer of Membership.** Membership in this Corporation is not transferable or assignable, except as described in Articles of Incorporation.

Article III Meeting of GAHOA Members

- 1. Annual Meeting.** An annual meeting of the Members shall be held on the first Tuesday of April, for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of Washington, such meeting shall be held on the next succeeding Monday. If the election of Directors shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the Members as soon thereafter as conveniently may be held.
- 2. Special Meetings.** Special meetings of the Association may be called by the president, by resolution of the Board or upon the written request of a majority of the Board or upon the written request of Members having not less than 20% of the votes in the Association not less than 10 nor more than 60 days in advance of the meeting.
- 3. Notice to Members.** The notice of the annual and special meetings shall be delivered to the owners not less than 30 days nor more than 60 days prior to the meeting. The agenda for the meeting shall be enclosed with the notice and shall include business declared by the Board of Directors. No other business shall be considered at this meeting. In order for home owners to get a subject on the agenda for the annual meeting, they will make a request of their Phase Board Trustee 60 days prior to the meeting.
- 4. Open Meetings.** GAHOA requires open meetings. Each Board regular and special meeting and each Membership annual and special meeting shall be open to all GAHOA Members. The Board may go into closed executive session as provided by the Washington Homeowners Association Act, 64.38.035.
- 5. Decorum.** Robert's Rules of Order shall be followed at each annual and special meeting.
- 6. Informal Action by Members.** Any action required by the Washington Nonprofit Corporation Act to be taken at a meeting of the Members, or any action which may be taken at a meeting of the Members, may be taken without a meeting if a consent in the form of a record, setting forth the action so taken, shall be executed by all of the Members entitled to vote with respect to the subject matter thereof.
- 7. Quorum.** The Members holding sixty percent of the votes which may be cast at any meeting shall constitute a quorum at such a meeting. If a quorum is not present at any meeting of Members, another meeting will be called, subject to the notice requirement set forth above, and the required quorum at such subsequent shall be one-half of the quorum of the preceding meeting (or 30%). No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting. (See Articles of Incorporation Article XIII).
- 8. Voting by Proxy.** At any meeting of Members, a member entitled to vote may vote by proxy executed in writing by the member or by his 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.

9. Manner of Acting. A majority of the votes entitled to cast on a matter to be voted upon by the Members present or represented by proxy at a meeting at which a quorum is present shall be necessary for the adoption thereof unless a greater proportion is required by law or by these Bylaws.

Voting by Mail or Electronic Transmission. Whenever proposals are to be considered by the Members, including amendments to the Articles of Incorporation, the vote may be taken by mail or by electronic transmission if the text of each proposal to be voted upon is set forth in a record accompanying or contained in the notice of meeting. The vote may be conducted by electronic transmission if an address, location, or system to which the ballot may be electronically transmitted is designated and the ballot is 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. If an insufficient number of members vote to affirm a proposal, the meeting shall be adjourned and voting by mail or electronic transmission may continue until either all members have voted or the proposal is affirmed. In person delivery of a vote in writing shall be equivalent to receipt of a vote by mail for the purpose of this Section.

Article IV Board of Directors

- 1. General Powers.** The affairs of the corporation shall be managed by its Board of Directors.
 - A. GAHOA wholly owns the Golf Club. The Board exercises all powers of the Golf Club.
 - B. One of the duties of the Board of Directors is to preserve the integrity of the architectural appearance of the buildings and condominiums. This shall include like materials, color, texture and features such as doors and windows which comprise the exterior surfaces of all Phases/Divisions.
 - C. The Board has the power to assess dues and establish fees for the accounting, administration, attorneys' fees, capital contribution, maintenance, management and use of Glen Acres property, including the entire Golf Club property.
 - D. The Board has the power to further exercise any powers of a corporation allowed by statute, Glen Acres' protective covenants and GAHOA governing documents.

- 2. Number, Tenure and Qualifications.**
 - A. The number of directors shall be equal to the number of Phase/Division Management Committees as designated in the Declaration of Covenants of present and future Divisions of the New Glen Acres condominium development.
 - B. Nominations for each position shall come from the Phase/Division Management Committee involved. Nominees shall be presented to the Board of Directors 30 days prior to the annual meeting. Each Phase/Division may present only one nominee.
 - C. No nominations will be accepted from the floor.

- D. The slate of nominees shall be voted on at the annual meeting. If there is no quorum to vote, the nominees shall be appointed by the previous Directors to fill the Board positions.
- E. The term of the directors shall be for a period of three years.

3. Regular Meetings. A regular meeting of the Board of Directors shall be held immediately after, and at the same place as, the annual meeting of GAHOA Members. The Board of Directors will meet on the 3rd Tuesday of each month at 6:30 PM unless otherwise declared in writing.

4. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two directors. The person or persons authorized to call special meetings of the Board may fix any place as the place for holding any special meeting of the Board called by them.

5. Meeting Notice to Directors.

A. Regular Meetings. Notice of Board regular meetings need not be given to Directors.

B. Special Meetings. Written notice of Board special meetings shall be given at least five days prior, delivered personally or sent by mail or telegram to each Director at his address as shown by the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. 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 where 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 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.

6. Meeting Notice to GAHOA Members. Notice of each Board regular and special meeting shall be provided to the GAHOA Members not less than five days prior to the meeting. The notice shall be provided via posting the agenda for the meeting on the GAHOA website, glenacreshoa.com, and in the management office window.

7. GAHOA Member Input at Board Meetings.

A. Written comments will be accepted for discussion at each board meeting. Written comments must be submitted at least 48 hours before each posted board meeting. The GAHOA board designates its Association Manager as the agent authorized to receive such written comments. A Unit Owner's written comment is properly submitted if it is emailed or faxed to the manager. Written comments and responses to them shall be reflected in the minutes of each board meeting.

B. A 15-minute homeowners' forum will be provided at each board meeting.

8. **Decorum.** Robert's Rules of Order shall be followed at all board meetings.
9. **Quorum.** A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board, but 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.
10. **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, unless the act of a greater number is required by law or by these Bylaws.
11. **Vacancies.** Any vacancies occurring on the Board of Directors shall be filled by an appointment. The Phase/Division Management Committee of the Phase/Division with a vacancy shall nominate a person, who the Board shall appoint to fill the vacancy.
- A. Removal of Director.** Unexcused absence from three consecutive meetings of the Board of Directors shall be due cause for removal of the absent director by a majority vote of the Board of Directors. Absence due to temporary residence change shall not be considered an excused absence. A Director may also be removed by a unanimous vote of the remaining Directors.
12. **Compensation.** Directors as such shall not receive any stated salaries for their services, but by resolution of the Board of Directors a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board, but nothing herein contained shall be construed to preclude any Director from serving the Corporation in any other capacity and receiving compensation thereof.
13. **Informal Action by Directors.** As provided by the Washington Nonprofit Corporation Act, 24.03.465, any action required by law to be taken at a meeting of directors, or any action which may be taken at a meeting of directors, 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.

Article V Officers

1. **Officers.** The officers of the Corporation shall be a President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Secretary, a Treasurer and such other officers as may be elected in accordance with the provisions of the Article. The Board of Directors may elect or appoint such other officers as it shall deem desirable, 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, except the offices of President and Secretary may not be held by the same person.
2. **Election and Term of Office.** The offices 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 held. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor shall have been duly elected and shall have qualified.

3. Removal. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever its judgment the best interests of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed. A simple majority is required for the removal of an officer.

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.

5. President. The president shall be the principal executive officer of the Corporation and shall in general supervise and control all business and affairs of the Corporation. This person shall preside at all meetings of the GAHOA Members and of the Board of Directors. This person may sign, with the Secretary 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 has authorized 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 this person 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.

6. Vice President. In the absence of the President or in event of this person's inability or refusal to act, the Vice President (or in the event there is more than one Vice President, the Vice Presidents in the order of their election) 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. Any Vice President shall perform such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors.

7. Secretary. The Secretary shall keep, or cause to be kept, minutes of every regular and special meeting of the GAHOA Members and 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, keep a register of the post office address of each member which shall be furnished to the Secretary and such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors. The Board of Directors may delegate the Secretary's administrative functions to a managing agent, provided that such delegation shall not relieve the Secretary of the ultimate responsibility for the Secretary's duties.

Treasurer. The Treasurer shall have responsibility for the Corporation's funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and

disbursements in books belonging to the Corporation. He/she shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Corporation in such depositories as may from time to time be designated by the Board. The Board of Directors may delegate the Treasurer's administrative functions to a managing agent, provided that such delegation shall not relieve the Treasurer of the ultimate responsibility for the Treasurer's duties. The Treasurer shall make a report at each regular Board of Directors meeting regarding the financial status of the Corporation. He/she shall also identify and sign all checks for payment by the Corporation. In case of his absence, any other director who appears on the bank signature card may sign.

Article VI Committees

1. Committees of Directors. The President of the Board of Directors, with the approval of the Board of Directors, shall appoint a director who will be chairman of each of the following committees.

- a. Golf Club/HOA Liaison Committee (establ 9/18/2000)
- b. Utilities Committee (establ 1/16/2001)
- c. Environmental Committee (establ 7/17/2001 as Airport Noise Committee)
- d. Security Committee (establ 1/21/2003)
- e. Finance/Planning Committee (establ ? 2003)
- f. Events Committee (establ 11/18/2003)

Said director shall select the committee members from other members of the Board or other home owners indicating a desire to be on his committee. This selection shall be approved by the Board of Directors. The committees shall meet monthly and vote (by simple majority) on any action it deems necessary. This action shall be presented to the Board of Directors for their consideration and final judgment. The committees shall have a maximum of seven members and have no authority to amend HOA documents or expend assets of the Corporation. Committees shall function within the guidelines established by the "Mission Statement" for each committee. The designation and appointment of any such committee and the delegation thereto for authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed upon it or him by law.

The Board of Directors, by resolution adopted by a majority of Directors in office, may designate and appoint one or more committees, each of which shall consist of two or more Directors, which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the Corporation, except that no such committee shall have the authority of the Board of Directors in reference to amending, altering or repealing the Bylaws, electing, appointing or removing any member of any such committee or any Director or officer of the Corporation, amending the Articles of Incorporation, restating Articles of Incorporation, adopting a plan of merger or adopting a plan of consolidation with another Corporation, authorizing the sale, lease, exchange or mortgage of all or substantially all the property and assets of the Corporation, authorizing the voluntary dissolution of the Corporation or revoking proceedings therefor, adopting a plan for the distribution of the assets of the Corporation, or amending, altering or repealing any resolution of the Board of Directors

which by its terms provides that it shall not be amended, altered or repealed by such committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed upon it or him by law.

2. Other Committees. Other committees not having and exercising the authority of the Board of Directors in the management of the Corporation may be appointed in such a manner as may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, Members of each such committee shall be Members of the Corporation, and the President of the Corporation shall appoint the Members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Corporation shall be served by such removal.

3. Term of Office. Each member of a committee shall continue as such until the next annual meeting of the Members of the Corporation and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

4. Chairman. One member of each committee shall be appointed chairman by the person or persons authorized to appoint the Members thereof.

5. Vacancies. Vacancies in the Membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

6. Quorum. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the Members present at a meeting at which a quorum is present shall be the act of the committee.

7. Rules. Each committee may adopt rules for its own government not inconsistent with these Bylaws or with rules adopted by the Board of Directors. Each committee's Membership and mission statement shall be reviewed at least annually.

Article VII Contract, Checks, Deposits, and Funds

1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents or 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.

2. Checks, Drafts, etc. All checks, drafts or 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 be from time to time 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 President of the Corporation.

3. Deposits and Funds. 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.

4. **Gifts.** The Board of Directors 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 VIII Certificates of Membership

1. **Certificates of Membership.** In accordance with Articles of Incorporation
2. **Issuance of Certificates.** In accordance with Articles of Incorporation

Article IX Books and Records

1. The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Members, Board of Directors and committees having any of the authority of the Board of Directors, and shall keep at its 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 agent or attorney, for any proper purpose at any reasonable time. This section is congruent with the Washington Homeowners' Association Act, 64.38.045.
2. There is no requirement that GAHOA Members provide a written request to access GAHOA records. All that shall be required is a certification that the request is made by a Condominium Unit Owner or the Owner's authorized agent, access is requested pursuant to their rights as an Owner, and no other criminal or commercial purpose is contemplated. The party seeking access must give sufficient notice so that the documents can be gathered. If copies are requested, the party seeking copies shall mark those documents desired and shall pay in advance for copies which will be made by the GAHOA Board of Directors or its manager.

Article X Fiscal Year

The accounting year of the Association shall begin on May 1 of each year and end on April 30, provided that if a different accounting year is at any time selected for purposes of federal income taxes, the accounting year shall be the year so selected.

Article XI

Expenses, Assessments, and Manner of Collection and Enforcement

1. **Source of Funds.** Each GAHOA Member is obligated to pay monthly and special assessments to the Association and dues, fees and food minimums to the Golf Club. Golf Club dues are synonymous with GAHOA dues; any assessment owed to the Golf Club is a debt to GAHOA.
 - A. **Estimated Expenses.** The Board shall estimate expenses and set fees and assessments through a budget process. At least 60 days prior to each fiscal year as the Board designates, the Board shall estimate the charges to be paid during such year, including the expenses of operating, maintaining and replacing property owned and hereafter acquired by GAHOA.
 - i. Pursuant to RCW 64.38.025, within 30 days after adoption by the Board of any proposed regular or special budget, the board shall set a date for a meeting of

the Members to consider ratification of the budget not less than 14 nor more than 60 days after mailing of the summary. Unless at that meeting the Members of a majority of the votes in the association are allocated or any larger percentage specified in the governing documents reject the budget, in person or by proxy, the budget is ratified, whether or not a quorum is present. In the event the proposed budget is rejected or the required notice is not given, the periodic budget last ratified by the Members shall be continued until such time as the Members ratify a subsequent budget proposed by the board of directors.

- ii. As part of the summary of the budget provided to all Members, the Board shall disclose to the Members:
 - a. The current amount of regular assessments budgeted for contribution to the reserve account, the recommended contribution rate from the reserve study, and the funding plan upon which the recommended contribution rate is based;
 - b. If additional regular or special assessments are scheduled to be imposed, the date the assessments are due, the amount of the assessments per each Member per month or year, and the purpose of the assessments;
 - c. Based upon the most recent reserve study and other information, whether currently projected reserve account balances will be sufficient at the end of each year to meet the association's obligation for major maintenance, repair, or replacement of reserve components during the next 30 years;
 - d. If reserve account balances are not projected to be sufficient, what additional assessments may be necessary to ensure that sufficient reserve account funds will be available each year during the next 30 years, the approximate dates assessments may be due, and the amount of the assessments per Member per month or year;
 - e. The estimated amount recommended in the reserve account at the end of the current fiscal year based on the most recent reserve study, the projected reserve account cash balance at the end of the current fiscal year, and the percent funded at the date of the latest reserve study;
 - f. The estimated amount recommended in the reserve account based upon the most recent reserve study at the end of each of the next five budget years, the projected reserve account cash balance in each of those years, and the projected percent funded for each of those years; and
 - g. If the funding plan approved by the association is implemented, the projected reserve account cash balance in each of the next five budget years and the percent funded for each of those years.

B. **Assessments.** Expenses shall be paid through Members' dues and assessments. No Member may exempt himself from liability for payment of assessments for any reason,

including waiver of use or enjoyment of any of the Common Elements or abandonment of the Member's Unit.

- i. **Monthly Assessments.** Each Member shall pay to the Board Treasurer, perhaps through a management company designated by the Board, monthly assessments on or before the first day of each month, or in such other reasonable manner as the Board shall designate.
 - ii. **Special Assessments.** Each Member shall pay its share of GAHOA expenses through special charges in a reasonable manner as the Board shall designate.
 - iii. **Golf Club Assessments.** All Members are required to pay the dues, fees and food minimums of the Golf Club as established by the Board and other fees and assessments for additional services provided by the Golf Club.
- C. **Regulating Expenses.** If the estimated expenses prove inadequate for any reason (including non-payment for any reason of any Member's Assessment), the Board may at any time adopt a supplemental budget and levy a further Assessment, which shall be assessed to the Members according to Section 1.A. Similarly, if the sum estimated and budgeted, and being collected and/or already collected, at any time proves excessive, the Board may reduce the amount being assessed and/or apply existing fund (in excess of current needs and required reserves) against future Assessments and/or refund such excess funds.
- D. **Only Some Members Benefited.** The Board may elect that any Common Expense or portion thereof benefiting fewer than all of the Members must be assessed exclusively against the Members benefited.
- E. **Member Negligence or Misconduct.** To the extent that any Common Expense is caused by the negligence or misconduct of any Member, any Occupant of a Unit or any of the Member or Occupants' tenants, residents, guests, invitees, visitors, licensees, employees, agents, or pets, the Association may assess that expense against the Member's Unit after notice and an opportunity to be heard. Member Misconduct shall include unfounded challenges to Board and Association decisions or actions, whether or not litigation is commenced. Common Expenses assessed to Members shall include all related costs and attorneys' fees.
2. **Enforcement.** Any assessment that is not paid when due or as assigned in the Collection Policy shall be delinquent. In addition to the penalties outlined in the Collection Policy, Glen Acres Unit Owners are prohibited from using Common Areas while either their Association or Golf Club accounts are delinquent. GAHOA may also temporarily revoke the Golf Club membership rights of Members in delinquency of any Association or Golf Club assessments.
- A. **Member Liability.** Each Assessment shall be a debt to GAHOA and the joint and several obligation of the Member or Owners of the Unit to which the same are assessed as of the time the Assessment is due. In a voluntary conveyance the grantee of a Unit shall be jointly and severally liable with the grantor for all unpaid Assessments against the latter up to the time of the grantor's conveyance, without prejudice as to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. Suit to recover a personal judgment for any delinquent Assessment shall be maintainable in any court of competent jurisdiction without foreclosing or waiving the lien securing such sums.
- B. **Late Charges and Interest.** For the detailed late-fee schedule, see the Collection Policy. The Association may from time to time establish reasonable late charge and a rate of interest to be charged on all subsequent delinquent Assessments or installments

thereof. In the absence of another established nonusurious rate, delinquent Assessments shall bear interest from the date of delinquency at the maximum rate permitted under RCW 19.52.020.

- C. **Attorney's Fees.** As also stated in the Homeowners' Association Act, 64.38.050, the prevailing party shall be entitled to recover any costs and reasonable attorneys' fees incurred in connection with the collection of delinquent Assessments, whether or not such collection activities result in suit being commenced or prosecuted to judgment. In addition, the prevailing party shall be entitled to recover costs and reasonable attorneys' fees if it prevails on appeal and in the enforcement of a judgment, including any attorneys' fees and costs associated with an action in Small Claims Court.
- D. **Assessment Certificate.** The Association, upon written request, shall furnish to a Condominium Unit Member or Mortgagee a statement signed by an officer or authorized agent of the Association setting forth the amount of unpaid Assessments against that Unit. The statement shall be furnished within 15 days after receipt of the request and is binding on the GAHOA, the Board, and every Member, unless and to the extent known by the recipient to be false.

3. Lien for Assessments. The Board has the right to place a lien on Condominium Units within the GAHOA property for unpaid GAHOA dues and Golf Club fees, food minimums, fines, etc. The assessments are secured by a continuing lien upon the property against which the assessment is made. The Washington Homeowners' Association Act, 64.38.020(11), provides that an association may "[i]mpose and collect charges for late payments of assessments and, after notice and an opportunity to be heard by the board of directors or by the representative designated by the board of directors and in accordance with the procedures as provided in the bylaws or rules and regulations adopted by the board of directors, levy reasonable fines in accordance with a previously established schedule adopted by the board of directors and furnished to the Owners for violation of the bylaws, rules, and regulations of the association[.]"

- A. **Lien.** The Association may record a lien on a Condominium Unit for any unpaid Assessments levied against a Unit from the time the Assessment is due.
- B. **Recording of Bylaws as Notice.** Recording of these Bylaws with the King County Recorder constitutes record notice of the GAHOA's right to record a lien. The GAHOA may record a notice of claim of lien for Assessments under this Article in the real property records of King County. Such recording shall not constitute written notice of delinquency to a Mortgagee.
- C. **Limitation on Action.** A lien for unpaid Assessments and the personal liability for payment of Assessments are extinguished unless proceedings to enforce the lien or collect the debt are instituted within six years after the amount of the Assessments sought to be recovered becomes due.
- D. **Foreclosure.** The lien may be enforced judicially by the Association or its authorized representative in the manner set forth in RCW 61.12. The Association or its authorized representative shall have the power to purchase the Condominium Unit at the foreclosure sale and to acquire, hold, lease, mortgage or convey the same. Upon an express waiver in the complaint of any right to a deficiency judgment in a judicial foreclosure action, the period of redemption shall be eight months. Nothing in this Section shall prohibit an Association from taking a deed in lieu of foreclosure.
- E. **Receiver.** From the time of commencement of an action by the Association to foreclose a lien for nonpayment of delinquent Assessments against a Condominium Unit that is not occupied by the Member thereof, the Association shall be entitled to the appointment of a receiver to collect from the lessee thereof the rent for the Unit as and when due. If the rental is not paid, the receiver may obtain possession of the Unit, refurbish it for rental up to a reasonable standard for rental units in this type of Condominium, rent the Unit or permit its rental to others, and apply the rents first to the cost of the receivership

and attorneys' fees thereof, then to the cost of refurbishing the Unit, then to applicable charges, then to costs, fees, and charges of the foreclosure action, and then to the payment of the delinquent Assessments. Only a receiver may take possession and collect rents under this section, and a receiver shall not be appointed less than 90 days after the delinquency. The exercise by the Association of the foregoing rights shall not affect the priority of preexisting liens on the Unit.

- F. **Lien Survives Sale.** A lien arising under this section shall not be affected by the sale or transfer of the subject Condominium Unit except in the event of sale through foreclosure.

Article XII Waiver of Notice

Whenever any notice is required to be given under the provisions of the Washington Non-Profit Corporation Act or under the provisions of the Articles of Incorporation or 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.

Article XIII 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, if at least five days written notice is given of intention to alter, amend or repeal or to adopt new Bylaws at such meeting.

Amendments will not be enforceable against Parcel Number 605470-0590, located at 10903 Glen Acres Drive South, Unit B, Seattle, Washington, and Parcel Number 605475-0220, located at 10652 Glen Acres Drive South, Seattle, Washington, without their written consent.

Article XIV Indemnification of Directors, Officers, Committee Members, Employees & Other Agents

2. Directors, Officers & Committee Members. The Corporation shall indemnify its Directors, officers and duly appointed committee Members to the fullest extent permitted by the Washington Nonprofit Corporation Act ("Act"), as the same exists or may hereafter be amended (but, in the case of alleged occurrences of actions or omissions preceding any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights that the Act permitted the Corporation to provide prior to such amendment)

3. Employees and Other Agents. The Corporation shall have power to indemnify its employees and other agents as set forth in the Act.

4. No Presumption of Bad Faith. The termination of any 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 the person reasonably believed, in the case of conduct in the person's official capacity, the person's conduct was in the Corporation's best interest, and in all other cases, the person's conduct was at least not opposed to the Corporation's best interests, and with respect to any criminal proceeding, that the person had reasonable cause to believe that the conduct was lawful.

5. Advances of Expenses. The expenses incurred by a Director, officer or committee member in any proceeding shall be paid by the Corporation in advance at the written request of the Director, any proceeding shall be paid by the Corporation in advance at the written request of the Director, officer or committee member, if the Director, officer or committee member

(a) furnishes the Corporation a written affirmation of such person's good faith belief that such person is entitled to be indemnified by the Corporation, and

(b) furnishes the Corporation a written undertaking to repay such advance to the extent that is ultimately determined by a court that such person is not entitled to be indemnified for the expenses and without regard to the person's ultimate entitlement to indemnification under this bylaw or otherwise.

6. Enforcement. Without the necessity of entering into an express contract, all rights to indemnification and advances under this bylaw shall be deemed to be contractual rights and be effective to the same extent and as if provided for in a contract between the Corporation and the Director, officer or committee Member who serves in such capacity at any time while this bylaw and relevant provision of the Act and other applicable law, if any, are in effect. Any right to indemnification or advances granted by this bylaw to a Director, officer or committee Member shall be enforceable by or on behalf of the person holding such right in any court of competent jurisdiction if (a) the claim for indemnification or advances is denied, in whole or in part, or (b) no disposition of such claim is made within ninety (90) days of request therefor. The claimant in such enforcement action, if successful in whole or in part, shall be entitled to be paid also the expense of prosecuting a claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in connection with any proceeding in advance of its final disposition when the required affirmation and undertaking have been tendered to the Corporation) that the claimant has not met the standards of conduct which make it permissible under the Act for the Corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel or its Members) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstance because the claimant has met the applicable standard of conduct set forth in the Act, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel or its Members) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

7. Non-Exclusivity of Rights. The rights conferred on any person by this bylaw shall not be exclusive of any other right which such person may have or hereafter acquire under any statute, provision of the Articles of Incorporation, bylaws, agreement, vote of Members or disinterested Directors or otherwise, both as to action in the person's official capacity and as to action in another capacity while holding office. The Corporation is specifically authorized to enter into individual contracts with any or all of its Directors, officers, employees or agents respecting indemnification or advances, to the fullest extent permitted by the law.

8. Survival of Rights. The rights conferred on any person by this bylaw shall continue as to a person who has ceased to be a Director, officer, committee Member, employee or other agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

9. **Insurance.** To the fullest extent permitted by the Act, the Corporation, upon approval by the Board of Directors, may purchase insurance on behalf of any person required or permitted to be indemnified pursuant to this bylaw.

10. **Amendments.** Any repeal of this bylaw shall be prospective only and no repeal or modification hereof shall adversely affect the rights under this bylaw in effect at the time of the alleged occurrence of any action or omission to act that is the cause of any proceeding against any officer, Director, committee Member, employee or agent of the Corporation.

11. **Savings Clause.** If this bylaw or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, the Corporation shall indemnify each Director, officer, committee Member, employee or other agent to the fullest extent permitted by any applicable portion of this bylaw that shall not have been invalidated, or by any other applicable law.

We, being a majority of the seven Directors of Glen Acres Homeowners Association, hereby adopt the foregoing amended Bylaws of Glen Acres Homeowners Association and, in witness thereof, have hereunto set our hands this 17th day of February, 2015.

Robert Blakey

Alan F. Stewart

Monica Lewis

Alan F Stewart on behalf
of Marsha Spreier

Audrey Gins

Janet H. Neely

The foregoing amended Bylaws were adopted by the Board of Directors at a duly noticed meeting on February 17, 2015.

Glen Acres Homeowners Association
