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2015 AMENDED AND RESTATED
BYLAWS OF
MOUNTAIN MEADOWS OWNERS ASSOCIATION, INC.

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2
3 **2015 AMENDED AND RESTATED BYLAWS**
4 **OF**
5 **MOUNTAIN MEADOWS OWNERS ASSOCIATION, INC.**

6 These 2015 Amended and Restated Bylaws of Mountain Meadows Owners Association, Inc.
7 ("2015 Amended and Restated Bylaws") are made by Mountain Meadows Owners Association, Inc., an
8 Oregon nonprofit corporation ("Association").

9 **RECITALS**

10
11 **A.** Mountain Meadows (the Planned Community) is a planned community located in the
12 City of Ashland, Jackson County, Oregon. The Planned Community was created by Mountain Meadows
13 L.L.C., an Oregon limited liability company ("Declarant") pursuant to the Oregon Planned Community
14 Act (ORS 94.550 to 94.873) by the following documents recorded, as indicated, in the Records of
15 Jackson County, Oregon:

16
17 Covenants, Conditions, and Restrictions for Mountain Meadows Owners' Association
18 recorded July 25, 1996 as Document No. 96-24900 (the "Initial Declaration").
19 Bylaws of Mountain Meadows Owner's Association (the "Initial Bylaws") recorded July
20 26, 1996 as Document No. 96-249001.
21 Plat of Mountain Meadow Subdivision Phase 1 recorded November 9, 1995 as Document
22 No. 1995-996704 (Vol. 20, P 58, Plat Records).
23 Plat of Mountain Meadows Subdivision Phase 2 recorded June 5, 1996, as Document No.
24 1996-997500 (Vol. 21, P.22, Plat Records).
25

26 **B.** Mountain Meadows Owners Association, Inc. is the association of owners formed
27 pursuant to the Initial Declaration and Initial Bylaws and incorporated under the Oregon Nonprofit
28 Corporation Act by Articles of Incorporation filed May 29, 1996, in the office of the Oregon Secretary of
29 State, Corporation Division.

30
31 **C.** By the following documents recorded in the Records of Jackson County, Oregon, the
32 Planned Community was expanded to include additional property and certain property was withdrawn
33 from the Planned Community:

34
35 Supplemental Declaration of the Mountain Meadows Owners' Association recorded July
36 27, 1998 as Document No. 98-34427.
37 Supplemental Declaration "B" to the Mountain Meadows Owners' Association recorded
38 July 19, 2007 as Document No. 2000-29924.
39

40 **D.** The Initial Declaration and Initial Bylaws were amended, to the extent consistent with the
41 Oregon Planned Community Act, by the documents recorded in the Records of Jackson County, Oregon
42 set forth in attached Exhibit A.

43
44 **E.** The property currently subject to the Initial Declaration and the jurisdiction of the
45 Association is described in attached Exhibit B.

46
47 **F.** Hunter S. Hill and Madeline S. Hill, as tenants by the entirety, ("Successor Declarant")
48 succeeded to the interest of Declarant by deed recorded May 3, 2006 as Document No. 2006-023069,
49 Records of Jackson County, Oregon.

50
51 **G.** The Association is recording the 2015 Amended and Restated Declaration for Mountain
52 Meadows Planned Community concurrently with these 2015 Amended and Restated Bylaws.

1 H. The Association and owners desire to amend and restate in its entirety the Initial Bylaws
2 as amended by the documents specified in Recital D above.

3
4 NOW, THEREFORE, pursuant to Section 10.2 of the Initial Bylaws and ORS 94.625, with the
5 approval of owners holding at least fifty-one percent (51%) of the votes and mortgagees and Successor
6 Declaration, to the extent required under the Initial Declaration and Initial Bylaws, Association and
7 owners hereby amend and restate in their entirety the Initial Bylaws as amended by the documents
8 specified in Recitals D above. To the extent indicated, the Initial Bylaws, as amended, are replaced and
9 superseded by these 2015 Amended and Restated Bylaws that read as set forth below.

10
11 **ARTICLE 1**
12 **DEFINITIONS**
13

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

16
17 1.1 **“Act”** means the Oregon Planned Community Act, ORS 94.550 to 94.783, as it may be
18 amended from time to time.

19
20 1.2 **“Articles of Incorporation”** means the Articles of Incorporation of the Association as
21 they may be amended or restated from time to time.

22
23 1.3 **“Association”** means Mountain Meadows Owners Association, Inc., an Oregon
24 nonprofit, and its successors and assigns.

25
26 1.4 **“Bylaws”** means these 2015 Amended and Restated Bylaws Mountain Meadows
27 Owners Association, Inc., as they may be amended from time to time or restated as provided under the
28 Act.

29
30 1.5 **“Declaration”** means 2015 Amended and Restated Declaration for Mountain Meadows
31 Planned Community recorded concurrently with these Bylaws as the document may be amended from
32 time to time or restated under the Act.

33
34 1.6 **“Mountain Meadows”** means the Planned Community.

35
36 1.7 **“Planned Community,”** and **“Property”** mean the property described on attached
37 Exhibit A and all improvements located thereon.

38
39 1.8 **Additional Definitions.** Unless the context clearly requires otherwise:

40
41 (a) **Incorporation by Reference.** Except as otherwise provided in these Bylaws,
42 whether or not capitalized:

43
44 (1) Terms defined in the Declaration have the same meaning in these
45 Bylaws.

46
47 (2) Terms used in these Bylaws that are defined in ORS 94.550 have the
48 meanings set forth in ORS 94.550, unless the term is defined otherwise in the Declaration.

49
50 (b) **Other Definitions.** Terms that are not defined in this article but are defined
51 elsewhere in these Bylaws, whether or not capitalized, have the respective meanings given them in the
52 provisions of these Bylaws.

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ARTICLE 2
ASSOCIATION IDENTITY, PURPOSES,
POWERS AND OFFICES

2.1 **Name and Location.** These are the Bylaws of Mountain Meadows Owners Association, Inc., an Oregon nonprofit corporation. Mountain Meadows is a planned community located in the City of Ashland, Jackson County, Oregon, more particularly described in the Declaration and attached Exhibit A.

2.2 **Purposes; Powers and Governance.**

(a) **Purposes.** The Association was organized to serve as the means through which the Owners may take action with regard to the administration, management and operation of the Planned Community.

(b) **Powers.** The Association has such powers and duties as may be granted to it by the Act, including each of the powers set forth in ORS 94.630 as the statute may be amended to expand the scope of association duties and powers, together with such additional powers and duties afforded by the Declaration, the Articles of Incorporation, these Bylaws and the Oregon Nonprofit Corporation Act.

(c) **Governance.** The affairs of the Association shall be governed by the Board of Directors as provided in these Bylaws. Owners have no authority to act on behalf of the Association and may only take action with respect to affairs of the Association as specifically provided under the Declaration, these Bylaws, the Act or Oregon Nonprofit Corporation Act.

2.3 **Principal Office.** The principal office of the Association is located at 855 Mountain Meadow Drive, Ashland, Oregon 97520 or at another location within the State of Oregon as is determined by the Board of Directors from time to time.

2.4 **Applicability of Bylaws.** The Association, all Owners and all other Persons using any part of the Planned Community are subject to these Bylaws and to all Rules and Regulations.

2.5 **Composition and Membership.**

(a) **Composition.** The Association is composed exclusively of Owners of Dwellings in the Planned Community as provided under Subsection (c) of this section.

(b) **Automatic Membership.** The Owner of each Dwelling is automatically a member of the Association, including the Association, itself, to the extent it owns a Dwelling in the Planned Community. Membership commences, exists and continues by virtue of the ownership, and need not be confirmed or evidenced by any certificate or acceptance of membership.

(c) **Determination of Ownership.**

(1) Ownership is determined, for all purposes of the Declaration and these Bylaws and the administration of the Planned Community and Association, from the record of ownership maintained by the Association in accordance with Section 10.1 below.

(2) Subject to any additional or other requirements of Subsection (d) of this section, the record shall be established and updated by the Owners filing with the Association a copy of the deed or land sale contract for the Dwelling evidencing the certificate of the recording officer of Jackson County, Oregon, a copy of a title insurance policy or other evidence reasonably acceptable to the Board of Directors that establishes ownership defined under Section 1.38 of the Declaration. The

1 requirement to file information with the Association applies when the Owner changes the nature of
2 Owner's interest to an interest described in Subsection (d) of this section.

3
4 (d) Ownership by Entities and Fiduciaries; Multiple Owners; Life Estates.

5
6 (1) Ownership Fiduciaries. Unless otherwise provided by a Resolution
7 adopted by the Board of Directors, when a Dwelling is owned or held in a fiduciary capacity by an
8 executor, administrator, guardian, conservator or trustee or by an attorney-in-fact, the Owner or
9 representative of Owner shall provide the secretary in writing the name of the attorney-in-fact, executor,
10 administrator, guardian, conservator or trustee with respect to the Dwelling owned or held in the fiduciary
11 capacity and written evidence, satisfactory to the secretary, that the individual is the attorney-in-fact,
12 executor, administrator, guardian, conservator or trustee holding the Dwelling in the fiduciary capacity.
13 Evidence may be determined satisfactory even if ownership of the Dwelling has not been transferred to
14 the named individual.

15
16 (2) Ownership by Entities. Unless otherwise provided by Resolution
17 adopted by the Board of Directors, when a Dwelling is owned by a corporation, partnership or other legal
18 entity, the Owner shall provide the secretary the name of an individual authorized to represent the entity
19 and written evidence, satisfactory to the secretary, that the individual is authorized to represent the entity.

20
21 (3) Life Estates. When an Owner is the holder of a life estate, the Owner
22 shall provide the secretary a copy of the instrument creating the life estate.

23
24 (4) Voting Rights. When a Dwelling is owned by an entity, multiple
25 Owners, held in a fiduciary capacity by an executor, administrator, guardian, conservator or trustee or by
26 an attorney-in-fact or a holder of a life estate, ownership rights are subject to Section 3.10 below.

27
28 (e) Record Date. Except as provided in Section 3.8 below, establishment of the
29 Record Date is governed by ORS 65.221.

30
31 **2.6 Organization.**

32
33 (a) Incorporation. The Association is incorporated under the Oregon Nonprofit
34 Corporation Act. The Articles of Incorporation must be consistent with the Declaration and these Bylaws.
35 These Bylaws constitute the bylaws of the incorporated association.

36
37 (b) Duration. Unless otherwise provided under the Act, if the Association is at any
38 time dissolved, the Association automatically continues as an unincorporated association under the same
39 name as provided under ORS 94.626.

40
41 **ARTICLE 3**
42 **ASSOCIATION OWNER MEETINGS AND VOTING**

43
44 3.1 Place of Meeting. The Association shall hold meetings at the principal office of the
45 Association or at such suitable place within the State of Oregon convenient to the Owners as may be
46 designated by the Board of Directors from time to time.

1 **3.2 Annual and Special Owner Meetings.**

2
3 **(a) Annual Meetings.**

4
5 (1) In accordance with the Act, the Association shall hold at least one (1)
6 meeting of the Owners each calendar year. Annual meetings of the Association shall be held in the first
7 quarter of each calendar year. The Board shall designate the date, place and hour of the meeting.

8
9 (2) The annual meeting is for the purpose of electing Directors as provided
10 under Section 4.3 below and for the transaction of such other business as may properly come before the
11 meeting.

12
13 (3) Upon receipt of a written petition under Section 4.4(b) below, the agenda
14 for the annual meeting must comply with Section 4.4(b) below.

15
16 **(b) Special Meetings.**

17
18 (1) Calling of Special Meetings. Special meetings of Owners may be called
19 by the president or by a majority or more of Directors. Special meetings must be called by:

20
21 (A) The president or secretary upon receipt of a written request from
22 at least twenty-five percent (25%) of the Owners stating the purpose of the meeting.

23
24 (B) The president if required under Section 4.5(b) below.

25
26 (C) The Board of Directors if required under Section 13.3 of the
27 Declaration.

28
29 (2) Failure of Officer to Call Special Meeting. If a notice for a special
30 meeting requested by Owners under this subsection is not given within thirty (30) days after the date the
31 written request is delivered to the president or secretary, an Individual signing the request may set the
32 date, time and place of the meeting and give notice as specified in Section 3.3 below.

33
34 (3) Business at Meeting. Only matters of business within the purpose or
35 purposes described in the notice given under Section 3.3 below may be conducted at a special meeting.

36
37 **3.3 Notice of Owner Meetings.**

38
39 **(a) Requirements.** Notice of all meetings of the Owners shall be given by the
40 president or secretary or other Person authorized by Resolution adopted by the Board of Directors. All
41 notices must be in writing and must:

42
43 (1) State the date, time and place of the meeting.

44
45 (2) State the items on the agenda, including the general nature of any
46 proposed amendment to the Declaration or Bylaws, any proposal to remove a Director of the Association
47 or any other item required by these Bylaws or the Act.

48
49 (3) Be provided to each Owner, and all Mortgagees that have requested
50 notice, not less than ten (10) or more than fifty (50) days before the date of the meeting in accordance
51 with Section 13.1 below.

52

1 (b) Proof of Delivery. The Individual giving the meeting notice shall give a signed
2 written statement that states notice was given in accordance with these Bylaws. The written statement
3 constitutes proof of delivery of notice.
4

5 (c) Adjourned Meetings. When a meeting is adjourned or reconvened for less than
6 thirty (30) days under Section 3.6 below, no notice of the adjourned or reconvened meeting need be given
7 to Owners other than by announcement at the meeting at which the action to adjourn or reconvene takes
8 place.
9

10 **3.4 Quorum.**

11
12 (a) At any Association meeting of Owners, Owners representing a majority of the
13 Voting Rights who are present in person, by proxy or absentee ballot, if permitted under Section 3.12
14 below, constitutes a quorum, unless otherwise provided in these Bylaws. Unless otherwise provided
15 under the Act, if the date of an initial reconvened meeting or a second reconvened meeting complies with
16 Section 3.6(a)(2) below, the quorum requirement at any meeting reconvened under Section 3.6(a) below
17 for lack of a quorum is reduced as follows:
18

19 (1) For an initial reconvened meeting, the quorum is the number of Persons
20 who are entitled to cast 25 percent (25%) of the Voting Rights.
21

22 (2) For a second reconvened meeting, the quorum is the number of Persons
23 who are entitled to cast twenty percent (20%) of the Voting Rights.
24

25 (b) If any meeting of the Owners cannot be organized because a quorum of Owners
26 is not present, the Owners who are present, either in person or by proxy, may adjourn the meeting as
27 provided in Section 3.6 below.
28

29 (c) Once a quorum is present to organize a meeting, the quorum cannot be broken by
30 the subsequent withdrawal of an Owner or Owners.
31

32 **3.5 Meeting Procedure; Order of Business.**

33
34 (a) Meeting Procedure. Unless other rules of order are adopted by Resolution of the
35 Board of Directors or the Owners, except when inconsistent with these Bylaws, Association meetings of
36 Owners shall be conducted according to the latest edition of *Robert's Rules of Order* published by the
37 Robert's Rules Association. Unless otherwise provided under the Act:
38

39 (1) A decision of the Association may not be challenged because the
40 appropriate rules of order were not used unless a Person entitled to be heard was denied the right to be
41 heard and raised an objection at the meeting in which the right to be heard was denied.
42

43 (2) A decision of the Association is deemed valid without regard to
44 procedural errors related to the rules of order one (1) year after the decision is made unless the error
45 appears on the face of a written instrument memorializing the decision
46

47 (b) Order of Business at Annual Meeting. The order of business at annual meetings
48 is:
49

50 (1) Calling of the roll and certifying of proxies.
51

52 (2) Proof of notice of meeting or waiver of notice.

- 1 (3) Reading and approval of minutes of preceding meeting.
2
3 (4) Reports of officers.
4
5 (5) Reports of committees, if any.
6
7 (6) Election of Directors.
8
9 (7) Unfinished business.
10
11 (8) New business.
12
13 (9) Adjournment.
14

15 (c) Order of Business at Other Meetings. The Board of Directors shall determine the
16 order of business at meetings other than the annual meeting of the Association.
17

18 **3.6 Adjournment and Reconvening of Meetings; Extension of Date for Return of**
19 **Ballots.**
20

21 (a) Lack of Quorum.
22

23 (1) Subject to Paragraph (2) of this subsection, if any meeting of Owners,
24 except meetings conducted under Section 3.13 below, cannot be organized because of a lack of quorum,
25 the Owners who are present, either in person or by proxy, may reconvene the meeting from time to time
26 until a quorum as specified in Section 3.4 above is present. A meeting reconvened under this subsection
27 may not be reconvened to a date that is thirty (30) days or more from the date the original meeting was
28 called.
29

30 (2) The quorum requirement is not reduced under Section 3.4 above unless:
31

32 (A) The meeting reconvened under this subsection is reconvened to a
33 date that is at least forty-eight (48) hours from the date the original meeting was called; or
34

35 (B) The meeting notice specifies that the quorum requirement will be
36 reduced if the meeting cannot be organized because of a lack of a quorum and specifies the reduced
37 quorum requirement.
38

39 (b) Continuation of Business. In accordance with *Robert's Rules of Order* or other
40 rules of order adopted under Section 3.5 above, a meeting may be adjourned until later the same day or
41 some other day and time.
42

43 (c) Extension of Date for Action by Written Ballot. If a due date for return of ballots
44 has been specified in a solicitation of a meeting by written ballot conducted under Section 3.13 below, the
45 Board of Directors may extend the due date as provided under ORS 94.647 and Section 3.13 below.
46

47 **3.7 Voting Rights.** Voting Rights in the affairs of the Association are allocated as specified
48 in Section 5.3 of the Declaration. The Board of Directors is entitled to vote on behalf of any Dwelling
49 that is owned by the Association. However, the Board of Directors is not entitled to vote in any election
50 or removal of a Director under Section 4.3 or 4.4 below.
51
52

1 **3.8 Record Date; Owners Entitled to Vote.** Unless otherwise determined by Resolution
2 adopted by the Board of Directors, the record date required under ORS 65.221 for determining Owners
3 entitled to vote is as follows:
4

5 (a) Association Meeting. For any meeting of Owners, the Record Date is the time
6 the meeting is called to order.
7

8 (b) Action by Written Ballot in Lieu of a Meeting. For action by written ballot in
9 lieu of a meeting conducted under Section 3.13 below, the Record Date is the day before written ballots
10 are mailed or otherwise delivered. If the Board specifies a different Record Date, the date must be
11 included in the solicitation given in accordance with ORS 94.647.
12

13 (c) Action without a Meeting. For action taken without a meeting under Section
14 3.14 below, the date is the date specified in the consent, if any.
15

16 **3.9 Proxies.** A vote may be cast or consent given by proxy in accordance with this section.
17 A proxy given by an Owner may be a general proxy or a directed proxy, or combination thereof.
18

19 (a) Requirements.

20 (1) Subject to any additional requirements under the Act, a proxy given by
21 an Owner must:
22

23 (A) Be in writing, dated and signed by the Owner.
24

25 (B) Name an individual as the proxy holder, except the individual
26 holding an office of the Association may be designated without naming the individual.
27

28 (2) A proxy must be filed with the secretary or other Person designated by
29 the Board of Directors in accordance with rules adopted by Resolution of the Board of Directors. In
30 accordance with ORS 94.660, the Board may not require by Resolution or other action that a proxy be on
31 a form prescribed by the Board of Directors.
32

33 (b) Validity and Revocation. The validity and revocation of proxies are governed by
34 ORS 94.660. Under ORS 94.660, a copy of a proxy in compliance with Subsection (a) of this section
35 provided to the Association by facsimile, electronic mail or other means of electronic communication
36 utilized by the Board of Directors is valid.
37

38 **3.10 Fiduciaries; Corporate Entities and Joint Owners.**
39

40 (a) Fiduciaries. An attorney-in-fact, executor, administrator, guardian, conservator
41 or trustee may vote or grant approval or consent with respect to any Dwelling owned or held in such
42 capacity, provided the secretary is satisfied that the individual is the attorney-in-fact, executor,
43 administrator, guardian, conservator or trustee holding the Dwelling in the fiduciary capacity in
44 accordance with Section 2.5 above.
45

46 (b) Corporate and Other Entities. An individual may vote or grant consent on behalf
47 of a Dwelling owned by a corporation, partnership or other entity provided the secretary is satisfied that
48 the individual is the authorized representative of the entity in accordance with Section 2.5 above.
49

50 (c) Joint Owners. Whenever a Dwelling is owned by two (2) or more Persons
51 jointly, according to the records of the Association, the vote (or consent) of the Dwelling may be
52

1 exercised by any one of the Owners, in the absence of protest by a Co-Owner. If a Co-Owner protests, no
2 one (1) Co-Owner is entitled to vote without the approval of all Co-Owners. If there is a disagreement
3 among the Co-Owners, the vote (or consent) of the Dwelling must be disregarded completely in
4 determining the proportion of votes given with respect to the matter.
5

6 (d) Holder of Life Estate. The holder of a life estate may vote or grant approval or
7 consent with respect to any Dwelling in which the individual holds the life estate provided the secretary is
8 satisfied that the individual is the holder of the life estate in accordance with Section 2.5 above.
9

10 3.11 Binding Vote. At an Association meeting of Owners at which a quorum is constituted,
11 the vote of Owners representing a majority of the Voting Rights who are present, in person, by proxy or
12 absentee ballot (if permitted under Section 3.12 below), is binding upon all Owners for all purposes
13 except when a higher percentage vote is required by law, the Declaration or these Bylaws.
14

15 3.12 Absentee Ballots. At the discretion of the Board of Directors, a vote may be cast or
16 consent given by absentee ballot as provided under the Act.
17

18 3.13 Action by Written Ballot In Lieu of a Meeting. In accordance with ORS 94.647:
19

20 (a) Action By Written Ballot. At the discretion of the Board of Directors, any action
21 that may be taken at any annual, regular or special Owners meeting of the Association may be taken
22 without a meeting if the Association, subject to the requirements of Subsection (d) of this section, delivers
23 a written ballot to every Owner that is entitled to vote on the matter. The following meetings may not be
24 conducted by written ballot under this section:
25

26 (1) The annual meeting of the Association if more than a majority of the
27 Dwellings are the principal residences of the occupants.
28

29 (2) A meeting of the Association if the agenda includes a proposal to remove
30 a Director from the Board of Directors.
31

32 (3) A special meeting of the Association called at the request of Owners
33 under Section 3.2(b) above.
34

35 (4) Any other meeting prohibited to be conducted under this section by ORS
36 94.647.
37

38 (b) Information Required in Ballot Solicitations. All solicitations for votes by
39 written ballot must:
40

41 (1) If approval of a proposal requires that the total number of votes cast
42 equal or exceed a certain quorum requirement, state the number of responses needed to meet the quorum
43 requirement.
44

45 (2) If approval of a proposal requires that a certain percentage of total votes
46 cast approve the proposal, state the required percentage of total votes needed for approval.
47

48 (3) If the vote is by secrecy procedure under Subsection (d) of this section,
49 specify a date certain (the latest date) on which the Association will accept written ballots for counting.
50

1 (4) If the vote is not by secrecy procedure under Subsection (d) of this
2 section, specify the period during which or a date certain (the latest date) on which the Association will
3 accept written ballots for counting. Except as provided in Paragraph (5) of this subsection, the period
4 ends on the earliest of the following dates:

5
6 (A) If approval of a proposed action requires that a certain
7 percentage of the Owners approve the proposal, the date on which the Association has received a
8 sufficient number of approving ballots;

9
10 (B) If approval of a proposed action requires that a certain
11 percentage of the Owners approve the proposal, the date on which the Association has received a
12 sufficient number of disapproving ballots to render approval impossible; or

13
14 (C) In all cases, a specified date certain on which all ballots must be
15 returned to be counted.

16
17 (5) If the vote is by secrecy procedure under Subsection (d) of this section,
18 the period ends on the date certain specified in the solicitation or any extension under Subsection (e) of
19 this section.

20
21 (c) Form and Effect of Ballot.

22
23 (1) The written ballot must set forth each proposed action and provide an
24 opportunity to vote for or against each proposed action.

25
26 (2) Unless the vote is by secrecy procedure under Subsection (d) of this
27 section, if a date certain for final return of ballots is specified in the solicitation given under Subsection
28 (b) of this section, a written ballot may be revoked before the specified date certain or any extension
29 under Subsection (e) of this section.

30
31 (d) Secrecy Procedure.

32
33 (1) The Board of Directors must provide Owners with at least ten (10) days
34 notice before written ballots are mailed or otherwise delivered. The notice must be delivered in the
35 manner prescribed by the Board. Subject to Paragraph (2) of this subsection, the notice must state:

36
37 (A) The general subject matter of the vote by written ballot;

38
39 (B) The right of Owners to request secrecy procedures specified in
40 Paragraph (3) of this subsection;

41 (C) The date after which ballots may be distributed;

42
43 (D) The date and time by which any petition requesting secrecy
44 procedures must be received by the Board; and

45
46 (E) The address where any petition must be delivered.

47
48 (2) The requirements of Paragraph (1)(A) and (B) of this subsection do not
49 apply to a written ballot of an Owner if the consent or approval of that Owner is required by the
50 Declaration, Bylaws or the Act.

1 (3) If at least three (3) days before written ballots are scheduled to be mailed
2 or otherwise distributed, at least ten percent (10%) of the Owners petition the Board of Directors
3 requesting the secrecy procedure, a written ballot must be accompanied by:

4
5 (A) A secrecy envelope;

6
7 (B) A return identification envelope to be signed by the Owner; and

8
9 (C) Instructions for marking and returning the ballot.

10
11 (e) Extension of A Specified Date Certain. In the discretion of the Board of
12 Directors, if a date certain is specified in the solicitation given under Subsection (b) of this section, the
13 period may be extended by written notice of the extension given to all Owners, even Owners who have
14 voted, before the specified date certain.

15
16 (f) Determination of Vote. The outcome of a vote by written ballot conducted under
17 this section must be determined by the Board of Directors within forty-eight (48) hours of the deadline for
18 return of ballots. Matters that may be voted on by written ballot are deemed approved or rejected as
19 follows:

20
21 (1) If approval of a proposed action would otherwise require a meeting at
22 which a certain quorum must be present and at which a certain percentage of total votes cast is required to
23 authorize the action, the proposal is deemed approved when the date for return of ballots has passed, a
24 quorum of Owners has voted and the required percentage of approving votes has been received.
25 Otherwise, the proposal is deemed rejected.

26
27 (2) If approval of a proposed action otherwise would require a meeting at
28 which a specified percentage of Owners must authorize the action, the proposal is deemed approved when
29 the percentage of total votes cast in favor of the proposal equals or exceeds the required percentage. The
30 proposal is deemed rejected when the number of votes cast in opposition renders approval impossible or
31 when both the date for return of ballots has passed and the required percentage has not been met.

32
33 (3) Except as provided in Paragraph (4) of this subsection, votes may be
34 counted from time to time before the final return date or period to determine whether the proposal has
35 passed or failed by the votes already cast on the date they are counted.

36
37 (4) Written ballots that are returned in secrecy envelopes may not be
38 examined or counted before the date certain specified in the solicitation or any extension given under
39 Subsection (e) of this section.

40
41 **3.14 Action without a Meeting.**

42
43 (a) Any action that may be taken at any Association annual, regular or special
44 meeting of Owners, may be taken without a meeting and without solicitation of written ballots under
45 Section 3.13 above, if the action is taken by all of the Owners entitled to vote on the action.

46
47 (b) The action must be evidenced by one (1) or more written consents describing the
48 action taken, signed by all of the Owners entitled to vote on the action and delivered to the Association
49 for inclusion in the minutes or filing with the Association records.

1 (c) Action taken under this section is effective when the last Owner signs the
2 consent, unless the consent specifies an earlier or later effective date. A consent signed under this section
3 has the effect of a meeting vote and may be described as such in any document.
4

5 **3.15 Electronic Ballots.** The Board of Directors, in its discretion, may provide that a vote,
6 approval or consent of an Owner may be given by electronic ballot as provided under ORS 94.661 or
7 other applicable provision of the Act.
8

9
10 **ARTICLE 4**
11 **BOARD OF DIRECTORS**

12 **4.1 Number; Term; Designation of Director Positions.**
13

14 (a) Number. The affairs of the Association shall be governed by a Board of
15 Directors composed of seven (7) Directors elected as provided in this article.
16

17 (b) Term.
18

19 (1) The term of each Director position is three (3) years. The terms of the
20 Directors are staggered so that the terms of at least two (2) Directors expire annually.
21

22 (2) As provided under ORS 65.314, despite the expiration of a Director's
23 term, the Director continues to serve until the Director's successor is elected as provided in this article. In
24 accordance with ORS 94.640, a Director who is removed by the Owners under Section 4.4 below remains
25 a Director until a successor is elected by the Owners as provided under Section 4.5 below.
26

27 (c) Designation of Director Positions. For convenience of reference, the Board shall
28 adopt a Resolution that designates Director positions based on the year the term begins and the year the
29 term expires. The designation must be by number, letter or other identification.
30

31 **4.2 Qualifications.**
32

33 (a) Ownership of Dwelling; Individual. Each member of the Board of Directors
34 must be an individual and, except as provided in Subsection (b) of this subsection, an Owner or Co-
35 Owner of a Dwelling. However, multiple Owners of the same Dwelling may not serve as Directors
36 simultaneously even if one (1) of the multiple Owners has an interest in another Dwelling.
37

38 (b) Entities, Trustees and Fiduciaries.
39

40 (1) If a corporation, limited liability company or partnership owns a
41 Dwelling or owns an interest in an entity that owns a Dwelling, an officer, employee or agent of a
42 corporation, a member, manager, employee or agent of a limited liability company, or a partner, employee
43 or agent of a partnership may serve on the Board of Directors.
44

45 (2) A trustee may serve on the Board of Directors if the trustee holds legal
46 title to a Dwelling in trust for the benefit of the Owner of the beneficial interest in the Dwelling.
47

48 (3) An executor, administrator, guardian, conservator, or other individual
49 appointed by a court to serve in a fiduciary capacity for an Owner of a Dwelling or an officer or employee
50 of an entity if the Person appointed is an entity, may serve on the Board of Directors.
51
52

1 (4) If permitted under the Act, the holder of a life estate may serve on the
2 Board.

3
4 (c) Documentation of Qualifications. If requested by the Board, prior to election to
5 the Board of Directors, an individual described in this subsection shall provide the Board with
6 documentary evidence that the individual is qualified to serve on the Board of Directors.

7
8 **4.3 Election.**

9
10 (a) Election at Annual Meeting.

11
12 (1) At the annual meeting held under Section 3.2 above, Owners shall elect
13 Directors to succeed Directors whose terms expire.

14
15 (2) If at the annual meeting or any meeting adjourned or reconvened under
16 Section 3.6 above, the Owners fail to elect any Director whose term expires, the unfilled position shall be
17 filled by the Board of Directors in the same manner as a vacancy under Section 4.5(a) below.

18
19 (b) Nomination. The Board of Directors shall determine the method of nominating
20 Directors.

21
22 (c) Manner of Election.

23
24 (1) The Board of Directors shall determine the manner of election of
25 Directors. The method may include the election of Directors by a single ballot, with each Owner
26 permitted to vote for the number of vacant Director positions. If election is by single ballot, the nominees
27 receiving the highest number of votes equal to the number of vacant Director positions are the Directors
28 elected to fill the positions.

29
30 (2) Election of Directors is by plurality.

31
32 (3) Cumulative voting is not permitted. As used in this paragraph,
33 cumulative voting is when an Owner may vote by multiplying the number of votes (or allocation of
34 voting rights) of the Owner by the number of Directors for whom the Owner is entitled to vote, and cast
35 the product for a single candidate or distribute the product among two or more candidates.

36
37 **4.4 Resignation; Removal of Directors.**

38
39 (a) Resignation. Any Director may resign at any time by giving written notice to the
40 Board of Directors, president or secretary. A resignation is effective upon receipt of the notice or at any
41 later time specified in the notice. Unless otherwise specified in the notice, acceptance of the resignation
42 by the Board of Directors is not necessary.

43
44 (b) Removal of Directors by Owners.

45
46 (1) Subject to Paragraph (2) of this subsection, at any annual or special
47 meeting, other than a meeting by written ballot conducted under Section 3.13 above, any one (1) or more
48 of the Directors, may be removed, with or without cause, by a binding vote of Owners under Section 3.11
49 above.

50
51 (2) In order for the Owners to propose the consideration of removal of a
52 Director at an annual meeting, at least seven (7) days before the earliest date that notices may be given

1 under Section 3.3 above, the Owners must submit to the president or secretary a written petition signed by
2 at least twenty-five percent (25%) of the Owners. The petition must specify the names of the Directors
3 whose removal is to be considered at the annual meeting.

4
5 (3) The notice of the meeting subject to this subsection must state:

6
7 (A) The removal of one or more named Directors will be considered;
8 and

9
10 (B) The agenda of the meeting will include the election of a
11 successor to fill any vacancy created by the removal of a Director.

12
13 (4) In addition to any other requirements, the following requirements apply
14 to a special or annual meeting subject to this subsection:

15
16 (A) The agenda must include the election of a successor to fill the
17 vacancy created as provided under Section 4.5(b) below.

18
19 (B) Before a vote to remove a Director, any Director whose removal
20 has been proposed by the Owners must be given an opportunity to be heard at the meeting.

21
22 (C) A vote to remove a Director must be conducted by written ballot
23 and must provide an opportunity for Owners to vote separately for or against each Director whose
24 removal is proposed.

25
26 (c) Automatic Removal of Director for Failure to Qualify.

27
28 (1) An individual serving on the Board of Directors who ceases to be an
29 Owner is automatically removed from the Board and the position is automatically vacant.

30
31
32 (2) An individual serving on the Board of Directors under Section 4.2(b)
33 above is automatically removed from the Board (and the position automatically vacant) if the individual
34 no longer meets the requirements of Section 4.2(b) above.

35
36 (d) Automatic Removal for Failure to Attend Board Meetings. A Director who is not
37 present at three (3) successive meetings of the Board of Directors or who is not present at more than one-
38 third (1/3) of the Board of Directors meetings during a twelve (12) month period ("absentee limit") shall
39 be removed from the Board as of the meeting that triggers the absentee limit. The removal must be
40 recorded in the minutes of the meeting. The vacancy created by the removal must be filled as provided in
41 Section 4.5(a) below.

42
43 **4.5 Filling of Vacancies on Board; Term.**

44
45 (a) Filling of Vacancies by Board of Directors. Except as provided in Subsection (b)
46 of this section, vacancies on the Board of Directors shall be filled by vote of a majority of the remaining
47 Directors even though they may constitute less than a quorum.

48
49 (b) Filling of Vacancies Created by Removal of Director by Owners. A vacancy
50 created by the removal of a Director by the Owners at a meeting held under Section 4.4(b) above shall be
51 filled by the Owners at the meeting in accordance with the meeting notice. If Owners fail to fill a
52 vacancy created by the removal of a Director, the president shall call a special meeting in accordance with

1 Section 3.2(b) above for the purpose of electing a Director to fill the vacancy. If the Owners fail to elect a
2 Director at the special meeting, any unfilled Director position shall be filled by the Board of Directors in
3 the same manner as a vacancy under Subsection (a) of this section.
4

5 (c) Term of Director Elected to Fill Vacancy. Each individual elected to fill a
6 vacancy under this section serves for the remainder of the term of the vacated Director position.
7

8 **4.6 General Powers and Duties.** The Board of Directors has all the powers and duties
9 necessary for the administration of the affairs of the Association, except such powers and duties as by law
10 or by the Declaration or these Bylaws may not be delegated to the Board of Directors by the Owners.
11

12 **4.7 Specific Powers and Duties.** The powers and duties to be exercised by the Board of
13 Directors include, without limitation, the following:
14

15 (a) Administration and Operation of Association and Planned Community as a
16 Senior Community. Administration and operation of the Association and Planned Community as a senior
17 community in accordance with HOPA as provided under Article 7 of the Declaration.
18

19 (b) General Administration and Operation of Association and Planned Community.
20 In accordance with these Bylaws, the Declaration and the Act, administration and operation of the affairs
21 of the Association and Planned Community, including, without limitation, providing Basic Services
22 described in Section 5.4 of the Declaration.
23

24 (c) Operation and Maintenance, Repair and Replacement of Common Property.
25 Operation, care, upkeep, maintenance, repair and replacement of Common Property and other part of the
26 Planned Community for which the Association has maintenance, repair or replacement responsibilities, all
27 in accordance with the Declaration and these Bylaws.
28

29 (d) Determination of Amounts for Performance of Powers and Duties; Expenditures.
30 Determination of the amounts necessary for performance by the Association of powers and duties under
31 the Declaration or these Bylaws and the making of expenditures of those amounts.
32

33 (e) Maintenance Plans. Preparation and update, as necessary, of the maintenance
34 plan described in ORS 94.595 and required under Section 10.1 of the Declaration.
35

36 (f) Bank Accounts. Opening and maintaining accounts on behalf of the Association
37 in accordance with Section 10.3 below, including a general contingency account, and designating the
38 signatories required for the accounts in accordance with these Bylaws.
39

40 (g) Budgets. Preparation and adoption of Association budgets in accordance with
41 the Declaration and these Bylaws.
42

43 (h) Reserves and Reserve Studies.
44

45 (1) Establishing and maintaining the Reserve Account in accordance with
46 Section 10.4 below and any other accounts for reserves as may be required by the Declaration, these
47 Bylaws or the Act and such other reserve accounts as the Board of Directors determines appropriate in
48 accordance with the Declaration, these Bylaws and the Act.
49

50 (2) The preparation, review and update of reserve studies conducted under
51 Section 10.4 below.
52

1 (i) Assessment Collection. Imposition and collection of Assessments from the
2 Owners in accordance with these Bylaws, the Declaration and the Act.

3
4 (j) Incurring Liabilities. Subject to any limitations in the Declaration or these
5 Bylaws, incurring liabilities, borrowing money, issuing notes and other obligations and securing any of its
6 obligations by Mortgage or pledge of any Association Property, asset or income.

7
8 (k) Personnel; Professional Management.

9
10 (1) Designation, engagement and dismissal of such independent contractors
11 as necessary for the efficient maintenance, upkeep and repair of the Common Property and any other
12 property for which the Association has maintenance, repair or replacement responsibility in accordance
13 with the Declaration and these Bylaws. The Board of Directors shall enter into a written agreement with a
14 Professional Manager in accordance with Section 4.9 below.

15
16 (2) Engagement and dismissal of independent contractors for legal,
17 accounting or other personnel for reasonable compensation to perform such services as may be required
18 for the proper administration of the Association and employment of personnel under the circumstances set
19 forth in Section 4.9(b)(2) below..

20
21 (L) Insurance.

22
23 (1) Obtaining and maintaining the insurance required or permitted under
24 Article 11 below.

25
26 (2) At least annually, the review of the insurance coverage of the
27 Association as provided in Article 11 below.

28
29 (m) Community Garden Lease. Acting on behalf of the Association and Owners in
30 matters relating to the Community Garden Lease to the extent required or authorized under Section 4.6 of
31 the Declaration.

32
33 (n) Purchase of Dwellings; Foreclosure Rights. Purchasing Dwellings of the
34 Planned Community at foreclosure or other judicial sales in the name of the Association, or its designee,
35 on behalf of all Owners, subject to any limitations in these Bylaws or the Declaration.

36
37 (o) Dwellings Owned by Association. Selling, leasing, mortgaging, voting the votes
38 allocated to or otherwise dealing with Dwellings owned by the Association on behalf of all Owners in
39 accordance with the Declaration and these Bylaws.

40
41 (p) Condominium Units Owned by Association. Voting the votes allocated to any
42 Condominium Unit owned by the Association and otherwise acting on behalf of the Association and
43 Owners on matters relating to the rights, duties and responsibilities of Condominium Unit Owner under
44 the Condominium Documents.

45
46 (q) Annual Financial Statement. The preparation and distribution of an annual
47 financial statement of the Planned Community to each Owner in accordance with Section 10.7 below.

48
49 (r) Annual Report with Secretary of State. The filing of the Annual Report with the
50 Oregon Secretary of State in accordance with the Oregon Nonprofit Corporation Act.

51
52 (s) Income Tax Returns. Preparing or causing to be prepared and filed any required

1 income tax returns or forms.

2 (t) Association Records. Compliance by the Association with ORS 94.670 relating
3 to maintenance of Association records and maintenance of copies suitable for duplication of the
4 documents specified in ORS 94.670 and Section 10.8 below.

5
6 (u) Association Mailing Address. Maintenance of a current mailing address for the
7 Association.

8
9 (v) Rules and Regulations. Promulgation, adoption, amendment and repeal of Rules
10 and Regulations, as provided in the Declaration, these Bylaws and the Act in accordance with Article 9
11 below.

12
13 (w) Enforcement. Enforcement by legal means of the provisions of the Act, the
14 Declaration, these Bylaws and any Rules and Regulations.

15
16 (x) Committees. In addition to any committees required by the Declaration or these
17 Bylaws, establishment of committees and appointment of members to committees as the Board of
18 Directors, in its sole discretion, deem necessary or appropriate to assist the Board in its duties as provided
19 under Article 8 below.

20
21 **4.8 Standards of Conduct**. Subject to Section 10.5 below, unless otherwise provided in the
22 Act, in the performance of their duties, members of the Board of Directors are governed by ORS 94.640,
23 65.357, 65.361 and 65.369.

24
25 **4.9 Professional Management**.

26
27 (a) Professional Management Required.

28
29 (1) Subject to Subsection (b) of this section, on behalf of the Association, the
30 Board of Directors shall enter into a written agreement with a Professional Manager to perform such
31 duties and services as the Board of Directors determines appropriate for the efficient and effective
32 management of the Association and Planned Community, including, without limitation, the duties listed
33 in Section 4.7 above. The Professional Manager may be an individual who is an independent contractor
34 or an entity that is an independent contractor. The Association shall not terminate professional
35 management to assume self-management except for a limited amount of time under the circumstances set
36 forth in division (b)(2) below.

37
38 (2) At the discretion of the Board, the services may be provided by written
39 agreement with more than one (1) Professional Manager. For example, accounting services may be
40 provided by an individual or entity other than the individual or entity providing other management
41 services.

42
43 (b) Exceptions.

44
45 (1) A Professional Manager may not be an Owner, Director, officer, member of a
46 committee, Occupant or any other individual residing in the Planned Community or any entity in which
47 the individual is a member or has an interest described under Section 4.2(b) above. This restriction does
48 not apply to an individual who serves as an on-site manager and is required to reside in the Planned
49 Community as a condition of filling the position.

50
51 (2) If a Professional Manager terminates its contract, or is terminated by the
52 Association, the Association may self-manage through employment of the necessary personnel for that

1 reasonable amount of time that is necessary to identify and enter into a contract with a successor
2 Professional Manager.

3
4
5 **4.10 Compensation of Directors.** Except for out-of-pocket expenses, a Director may not be
6 compensated in any manner.

7
8 **ARTICLE 5**
9 **MEETINGS OF THE BOARD OF DIRECTORS**

10
11 **5.1 Annual Board Organization Meeting.**

12
13 (a) **Location, Date and Time.** Unless otherwise agreed by the Board, within fourteen
14 (14) days following the annual meeting of the Association or, if necessary, following any meeting at
15 which an election of Directors has been held, the Board of Directors shall hold an organization meeting
16 on such date and at such place and time as is determined by the Directors at the meeting at which the
17 election was held. No further notice of the organization meeting to the Directors is necessary. If the date,
18 time and place of the organization meeting are announced at the annual meeting or other meeting at which
19 an election of Director is held, no further notice to Owners is necessary.

20
21 (b) **Procedure and Business.** Until the election of new officers, the annual
22 organization meeting shall be chaired by the outgoing president, or, in the absence of the outgoing
23 president, another officer designated by the Board, regardless of whether the outgoing president or other
24 officer is a member of the newly constituted Board. At the organization meeting, the Board of Directors
25 shall elect officers in accordance with Section 6.2 below and may conduct any other Association business.

26
27 **5.2 Calling of Board Meetings; Notice to Directors.**

28
29 (a) **Calling of Meetings.**

30
31 (1) **Regular Meetings.** The Board of Directors may determine to hold
32 regularly scheduled meetings to be held on such date and at such time and place as is fixed, from time to
33 time, by a majority of the Directors.

34
35 (2) **Special Meetings.** Special meetings (including emergency meetings) of
36 the Board of Directors may be called by the president and must be called by the secretary within ten (10)
37 days of a written request of at least one (1) Director. The secretary or other Person designated by the
38 Board of Directors shall cause notice to be given in accordance with Subsection (b) of this section.

39
40 (b) **Notice to Board of Directors.**

41
42 (1) **Regular Meetings.** Requirements for notice to Directors of regular
43 meetings of the Board of Directors shall be determined, from time to time, by a majority of the Directors.

44
45 (2) **Special Meetings.** Subject to Paragraph (3) of this subsection, unless
46 otherwise determined, from time to time, by a majority of the Directors, notice of any special meeting
47 must be given to each Director at least seven (7) days prior to the day named for the meeting. The notice
48 must be given personally or by mail, telephone or other means, including, without limitation, electronic
49 communication, approved by the Director. The notice must state the date, time, place and purpose of the
50 meeting.

51 (3) **Emergency Meetings.** Notice requirements to Directors for emergency
52 meetings of the Board of Directors shall be as determined, from time to time, by a majority of the

1 Directors.

2
3 **5.3 Quorum and Acts.**

4
5 (a) At all meetings of the Board of Directors, a majority of the existing Directors
6 constitutes a quorum for the transaction of business and the acts of the majority of the Directors present
7 are the acts of the Board of Directors, unless a greater number is required by law or these Bylaws.

8 (b) If at any meeting of the Board of Directors less than a quorum of Directors is
9 present, the majority of the Directors present may reconvene the meeting from time to time. At any
10 reconvened meeting at which a quorum is present, any business that might have been transacted at the
11 meeting as originally called may be transacted without further notice to Directors or Owners.

12
13 **5.4 Meeting Definition; Mode of Board Meetings.**

14
15 (a) Definition. As used in this article, "meeting" has the definition given the term in
16 ORS 94.640 or other applicable provision of the Act.

17
18 (b) Mode of Board Meetings.

19
20 (1) Subject to Paragraph (2) of this subsection, meetings of the Board of
21 Directors shall be by a gathering of Directors at a designated physical location. As long as the meeting is
22 conducted at a physical location where Owners may attend, members of the Board may participate by
23 telephonic communication or by the use of a means of communication that allows all members of the
24 Board participating in the meeting to hear each other simultaneously or otherwise to be able to
25 communicate during the meeting. A member of the Board participating in a meeting by this means is
26 deemed to be present in person at the meeting.

27
28 (2) Emergency meetings and other meetings of the Board of Directors may
29 be conducted in any other manner permitted under the Act as it may be amended from time to time.

30
31 **5.5 Board Meeting Procedure.**

32
33 (a) Director Assent Presumed. Unless otherwise provided under the Act, a Director
34 who is present at a meeting of the Board of Directors at which action is taken on any Association matter is
35 presumed to have assented to the action unless the Director votes against the action or abstains from
36 voting on the action because the Director claims a conflict of interest.

37
38 (b) Recording of Votes; Proxies and Secret Ballots Prohibited. A vote or abstention
39 for each Director present must be recorded in the minutes. Directors may not vote by proxy or by secret
40 ballot at Board meetings, except officers may be elected by secret ballot.

41
42 (c) Rules of Procedure. Unless other rules of order are adopted by Resolution of the
43 Board of Directors, except when inconsistent with these Bylaws, meetings of the Board of Directors shall
44 be conducted according to the latest edition of *Robert's Rules of Order* published by the Robert's Rules
45 Association. Unless otherwise provided under the Act:

46
47 (1) A decision of the Board of Directors may not be challenged because the
48 appropriate rules of order were not used unless a Person entitled to be heard was denied the right to be
49 heard and raised an objection at the meeting in which the right to be heard was denied.

50 (2) A decision of the Board of Directors is deemed valid without regard to
51 procedural errors related to the rules of order one (1) year after the decision is made unless the error
52 appears on the face of a written instrument memorializing the decision.

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5.6 Open Meetings; Executive Sessions.

(a) Open Meetings. Unless otherwise provided under the ORS 94.640, except as provided in Subsection (b) of this section, all meetings of the Board of Directors are open to Owners and Occupants for observation. An Owner or Occupant has no 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 or Occupant, or any other person or entity, who disrupts the proceedings at a Board meeting.

(b) Executive Sessions. In the discretion of the Board of Directors, the Board may close the meeting to Owners, other than Board members, and Occupants and meet in executive session for the following purposes:

- (1) To consult with legal counsel.
- (2) To consider the following:
 - (A) Personnel matters, including salary negotiations and employee discipline;
 - (B) Negotiation of contracts with third parties; or
 - (C) Collection of unpaid Assessments.
- (3) Any other purpose permitted under ORS 94.640.

(c) Executive Session Procedure. Executive session procedure is governed by the Act.

5.7 Notice to Owners of Meetings of Board. Unless otherwise provided under the Act, 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 Waiver of Notice by Directors. Unless otherwise provided under the Act, in accordance with ORS 65.347:

(a) A Director may at any time waive any notice required to be given a Director under the Declaration, Articles of Incorporation or these Bylaws. Except as provided in Subsection (b) of this section, the waiver must be in writing, must be signed by the Director entitled to the notice, must specify the meeting for which notice is waived and must be filed with the minutes or the Association records.

(b) A Director's attendance at or participation in a meeting waives any required notice to the Director of the meeting unless the Director, at the beginning of the meeting, or promptly upon the Director's arrival, objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to any action taken at the meeting.

ARTICLE 6
OFFICERS

1 **6.1 Designation and Qualifications.**

2
3 (a) **Designation.** The principal officers of the Association are president, vice-
4 president, secretary and treasurer. The Board may establish any other offices as in their judgment may be
5 necessary or appropriate.
6

7 (b) **Qualifications.** The president and vice-president must be Owners and Directors.
8 The treasurer and secretary may, but need not be, Owners or members of the Board of Directors. Any
9 other officers must be Owners, but need not be members of the Board. The same Individual may not
10 hold more than one (1) principal office.
11

12 **6.2 Election of Officers; Term; Vacancies.**

13
14 (a) **Election; Term.** The principal officers of the Association shall be elected
15 annually by the Board of Directors at the annual organization meeting of each new Board held in
16 accordance with Section 5.1 above. The officers shall serve for a term of one (1) year or until their
17 respective successors are elected at the next annual organization meeting. Other officers may be elected
18 at any meeting of the Board.
19

20 (b) **Vacancies.** If any office becomes vacant, the Board shall elect a successor to fill
21 the unexpired term at any meeting of the Board of Directors.
22

23 **6.3 Removal; Resignation.**

24
25 (a) **Resignation.** Any officer may resign at any time by giving written notice to the
26 Board of Directors, president or secretary. A resignation is effective upon receipt of the notice or at any
27 later time specified in the notice. Unless otherwise specified in the notice, acceptance of the resignation
28 by the Board of Directors is not necessary. A resignation from office does not constitute a resignation
29 from the Board of Directors.
30

31 (b) **Removal.** Officers hold office at the pleasure of the Board of Directors. When
32 in the judgment of the Board of Directors the best interest of the Association will be served, any officer
33 may be removed with or without cause by an affirmative vote of a majority of Directors. An Individual is
34 automatically removed from an office upon resignation or removal from the Board of Directors if the
35 officer is a Director.
36

37 **6.4 President.** The president:

38
39 (a) Is the chief executive officer of the Association.
40

41 (b) Subject to the control of the Board of Directors, has all of the general powers and
42 duties that are usually vested in the chief executive officer of an association.
43

44 (c) Shall preside at all meetings of the Association and of the Board of Directors.
45

46 (d) Has such other powers and duties as may be prescribed by these Bylaws or
47 Resolution adopted by the Board of Directors.
48

49 **6.5 Vice-President.** The vice-president:

50
51 (a) Shall in the absence or disability of the president, exercise the powers and
52 perform the duties of the president.

1
2 (b) Has such other powers and duties as are prescribed by Resolution adopted by the
3 Board of Directors.
4
5

6
7 **6.6 Secretary.** The secretary:
8

9 (a) Shall keep or cause to be kept the minutes of all proceedings of the Board of
10 Directors and the minutes of all meetings of the Association.
11

12 (b) Shall give or cause to be given such notice of meetings of the Association and the
13 Board of Directors as is required by these Bylaws or by law.
14

15 (c) Have custody of all books, records and papers of the Association, except those
16 that are in the care of the treasurer, Professional Manager or other Person designated in a Resolution
17 adopted by the Board of Directors.
18

19 (d) Shall, in general, perform all the duties incident to the office of secretary.
20

21 (e) Has such other powers and duties as may be prescribed by these Bylaws or
22 Resolution adopted by the Board of Directors.
23

24 **6.7 Treasurer.** The treasurer:
25

26 (a) Shall keep and maintain, or cause to be kept and maintained, adequate and
27 correct accounts of the properties and business transactions of the Association, including accounts of its
28 assets, liabilities, receipts and disbursements.
29

30 (b) Is responsible for the deposit of all monies and other valuable effects in the name
31 and to the credit of the Association in such depositories as may, from time to time, be designated by the
32 Board of Directors in accordance with Section 10.3 below.
33

34 (c) Shall cause the funds of the Association to be disbursed in accordance with these
35 Bylaws and as may be directed by the Board.
36

37 (d) Shall perform all other duties incident to the office of treasurer of an association.
38

39 (e) Has such other powers and duties as may be prescribed by these Bylaws or
40 Resolution adopted by the Board of Directors.
41

42 **6.8 Execution of Documents: Checks.**
43

44 (a) Documents. All agreements, contracts, deeds, leases and other instruments of the
45 Association, except checks and other evidences of indebtedness, shall be executed by such Individual or
46 Individuals as may be required by law or designated by a Resolution adopted by the Board of Directors.
47 In the absence of a law or Resolution applicable to any instrument, then the instruments shall be executed
48 by the president.
49

50 (b) Checks, Drafts and Other Evidences of Indebtedness. All checks, drafts,
51 vouchers and other orders for payment of money, notes or other evidences of indebtedness, that are issued
52 in the name of or payable to the Association shall be signed or endorsed as prescribed by Resolution

1 adopted by the Board of Directors.
2
3

4 **6.9 Resolutions.**
5

6 (a) A Resolution adopted by the Board of Directors or the Owners must include:
7

8 (1) The date and nature of the meeting at which the action was taken.
9

10 (2) The authority for the action under the Declaration, Bylaws, the Act,
11 Nonprofit Corporation Act or other law.
12

13 (3) A statement of the action taken.
14

15 (4) A certification by the secretary or president that the Resolution is a true
16 record of the action taken by the Board of Directors at a meeting of the Board of Directors or by Owners
17 at a meeting of Owners held in accordance with the Bylaws of the Association on the specified date.
18

19 (b) The adoption of the Resolution must be included in the minutes of the meeting of
20 the Board of Directors or the Owners at which the action was taken.
21

22 **6.10 Standards of Conduct.** Subject to Section 10.5 below, unless otherwise provided in the
23 Act, in the performance of their duties, officers are governed by ORS 94.640 and 65.377.
24

25 **6.11 Compensation of Officers.** Except for out-of-pocket expenses, an officer who is a
26 member of the Board of Directors may not receive any compensation from the Association for acting as
27 an officer, unless the compensation is authorized by a binding vote of the Owners under Section 3.11
28 above. The Board of Directors may fix any compensation to be paid to any officers who are not also
29 Directors.
30

31 **ARTICLE 7**
32 **LIABILITY AND INDEMNIFICATION**
33 **OF DIRECTORS, OFFICERS, AND OTHERS**
34

35 **7.1 Liability.** A member of the Board of Directors, officer of the Association or member of
36 a committee is not liable to the Association or any Owner for any damage, loss or prejudice suffered or
37 claimed on account of any action or failure to act in the performance of his or her duties, except for acts
38 of gross negligence or intentional acts.
39

40 **7.2 Indemnification.** If any member of the Board of Directors, officers of the Association or
41 member of a committee is made a party of any proceeding because the individual is or was a Director,
42 officer of the Association or member of a committee, the Association shall indemnify the individual
43 against liability and expenses incurred to the maximum extent permitted by law.
44

45 **ARTICLE 8**
46 **COMMITTEES**
47

48 **8.1 Standing Committees.** The committees described in this section are standing committees
49 of the Association.
50

51 (a) **Architectural Review Committee.** The Architectural Review Committee required
52 under Section 9.2 of the Declaration.

1
2 (b) Compliance Committee. The Compliance Committee required under Section
3 12.10 of the Declaration.

4 (c) Finance Committee. The Finance Committee shall assist the Board of Directors
5 in performing its financial responsibilities including:

6
7 (1) Reviewing all financial statements, reports, summaries, reserve studies
8 and other documents.

9
10 (2) Making recommendations to the Board regarding financial matters.

11
12 (3) Performing such other duties prescribed by Resolution described under
13 Section 8.4 below.

14
15
16
17 **8.2 Establishment of Committees.**

18
19 (a) In addition to the committees described in Section 8.1 above, the Board of
20 Directors by Resolution may adopt rules that establish and appoint such other committees as it deems
21 appropriate to assist the Board in its duties. The committee may be designated a standing committee,
22 subcommittee, task force or by other such title.

23
24 (b) The Resolution establishing or governing the committee must address the matters
25 specified in Section 8.3 below.

26
27 **8.3 Duties Membership; Appointment and Operation of Committees.** This section
28 applies to the Finance Committee specified in Section 8.1(c) above and any committee established under
29 Section 8.2 above.

30
31 (a) Required Provisions of Resolution. The Resolution establishing or governing the
32 committee must:

33
34 (1) Designate the nature and title of the committee as a standing committee,
35 task force or otherwise and prescribe the duties of the committee.

36
37 (2) Subject to Subsection (b) of this section, specify the number, term and
38 qualifications of committee members.

39
40 (3) Specify the method of nominating committee member.

41
42 (4) Specify if the committee must keep minutes of meetings and if required,
43 specify that copies of the minutes must be submitted to the Board of Directors to be maintained as records
44 of the Association.

45
46 (5) Specify which provisions of Subsection (c) of this section apply.

47
48 (b) Appointment of Members and Chair. The Board of Directors shall appoint
49 committee members. The Board may appoint any Director to serve as a member of a committee.
50 However, not more than two (2) Directors may concurrently serve on any committee with five (5) or more
51 members. Unless otherwise provided in the Resolution described under Subsection (a) of this section, the
52 Board of Directors shall appoint the chair of each committee.

1 (c) Procedure. Unless otherwise provided by Resolution of the Board of Directors,
2 each committee shall:

3
4 (1) Adopt rules of parliamentary procedure.

5
6 (2) Establish meeting schedules.

7
8 (3) Prescribe the manner and method of providing notice of meetings to
9 committee members and the Board of Directors.

10
11 (d) Removal of Members. Members of the committees serve at the pleasure of the
12 Board of Directors. When in the judgment of the Board of Directors the best interest of the Association
13 will be served, by an affirmative vote of a majority of the members of the Board:

14
15 (1) Any member of a committee may be removed, with or without cause.

16
17 (2) Without removing the individual serving as chair from the committee,
18 the individual serving as chair may be removed as chair, with or without cause.

19
20 **8.4 Compensation.** No member of any committee may receive any compensation from the
21 Association or make any charge for his or her services as a member of the committee. However, a
22 committee member may be reimbursed for out-of-pocket expenses.

23
24 **ARTICLE 9**
25 **RULES AND REGULATIONS**

26
27 **9.1 Adoption of Rules and Regulations by Board.** Pursuant to Section 4.7(v) above and
28 the Act, the Board of Directors from time to time may by Resolution adopt, amend and revoke such Rules
29 and Regulations as it may deem necessary or appropriate in order to assure the peaceful and orderly use
30 and enjoyment of the Planned Community and the management and administration of the Association. In
31 addition to rules specifically required or permitted to be adopted by the Board under the Declaration or
32 these Bylaws, the Resolution may include, without limitation, Rules and Regulations that:

33
34 (a) Govern the conduct of Persons and the operation and use of the Dwellings and
35 Common Property; and

36
37 (b) Interpret any provision of the Declaration or these Bylaws that the Board of
38 Directors determines is ambiguous.

39
40 **9.2 Annulment by Owners of Rules and Regulations.** Subject to Sections 9.4 and 9.5
41 below:

42
43 (a) By a vote of at least seventy-five percent (75%) of Voting Rights present, in
44 person or by proxy, at a special meeting of Owners called in accordance with Subsection (b) of this
45 section, the Owners may adopt an Association Resolution that annuls any or all of the rules adopted by
46 Resolution of the Board of Directors under Section 9.1 above.

47
48 (b) A special meeting of Owners for the purpose of considering adoption of an
49 Association Resolution under Subsection (a) of this section must be requested by Owners under Section
50 3.2(b) above not later than fifteen (15) days after a copy of the Resolution adopted by the Board under
51 Section 9.1 above is delivered to Owners in accordance with Section 9.3 below.

1 (c) Any rule adopted by the Board of Directors under Section 9.1 above is void upon
2 the adoption by the Owners of an Association Resolution under this section that specifically annuls the
3 rule.
4

5 **9.3 Distribution of Copies of Resolution; Binding Effect.** Subject to Sections 9.4 and 9.5
6 below:
7

8 (a) The secretary shall cause a copy of a Resolution adopted under this article to be
9 provided promptly to each Owner in accordance with Section 13.1 below.
10

11 (b) Rules as adopted, amended or repealed by a Resolution adopted under this article
12 are binding upon all Owners and Occupants of all Dwellings from the date of delivery of the copy
13 required to be delivered under Subsection (a) of this section. If a special meeting is requested under
14 Section 9.2(b) above, the Resolution adopted by the Board is not effective until adjournment of the
15 special meeting, subject to any Association Resolution adopted by the Owners at the special meeting.
16

17 **9.4 Administrative Resolution Defined.** As used in this article, "Administrative
18 Resolution":
19

20 (a) Means a Resolution that is designated as an Administrative Resolution and
21 adopts rules that relate to the administration, organization and operation of the Association, including,
22 without limitation, matters such as:
23

24 (1) Adoption of budgets under Section 11.4 of the Declaration.

25 (2) Designation and election of additional officers under Section 6.1 above.

26 (3) Establishment and operation of committees under Section 4.7(x) above.

27 (4) Designation of individuals authorized to execute documents, checks and
28 other evidences of indebtedness under Section 6.8 above.
29
30

31 (b) Does not mean a Resolution that adopts rules described under Section 9.1(a) or
32 (b) above or otherwise affects specific rights, duties or obligations of an Owner.
33
34

35 **9.5 Application of Sections 9.2 and 9.3.**
36

37 (a) Administrative Resolutions. Unless otherwise provided in the Resolution:
38

39 (1) Sections 9.2 and 9.3 above do not apply to an Administrative Resolution.
40

41 (2) An Administrative Resolution is effective upon adoption by the Board of
42 Directors.
43
44

45 (b) New Rules and Regulations. Sections 9.2 and 9.3 above apply to Rules and
46 Regulations adopted under Section 9.1 above on and after the date of recording of these Bylaws in the
47 Records of Jackson County, Oregon.
48
49

1 (c) Existing Rules and Regulations.

2
3 (1) As used in this subsection, "Existing Rules and Regulations" means
4 Rules and Regulations in effect as of the date of recording these Bylaws in the Records of Jackson
5 County, Oregon.

6
7 (2) Subject to Paragraph (5) of this subsection, Sections 9.2 and 9.3 above
8 do not apply to Existing Rules and Regulations.

9
10 (3) Sections 9.2 and 9.3 above apply to Resolutions (other than
11 Administrative Resolutions) adopted on and after the date of recording of these Bylaws in the Records of
12 Jackson County, Oregon that adopt amendments to Existing Rules and Regulations.

13
14 (4) Existing Rules and Regulation remain in effect, except to the extent the
15 rule or regulation is inconsistent with the Declaration or these Bylaws.

16
17 (5) With respect to Existing Rules and Regulations nothing in this subsection
18 precludes the Board of Directors from adopting one (1) or more Resolutions that:

19
20 (A) Restate, re-designate or reformat for accuracy or convenience of
21 reference, efficiency or other similar purpose any Existing Rules and Regulations to conform to the
22 Declaration and these Bylaws.

23
24 (B) Delete any provisions of any Existing Rules and Regulations that
25 are no longer applicable to the Declaration or these Bylaws.

26
27 **ARTICLE 10**

28 **ASSOCIATION RECORDS AND ACCOUNTS**

29
30 **10.1 General Records.**

31
32 (a) The Board of Directors and managing agent or manager, if any, shall keep
33 records of the actions of the Board of Directors and managing agent or manager, minutes of the meetings
34 of the Board of Directors and minutes of meetings of the Association. The minutes of a meeting of the
35 Board of Directors or the Owners shall include any Resolution adopted by the Board or the Owners at the
36 meeting.

37
38 (b) The Board of Directors shall maintain a Book of Rules and Regulations
39 containing the Rules and Regulations of the Association.

40
41 (c) The Board of Directors shall maintain a Record of Owners. The Record of
42 Owners must indicate the name, address and Dwelling number of the Owner.

43
44 (d) Unless otherwise provided in ORS 94.670, the Association shall retain within
45 this state the documents, information and all other records of the Association for not less than the period
46 specified in ORS 65.771 or any other applicable law, except that:

47
48 (1) The documents described in ORS 94.616(3)(o), if received, must be
49 maintained as permanent records of the Association.

1 (2) Proxies and ballots must be retained for one (1) year from the date of
2 determination of the vote, except that proxies and ballots relating to an amendment to the Declaration,
3 Bylaws or other governing document must be retained for one (1) year from the date the amendment is
4 effective.
5

6 **10.2 Financial Records.**
7

8 (a) Required Records. The Board of Directors or its designee shall keep within the
9 State of Oregon financial records sufficient for proper accounting purposes.
10

11 (b) Assessment Record. An Assessment record shall be maintained in a set of
12 accounting books in which there is an account for each Dwelling. The account shall designate:
13

- 14 (1) The Dwelling number;
- 15 (2) The name and address of the Owner or Owners;
- 16 (3) The amount of each Assessment against the Owner and the Dwelling;
- 17 (4) The dates and amounts in which the Assessment is due;
- 18 (5) The amounts paid upon the account; and
- 19 (6) The balance due on the Assessments.
- 20 (7) The name of any Occupant other than Owner.
- 21
- 22
- 23
- 24
- 25
- 26
- 27

28 **10.3 Association Funds and Accounts.**
29

30 (a) Deposit of Funds. All Assessments and other funds of the Association shall be
31 deposited in accounts described in Subsection (c) of this section. The Board shall cause to be allocated to
32 the accounts those amounts from the Assessments deemed necessary by the Board for the purposes set
33 forth in the Declaration and these Bylaws.
34

35 (b) Distribution of Funds. All expenses of the Association shall be paid from
36 accounts of the Association in accordance with the Declaration and these Bylaws. The Association shall
37 maintain a voucher or payment system that requires a sufficient number of signatories as is reasonably
38 necessary to prevent any misuse of Association funds.
39

40 (c) Association Accounts. The Association shall maintain two (2) types of primary
41 accounts and such other accounts as the Board of Directors deems necessary or appropriate to manage the
42 funds of the Association. The accounts shall be in the name of the Association with a financial institution
43 in accordance with ORS 94.670. The primary accounts shall be generally identified as an:
44

- 45 (1) "Operating Account".
- 46 (2) "Reserve Account" (established under Section 10.4(a) below).
- 47
- 48
- 49

1 (d) Contingency Accounts.

2
3 (1) Establishment and Maintenance of Account. The Board of Directors
4 may establish and maintain one or more general or specific contingency accounts by allocation and
5 payment periodically of an amount determined by the Board of Directors to be appropriate.
6

7 (2) Use of Funds. Monies in an account may be used for the purposes the
8 Board of Directors determines appropriate that are consistent with the Declaration and these Bylaws,
9 including for an Emergency Expenditure or Major Capital Expenditure in accordance with Section 11.6 or
10 11.7 of the Declaration.
11

12 10.4 Reserve Accounts; Reserve Study.

13
14 (a) Establishment of the Reserve Account. Except as provided in the Act, the Board
15 of Directors shall establish and maintain one (1) or more Reserve Accounts for the purposes described in
16 ORS 94.595.
17

18 (b) Determination of Reserve Accounts; Reserve Study.

19
20 (1) The Board of Directors annually shall determine Reserve Account
21 requirements. In determining the requirements, the Board shall annually cause a reserve study to be
22 conducted or review and update an existing reserve study. The reserve study or reserve study update must
23 include the information required under ORS 94.595 in effect when the reserve study or reserve study
24 update is conducted.
25

26 (2) After reviewing a new reserve study or an updated existing study, subject
27 to the Act, the Board may, without any action by Owners:
28

29 (A) Adjust the amount of payments in accordance with the reserve
30 study or reserve study update; and
31

32 (B) Provide for other reserve items that the Board of Directors, in its
33 discretion, may deem appropriate.
34

35 (c) Use of Reserve Account.

36
37 (1) A Reserve Account established under this section must comply with
38 ORS 94.595 and 94.670 and may be used only for the purposes for which the reserves have been
39 established. The Reserve Account must be kept separate from other Association funds. If more than one
40 (1) Reserve Account is established, the Reserve Accounts must be separate from each other if established
41 for different purposes.
42

43 (2) If the Board has adopted a Resolution that authorizes the borrowing of
44 funds, the Board of Directors may borrow funds from the Reserve Account to meet high seasonal
45 demands on the nonreserve items in the annual budget, to meet unexpected increases in expenses or for
46 any other purpose permitted under the Act. The Resolution may be an annual continuing Resolution.
47

48 (3) Not later than the adoption of the budget for the following year, the
49 Board of Directors shall adopt by Resolution a payment plan providing for repayment within a reasonable
50 time of any unpaid funds borrowed under Paragraphs (2) of this subsection.
51
52

1 (4) The Board of Directors may use Reserve Account funds allocated to one
2 (1) reserve item to meet unexpected expenses of another reserve item in the same Reserve Account. The
3 re-allocation of funds must be reflected in the next reserve study or reserve study update conducted under
4 Subsection (b) of this section.

5
6 (5) Funds in the Reserve Accounts are subject to the requirements and
7 restrictions of ORS 94.670.

8
9 (d) Board Authority. The Board of Directors has authority with respect to the
10 Reserve Account as specified under Subsection (b) of this section. Any action by Owners regarding the
11 Reserve Account is governed by ORS 94.595 in effect when the action is taken.

12
13 (e) Funding of Reserve Accounts. Unless otherwise provided under ORS 94.595, on
14 an annual basis, the Board of Directors, with the approval of all Owners, may elect not to fund the
15 Reserve Account for the following year.

16
17 **10.5 Personal Benefit Prohibited.** No member of the Board of Directors or any officer,
18 employee or Professional Manager may benefit in any manner from the placement of Association funds in
19 any account or investment.

20
21 **10.6 Fiscal Year.** Unless otherwise provided by Resolution adopted by the Board of
22 Directors, the fiscal year of the Association begins on the first day of January and ends on December 31
23 of each calendar year.

24
25 **10.7 Financial Reports and Audits.**

26
27 (a) Annual Financial Statement. In accordance with ORS 94.670, within ninety (90)
28 days after the end of the fiscal year, the Board of Directors shall:

29
30 (1) Prepare or cause to be prepared an annual financial statement consisting
31 of a balance sheet and income and expenses statement for the preceding fiscal year; and

32
33 (2) Distribute to each Owner a copy of the annual financial statement and to
34 all Mortgagees of Dwellings who have requested in writing a copy.

35
36 (b) Review of Annual Financial Statement. Unless a greater level of examination is
37 required under the Act, the Board of Directors shall cause the financial statement required under
38 Subsection (a) of this section to be reviewed by an independent certified accountant licensed in this state
39 as provided in ORS 94.670.

40
41 (c) Audit of Books and Records.

42
43 (1) From time to time the Board of Directors, at the expense of the
44 Association, may cause an audit, review, compilation or other financial examination of the books and
45 records pertaining to the Association to be conducted and may furnish copies thereof to the Owners and
46 Mortgagees of Dwellings.

47
48 (2) Subject to any rules adopted under Section 10.12 below, upon written
49 request and notification, at any time an Owner or Mortgagee may, at the Owner's or Mortgagee's own
50 expense, cause an audit, review, compilation or other financial examination of the books and records of
51 the Association to be made.

1 **10.8 Copies of Documents Required to be Maintained by Association.**

2
3 (a) The Board of Directors shall maintain a copy, suitable for the purposes of
4 duplication, of the documents specified in ORS 94.670.

5
6 (b) Within ten (10) business days after receipt of a written request of an Owner, the
7 Association shall furnish the requested information required to be maintained under Subsection (a) of this
8 section.

9
10 **10.9 Statement of Occupancy Information.**

11
12 (a) All Owners of Single-Family Lots and Residential Condominium Units shall
13 provide the Board of Directors with a Statement of Occupancy Information. The statement must be kept
14 on file with the books and records of the Association. The Statement of Occupancy Information must be
15 on a form prescribed by rules adopted by the Board and may include:

16
17 (1) A statement of whether or not the Dwelling is occupied by the Owner
18 and the names of any Occupants.

19
20 (2) The day and night telephone numbers of the Owner or other Occupant.

21
22 (3) Any other information the Board deems necessary and appropriate.

23
24 (b) The Owner shall notify the Board of Directors of any changes to the information
25 provided to the Board of Directors under Subsection (a) of this section.

26
27 (c) The information required under Subsections (a) and (b) of this section is to
28 enable the Association to respond to requests for statistical occupancy information related to Dwelling
29 sales, financing of Dwellings, insurance and other similar matters and for contact information in the case
30 of emergencies. Under ORS 94.670(8)(g), Statements of Occupancy Information and specific
31 information contained in the forms are not available for inspection or duplication by Owners.

32
33 **10.10 Inspection of Records by Owners: Restricted Owner Information.**

34
35 (a) Except as otherwise provided in ORS 94.670 or other section of the Act, all
36 records of the Association must be reasonably available for examination and, upon written request,
37 available for duplication by an Owner and any Mortgagee of a Dwelling that makes a request in good
38 faith for a proper purpose in accordance with any rules adopted by Resolution of the Board of Directors
39 under Section 10.12 below.

40
41 (b) Unless otherwise provided under the Act, without the consent of the Owner or
42 Occupant of a Dwelling, the information of an Owner or Occupant specified in Subsection (c) of this
43 section is part of an Owner's individual file under ORS 94.670(8)(g) and is not available for examination
44 or duplication under ORS 94.670(8) or use by the Association for a purpose other than for which the
45 information was maintained or provided.

46
47 (c) The following information is restricted under Subsection (b) of this section, even
48 if the Association maintains a separate list of Owners, including a list provided under ORS 94.616(3)(t),
49 indicating the information:

50
51 (1) Telephone numbers, cellular phone numbers and facsimile numbers.

- 1 (2) Electronic mail addresses.
2
3 (3) Any other form of telephonic or electronic communication number or
4 address.
5
6 (4) Information provided the Association to comply with HOPA and any
7 rules adopted under HOPA.
8
9 (d) Rules adopted by the Board under Section 10.12 below may specify the method
10 of providing consent of an Owner or Occupant required under Subsection (b) of this section or the actions
11 of an Owner or Occupant that constitute consent for specified purposes.
12

13 **10.11 Notice of Sale; Records Update Fee.** Immediately after a change in ownership of any
14 Dwelling (including when the Owner changes the nature of Owner's interest to an interest described
15 under Section 2.5(d) above), the new Owner shall promptly inform the secretary or manager of the
16 Owner's name and address. As soon as practicable after receipt of the notice or other information
17 evidencing a change in ownership of a Dwelling, the Board shall provide the new Owner notice of any
18 records update fee due under Section 10.12 below and, if not otherwise provided, request any information
19 required under Section 2.5(c) and Section 10.9 above or Article 7 of the Declaration.
20

21 **10.12 Rules Governing Association Records and Documents.** Pursuant to Article 9 above,
22 the Board of Directors may adopt reasonable rules that:
23

- 24 (a) Govern the frequency, time, location, notice and manner of examination and
25 duplication of Association records.
26
27 (b) Prescribe a reasonable fee for furnishing copies of any requested documents,
28 information or records. The fee may include reasonable personnel costs incurred to fulfill the request.
29
30 (c) Impose a records update fee to cover the administrative costs incurred by the
31 Association when there is a change in occupancy of a Dwelling or Commercial Unit. Unless specifically
32 permitted under the Act, the fee may not exceed the reasonable costs of updating records of the
33 Association, providing copies of association information and documents and any inspections required to
34 determine if the Dwelling is in compliance with the Declaration and these Bylaws.
35

36 **ARTICLE 11**
37 **INSURANCE**
38
39

40 **11.1 Insurance by Association.** Subject to any requirements of the Act, the Board of
41 Directors, on behalf of the Association, shall obtain and maintain at all times the insurance specified in
42 this section. In exercising its responsibility under this article, decisions must be based on the best business
43 judgment of the Board of Directors.
44

- 45 (a) **Property Damage Insurance.**
46
47 (1) The Association shall obtain and maintain property insurance covering
48 loss or damage from occurrences including, without limitation, fire, with extended coverage endorsement;
49 and endorsements, including vandalism, malicious mischief, sprinkler leakage, windstorm and water
50 damage and such other coverage such as earthquake, flood, debris removal and cost of demolition that the
51 Association may deem appropriate.
52

1 (2) The amount of coverage must be for one hundred percent (100%) of the
2 current replacement cost of the improvements on the Common Property subject to a deductible as
3 provided under Section 11.5 below.
4

5 (3) The policy must include all fixtures and building service equipment to
6 the extent that they are part of the Common Property and all personal property and supplies belonging to
7 the Association.
8

9 (b) Commercial General Liability Insurance. The Association shall obtain and
10 maintain commercial general liability insurance coverage insuring the Association against liability for
11 accidents or losses occurring on or within Common Property. Limits of liability under the insurance may
12 not be less than Two Million Dollars (\$2,000,000) on a combined single limit basis.
13

14 (c) Workers' Compensation Insurance. The Association shall obtain and maintain
15 workers' compensation insurance to the extent necessary to comply with any applicable laws.
16

17 (d) Employment Practices Liability Insurance. When applicable, the Association
18 shall obtain and maintain coverage for employment practices liability insurance.
19

20 (e) Fidelity Insurance.
21

22 (1) The Association shall maintain fidelity insurance for all officers,
23 Directors, trustees and employees of the Association and all other Persons handling or responsible for
24 funds of or administered by the Association. The Association shall require the Professional Manager to
25 maintain fidelity insurance for its officers, employees and agents handling or responsible for funds of, or
26 administered on behalf of, the Association.
27

28 (2) The total amount of fidelity insurance coverage required shall be based
29 upon the best business judgment of the Board of Directors. However, in no event may the aggregate
30 amount of the insurance be less than the sum equal to three (3) months aggregate Assessments on all
31 Dwellings plus reserve funds.
32

33 (f) Directors' and Officers' Liability Insurance. The Association shall maintain a
34 policy of directors' and officers' liability insurance with coverage in the amount of not less than One
35 Million Dollars (\$1,000,000), subject to a deductible as provided under Section 11.5 below. The policy
36 must include coverage for individuals entitled to indemnification under Section 7.2 above.
37

38 **11.2 Insurance by Owners.** 39

40 (a) Each Owner is responsible for obtaining, at Owner's own expense, any insurance
41 covering Owner's property not insured under Section 11.1(a) above and insurance covering Owner's
42 liability not covered under Section 11.1(b) above that Owner determines appropriate.
43

44 (b) If requested in writing by the Board of Directors, an Owner shall file a copy of
45 each policy or proof of insurance required under this section with the Association within thirty (30) days
46 of the request.
47

48 **11.3 Additional Insurance.** The Board of Directors, in its discretion, may obtain such other
49 insurance as it deems necessary to protect the interests of the Association, the Board of Directors or
50 Owners.
51
52

1 **11.4 Additional Requirements.** Insurance policies obtained by the Association are governed
2 by the following provisions:
3

4 (a) The policy obtained under this article must:

5
6 (1) Name the Association as insured as trustee for the benefit of all insured
7 as their interest may appear.
8

9 (2) Include a waiver of the right of subrogation against Owners individually.
10

11 (b) The following must be settled exclusively with the Board of Directors or its
12 authorized representative:
13

14 (1) All losses with respect to any loss or damage to Common Property.
15

16 (2) All claims under any type of policy for loss or damage to Common
17 Property.
18

19 (c) Proceeds from policies must be paid to the Association as trustee for the benefit
20 of all insured as their interest may appear.
21

22 (d) All Association policies required under this article must provide that the policy
23 may not be cancelled or substantially modified without prior written notice to the Association and to each
24 holder of a first Mortgage that is listed as a scheduled holder of a first Mortgage in the insurance policy
25 and each servicer on behalf of the Federal National Mortgage Association. The notice period must be at
26 least ten (10) days for a notice of cancellation and at least thirty (30) days for a notice of substantial
27 modification.
28

29 **11.5 Insurance Deductible.** The Board of Directors shall determine the amount of the
30 deductible for property loss insurance policies and any other insurance policies obtained by the
31 Association under the Declaration, these Bylaws or law.
32

33 **ARTICLE 12** 34 **AMENDMENTS** 35

36 **12.1 Proposal of Amendments.** Amendments to the Bylaws may only be proposed by a
37 majority of the Board of Directors or by Owners holding twenty-five percent (25%) or more of the Voting
38 Rights delivering the proposed amendment to the Board for presentation to the Owners. The proposed
39 amendment must be reduced to writing and must be included in the notice of any meeting at which action
40 is to be taken thereon.
41

42 **12.2 Adoption.**
43

44 (a) Amendments may be approved by the Owners at an Association meeting or by
45 written ballot in lieu of a meeting in accordance with Section 3.13 above. Subject to Subsection (b) of
46 this section, a vote of a majority of the Owners is required for approval of any amendment.
47

48 (b) In accordance with ORS 94.635(18), if any provision required to be in a
49 declaration under ORS 94.580 (2013 Edition) is included in these Bylaws, the voting requirements for
50 amending the Declaration also govern the amendment of the provision in these Bylaws.
51
52

1 **12.3 Execution and Recording.** An amendment is not effective until the amendment is:
2

3 (a) Executed and acknowledged by the president and secretary of the Association;
4

5 (b) Certified by the president and secretary of the Association as being adopted in
6 accordance with these Bylaws and the applicable provisions of the Act; and
7

8 (c) Recorded in the office of the recording officer of Jackson County, Oregon.
9

10 **ARTICLE 13**
11 **GENERAL PROVISIONS**

12
13 **13.1 Notices and Information.**

14 (a) **Association.** Any notice, information or written material required to be provided
15 to the Association or the Board of Directors under the Declaration, these Bylaws or the Act shall be
16 delivered in care of the managing agent or, if there is no managing agent, to the principal office of the
17 Association or to such other address as the Board of Directors may designate from time to time.
18
19

20 (b) **Owners.**

21 (1) Any notice, information or written material required to be provided an
22 Owner under the Declaration, these Bylaws or the Act shall be delivered to such address as may have
23 been designated by the Owner in writing to the Board of Directors. If no address has been designated,
24 then notice shall be delivered to the Owner's Dwelling.
25
26

27 (2) If a Dwelling is jointly owned or the Dwelling has been sold under a land
28 sale contract, notice shall be delivered to a single address, of which the Board of Directors has been
29 notified in writing by the parties. If no address has been given to the Board in writing, then delivery to
30 the Dwelling is sufficient.
31

32 (c) **Manner of Delivery.** Subject to Section 13.2 below, except as otherwise required
33 by the Declaration, these Bylaws, Rules and Regulations or law, if within the required time, delivery of
34 notice of meetings and any other notice, information or written material required to be provided an Owner
35 by the Declaration, these Bylaws, Rules and Regulations or law is sufficient if:
36

37 (1) Addressed to the Owner or the Association in accordance with this
38 section; and
39

40 (2) Personally delivered or deposited in the United States mail, postage
41 prepaid.
42

43 (d) **Waiver.** Whenever any notice is required to be given under the Act or the
44 Oregon Nonprofit Corporation Act, as they exist or may be amended in the future, or under the provisions
45 of the Declaration, Articles of Incorporation or these Bylaws, a waiver of notice in writing signed by the
46 Person entitled to the notice, whether before or after the time stated in the document or law, is deemed
47 equivalent to the giving of the notice.
48

49 **13.2 Electronic Communication.** In accordance with ORS 94.652:
50

51 (a) Subject to Subsections (b) and (c) of this section, notwithstanding any
52 requirement under the Declaration, these Bylaws, the Act or Oregon Nonprofit Corporation Act, in the

1 discretion of the Board of Directors, except for notices of those matters specified in ORS 94.652, any
2 notice, information or written material required to be provided an Owner under the Declaration, these
3 Bylaws or law, may be given by electronic mail, facsimile or other form of electronic communication
4 acceptable to the Board of Directors in accordance with rules prescribed by Resolution adopted by the
5 Board.

6
7 (b) At the time notice, information or written material is to be provided an Owner
8 under subsection (a) of this section, to the extent that this section conflicts with a provision of the Act or
9 Oregon Nonprofit Corporation Act prescribing the method or form of notice for specific actions or for
10 delivery of information or other matter the applicable act governs.

11
12 (c) An Owner may not be required to receive any notice, information or material by
13 any form of electronic communication. Any rules adopted under Subsection (a) of this section must
14 provide at Owner's request, for Owner to receive the notice, information or written material in the manner
15 required under the Declaration, these Bylaws, the Act or applicable law.

16 17 **13.3 Compliance and Enforcement.**

18
19 (a) Compliance. Each Owner and Occupant of a Dwelling shall comply with the
20 provisions of these Bylaws, the Rules and Regulations and the Act. Article 12 of the Declaration governs
21 compliance with these Bylaws.

22
23 (b) Violations of Bylaws. The violation of any provision of these Bylaws or rule or
24 regulation gives the Board of Directors, acting on behalf of the Association, the right, in addition to any
25 other rights set forth in the Declaration or these Bylaws, the remedies specified in Article 12 of the
26 Declaration.

27 (c) Action by Owners. An aggrieved Owner may bring an action against another
28 Owner or the Association for violations of, or for failure to comply with, these Bylaws or any rules or
29 regulations as provided under Article 12 of the Declaration.

30
31 **13.4 Waiver, Precedent and Estoppel.** No restriction, condition, obligation, or provision
32 contained in these Bylaws or Rules and Regulations adopted pursuant to these Bylaws may be deemed to
33 have been abrogated or waived by the Association or an Owner by reason of any failure to enforce the
34 same, irrespective of the number of violations or breaches thereof that may occur. Any failure to enforce
35 the same may not be deemed to constitute precedent or estoppel impairing the right of the Association as
36 to any similar matter.

37 38 **13.5 Invalidity; Number; Construction; Captions.**

39
40 (a) Invalidity. The invalidity of any part of these Bylaws does not impair or affect in
41 any manner the validity, enforceability or effect of the balance of these Bylaws.

42
43 (b) Number; Construction. As used in these Bylaws:

44
45 (1) The singular includes the plural and the plural the singular as the context
46 requires.

47
48 (2) "May not" and "shall not" are equivalent expressions of an absolute
49 prohibition.

50
51 (3) "Violate" includes failure to comply.

1 (4) The masculine, feminine and neuter each include the masculine,
2 feminine and neuter, as the context requires.

3
4 (c) Captions. All captions used in these Bylaws are intended solely for convenience
5 of reference and in no way limit any of the provisions of these Bylaws.

6
7 (d) Liberal Construction. These Bylaws shall be construed liberally to give effect to
8 the entire document.

9
10 **13.6 Conflicts.**

11
12 (a) These Bylaws are intended to comply with the Act to the extent applicable, the
13 Oregon Nonprofit Corporation Act, and the Declaration. In case of any irreconcilable conflict, the acts,
14 subject to ORS 65.959 and 94.770, and the Declaration control over these Bylaws or any Rules and
15 regulations.

16
17 (b) In the case of any conflict between the Articles of Incorporation and these
18 Bylaws, the Articles control to the extent consistent with the Act and the Oregon Nonprofit Corporation
19 Act.

20
21 (c) To the extent any applicable governmental law, ordinance, rule or regulation
22 conflicts with any provision of these Bylaws, the more restrictive standard controls.

