

Bylaws of the Alderwood Grove Homeowners Association

ARTICLE I

GENERAL PROVISIONS

1.1 Name and Location. The name of the association is Alderwood Grove Homeowners Association, Inc. ("AGHOA" or the "Association"). The principal office of the Association shall be located at the residence of the current Board President, but meetings of Members and Board of Directors may be held within the state of Washington, County of King, as may be designated by the Board of Directors.

1.2 Definitions. The terms which are capitalized or used in these Bylaws shall have the meanings set forth in the Association's Declaration of Covenants, Conditions, and Restrictions.

1.3 Fiscal Year. The fiscal year of the Association begins on the date of incorporation and each and every subsequent year shall begin on the 1st day of January and end on the 31st Day of December.

1.4 Interpretation. In the case of any conflict, the (1) provisions of state law, (2) the Association's Declaration, (3) Articles of Incorporation, and (3) these Bylaws, shall prevail in that order.

1.5 Corporate Seal. The Association shall have an electronic corporate seal.

ARTICLE II

MEETING OF MEMBERS

2.1 Annual Meetings. The annual meeting of the Members of the Association shall be held each year at a date, time and location to be decided by the Board of Directors. The date, time, and location of the meeting shall be stated in the notice and call of the annual meeting. Notice of all meetings must be sent to each Member of record by the Secretary at least ten (10) days and no more than 30 days prior to such annual meeting. Annual meeting attendance is mandatory either in person or by Proxy. Failure to attend in person or by Proxy will result in deferral of the members voting rights to the Board.

The order of the business at the annual meeting of Members shall be as follows:

- A. Calling meeting to order
- B. Reading minutes of last previous annual meeting
- C. Reports of Directors
- D. Election of Directors
- E. Such miscellaneous business as may come or be properly brought before the meeting.

2.2 Special Meetings. Special meetings of Members for any purpose or purposes, may be called by the President or by a majority of the Board of Directors and shall be called by the President upon the written request of at least one-fourth (1/4) of the Members of the Association. Business transacted at all special meetings shall be confined to the objects or purposes stated in the call.

2.3 Notices of Meetings. Notice of annual or special meetings may be written or printed. Notice of any annual meeting shall be deemed satisfactorily given if delivered in person to any Member of record or if mailed / emailed to any such Member not less than ten (10) days or more than thirty (30) days preceding the date of any such annual meeting. Notice of special meetings shall be deemed satisfactorily given if delivered in person or mailed / emailed not less than five (5) days nor more than thirty (30) days prior to such special meeting. If mailed, such notice shall be deemed to be delivered when deposited in any United States Post Office with postage prepaid addressed to the Member's last known mailing address. If emailed, such notice will be deemed to be delivered when the Secretary sends it to an email address placed on file by the Member at an earlier date. If for any reason the email notice is returned as undeliverable, a written notice will be sent to the Member's last known mail address as soon as reasonably possible, however this notice will not be subject to the time restraints stated above.

2.4 Eligibility to Vote. All Members must be current and in good standing with the Association to be entitled to (1) vote, (2) hold elective or appointive office, and (3) serve on committees as may be established. Owners shall be entitled to one (1) vote for each Lot owned. When more than one person or entity owns an interest in any Lot, the vote for that Lot shall be exercised as the Owners decide to exercise that vote, but in no event, shall more than one vote be cast with respect to any Lot, nor shall any vote be divided.

2.5 Quorum for any Action Authorized; Proxy. The presence at the meeting of Members or of proxies, entitled to cast thirty-four (34%) percent of the total vote of the membership shall constitute a quorum.

In the event a quorum, as required above, shall not be met, the meeting shall be adjourned and the same rescheduled, subject to the notice requirement set forth in Section 2.3 of this Article. The required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting or seventeen (17%) percent of the membership.

Any Member wishing to vote by proxy shall submit their proxy to the Association's Secretary any time before the opening of the duly called meeting. Proxy forms submitted after such meeting will not be accepted. The proxy shall be in the form as may be adopted by the Board. Every proxy shall be revocable by the Member.

When meetings are scheduled to include votes on significant issues which require participation by all Members, the Board will distribute Proxy Forms to all members via U.S. Mail. If any member does not attend the meeting or submit a Proxy Form prior to the meeting, that members vote will defer to the Board of Directors.

2.6 Informal Action by Members. Unless otherwise provided by law, any action required to be taken at a meeting of the Members, or any other action which may be taken at a meeting of the Members, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by two-thirds (2/3 [18 of the current 27 total members]) of the Members entitled to vote with respect to the subject matter thereof.

(In other words, in the normal course of business, the Annual Member Meeting is the only time a meeting of all members is held, notwithstanding special member meetings can be scheduled pursuant to the guidelines established in Section 2.2 and 2.3. This section allows for action to be taken by Members without any meeting if two-thirds (2/3) members sign a document which sets forth the action to be taken with respect to the matter under consideration.)

ARTICLE III

BOARD OF DIRECTORS

3.1 Composition and Election. The membership shall elect, in a manner determined by the then existing Board of Directors, a Board of Directors. The Board shall consist of four (4) Directors, elected from the membership. The terms of each Director shall be for one (1) year. Should a vacancy in a board seat arise, the Board shall fill such vacancy as soon as may be practicable by either the calling of a special meeting or by otherwise communicating with the membership. The Director elected to fill the vacancy shall serve and fill the unexpired term of the Director whom was replaced. The four (4) positions on the Board are President, Secretary, Vice-President and Treasurer.

3.2 Powers. The management of all the affairs, property and business of the Association shall be vested in a Board of Directors which may exercise all such powers of the Association and do all such lawful acts and things as are not by statute, the Certificate of Incorporation, or this Declaration, directed to be exercised or done by the Members. In particular, but not limited to, the Board of Directors have the power to:

- A. Manage, control and restrict the use of the Common Areas of the community and the conduct of the Association Members and their guests by adopting and publishing rules and regulations, and establishing a monetary penalty to enforce any lack of compliance;
- B. Suspend a Member's voting rights if a Member is in default of any assessment payment due and owing to the Association, or for lack of compliance with the Association's published rules and regulations;
- C. Foreclose the lien against any Lot for which assessments are not paid in accordance with the time periods described in Declarations, Article VII, Section 7.8, or to bring an action at law against the Owner personally obligated to pay same;
- D. Collect and use assessments for operating costs of the Association including, but not limited to, insurance, banking and legal fees, and landscaping and maintaining the Common Properties in accordance with this Declaration;
- E. Obtain policies of general liability insurance for the Common Properties;

- F. Exercise all powers and duties not reserved to the Membership and authorized by these Bylaws, Articles of Incorporation or the Declaration;
- G. Create a vacancy of the office of a Member of the Board of Directors in the event of a Board Member's three (3) consecutive unexcused absences to the regular meetings of the Board of Directors;
- H. Employ and supervise managers, attorneys, independent contractors, or such other employees as the Board of Directors may deem necessary to perform its functions;
- I. Open a bank account on behalf of the Association and designate the signatories required.

3.3 Duties. It shall be the Board of Directors' responsibility to:

- A. Maintain a complete and detailed record of all the Association's transactions and acts and furnish said records to the Members when such records are requested in writing by Members who are entitled to vote;
- B. Oversee the filing of all tax returns as well as all appropriate governmental filing required to maintain corporate status with the state of Washington and tax-exempt status with the Internal Revenue Service;
- C. Supervise all Directors and agents of the Association and to see that their duties are properly performed;
- D. As more fully provided in Declarations, Article VII:
 - 1. Fix the amount of the annual assessment;
 - 2. Send written notice of each assessment to every Owner subject thereto;
 - 3. Issue a certificate setting forth whether or not any assessment has been paid;
 - 4. Cause the Common Properties to be maintained;
 - 5. Fix the amount of any special assessment required pursuant to Section 7.5 and 7.6 of the Declarations.

3.4 Compensation. No director or officer shall receive compensation for their services, however, by resolution of the Board of Directors may be reimbursed for actual expenses incurred in the performance of their duties.

3.5 Presumption of Assent. A Director of the Association who is present at a meeting of the Board at which action on any corporate matter is taken shall be presumed to have consented to the action taken unless said dissent shall be entered in the minutes of the meeting or unless he or she shall file his or her written dissent to such action with the Secretary within three (3) days after the adjournment of said meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

3.5 Removal of Directors. Any or all of the directors may be removed for cause by vote of the Members or by action of the board. Directors may be removed without cause only by vote of the Members.

3.6 Resignation. A director may resign at any time by giving written notice to the Board of Directors and the resignation shall take effect upon receipt of said notice, unless stated otherwise.

ARTICLE IV

MEETING OF BOARD OF DIRECTORS

4.1 Regular Meeting. A regular meeting of the Board shall be held immediately after the annual meeting of the Members. The Board of Directors may provide, by resolution, the time and place for the holding of an additional regular meeting without other notice than such resolution. A regular meeting of the board shall be held each quarter.

4.2 Special Meetings. Special meetings may be called by the President and shall be called upon the written request of the President or by any two (2) members of the Board of Directors. The purpose of the meeting shall be stated in the call and at least three (3) days written notice shall be given. The person or persons who called the special meeting may fix the place for holding the meeting called by them.

4.3 Quorum of Directors. A majority (in excess of 50%) of the Directors fixed by Section 3.1 shall constitute a quorum for the transaction of business at any meeting of the Board, but if less than such majority is present at the meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice. The act of the majority of the Directors present at a meeting in which a quorum is present shall be the act of the Board of Directors.

4.4 Action of the Board. The act of the Board of Directors shall be valid, if the required quorum is present at the time of the vote, unless otherwise required by law. Each director present shall have one vote regardless of the number of lots/units, which he or she may own.

4.5 Notice of Meetings. Regular meetings of the board may be held without notice at such time and place, within King County, WA, as it may from time to time determine.

4.6 Action Without A Meeting. An action that is required or permitted to be taken by the Board of Directors or the committee under these Bylaws, the Articles or the Declaration may be taken without a meeting, only if the action is approved in writing and a resolution is adopted authorizing the action. The written consents and resolution shall be filed with the minutes of the proceedings and Association's records.

ARTICLE V

OFFICERS AND THEIR DUTIES

5.1 Officers. The officers of the Association shall be the president, a vice-president, a secretary and a treasurer.

5.2 Term of Office. Officers shall assume their duties at the close of the meeting at which they are elected. Officers shall serve for a term of two (2) year(s) or until their successors are elected. No officers shall serve more than two (2) consecutive term(s) in the same office.

5.3 Vacancy in Office. A vacancy in any office except President shall be filled by the Board of Directors.

5.4 Removal and Resignation. Any officer elected or appointed by the board may be removed by the board with or without cause. In any event of the death, resignation or removal of an officer, the board in its discretion may elect or appoint a successor to fill the unexpired term.

5.5 Fidelity Bond. If required by the Board, any Member with signatory access to the bank accounts or other financial resources of the Association shall provide a bond for the faithful discharge of their duties in such sum and in such surety or sureties as the Board of Directors shall determine. The cost of said bond(s) will be borne by the Association.

5.6 Duties. Officers shall perform the duties provided in this section and such other duties as are prescribed for the office in these Bylaws.

A. **President.** The President shall be the principal executive officer of the Association and, subject to the control of the Board of Directors, shall in general supervise and control all the business and affairs of the Association. He or she shall, when present, preside at all meetings of the Members and of the Board of Directors. He or she may sign, with the Secretary, or any other proper officer of the Association thereunto authorized by the Board of Directors or by law, certificates for shares of the Association, 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 to some other office or agent of the Association, and in general, the President shall perform all duties incident to the office of the President and such other duties as may be prescribed by the Board of Directors from time to time. The President shall be responsible for carrying into effect all orders and resolutions of the Board of Directors and Members as required or as good business dictates.

B. **Vice-President.** The Vice President shall exercise the functions of the President during the absence or disability of the President. The Vice President shall have such powers and discharge such duties as may be assigned to him from time to time by the President or by the Board of Directors.

C. **Secretary.** The Secretary shall:

1. Keep the minutes of the Members and of the Board of Directors meetings in one or more books provided for that purpose;
2. See that all notices are duly given in accordance with the provisions of this Declaration or as required by law;
3. Be custodian of the corporate records;
4. Keep a register of the post office address of each Member, which shall be furnished to the Secretary by such Member;
5. In general, perform all duties incident to the office of the Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

D. **Treasurer.** The Treasurer shall:

1. Have the custody of the Association funds and securities;
2. Maintain complete and accurate accounts of receipts and disbursements in the Association books;
3. Deposit all money and other valuables in the name and to the credit of the Association in such depositories as may be designated by the board;
4. Disburse the funds of the Association as may be ordered or authorized by the board and preserve proper vouchers for such disbursements;
5. Render to the President and board at the regular meetings of the board, or whenever they require it, an account of all his or her transactions as Treasurer and of the financial condition of the Association;
6. Render a full financial report at the annual meeting of the Members if so requested;
7. Be furnished by all Association officers and agents at request, with such reports and statements as he or she may require as to all financial transactions of the Association; and,
8. Perform such other duties as are given to him by these Bylaws or as from time to time are assigned to him by the board or the President.

5.7 Elections. The officers shall be elected at the annual meeting.

ARTICLE VI

COMMITTEES

The Board of Directors may designate from among its members committees, each consisting of one (1) or more directors, by resolution adopted by a majority of the entire board. Each such committee shall serve at the pleasure of the board.

ARTICLE VII

BOOKS AND RECORDS

The Association's books, records and documents shall at all times, during reasonable business hours, be subject to inspection by any Member at the principal office of the Association, where copies may be purchased at a reasonable cost. Furthermore, all outgoing officers, directors, employees or committee members must relinquish all official documents, records, and any materials and property of the Association in his or her possession or under his or her control to the newly elected members within ten (10) days after the election.

ARTICLE VIII

AMENDMENTS

8.1 Amendment. These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of Members present in person or by proxy.

8.2 Conflict. In the case of any conflict between these Bylaws and the Declaration, the Declaration shall control. If any conflict exists between the Articles and these Bylaws, the Articles shall control. The law shall always prevail.

8.3 Effective Date. Amendments to these Bylaws are effective upon their approval in the manner set forth above, unless a later effective date is specified therein.

8.4 Termination. The Association may be dissolved only as provided in the Articles of Incorporation. The Association shall be dissolved upon termination of the Declaration as provided therein. Upon the dissolution of the Association, obligations of the Association are deemed automatically assumed by the Owners, in addition to any direct obligations of the Owners may have to the Association pursuant to the Declaration.

IN WITNESS THEREOF, the undersigned constitute a quorum of Lot Owners as defined in Section 11.4 of the Declaration as amended on March 31st, 2004.

Procedural Note to Board: Refer to my notes on the Articles of Amendment to the Declaration. Same issue applies here, the proper way to record Member votes.

CERTIFICATION

I the undersigned, do hereby certify:

THAT I am the duly elected and acting President of Alderwood Grove Homeowners Association, a Washington corporation, and,

THAT the foregoing Bylaws constitute the original Bylaws of the Association, as duly adopted at a meeting of the Members thereof, held on the 12th of July 2020.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 14th of July 2020.

By: _____

Name: Patrick Kevin_____

Title: President_____