October 20, 1988

#### BYLAWS OF

# UPLAND GREEN COMMUNITY ORGANIZATION a mutual corporation

### ARTICLE I. OFFICES

This corporation shall have such offices as the board of directors designate or its business may require from time to time.

### ARTICLE II. NUMBER OF DIRECTORS

The number of directors of this corporation shall be seven.

### ARTICLE III. SHAREHOLDERS

Section 1. Annual Meeting. The annual meeting of the shareholders shall be held on the third Thursday in the month of October in each year beginning in 1981, at 7:00 p.m. for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the state of Washington, the meeting shall be held on the next succeeding business day. If the annual meeting is not held on the day designated herein, the board of directors shall cause a special meeting of shareholders to be held as soon thereafter as may be convenient to elect directors.

Section 2. Special Meetings. Unless otherwise prescribed by statute, special meetings of the shareholders may be called for any purpose or purposes by the president or by the board of directors and shall be called by the secretary at the written request of any director or holders of not less than one-tenth of all the shares of the corporation entitled to vote at the meeting.

Section 3. Place of Meeting. The annual meeting or special meetings of the shareholders shall be held at such place within King County, Washington, as the board of directors may from time to time designate.

Section 4. Notice of Meetings. Written notice stating the place, day and hour of a meeting of shareholders and, in case of a special meeting of shareholders the purpose or purposes for which the meeting is called, shall be delivered to each shareholder entitled to vote at such meeting not less than ten (10) days and not more than fifty (50) days before the meeting, either personally or by mail, by the secretary or by the person or persons authorized to call shareholders' meetings. If written notice is placed in the United States mail, postage prepaid, addressed to a shareholder at his address as it appears in the records of the corporation, notice shall be deemed to have been delivered to him.

Section 5. Quorum. One-fourth (25%) of the outstanding shares of the corporation entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of shareholders. If a quorum is

present, the affirmative vote of the majority of shares present and entitled to vote shall be the act of the shareholders unless the vote of a greater number or voting by classes is required by law, the Articles of Incorporation or these Bylaws; provided that at a meeting considering the adoption of a proposal which is required by law to be adopted by at least two-thirds of the shareholders present at the meeting in person or by proxy a quorum shall not be less than one-fourth of the outstanding shares entitled to vote.

Section 6. Voting of Shares. A shareholder entitled to vote may vote in person or by mail or by proxy. No right to cumulate votes at the election of directors shall exist. Each share entitled to vote shall have one vote on each matter submitted to a vote at a meeting of shareholders. A shareholder may have more than one share. No member of this association in arrears, shall be eligible to vote or hold office until such dues and charges have been paid. It is the primary duty of shareholders to pay their dues and other charges as well as inform the organization of transfer of interest in properies herein.

Section 7. Voting of Shares by Certain Holders. Shares standing in the name of another corporation, domestic or foreign, may be voted by such officer, agent or proxy as the bylaws of such corporation may prescribe, or in the absence of such provision, as the board of directors of such corporation may determine. A certified copy of a resolution adopted by such directors shall be conclusive as to the applicable provision of its bylaws or their action, as appropriate.

Shares standing in the name of a partnership may be voted by any partner.

Shares held by an administrator, executor, guardian or conservator may be voted by him, either in person or by proxy, without a transfer of such shares into his name. Shares standing in the name of a trustee may be voted by him either in person or by proxy, but no trustee shall be entitled to vote shares held by him without a transfer of such shares into his name.

Shares standing in the name of a receiver may be voted by such receiver, and shares held by or under the control of a receiver may be voted by the receiver without the transfer thereof into his name if authority to do so is contained in an appropriate order of the court by which such receiver was appointed.

Section 8. Informal Action by Shareholders or Directors.

Any action required to be taken at a meeting of the shareholders or directors or any other action which may be taken at a meeting of the shareholders or directors may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all the shareholders or directors entitled to vote with respect to the subject matter thereof.

### ARTICLE IV. BOARD OF DIRECTORS.

Section 1. General Powers. The business and affairs of the

corporation shall be managed by its board of directors.

Section 2. Change In Number and Qualifications. The number of directors may be increased or decreased consistent with statutory requirements by amendment to these Bylaws. Unless removed in accordance with the provisions of these Bylaws, each director shall hold office until the next annual meeting of the shareholders after his election and until his successor shall have been elected and qualified.

Directors need not be residents of the state of Washington nor shareholders of the corporation.

Section 3. Election. A person receiving the most votes at an election of directors shall be elected regardless whether such person receives a majority. At the election of directors each vacancy shall be filled by election separately from the election to fill another vacancy, and nominations shall be made separately for each vacancy. Nominations shall be accepted by the Board of Directors up to 30 days prior to the annual meeting.

The board shall consist of 4) 2 year terms and 3 1) year terms; with 2) 2 year terms and 3) 1 year terms voted on at each annual meeting.

Section 4. Regular Meetings. Without other notice than this bylaw, a regular meeting of the board of directors shall be held immediately after the annual meeting of shareholders. The board of directors may provide by resolution the time and place, either within or without the state of Washington as the place for holding any other

regular meetings of the board of directors or committees called by them. In addition the president or any director may call a special meeting of the board of directors.

Section 5. Notice. Written notice of special meetings of the board of directors stating the time and place thereof shall be given at least seven (7) days prior to the date set for such meeting by the person authorized to call such meeting or the secretary of the corporation either by personal delivery to each director or by mail addressed to the business adress of each director or by telegram. mailed, the notice shall be deemed to be given when deposited in the United States mail, postage prepaid, so addressed to the director. If notice is given by telegram, the notice shall be deemed given when the telegram is delivered to the telegraph company for transmission. If no place for such meeting is designated in the notice thereof, the meeting shall be held at the registered office of the corporation. Any director may waive notice of any meeting at any time. attendance of a director at a meeting shall constitute a waiver of notice of the meeting except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the board of directors need be specified in the notice or waiver of notice of such meeting.

Section 6. Quorum. A majority of the number of directors fixed by these Bylaws shall constitute a quorum for the

transaction of any business at any meeting of directors.

Section 7. Manner of Acting. The act of the majority of the directors present at a meeting or adjourned meeting at which a quorum is present shall be the act of the board of directors unless the act of a greater number is required by the Articles of Incorporation or these Bylaws.

Section 8. Removal. At a special meeting of the shareholders called for that purpose, the entire board of directors may be removed from office with or without cause by a vote of a 60% majority of the shares entitled to vote at an election of directors. The entire board of directors must be removed, no one of the directors may be removed individually. If the board of directors is so removed, new directors must be elected at this same meeting. The new board of directors, so elected, must abide by the currect fiscal budget. New directors elected at this meeting will serve until the next annual meeting. Elections must be held at the next annual meeting in accordance with these Bylaws, except that there will be 2) 2 year terms and 5) 1 year terms until the following annual meeting, when 2) 2 year terms and 3) 1 year terms will be resumed.

Section 9. Vacancies. Any vacancy occurring in the board of directors may be filled by the affirmative vote of a majority of the remaining directors though less than a quorum of the board of directors. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. Any directorship to

be filled by reason of an increase in the number of directors shall be filled by the board of directors for a term of office continuing only until the next election of directors by shareholders.

Section 10. Waiver of Director Dues. In consideration of the services provided by members of the board of directors, homeowners who serve will not be liable for dues to the organization during their term of office. However, if any such director does not serve out their term of office, then the dues shall be pro-rated for that year as determined by the treasurer or president in the treasurer's absence.

### ARTICLE V. OFFICERS

Section 1. Number. The officers of the corporation shall be a president, four vice-presidents, a secretary and a treasurer, each of whom shall be elected <u>from</u> the board of directors. Such other officers and assistant officers as may be deemed necessary or appropriate may be appointed by the board for special projects or other duties.

# Section 2. Officer Job Responsibilities

PRESIDENT - The President shall preside at all general membership meetings of the association. The President shall be a member ex-officio of all regular and special committees, and shall perform all such other duties as usually pertain to this office.

## 1ST VICE PRESIDENT, LANDSCAPE DESIGN AND MAINTENANCE

It shall be the responsibility of this person to solicit bids for services relating to the maintenance and upkeep of community properties, the care or removal of trees on community property, and serve as liaison between the membership and providers of said services. This person shall be responsible for presenting bids for budgetary review for such projects with full consideration to reasonable costs associated with these services. A committee may be established by the VP to assist in design and planning and drafting of ongoing maintenance and revisions to common area landscaping. This officer will serve in place of the President, when absent.

and vice president, Architectural Control — This person shall be responsible for presiding over the Architectural Control Committee with said committees, intent being to develop architectural standards to maintain continuity of aesthetics and related values of the community as a whole and individual properties. This officer will serve in place of the President when the President and 1st Vice—President are absent.

President and 2nd Vice-President are absent. This officer shall be

4TH VICE PRESIDENT, BLOCKWATCH - This officer shall be responsible for a community wide program of crime prevention, and shall co-ordinate activities and training with the King County Police (or their successors) to provide an active and successful program increasing the safety of all homeowners.

SECRETARY - The Secretary shall be present at board of director meetings, and/or appoint an individual to be present at Annual Meetings, or Special Meetings of the association for the purpose of recording and keeping of the minutes of such meetings. The Secretary shall also conduct all correspondence pertaining to the proper preparation and forwarding of all reports of the association to the membership and board of directors of the association. The Secretary shall also see to it that complete copies of said meeting minutes are maintained and available for review. At any board of directors meeting where the Secretary is absent, the President shall appoint another board member to act as secretary at that meeting.

TREASURER - The Treasurer shall have charge of all funds of the corporation and place in such bank or banks as may be approved by the Board, and draw checks for any bills contracted by the corporation, as authorized by the President or Board of Directors. Two signatures of officers will be required on all withdrawals. All invoices shall be approved for payment by the responsible officer or the President in his/her absence. All funds of the association not otherwise employed must be deposited upon receipt to the credit of the corporation in the banks or other depositories of the corporation. The Treasurer shall

keep an accerate record of all transactions and render a detailed report at regular meetings of the board of directors and deliver an annual report to the association at its annual meeting. The Treasurer is resposible for organizing an Ad Hoc Budget Committee in May of each year to ensure that the budget will properly forecast financial needs of the community for the coming year(s).

Section 3. Removal. Any officer or agent elected or appointed by the board of directors may be removed by the board of directors whenever in its judgment the best interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not of itself create contract rights or rights to compensation.

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

# ARTICLE VI. CONTRACTS, CHECKS, AND DEPOSITS

Section 1. Contracts. The board of directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instruments in the name of and on behalf of the corporation, and that authority may be general or confined to specific instances. A director or officer of the corporation shall not be disqualified by his office from dealing or contracting with the

corporation either as a vendor, purchaser, creditor, debtor or otherwise. The fact that any director or officer, or any firm of which any director of the corporation is a shareholder, officer or director, is in any way interested in any transaction or contract shall not make the transaction or contract void or voidable, or require the director or officer of the corporation to account to the corporation for any profits therefrom if the transaction or contract is or shall be authorized, ratified or approved by (a) the written consent of the holders of a majority of the shares entitled to vote, or (b) a general resolution approving the acts of the directors and officers adopted at a shareholders' meeting by vote of the holders of a majority of the shares entitled to vote.

Section 2. Checks, Drafts, Deposits, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation shall be signed by the officer or officers, agent or agents of the corporation and in the manner as shall from time to time be determined by resolution of the board of directors. All funds of the corporation not otherwise employed shall be deposited to the credit of the corporation in the banks, trust companies or other depositories as the board of directors may select.

#### ARTICLE VII. WAIVER OF NOTICE

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Whenever any notice is required to be given to any shareholder or director of the corporation under the provisions of these Bylaws,

the Articles of Incorporation or law, a waiver thereof in writing, signed by the person or persons entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of notice.

### ACTICLE VIII. SPECIAL DUTIES OF DIRECTORS

Section 1. Architectural Control. The directors comprise the Committee as defined in the Declaration of Restrictions, Covenants and Easements relating to Upland Green. The directors shall adopt such rules and standards as they deem advisable to properly discharge their duties as the Committee. The directors may delegate authority to such persons and committees as the directors deem advisable to make recommendations to the directors for approval or disapproval of proposed improvements; however, the final determination of approval or disapproval shall be made by the directors.

Section 2. Dues. The board of directors shall receive a recommendation report from the Ad Hoc Budget Committee, chaired by the Treasurer, and shall prepare an annual budget of the reasonable costs of maintaining, repairing and replacing the property of the association and any necessary costs of architectural control enforcement along with appropriate reserves. The budgeted costs, less any surplus in excess of stated reserves, shall be allocated equally to the lots in Upland Green and shall constitute dues which each shareholder shall pay, which, with charges, shall be enforceable by lien in accordance with

the Declaration of Restrictions, Covenants and Easements. This budget shall be set forward for approval by the shareholders at the annual meeting and shall be deemed approved unless disapproved by 60% of the shareholders. If disapproved, the prior year's budget will remain in force with any project monies allocated proportionally among those projects already authorized for expenditure by the board of directors.

Section 3. Delinquency. If any dues or charges are delinquent, then in addition to any other remedy which the corporation may have, it may deny the right of the owners or residents of a lot, the owners of which are delinquent, from using the property and services of the corporation until such dues and charges are current.

Section 4. Operation. The directors may not authorize a professional management contract for a term of more than three years and which contract may not be cancelable on 90 days' or less notice. The directors shall require that all persons who are authorized to handle funds of the corporation have a fidelity bond in favor of the corporation for at least one and one-half times the estimated total annual regular assessment. The corporation shall maintain comprehensive public liability insurance at at least \$1,000,000 per occurrence.

### ARTICLE IX. SHARES AND SHAREHOLDERS' RIGHTS

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Section 1. Shares Certificates. Certificates evidencing

shares in this corporation may be in such form as the directors determine; provided that such certificates shall conform to requirements of law. Certificates issued for Class A shares shall bear a legend stating that the share is issued appurtenant to the lot for which it was issued, identifying such lot and stating that the share is transferable only incident to and as a part of the transfer of the lot and not otherwise.

Section 2. Shareholders' Rights. The holders of Class A shares shall have the right, subject to payment of dues and charges to the corporation, to use any and all property owned by the corporation; provided that the directors may adopt rules and regulations governing the use of such property for the maximum enjoyment of the shareholders and for its pretection and preservation. Shareholders shall comply with such rules and regulations.

### ARTICLE X. AMENDMENTS

These Bylaws may be altered, amended, or repealed and new bylaws may be adopted by the affirmative vote of a majority of the board of directors at a meeting called for that purpose.

Such changes adopted by the Board shall then be ratified by a vote of the shareholders at the next annual meeting. Those changes will be deemed approved unless disapproved by 60% of the shareholders. Once ratified, those changes will become part of the Bylaws.

: The foregoing was adopted as the Bylaws of Upland Green	
Community Organization at a meeting of the board of directors held on $October$ /7 , 198	
Linda Starace, Secretary/ Treasurer	
Glen Young . P. Grounds Maintenance	
Suda Palmul Linda Palmer, V.P. Architectural Control	
Bethan Harlow	