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I, Richard Hobernicht, Director of Assessment and Taxation and Ex-Officio County Clerk for Washington County, Oregon, do hereby certify that the within instrument of writing was received and recorded in the book of records of said county.



*Richard Hobernicht*  
Richard Hobernicht, Director of Assessment and Taxation, Ex-Officio County Clerk

**DECLARATION  
OF  
BYLAWS  
FOR  
BETHANY VIEW ESTATES**

Bethany View Estates Owners' Association

Mailing Address:

4804 NW Bethany Blvd

Suite I-2, PMB 155

Portland, Oregon 97229

After recording return to:

Bethany View Estates Owners' Association  
4804 NW Bethany Blvd  
Suite I-2, PMB 155  
Portland, OR 97229

No Change in Tax Statements

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2019 BYLAWS OF  
BETHANY VIEW ESTATES OWNERS' ASSOCIATION

These 2019 Bylaws of Bethany View Estates Owners' Association ("2019 Bylaws") are effective the 14th day of August 2019 by Bethany View Estates Owners' Association, an Oregon nonprofit corporation (the "Association").

**RECITALS**

- A. Bethany View Estates is a community of owners established by the following documents recorded in the records of Washington County, Oregon (collectively, "Declarations"):
  - i. Declaration of Bethany View Estates, recorded November 10, 1994, as document number 94102678;
  - ii. Declaration of Bethany View Estates No. 2, recorded November 28, 1995, as document number 95087250; and
  - iii. Declaration of Bethany View Estates No. 3, recorded October 30, 1996, as document number 96097443.
- B. Association is the association of owners formed pursuant to the Declaration and incorporated as an Oregon nonprofit corporation under ORS Chapter 65 by the Articles of Incorporation filed March 10, 1995, in the office of the Oregon Secretary of State.
- C. As of January 1, 2002, Bethany View Estates is a Class II Planned Community and subject to the provisions of the Oregon Planned Community Act (ORS 94.550 to 94.783) as provided in ORS 94.572.
- D. The Association and owners wish to state the Declarations in their entirety, and to record the bylaws as provided in ORS 94.625.

NOW, THEREFORE, pursuant to ORS 94.625, the Association hereby states in their entirety the Bylaws which read as set forth below.

**ARTICLE 1 DEFINITIONS**

When used in these Bylaws, the following terms have the following meaning, whether or not capitalized:

- 1.1 "**Act**" means the Oregon Planned Community Act, ORS 94.550 to 94.783.
- 1.2 "**Assessment**" means any charge imposed or levied by the Association on or against an Owner or Lot pursuant to the Declaration, these Bylaws or the Act.

- 1.3 **"Bylaws"** means these Stated Bylaws and any amendments thereto.
- 1.4 **"Common Expenses"** means expenditures made by or financial liabilities incurred by the Association, more particularly described in the Declaration and Article 8 below.
- 1.5 **"Common Property"** means any real property or interest in real property within the Planned Community which is owned, held or leased by the Association. Common Property includes Common Areas defined under Article 4 of the Declaration.
- 1.6 **"Declaration"** means Declaration of Bethany View Estates, recorded on recorded November 10, 1994, as document number 94102679 in the records of Washington County, Oregon as the same may hereafter be amended or restated.
- 1.7 **"Nonprofit Act"** means the Oregon Nonprofit Corporation Act, ORS chapter 65.
- 1.8 **"Percent of Owners"** or "Percentage of Owners" means the percent of the voting rights allocated under 3.8 of these Bylaws.
- 1.9 **"Planned Community"** means the property described on the Plat, as defined in the Declaration.
- 1.10 **"Rules and Regulations"** means the policies, procedure, rules and regulations adopted by the Board of Directors or the Owners pursuant to the authority granted in these Bylaws, the Declaration or the Act.
- 1.11 **"Voting Rights"** means the portion of the votes allocated to a Lot under Article 3 of these Bylaws.
- 1.12 **Incorporation by Reference.** Except as otherwise provided in these Bylaws, unless the context clearly requires otherwise:
  - (a) The terms defined in the Declaration have the same meaning in these Bylaws to the extent applicable to the Owner or Lot.
  - (b) Each term used in these Bylaws that is defined in ORS 94.550 has the meanings set forth in ORS 94.550, unless the term is defined otherwise in the Declaration.
- 1.13 **Other Definitions.** Terms which are not defined in this article but are defined elsewhere in these Bylaws have the respective meanings given them in the provision of these Bylaws.

## ARTICLE 2 ASSOCIATION IDENTITY, PURPOSES, POWERS AND OFFICES

- 2.1 **Name and Location.** These are the Bylaws of Bethany View Estates Owners' Association, an Oregon nonprofit corporation. Bethany View Estates is a Class II Planned Community located in Washington County, Oregon.
- 2.2 **Principal Office.** The principal office of the Association is located on the property, or at another location within the State of Oregon as is determined by the Board of Directors.
- 2.3 **Purposes and Powers.**

- (a) **Purposes.** The purpose of the Association is to serve as the means through which the Owners may take action with regard to administration, management and operation of the Planned Community including the administration of Declarations according to their terms and the promulgation of rules, regulations, guidelines and standards that are binding on all owners to the extent that they do not violate or contradict the provisions of the Declaration.
- (b) **Powers.** The Association has such powers and duties as may be granted to it or imposed by the Act, including each of the powers and duties set forth in ORS 94.630 as the statute may be amended to expand the scope of associations powers, together with such additional powers and duties afforded by the Declaration, these Bylaws, and the Nonprofit Act.

## 2.4 **Membership in Association.**

- (a) The Owner of each Lot is a member of the Association. The membership commences, exists, and continues by virtue of the ownership, and expires automatically upon termination of the ownership. Membership need not be confirmed or evidenced by any certificate or acceptance of the membership.
- (b) **Determination of Ownership.** Ownership shall be determined for all purposes of the Declaration, these Bylaws and the administration of the Association and Planned Community from the record of ownership maintained by the Association. The record shall be established by the Owners filing with the Association a copy of the deed or land sale contract for the Lot evidencing the certificate of the recording officer of Washington County, Oregon, a copy of a title insurance policy or other evidence reasonably acceptable to the Board of Directors.

2.5 **Applicability of Bylaws.** The Association, all Owners and all persons using the Planned Community property are subject to these Bylaws and to all Rules and Regulations which may be promulgated under these Bylaws.

## 2.6 **Incorporation.**

- (a) The Association shall be incorporated under the Oregon Nonprofit Corporation Act. The Articles of Incorporation shall be consistent with these Bylaws. These Bylaws constitute the bylaws of the incorporated association.
- (b) In the event the Association is at any time dissolved, whether inadvertently or deliberately, it shall automatically be succeeded by an unincorporated association of the same name. In that event, all of the property, powers and obligations of the incorporated association existing immediately prior to its dissolution automatically vest in the successor unincorporated association. The vesting shall thereafter be confirmed and evidenced by appropriate conveyances and assignments by the incorporated association. To the greatest extent possible, any such successor unincorporated association shall be governed by the Articles of Incorporation and Bylaws of the incorporated association as if they had been made to constitute the governing documents of the unincorporated association.

# ARTICLE 3 ASSOCIATION MEETINGS AND VOTING

3.1 **Place of Meeting.** The Association shall hold meetings at such suitable place in Washington County, Oregon, convenient to the Owners as may be designated by the Board of Directors from time to time.

### 3.2 Annual Meetings.

- (a) The Association shall hold at least one (1) meeting of the Owners each calendar year. Unless otherwise provided by resolution of the Board of Directors, the annual meetings of the Association shall be held during the month of December of each year at such place and at such date and hour as the president may designate.
- (b) The annual meeting is for the purpose of electing directors and for the transaction of such other business as may properly come before the meeting.

### 3.3 Special Meetings.

- (a) Special meetings of the Association may be called by the president or secretary or by a majority of the Board of Directors and must be called by the president or secretary upon receipt of a written request from at least twenty-five percent (25%) of the Owners stating the purpose of the meeting. Business transacted at a special meeting must be confined to the purposes stated in the notice given under Article 3.4 below.
- (b) If a notice for a special meeting requested by Owners under Article 3.3 is not given within 30 days after the date the written request is delivered to the president or secretary, a person signing the request may set the date, time and place of the meeting and give notice as specified in Article 3.4 below.

### 3.4 Notice of Meetings.

- (a) Notice of all meetings of the Association shall be given by the president, secretary or other person authorized by resolution of the Board of Directors. All notices must be in writing and must:
  - (1) State the date, time and place of the meeting.
  - (2) State the items on the agenda, including the general nature of any proposed amendment to the Declaration or Bylaws, any budget changes or any proposal to remove a director of the Association.
  - (3) Be hand delivered or mailed to the mailing address of each Lot or to the mailing address designated in writing by the Owner, and to all mortgagees that have requested notice, not less than ten (10) or more than fifty (50) days before the date of the meeting.
  - (4) If the notice is mailed, the notice is deemed to be delivered when deposited in the United States mail, with first class postage fully paid, and addressed as provided in Article 3.4(a)(3) and Article 13.1 below. Proof of the mailing shall be given by the affidavit of the person giving the notice.
- (b) When a meeting is adjourned under Article 3.7 below for less than thirty (30) days, no notice of the adjourned meeting need be given other than by announcement at the meeting at which the adjournment takes place.

### 3.5 Meeting Procedure. Unless other rules of order are adopted by resolution of the Board of Directors or the Association:



- (a) Meeting of the Association must be conducted according to the latest edition of *Robert's Rules of Order* published by the Robert's Rules Association.
- (b) A decision of the Association may not be challenged because the appropriate rules of order were not used unless a person entitled to be heard was denied the right to be heard and raised an objection at the meeting in which the right to be heard was denied.
- (c) A decision of the Association is deemed valid without regard to procedural errors related to the rules of order one (1) year after the decision is made unless the error appears on the face of a written instrument memorializing the decision.

### 3.6 Quorum.

- (a) At any meeting of the Association, Owners representing ten percent (10%) of the voting rights, present in person, by proxy or absentee ballot, if permitted under Article 3.9(b) below, constitutes a quorum, unless otherwise provided in these Bylaws.
- (b) The subsequent ratification by an Owner in the action taken at a meeting constitutes the presence of the person for the purpose of determining a quorum and determining the vote on the action. When a quorum is once present to organize a meeting, the quorum cannot be broken by the subsequent withdrawal of an Owner or Owners.

### 3.7 Adjournment of Meetings.

- (a) Lack of a Quorum.
  - (1) If any meeting of Owners, other than a meeting conducted pursuant to Article 3.12 below, cannot be organized because of a lack of quorum, the Owners who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum as specified in Article 3.6 above is present.
  - (2) If a date certain has been specified in a solicitation of a meeting by written ballot conducted pursuant to Article 3.12 below, the Board of Directors may postpone the due date for counting the ballots, in one (1) or more postponements, for up to ninety (90) days after:
    - (A) The originally scheduled ballot return date if a quorum of ballots has not been returned or for matters on which a certain percentage approval is required and that vote has not been received or sufficient votes in opposition have not been received to negate the approval.
    - (B) If the vote is by secrecy procedure, the specified date certain.
- (b) Continuation of Business. In accordance with *Robert's Rules of Order* or other rules of order adopted under Article 3.5 above, a meeting may be adjourned until later the same day or some other day and time.

### 3.8 Voting Rights.

- (a) Allocation of Votes. Each Lot is allocated one vote in the affairs of the Association as provided in Article 6 of the Declaration. The Board of Directors is entitled to vote on behalf of any Lot which has been acquired by or on behalf of the Association, except the Board of Directors is not entitled to vote on behalf of an acquired Lot in any election of directors.

- (b) Suspension of Voting Rights. An Owner's voting rights may be suspended as provided in Article 12.3 of the Declaration.

### 3.9 Proxies, Absentee Ballots; Mortgagee Rights.

#### (a) Proxies.

- (1) A vote may be cast in person or by proxy. A proxy given by an Owner to any person who represents the Owner at meetings of the Association must be in writing, dated and signed by the Owner and must be filed with the secretary in accordance with procedures adopted by resolution of the Board of Directors.
- (2) No proxy is valid after the meeting for which it was solicited, unless otherwise expressly stated in the proxy; however, no proxy may be valid for more than one (1) year after the date of execution. Unless withdrawn, a proxy given to another person to vote at a specific meeting is also valid at an adjourned meeting called under the provisions of Article 3.7 above.
- (3) No proxy is valid if it purports to be revocable without notice to the Association.
- (4) An Owner may not revoke a proxy given except by actual notice of revocation to the person presiding over a meeting of the Association or to the Board of Directors if a vote is being conducted by written ballot in lieu of a meeting pursuant to Article 3.12 below.
- (5) Every proxy automatically ceases upon sale of the Lot by its Owner.

- (b) Absentee Ballots. At the discretion of the Board of Directors, a vote may be cast by absentee ballot.

#### (c) Mortgagee Rights.

- (1) An Owner may pledge or assign Owner's voting rights to a mortgagee. In such a case, the mortgagee or its designated representative is entitled to receive all notices to which the Owner is entitled under these Bylaws and to exercise the Owner's voting rights from and after the time that the mortgagee has given written notice of the pledge or assignment to the Board of Directors.
- (2) Any first mortgagee may designate a representative to attend any or all meetings of the Association.

### 3.10 Fiduciaries, Corporate Entities and Joint Owners.

- (a) Fiduciaries. An executor, administrator, guardian or trustee may vote in person, by proxy, or by absentee ballot, if permitted under Article 3.9(b) above, at any meeting of the Association with respect to any Lot owned or held in such capacity, whether or not the same has been transferred to his or her name, provided that the person satisfies the secretary that he or she is the executor, administrator, guardian or trustee holding the Lot in such capacity.
- (b) Corporate and Other Entities. Any person voting on behalf of a Lot owned by a corporation, partnership or other entity shall provide the secretary with written evidence, satisfactory to the secretary, that the person is the constituted representative of the corporation, partnership or other entity.

- (c) Joint Owners. Whenever any Lot is owned by two (2) or more persons jointly, according to the records of the Association, the vote (or consent) of the Lot may be exercised by anyone (1) of the Owners then present, in the absence of protest by a co-owner. In the event of a protest, no one co-owner is entitled to vote without the approval of all co-owners. In the event of disagreement among the co-owners, a co-owner may deliver written notice of the disagreement to the Board and the vote (or consent) of the Lot must then be disregarded completely in determining the proportion of votes given with respect to the matter.

3.11 **Binding Vote.** The vote of Owners representing a majority of the voting rights, present, in person, by proxy or absentee ballot if permitted under Article 3 .9(b) above, at a meeting at which a quorum is constituted, is binding upon all Owners for all purposes except where a higher percentage vote is required by law, the Declaration or these Bylaws.

3.12 **Action by Written Ballot in Lieu of a Meeting.**

- (a) Action By Written Ballot. At the discretion of the Board of Directors, any action that may be taken at any annual, regular or special meeting of the Association may be taken without a meeting if the Association, subject to the requirements of Article 3.12(d), delivers a written ballot to every Owner that is entitled to vote on the matter at least ten (10) days before the deadline for return of ballots. Action by written ballot may not substitute for the annual meeting of the Association, unless permitted under ORS 94.647, or a meeting held to remove a director pursuant to Article 4.4 below.

- (b) Form and Effect of Ballot.

- (1) The written ballot must set forth each proposed action and provide an opportunity to vote for or against each proposed action.
- (2) A written ballot may not be revoked unless permitted under ORS 94.647.

- (c) Information Required in Ballot Solicitations. All solicitations for votes by written ballot must:

- (1) State the number of responses needed to meet any applicable quorum requirements and the total percentage of votes needed for approval.
- (2) Specify the period during which the Association will accept written ballots for counting, which period ends on the earliest of the following unless the vote is pursuant to the secrecy procedure described in Article 3.12(d):
  - (A) The date on which the Association has received a sufficient number of approving ballots to pass the proposal;
  - (B) The date on which the Association has received a sufficient number of disapproving ballots to render the proposal impossible of passage; or
  - (C) A date certain on which all ballots must be returned to be counted.

- (d) Secrecy Procedure.

- (1) The Board of Directors shall provide Owners with at least ten (10) days' notice before written ballots are mailed or otherwise delivered. The notice must be delivered in the manner

prescribed by the Board and must inform the Owners that if at least three (3) days before written ballots are scheduled to be mailed or otherwise distributed, which date must be stated, at least ten percent (10%) of the Owners petition the Board of Directors requesting the secrecy procedure, the procedure specified in 3.12(d)(2) must be followed.

- (2) If at least three (3) days before written ballots are scheduled to be mailed or otherwise distributed, at least ten percent (10%) of the Owners petition the Board of Directors requesting the secrecy procedure, a written ballot must be accompanied by:
  - (A) A secrecy envelope;
  - (B) A return identification envelope to be signed by the Owner; and
  - (C) Instructions for marking and returning the ballot.
- (e) **Determination of Vote.** The outcome of a vote by written ballot in lieu of a meeting must be determined by the Board of Directors within forty-eight (48) hours of the deadline for return of ballots. Matters that may be voted on by written ballot are deemed approved or rejected as follows:
  - (1) If approval of a proposed action would otherwise require a meeting at which a certain quorum must be present and at which a certain percentage of total votes cast is required to authorize the action, the proposal is deemed approved when the date for return of ballots has passed, a quorum of Owners has voted and the required percentage of approving votes has been received. Otherwise the proposal is deemed to be rejected.
  - (2) If approval of a proposed action otherwise would require a meeting at which a specified percentage of Owners must authorize the action, the proposal is deemed approved when the percentage of total votes cast in favor of the proposal equals or exceeds the required percentage. The proposal is deemed rejected when the number of votes cast in opposition renders approval impossible or when both the date for return of ballots has passed and the required percentage has not been met.
- (f) **Counting of Votes.** Votes may be counted from time to time before the final return date to determine whether the proposal has passed or failed by the votes already cast on the date they are entered, except written ballots that are returned in secrecy envelopes may not be examined or counted before the deadline for returning ballots has passed.

### 3.13 **Action Without a Meeting.**

- (a) Any action that may be taken at any annual, regular or special meeting of the Association may be taken without a meeting and without solicitation of written ballots pursuant to Article 3.12 above, if the action is taken by all of the Owners entitled to vote on the action.
- (b) The action must be evidenced by one (1) or more written consents describing the action taken, signed by all of the Owners entitled to vote on the action, and delivered to the Association for inclusion in the minutes or filing with the Association records.
- (c) Action taken under Article 3.13 is effective when the last Owner signs the consent, unless the consent specifies an earlier or later effective date. A consent signed under Article 3.13 has the effect of a meeting vote and may be described as such in any document.

## ARTICLE 4 BOARD OF DIRECTORS: POWERS; ELECTION; TERM OF OFFICE

### 4.1 **Number; Qualifications; Term.**

- (a) **Number.** The affairs of the Association shall be governed by a Board of Directors composed of not less than three (3) or more than five (5) directors elected as provided in Article 4.2 below. By a resolution adopted by the Board of Directors, the number of directors may be increased to not more than five (5) nor decreased to less than three (3). The resolution must prescribe the initial term of additional directors in accordance with Article 4.2 below.
- (b) **Qualification.** All directors shall be an Owner or the co-owner of a Lot. However, multiple Owners of the same Lot may not serve as directors simultaneously. An officer or employee of a corporation, the members of a limited liability company, a partner of a partnership, a trustee of a trust, a personal representative of an estate or trustee or an employee of a trust or estate, may serve on the Board if the corporation, Limited Liability Company, partnership, trust or estate owns a Lot.
- (c) **Term.** Directors shall hold office for a term of three (3) years or until their respective successors have been elected by the Owners. The terms of the Directors shall be staggered so that the terms of at least one-third (1/3) of the Directors expire annually. If the number of Directors is increased, the additional Directors shall initially be elected for staggered terms. The Board shall by resolution designate by number or letter the director positions.

### 4.2 **Election.**

- (a) **Election at Annual Meeting.** At the annual meeting held under Article 3.2 above Owners shall elect Directors to succeed Directors whose terms expire.
- (b) **Nomination.** The Board of Directors shall determine the method of nominating directors which must include the right of an Owner to nominate a director from the floor at any meeting at which an election of directors is held.
- (c) **Manner of Election.** The Board of Directors shall determine the manner of election of directors which may include the election of directors by a single ballot, with each Owner permitted to vote for the number of vacant director positions. In such event, the nominees receiving the highest number of votes equal to the number of director positions shall be directors. Election of directors shall be by plurality. Cumulative voting is not permitted.
- (d) **Reduction in Number of Directors.** If the number of directors is increased to more than three (3) Directors as provided in Article 4.1 above, and the Board subsequently determines it is in the best interest of the Association to reduce the number of directors (but not to fewer than three (3) directors), the Board shall adopt a resolution specifying the reduced number of Directors constituting the Board and the manner by which the number of Directors will be reduced. In accordance with ORS 65.314, a decrease in the number of directors may not shorten an incumbent director's term.

### 4.3 **Vacancies.** Vacancies on the Board of Directors, caused by any reason other than the removal of a director by a vote of the Association under Article 4.4(a) below, shall be filled for the balance of the term of each directorship by vote of a majority of the remaining directors even though they may

constitute less than a quorum. Each person so elected shall be a director until a successor is elected upon expiration of the term for which the person was elected by the other directors to serve.

#### 4.4 **Removal of Directors.**

(a) Removal by Owners.

(1) At any annual or special meeting, other than a meeting by written ballot held pursuant to Article 3.12 above, anyone or more of the directors may be removed, with or without cause, by a vote of a majority of Owners. The notice of the meeting must state that the removal is to be considered and any director whose removal has been proposed must be given an opportunity to be heard at the meeting.

(2) A successor must be elected at the meeting to fill the vacancy created. However, if Owners fail to fill a vacancy created by the removal of director, the President shall call a special meeting in accordance with Article 3.3 above for the purpose of electing a director to fill the vacancy.

(b) Removal by Board for Failure to Attend Board Meetings. Any director who fails to attend three (3) successive meetings of the Board of Directors which have been properly called or who has failed to attend more than one-third 1/3 of the Board of Directors meetings during a twelve (12) month period which have been properly called, may be removed by a majority of the remaining directors.

4.5 **Powers and Duties.** The Board of Directors has all the powers and duties necessary for the administration of the affairs of the Association, except such powers and duties as by law, or these Bylaws, may not be delegated to the Board of Directors by the Owners.

4.6 **Specific Powers and Duties.** The powers and duties to be exercised by the Board of Directors include, without limitation, the following:

(a) Maintenance of Common Property. Maintenance, repair, replacement and supervision of Common Areas and any other Common Property.

(b) Construct, maintain, repair, and replace to the standard determined by the Board, the Common Areas and the Improvements thereon, and establish one or more reserve funds for such purposes. The Association, may at the discretion of the Board, determine not to maintain any portion of the Common Areas, including, without limitation, portions of such areas which are to be maintained by public agencies, utility companies, or other third parties. The preceding sentence notwithstanding, the Board shall ensure that all-Common Areas are maintained at the minimum level necessary so as to retain an attractive appearance for the Association.

(c) Bank Accounts. Opening and maintenance of bank accounts on behalf of the Association and designating the required signatories required in accordance with these Bylaws.

(d) Budgets and Reserve Studies. Preparation and adoption of budgets for payment of common expenses and preparation, review and update of reserve studies, all in accordance with these Bylaws.

(e) Reserves. Establishing and maintaining replacement reserve accounts and other reserves as required by the Act the Declaration or these Bylaws and such other reserve accounts as are permitted by these Bylaws including a general operating reserve account by allocation and payment periodically of an amount determined by the Board of Directors to be appropriate.

- (f) Assessment Collection. Designation and collection of assessments from the Owners in accordance with the Declaration, these Bylaws and the Act.
- (g) Personnel. Designation, employment and dismissal of the personnel necessary for the maintenance and operation of the Association and the Planned Community. The Board of Directors may employ or enter into a contract with a management agent, to be compensated in an amount established by the Board, to perform such duties and services as the Board of Directors authorizes, including, but not limited to, the duties listed in Article 4.6.
- (h) Annual Financial Statement. The preparation and distribution of an annual financial statement of the Planned Community to Owners in accordance with Article 11.5 below.
- (i) Rules. In accordance with Article 7 below, promulgation, adoption and amendment of Rules and Regulations governing the details of operation and use of Lots, Common Property and rules of conduct for Owners, employees and invitees which shall be consistent with the Declaration.
- (j) Enforcement. Enforcement by legal means of the provisions of the Act, the Declaration and these Bylaws, and any Rules and Regulations adopted under these Bylaws in accordance with the Declaration and these Bylaws.
- (k) Insurance.
  - (1) Obtaining and maintaining the insurance required under Article 9 below. In addition, the Board of Directors, in its discretion, may obtain such other insurance as it deems necessary to protect the interests of the Association or Owners.
  - (2) At least annually, the review of the insurance coverage of the Association as provided in Article 9 below. The review, if appropriate, must include an appraisal of all improvements for which the Association has maintenance responsibility and improvements contained in Common Areas and any other Common Property.
- (l) Annual Report with Secretary of State. The filing of the Annual Report with the Oregon Secretary of State in accordance with the Nonprofit Act.
- (m) Income Tax Returns. Preparation or causing to be prepared and filed any required income tax returns or forms.
- (n) Association Records. Compliance by the Association with ORS 94.670 relating to maintenance of Association records and maintenance of copies suitable for duplication of the documents specified in ORS 94.670 and Article 11.6 below.
- (o) Association Mailing Address. Maintenance of a current mailing address for the Association in accordance with ORS 94.640.
- (p) Committees. Establishment of committees and appointment of members to committees as the Board of Directors in its sole judgement deem necessary or appropriate to assist the Board in its duties, including, but not limited to, an architectural review committee in accordance with the Declaration.

#### **4.7 Liability and Indemnification of Directors, Officers, Manager, or Managing Agent.**

- (a) Directors and officers are not liable to the Association for any mistake of judgment, negligence, or otherwise except for their own willful misconduct or bad faith.
- (b) The Association shall indemnify and hold harmless each director and officer and the manager or managing agent, if any, against all contractual liability to others arising out of contracts made by the Board of Directors, officers, manager, or managing agent on behalf of the Association unless any contract was made in bad faith or contrary to the provisions of the Declaration or of these Bylaws.
- (c) Each director and officer and the manager or managing agent, if any, shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees reasonably incurred or imposed upon them in connection with any proceeding to which they may be a party or which they may become involved, by reason of being or having been a director, officer, manager or managing agent and shall be indemnified upon any reasonable settlement thereof. However, there may be no indemnity if the director, officer, manager, or managing agent is adjudged guilty of willful nonfeasance, misfeasance, or malfeasance in the performance of his or her duties.

4.8 **Standards of Conduct.** In the performance of their duties, directors are governed by ORS 94.640, 65.357, 65.361 and 65.369.

4.9 **Compensation of Directors.** No director may be compensated in any manner, except for out-of-pocket expenses.

## ARTICLE 5 MEETINGS OF THE BOARD OF DIRECTORS

### 5.1 **Organizational Meeting.**

- (a) Location, Date and Time. Unless otherwise agreed by the Board, within fourteen (14) days following the annual meeting of the Association or following any meeting at which an election of directors has been held, the Board of Directors shall hold an organization meeting at such place and time as is determined by the directors at the meeting at which the election was held. No further notice of the organizational meeting to the directors is necessary.
- (b) Procedure and Business; Until the election of new officers, the organizational meeting shall be chaired by the outgoing president, or, in the absence of such person, the outgoing secretary, regardless of whether the outgoing president or secretary is a member of the newly constituted board. At the organizational meeting, the Board of Directors shall elect officers in accordance with Article 6.2 below and may conduct any other Association business.

### 5.2 **Regular and Special Meetings.**

- (a) Call of Meetings.
  - (1) Regular Meetings. Regular meetings of the Board of Directors may be held on such date and at such time and place as is determined, from time to time, by a majority of the directors.
  - (2) Special Meetings. Special meetings (including emergency meetings) of the Board of Directors may be called by the president or the secretary and must be called by the secretary within 10 days of receipt of a written request of at least two (2) directors or a petition for reconsideration



of rules adopted by the Board under Article 7.3 below. The secretary or other person designated by resolution of the Board of Directors shall cause notice to be given in accordance with Article 5.2(b).

(b) Notice to Board of Directors.

- (1) Regular Meetings. Any requirements for notice to directors of regular meetings of the Board of Directors shall be determined, from time to time, by a majority of the directors.
- (2) Special Meetings. Unless otherwise determined, from time to time, by a majority of the directors, notice of any special meeting must be given to each director, personally or by mail, telephone, email or other means approved by the director, at least ten (10) days prior to the day named for the meeting. The notice must state the time, place and purpose of the meeting.
- (3) Emergency Meetings. Notice requirements to directors for emergency meetings of the Board of Directors shall be as determined, from time to time, by a majority of the directors.

### 5.3 Quorum and Acts.

- (a) At all meetings of the Board of Directors, a majority of the existing directors constitutes a quorum for the transaction of business and the acts of the majority of the directors present are the acts of the Board of Directors, unless a greater number is required by law or these Bylaws.
- (b) If, at any meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any subsequent adjourned meeting at which a quorum is present any business which might have been transacted at the meeting as originally called may be transacted without further notice to directors or Owners.

### 5.4 Meeting Procedure.

- (a) Director Assent Presumed. A director of the Association who is present at a meeting of the Board of Directors at which action on any Association matter is taken is presumed to have assented to the action taken unless:
  - (1) The director objects at the beginning of the meeting, or promptly upon the director's arrival, to holding the meeting or transacting the business at the meeting;
  - (2) The director's dissent or abstention from the action taken is entered in the minutes of the meeting; or
  - (3) The director delivers written notice of dissent or abstention to the presiding officer of the meeting before its adjournment or to the Association immediately after adjournment of the meeting. The right of dissent or abstention is not available to a director who votes in favor of the action taken.
- (b) Proxies and Secret Ballots Prohibited. Directors may not vote by secret ballot at Board meetings, except officers may be elected by secret ballot. A vote or abstention for each director present must be recorded in the minutes.
- (c) Rules of Procedure. Unless other rules of order are adopted by resolution of the Board of Directors:

- (1) Meetings of the Board of Directors must be conducted according to the latest edition of *Robert's Rules of Order* published by the Robert's Rules Association.
- (2) A decision of the Board of Directors may not be challenged because the appropriate rules of order were not used unless a person entitled to be heard was denied the right to be heard and raised an objection at the meeting in which the right to be heard was denied.
- (3) A decision of the Board of Directors is deemed valid without regard to procedural errors related to the rules of order one (1) year after the decision is made unless the error appears on the face of a written instrument memorializing the decision.

## 5.5 **Open Meetings; Executive Sessions.**

- (a) **Open Meetings.** Except as provided in Article 5.5(b), all meetings of the Board of Directors are open to Owners. However, except for a meeting called under Article 7.3 below to reconsider rules adopted by the Board of Directors, no Owner has a right to participate in the meeting of the Board unless the Owner is also a member of the Board. The president or presiding officer has the authority to exclude an Owner who disrupts the proceedings at a Board meeting.
- (b) **Executive Sessions.** In the discretion of the Board of Directors, the following matters may be considered in executive session:
  - (1) Consultation with legal counsel concerning the rights and duties of the Association regarding existing or potential litigation or criminal matters;
  - (2) Personnel matters, including salary negotiations and employee discipline;
  - (3) The negotiation of contracts with third parties;
  - (4) Collection of unpaid assessments; and
  - (5) Any other matters permitted under ORS 94.640 as it may be amended from time to time.
- (c) **Executive Session Procedure.**
  - (1) Except in the case of an emergency, the Board of Directors shall vote in an open meeting whether to meet in executive session. If the Board votes to meet in executive session, the president or other presiding officer shall state the general nature of the action to be considered and, as precisely as possible, when and under what circumstances the deliberations can be disclosed to Owners. The statement, motion or decision to meet in executive session must be included in the minutes of the meeting.
  - (2) A contract or an action considered in executive session does not become effective unless the Board, following the executive session, reconvenes in open meeting and votes on the contract or action, which must be reasonably identified in the open meeting and included in the minutes.

5.6 **Meetings by Telephonic or Electronic Communication.** In the case of an emergency, meetings of the Board of Directors may be conducted by telephonic communication or by the use of a means of communication that allows all members of the Board of Directors participating to hear each other simultaneously or otherwise to be able to communicate during the meeting.

5.7 **Notice to Owners of Meetings of Board.** Subject to the notice requirements for a meeting called under Article 7.3 below to reconsider rules adopted by the Board of Directors, for other than emergency meetings, notice of each meeting of the Board of Directors must be posted at a place or places in the Planned Community at least three (3) days prior to the meeting, or notice must be provided by a method otherwise reasonably calculated to inform the Owners of the meeting.

5.8 **Meeting Defined.**

- (a) As used in Sections 5.5, 5.6 and 5.7 above, "meeting" means any convening of a quorum of members of the Board of Directors where matters relating to Association business are discussed, except a convening of a quorum of members of the Board of Directors for the purpose of participating in litigation, mediation or arbitration.
- (b) The meeting and notice requirements of Sections 5.5, 5.6 and 5.7 above may not be circumvented by chance or social meetings or by any other means.

5.9 **Waiver of Notice.**

- (a) At any time, a director may waive notice of any meeting of the Board of Directors. The waiver must be in writing. A written waiver is deemed equivalent to the giving of the notice.
- (b) Attendance by a director at any meeting of the Board constitutes a waiver of notice by the director, except when the director attends the meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Subject to the requirements of Sections 5.5, 5.6, 5.7 and 5.8 above, if all directors are present at any meeting of the Board, no notice to directors is required and any business may be transacted at the meeting.

## ARTICLE 6 OFFICERS

6.1 **Designation and Qualification.**

- (a) Designation. The principal officers of the Association shall be a president, one or more vice presidents, as the Board may from time to time determine and with such designations as the Board may assign, a secretary and a treasurer. The directors may designate such other offices as in their judgment may be necessary. Any two (2) or more offices may be held by the same person except the offices of president and secretary.
- (b) Qualification. All principal officers, except a management agent (if any) must be members of the Board of Directors.

6.2 **Election of Officers; Vacancies.** The officers of the Association may be elected by the Board of Directors at the organizational meeting of each new Board held in accordance with Article 5.1 above or any Board of Directors meeting thereafter to serve until their respective successors are elected at the next organizational meeting or subsequent Board meeting. If any office becomes vacant, the Board shall elect a successor to fill the unexpired term at any meeting of the Board of Directors.

6.3 **Removal and Resignation.**

- (a) Removal. Officers hold office at the pleasure of the Board of Directors. When in the judgment of the Board of Directors the best interest of the Association will be served, by an affirmative vote of a majority of the members of the Board, any officer may be removed. The removal of an officer is without prejudice to the contract rights, if any, of the officer so removed.
- (b) Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, the president or secretary. Any resignation is effective upon receipt of the notice or at any later time specified in the notice. Unless otherwise specified in the notice, acceptance of the resignation is not necessary except that the Board may reject a post-dated resignation by notice in writing to the resigning officer. The effectiveness of a resignation does not prejudice the contract rights, if any, of the Association against the officer resigning.

6.4 **President.** The president is the chief executive officer of the Association and has, subject to the controls of the Board of Directors, the Act or other law, general supervision, direction and control of the business and affairs of the Association. He or she shall preside at all meetings of the Association and of the Board of Directors. The president has all of the general powers and duties which are usually vested in the office of president of an association and has such other powers and duties as may be prescribed by these Bylaws or resolution of the Board of Directors.

6.5 **Vice President.** The vice president shall, in the absence or disability of the president, exercise the powers and perform the duties of the president. The vice president shall also exercise such other powers and perform such other duties as are prescribed by resolution of the Board of Directors.

6.6 **Secretary.**

- (a) The secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Association and of the Board of Directors. The Secretary shall give or cause to be given such notice of meetings of the Association and the Board of Directors as is required by these Bylaws or by law.
- (b) The secretary shall have custody of all books, records and papers of the Association except those which are in the care of the treasurer or other person designated in a resolution of the Board of Directors. The secretary shall, in general, perform all the duties incident to the office of secretary and have such other powers and perform such other duties as may be prescribed by these Bylaws or resolution of the Board of Directors.
- (c) The secretary shall act as vice-president, taking the place of the president and performing the president's duties whenever the president is absent or unable to act, unless the Directors have appointed another vice-president.

6.7 **Treasurer.** The treasurer shall:

- (a) Have responsibility for the Association's funds and securities not otherwise held by the managing agent.
- (b) Keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Association, including accounts of its assets, liabilities, receipts and disbursements.
- (c) Be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association in such depositories as may, from time to time, be designated by the Board of

Directors. He or she shall disburse the funds of the Association in accordance with these Bylaws or as may be directed by the Board.

- (d) Perform all other duties incident to the office of treasurer of an association and have such other powers and perform such other duties as may be prescribed by these Bylaws or resolution of the Board of Directors.

#### 6.8 **Execution of Documents; Checks.**

- (a) Documents. All agreements, contracts, deeds, leases and other instruments of the Association, except checks, shall be executed by such person or persons as may be designated by resolution of the Board of Directors. In the absence of a resolution applicable to any instrument, then the instruments shall be signed by at least two board members.

#### 6.9 **Standards of Conduct.** In the performance of their duties, officers shall be governed by ORS 65.377.

#### 6.10 **Compensation of Officers.** No officer, except a managing agent, who is a member of the Board of Directors may receive any compensation from the Association for acting as an officer. The Board of Directors may fix any compensation to be paid to any officers who are not also directors.

## ARTICLE 7 RULES AND REGULATIONS

#### 7.1 **Adoption of Rules and Regulations.** Pursuant to the Act, in addition to the other provisions of the Declaration and these Bylaws, the Board of Directors from time to time may, by resolution, adopt, amend, or revoke such Rules and Regulations governing the conduct of persons and the operation and use of the Lots, Common Area and other Common Property as it may deem necessary or appropriate in order to assure the peaceful and orderly use and enjoyment of the Planned Community and the management and administration of the Association, including the interpretation of the Declaration and these Bylaws.

#### 7.2 **Distribution of Copies.** A copy of the Rules and Regulations, upon adoption, and a copy of each rule or regulation amendment or revocation, must be delivered by the secretary promptly to each Owner and is binding upon all Owners and occupants of all Lots from the date of delivery. A notice of the right to petition for review under Article 7.3 below must accompany the copy.

#### 7.3 **Reconsideration of Rules by Board of Directors.**

- (a) Petition. If within fifteen (15) days of delivery of a copy of the Rules and Regulations adopted or copy of the rule amendment or revocation under Article 7.2 above, the secretary receives a written petition for reconsideration (stating the specific rule adoption, amendment or revocation to be reconsidered) signed by at least fifteen percent (15%) of the Owners, the Board of Directors shall hold a special meeting to reconsider the adoption, amendment or revocation.
- (b) Notice of Meeting to Reconsider. Upon receipt of a petition under Article 7.3(a), the secretary shall call a special meeting of the Board of Directors under Article 5.2 above. At least ten (10) days before the special meeting, the secretary shall give notice to Owners as provided in Article 5.7 above. The notice must state the purpose of the meeting.

(c) Meeting to Reconsider. At the special meeting called under Article 7.3:

- (1) The Board shall provide a reasonable time for Owners to express their views regarding the rule adoption, amendment or revocation being reconsidered.
- (2) The Board may take any action it deems appropriate. If the Board adopts a new rule or amends or revokes a rule, the Board shall comply with Article 7.2 above.

7.4 **Modification by Members.** Action by the Board under this article may be modified by vote of not less than sixty-five percent (65%) of the total votes present, in person or by proxy, at any meeting of the Association, the notice of which must have stated that the modification or revocation or rules will be under consideration.

## ARTICLE 8 RESERVED

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## ARTICLE 9 INSURANCE

9.1 **Insurance by Association.** The Board of Directors shall obtain and maintain at all times and shall pay as a common expense, except as otherwise provided in this article, the insurance, to the extent available at reasonable cost.

(a) Property Damage Insurance.

- (1) The Association shall obtain and maintain a policy or policies of insurance covering loss or damage from fire, with standard extended coverage and "all risk" endorsements and such other coverage as the Association may deem desirable.
- (2) The amount of coverage shall be for not less than one hundred percent (100%) of the current replacement cost of the improvements on Common Areas and any other Common Property (exclusive of land, foundation, excavation, and other items normally excluded from coverage), subject to a reasonable deductible.
- (3) The policy or policies shall include all fixtures and building service equipment to the extent that they are part of Common Areas or other Common Property and all personal property and supplies belonging to the Association.

(b) Liability Insurance.

- (1) The Association shall obtain and maintain comprehensive general liability insurance coverage insuring the Association, the Board of Directors and the managing agent, if any, against liability to the public or Owners and their invitees or tenants incident to the operation, maintenance, ownership, or use of the Common Area or other Common Property, including legal liability arising out of lawsuits related to employment contracts of the Association. There may be excluded from the policy or policies coverage of an Owner (other than as a member of the Association or the Board of Directors) for liability arising out of acts or omissions of the

Owner and liability incident to the ownership or use of the part of the property as to which the Owner has the exclusive use or occupancy.

- (2) Limits of liability under the insurance maintained under Article 9.1(b) may not be less than One Million Dollars (\$1,000,000.00) on a combined single limit basis.
  - (3) Insurance policies obtained under Article 9.1(b) shall be issued on a comprehensive liability basis and shall provide cross liability endorsement wherein the rights of named insured under the policy or policies may not be prejudiced as respects his, her or their action against another named insured.
- (c) Workers' Compensation Insurance. The Association shall obtain and maintain worker's compensation insurance to the extent necessary to comply with any applicable laws.
- (d) Fidelity Insurance.
- (1) The Board of Directors shall cause the Association to obtain and maintain blanket fidelity bonds for all officers; directors, trustees, and employees of the Association and all other persons handling or responsible for funds of, or administered by, the Association. If the Association has retained a management agent, the Board of Directors may require the agent to maintain fidelity bonds for its officers, employees, and agents handling or responsible for funds of, or administered on behalf of, the Association.
  - (2) The total amount of fidelity bond coverage required shall be based upon the best business judgment of the Board of Directors.
  - (3) The fidelity bond must name the Association as obligee and contain waivers by the issuers of the insurance of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees" or similar terms or expressions. The bonds must provide that they may not be cancelled or substantially modified (including cancellation for nonpayment of premium.) without at least ten (10) days' prior written notice to the Association.
- (e) Directors' and Officers' Liability Insurance. The Association shall obtain and maintain a policy of directors' and officers' liability insurance with coverage in the amount of not less than One Million Dollars (\$1,000,000.00), subject to a reasonable deductible.

## 9.2 Insurance by Owners.

- (a) Each Owner is responsible for obtaining, at his or her own expense, insurance covering Owner's property not insured under Article 9.1(a) above and insurance covering Owner's liability not covered under Article 9.1 (b) above.
- (b) The Board of Directors by resolution may require Owners' policies to name the Association as an additional insured.

## 9.3 Insurance Deductibles; Copies of Owners' Policies.

- (a) The Board of Directors shall determine the amount of the deductible for property loss insurance policies, and any other insurance policies required to be obtained by the Association under this article. In determining the deductible under the policies, the Board, among other factors, shall take

into consideration the availability, cost, and loss experience of the Association. In this regard, as in other Board responsibilities, the Board members shall exercise their reasonable business judgment.

- (b) The Board of Directors shall notify all Owners of the amount of the deductible under the Association policies. To the extent reasonably practicable, the Board of Directors shall give at least thirty (30) days' notice to the Owners of any increase in the deductible proposed in renewal or replacement insurance policies.
- (c) Unless otherwise provided by these Bylaws or resolution of the Board of Directors, the cost of the deductible is a Common Expense of the Owners of the Lots to which the cost of the insurance policy is assessed under the Declaration.
- (d) Within thirty (30) days of receipt of a written request by the Board of Directors, Owners shall file a copy of each policy required under this article with the Association.

9.4 **Contribution Prohibition.** Insurance maintained by the Association may not be brought into contribution with insurance bought by Owners and their mortgagees.

## ARTICLE 10 AMENDMENTS TO BYLAWS

10.1 **How Proposed.** Amendments to the Bylaws may only be proposed by either a majority of the Board of Directors or by Owners holding at least thirty percent (30%) of the voting rights. The proposed amendment must be reduced to writing and must be included in the notice of any meeting at which action is to be taken thereon.

10.2 **Adoption.** Amendments may be approved by the Association at a meeting of the Association or ballot meeting conducted for such purpose under Article 3.12 above or by action without a meeting under Article 3.13 above. A vote of at least a majority of all Owners is required for approval of any amendment except no amendment may be inconsistent with the Declaration unless the Declaration is also amended. Amendments may also be approved by a majority vote of the Board at a meeting conducted for such purpose under Article 5.5(a) above.

10.3 **Execution and Recording.** An amendment is not effective until certified by the president and secretary of the Association as being adopted in accordance with these Bylaws and the applicable provisions of the Act, and is acknowledged and recorded in the Deed Records of Washington County, Oregon.

## ARTICLE 11 ASSOCIATION RECORDS AND ACCOUNTS

### 11.1 General Records.

- (a) The Board of Directors and managing agent or manager, if any, shall keep detailed records of the actions of the Board of Directors and managing agent or manager; minutes of the meetings of the Board of Directors; and minutes of the meeting of the Association.
- (b) The Board of Directors shall maintain a Book of Resolutions containing the rules, regulations and policies adopted by the Association and the Board of Directors.



- (c) To the extent feasible, the Board of Directors shall maintain a list of Mortgagees of Lots.
- (d) The Association shall retain within this state the documents, information and all other records of the Association for not less than the period specified in ORS 65.771 or any other applicable law, except that:
  - (1) The documents described in ORS 94.616(3)(o), if available, must be maintained as permanent records of the Association.
  - (2) Proxies and ballots must be retained for at least one (1) year from the date of determination of the vote.

#### 11.2 **Financial Records and Accounts.**

- (a) The Board of Directors or its designee shall keep within this state, financial records sufficient for proper accounting purposes. All assessments shall be deposited in a bank account, located in this state, if required under ORS 94.670, in the name of the Association. All expenses of the Association shall be paid from the Association's bank account.
- (b) The Association shall maintain two (2) primary accounts and such other accounts as the Board of Directors deems necessary to manage the Association's funds. The accounts shall be identified as the:
  - (1) General Operating Expense Account.
  - (2) Reserve Account or Reserve Accounts for major maintenance and replacement as provided in the Declaration.
- (c) The Board shall cause to be allocated to the accounts specified in Article 11.2(b) those amounts from assessments deemed necessary by the Board for the purposes set forth in the Declaration and these Bylaws.

11.3 **Assessment Roll.** The assessment roll shall be maintained in a set of accounting books in which there shall be an account for each Lot. The account shall designate the Lot number, the name and address of the Owner or Owners, the amount of each assessment against the Owners, the dates and amounts in which the Assessment comes due, the amounts paid upon the account, and the balance due on the Assessments.

11.4 **Fiscal Year.** Unless otherwise provided by resolution adopted by the Board of Directors, the fiscal year of the Association shall begin on the first day of July and end on June 30 of each calendar year.

#### 11.5 **Financial Reports and Audits.**

- (a) Annual Financial Statement. Within ninety (90) days after the end of the fiscal year, the Board of Directors shall:
  - (1) Prepare or cause to be prepared an annual financial statement consisting of a balance sheet and income and expenses statement for the preceding fiscal year; and
  - (2) Distribute to Owners a copy of the annual financial statement and to all mortgagees of Owners who have requested a copy in writing.

- (b) Review of Annual Financial Statement. If required by ORS 94.670, the Board of Directors shall cause the financial statement required under Article 11.5(a) to be reviewed by an independent certified accountant licensed in this state as provided in ORS 94.670.
- (c) Audit of Books and Records. From time to time the Board of Directors, at the expense of the Association, may obtain an audit of the books and records pertaining to the Association and furnish copies of the audit to the Owners and mortgagees of Lots. At any time any Owner or mortgagee may, at the Owner's or mortgagee's own expense, cause an audit or inspection to be made of the books and records of the Association.

#### 11.6 **Inspection of Records by Owners.**

- (a) Except as provided in ORS 94.670, all documents and records of the Association shall be reasonably available for examination by an Owner and any mortgagee of a Lot pursuant to rules adopted by resolution of the Board of Directors.
- (b) The Board of Directors shall maintain a copy, suitable for the purposes of duplication, of the following:
  - (1) The Declaration and Bylaws and any amendments or supplements thereto, the recorded plat, if feasible, and Rules and Regulations of the Association currently in effect.
  - (2) The most recent financial statement prepared pursuant to ORS 94.670(3).
  - (3) The current operating budget of the Association.
  - (4) The reserve study described in Article 8.2 above.
  - (5) Architectural standards and guidelines, if any.
  - (6) Any other records required by ORS 94.670.
- (c) The Association, within ten (10) business days after receipt of a written request by an Owner, shall furnish the requested information required to be maintained under Article 11.6(b).
- (d) The Board of Directors, by resolution, may adopt reasonable rules governing the frequency, time, location, notice and manner of examination and duplication of Association records and the imposition of a reasonable fee for furnishing copies of any documents, information or records described in Article 11.6. The fee may include reasonable personnel costs incurred to furnish the information.

- 11.7 **Notice of Sale, Rental or Mortgage.** Immediately upon the sale or mortgage of any Lot, the Owner shall promptly inform the secretary or manager of the name and address of the purchaser, vendee or mortgagee.

## **ARTICLE 12 COMPLIANCE AND ENFORCEMENT**

- 12.1 **Compliance.** Each Owner, tenant or occupant of a Lot, shall comply with the provisions of the Declaration, the Bylaws, Rules and Regulations, and the applicable provision of the Act.

## 12.2 Remedies of Association.

- (a) Subject to Article 12.2(b) below and Article 13.3 below, violation of, or failure to comply with, any provision of the Declaration, the Bylaws, or Rule and Regulations or any decision of the Association made pursuant to such documents, or applicable provisions of the Act gives the Board of Directors, acting on behalf of the Association, the rights set forth in Article 12 of the Declaration, or in any other provision of the Declaration, the Bylaws or under law.
- (b) Fines levied under Article 12.2 of the Declaration must be pursuant to a schedule of fines adopted by resolution of the Board of Directors after a copy of which has been delivered to each Owner, mailed to the mailing address of Lot or mailed to the mailing address designated by the Owner in writing to the Association in accordance with ORS 94.630(1)(n).

## 12.3 Disputes Between Association and Owners.

- (a) Subject to Article 12.3(f), in accordance with ORS 94.630(4), before initiating litigation or an administrative proceeding in which the Association and an Owner have an adversarial relationship, the party that intends to initiate litigation or an administrative proceeding shall offer to use any dispute resolution program available within Washington County, Oregon, that is in substantial compliance with the standards and guidelines adopted under ORS 36.175. The written offer must be hand-delivered or mailed by certified mail, return receipt requested, to the address contained in the records of the Association for the other party.
- (b) If the party receiving the offer does not accept the offer within ten (10) days after receipt by written notice hand-delivered or mailed by certified mail, return receipt requested, to the address contained in the records of the Association for the other party, the initiating party may commence the litigation or the administrative proceeding. The notice of acceptance of the offer to participate in the program must contain the name, address and telephone number of the body administering the dispute resolution program.
- (c) If a qualified dispute resolution program exists within Washington County, Oregon, and an offer to use the program is not made as required under Article 12.3(a), litigation or an administrative proceeding may be stayed for thirty (30) days upon a motion of the non-initiating party. If the litigation or administrative action is stayed under Article 12.3, both parties must participate in the dispute resolution process.
- (d) Unless a stay has been granted under Article 12.3(c); if the dispute resolution process is not completed within thirty (30) days after receipt of the initial offer, the initiating party may commence litigation or an administrative proceeding without regard to whether the dispute resolution is completed.
- (e) Once made, the decision of the court or administrative body arising from litigation or an administrative proceeding may not be set aside on the grounds that an offer to use a dispute resolution program was not made.
- (f) The requirements of Article 12.3 do not apply to circumstances in which irreparable harm to a party will occur due to delay or to litigation or an administrative proceeding initiated to collect Assessments, other than Assessments attributable to fines.

## 12.4 Disputes Among Owners.

- (a) Referral to Board of Directors. Any dispute among Owners concerning the provisions of the Declaration, the Bylaws or any rule or regulation adopted by the Board of Directors may be referred in writing to the Board of Directors for resolution.
- (b) Action by Board. The Board of Directors, in its sole discretion, has the option to hear the dispute or to decline to hear the dispute. The Board's decision not to hear a dispute is effective either upon written notice to the Owners involved or if no notice is given by the Board, thirty (30) days after receipt by the Board of the written referral. If the Board chooses to hear the dispute, any decision by the Board is binding upon the parties.

12.5 **Action by Owners.** Subject to the Declaration and Article 12.3 above, an aggrieved Owner may bring an action against another Owner or the Association to recover damages or to enjoin, abate or remedy such thing or condition by appropriate legal proceedings.

12.6 **Injunctive Relief.** Subject to the Declaration and Article 12.3 above, nothing in this article prevents an Owner, the Association, or other interested party from resort to a court of competent jurisdiction in those instances where injunctive relief may be appropriate.

12.7 **Notification of First Mortgagee.** The Board of Directors shall notify in writing any first mortgagee of any Lot of any default in performance of the terms of these Bylaws by the Owner which is not cured within sixty (60) days if the mortgagee has requested in writing to be so notified.

12.8 **Evidence.** For violations of the Declaration, the Bylaws, Rules and Regulations, the Board of Directors must (i) have persuasive evidence of a violation, (ii) hold a hearing at which (iii) the accused can view and dispute the evidence. Evidence can be eye-witness testimony, documentary, photos, or sworn testimony. Privacy considerations may limit the Board of Directors from releasing the source of documentary evidence.

#### 12.9 **Enforcement Procedure.**

- (a) First Violation: A courtesy letter is mailed to the homeowners' last mailing address on file citing the specific violation(s) and requesting correction of said violation(s).
- (b) Second Violation: A letter is mailed requesting the homeowner to appear at a hearing before the Board of Directors (or their appointed designees) to address the cited violation(s). The letter will identify the nature of the violation(s), the potential fine, and the date, time and location of the hearing. If the homeowner fails to appear at the hearing or provide written evidence on his/her behalf, a monetary penalty may then be imposed against the homeowner. The Board of Directors will notify the homeowner in writing of its decision.
- (c) Continuing Violation: The Board may impose a continuing monetary penalty without additional notice or hearing, until the infraction or violation has been remedied. (A continuing violation is a violation of an ongoing nature which has not been corrected.)
- (d) Repeat Violation: Hearing Letter to Homeowner. (A repeat violation occurs when a person violates the same provision of the Association's governing documents more than once and has already been given the appropriate warnings and offered a hearing. A repeated violation may result in an immediate doubling of fines.) In the case of a repeat, continuing violation, fines (which have already been doubled) may be assessed on a weekly basis until the violation is corrected.

## ARTICLE 13 GENERAL PROVISIONS

### 13.1 Notices.

- (a) Association. All notices to the Association or the Board of Directors must be sent care of the managing agent or, if there is no managing agent, to the principal office of the Association or to such other address as the Board of Directors may designate from time to time.
- (b) Owners. Except as otherwise provided in these Bylaws or law, all notices to an Owner must be directed to such address as may have been designated by him or her, from time to time, in writing to the Board of Directors, or if no address has been designated, then to the Owner's Lot. If a Lot is jointly owned or has been sold under a land sale contract of sale, notice must be sent to a single address, of which the secretary has been notified in writing by the parties. If no address has been given to the secretary in writing, then mailing to the Lot is sufficient.

13.2 **Waiver, Precedent and Estoppel.** No restriction, condition, obligation or provision contained in these Bylaws or Rules and Regulations may be deemed to have been abrogated or waived by the Association by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur. Any failure to enforce the same may not be deemed to constitute precedent or estoppel impairing the right of the Association as to any similar matter.

13.3 **Invalidity; Number; Captions; Construction.** The invalidity of any part of these Bylaws does not impair or affect in any manner the validity, enforceability or effect of the balance of these Bylaws. As used in these Bylaws, the singular includes the plural and the plural the singular and "may not" and "shall not" are equivalent expressions of an absolute prohibition. The masculine and neuter each include the masculine, feminine and neuter, as the context requires. All captions used in these Bylaws are intended solely for convenience of reference and in no way limit any of the provisions of these Bylaws.

### 13.4 Conflicts.

- (a) These Bylaws are intended to comply with the Act, the Nonprofit Act, and the Declaration. In case of any irreconcilable conflict, the acts, subject to ORS 65.959 and 94.770, and the Declaration control over these Bylaws or any Rules and Regulations as provided in ORS 94.770.
- (b) In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles control to the extent consistent with the Act and the Nonprofit Act.

The President and Secretary of Bethany View Estates hereby certify that the Stated Bylaws of Bethany View Estates Owners' Association were adopted by a majority vote of the Lot Owners of Bethany View Estates effective August 14, 2019, and shall be recorded in the Deed Records of Washington County, together with the Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Bethany View Estates.

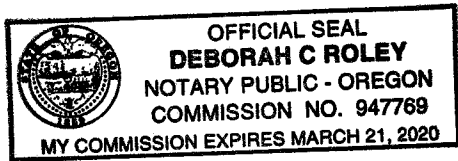
DATED EFFECTIVE August 14, 2019

Bethany View Estates Owners' Association

Philip R. Tavernier  
By: Philip Tavernier, President

STATE OF OREGON            )  
County of Washington    ) ss.

This instrument was acknowledged before me on the 20th day of August 2019, by Philip Tavernier, President of Bethany View Estates Owners' Association, on behalf of said Association.



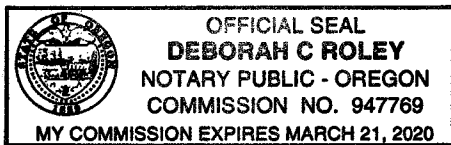
Deborah C. Roley  
Notary Public for Oregon  
My Commission Expires: March 21 2020

Bethany View Estates Owners' Association

Mark F. Beuhler  
By: Mark Beuhler, Secretary

STATE OF OREGON            )  
County of Washington    ) ss.

This instrument was acknowledged before me on the 20th day of August 2019, by Mark Beuhler, Secretary of Bethany View Estates Owners' Association, on behalf of said Association.



Deborah C. Roley  
Notary Public for Oregon  
My Commission Expires: March 21 2020