

RESTATED
BYLAWS
OF
SNOHOMISH CASCADE HOMEOWNERS' ASSOCIATION
a Washington Nonprofit Corporation

ARTICLE I
RESTATEMENT HISTORY

On 20 January 1989, the Snohomish Cascade Homeowner's [sic] Association, a Washington nonprofit corporation, was organized with the Washington State Secretary of State. On 12 July 1991, Articles of Amendment were filed, removing the apostrophe from the name of the corporation -- the name becoming Snohomish Cascade Homeowners Association. Although a Certificate of Amendment was issued by the Secretary of State on 26 July 1991, the original spelling continues to appear on the Secretary of State's website. To this day, the corporation continues to be an active, functioning homeowners' association. With the Restatement of the Articles of Incorporation, the Association reintroduces the apostrophe to its official name, but in a different place so as to be grammatically correct. Henceforth, the name of the Association shall be Snohomish Cascade Homeowners' Association.

In accordance with the requirements of Chapter 24.03.183, Revised Code of Washington, the members of Snohomish Cascade Homeowners Association, a Washington nonprofit corporation ("SCHOA"), do hereby make, subscribe, execute and adopt, these Restated Bylaws, which correctly set forth without change the provisions of the Bylaws of SCHOA as amended. These Restated Bylaws supersede the original Bylaws of SCHOA and all amendments thereto.

ARTICLE II

PURPOSE AND PARTIES

The purpose for which the SCHOA is formed is to provide for the ownership, maintenance, management, preservation, repair, replacement and aesthetic appearance of the Common Areas and Tracts, and related improvements located in the residential area known as The Falls. All owners and tenants of any Lot are subject to the provisions and the regulations set forth in these Bylaws. The mere acquisition, lease or rental of any Lot or the mere act of occupancy of a Lot will signify the acceptance, approval, ratification and agreement to comply with these Bylaws and other governing documents of the Association.

ARTICLE III

MEMBERSHIP

Each Person who is an owner of record of a fee or undivided fee interest in any Lot which is subject to the Restated Declaration of Snohomish Cascade Division I, II, III and IIIA, dated [Date when officially adopted] and recorded under AFN [# to be determined when recorded] shall be deemed to have membership in SCHOA. The foregoing is not intended to include Persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate an Owner's membership in the SCHOA. No Owner, whether one or more Persons, shall have more than one (1) vote per Lot. In the event of multiple Owners of a Lot, votes and rights of use and enjoyment shall be as provided in the Declaration and in the Bylaws. Membership shall be appurtenant to and may not be separated from ownership of any Lot. The rights and privileges of membership, including the right to vote and to hold office, may be exercised by any Owner, but in no event shall more than one (1) vote be cast nor office held for each Lot owned.

ARTICLE IV

MEMBER VOTING RIGHTS

Section 4.1 Member's Right to Vote. Members shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an ownership interest in any Lot, the vote for such Lot shall be exercised as those Members themselves determine, but in no event shall more than one (1) vote be cast for any singular Lot.

Section 4.2 Voting at Member Meetings. At Member Meetings, the following voting requirements apply:

- (a) Members may vote in person or by directed proxy.
- (b) A Member may appoint another to be his proxy by completing and signing a proxy statement and delivering the same to his chosen proxy whose duty it is to deliver the executed proxy to the Secretary before or at the commencement of the Member Meeting at which the election shall occur.
- (c) A ballot or directed proxy shall set forth the proposition(s) about which the Member shall vote. For each proposition, the Member may vote “FOR,” “AGAINST” or “ABSTAIN,” by checking the appropriate box.
- (d) A ballot or directed proxy that shall contain no mark as to a proposition shall not be counted in the voting for that proposition.
- (e) A ballot or directed proxy that shall contain a mark or writing which cannot be understood to indicate whether it is a vote “FOR,” “AGAINST” or “ABSTAIN” as to a proposition shall be counted as an abstention.
- (f) SCHOA must verify the authenticity of each ballot or proxy statement that is cast.
- (g) A Member may revoke his or her proxy statement by providing actual notice of revocation or by providing a revised, properly executed, proxy statement to SCHOA before the election is begun; if said revised proxy statement is timely received, it shall be counted as the vote of the Member and the original proxy statement shall be void.
- (h) A Member who provides a proxy statement may personally attend the election and vote by ballot, in which case the Member’s proxy statement shall be void.
- (i) A proxy statement may be void if it is not signed, dated, or the Member’s address is not provided.
- (j) A proxy terminates 11 months after the date it is signed by the Member, or after counted in the voting for that proposition, or immediately upon termination of that Member’s Membership.
- (k) Votes cast will not be counted if Quorum is not met; a meeting can be reconvened in a later attempt to reach Quorum.
- (l) Once a Quorum is reached, votes are counted. A majority of the votes cast after first reaching Quorum determines the outcome of regular actions of SCHOA.

(m) If a Quorum is not reached and/or does not have sufficient votes to approve a proposal by the date and time established in the meeting notice, the Board may extend the deadline for a reasonable period not to exceed 11 months. Upon notice to reconvene, a proxy statement previously received by the Board's Secretary shall be counted in the final vote, unless properly revoked.

(n) The persons appointed to tabulate the votes shall provide a written record of the outcome which shall be kept by the Secretary with the minutes of the meeting, together with the ballots and proxy statements that were counted.

ARTICLE V

QUORUM

Section 5.1 Quorum at Member Meetings. A quorum of the Members is present throughout any meeting of the Members if persons entitled to cast thirty-four percent (34%) of the votes allocated in SCHOA are present in person or by proxy at the beginning of the meeting (106/310). Thus, a Quorum is established by the presence of 106 voters.

Section 5.2 Quorum at Board Meetings. A quorum of the Board shall be a majority of the Directors of SCHOA. Decisions requiring a vote of the Directors shall occur only when a majority of Board Members are present to vote. If a quorum is present when a vote is taken at a Board Meeting, the affirmative vote of a majority of the Board Members present is the act of the Board.

ARTICLE VI

MEMBER VOTING DECISIONS

Section 6.1 Percentages Required. For proposals involving a change to SCHOA's governing documents, the following percentages of votes are required:

(a) Amendment to Declaration requires the affirmative vote of 67 percent of votes allocated to SCHOA. (Numerically expressed: $310 \text{ Lots} \times .67 = 208$.)

(b) Amendment to Articles of Incorporation and Bylaws requires the affirmative vote of 67% of the votes cast after first reaching Quorum. (A quorum is 106 votes.)

(c) Actions other than the amendment of Governing Documents require a majority of votes cast after first reaching Quorum. (RCW 64.90.455(3)(c)).

ARTICLE VII

NOTICE OF MEETINGS; DELIVERY OF NOTICE

Section 7.1 Notice of Member Meeting. It shall be the duty of the Board of Directors to deliver Notice of every Member Meeting and, when called, Notice of Special Member Meeting to the Members or occupants of each Lot in the Association. Each notice shall state the following:

- (a) The date, time and place of the meeting, together with an agenda describing matters to be addressed at the meeting;
- (b) The text of any proposal or undertaking upon which the Membership intends to vote at the meeting;
- (c) Any proposal to remove a board member;
- (d) Names of any Members running for a board position;
- (e) Text of any proposed amendment to the Governing Documents.

Section 7.2 Notice of Board Meeting. It shall be the duty of the Board of Directors to deliver a Notice of Board of Directors Meeting and, when called, a Notice of Special Meeting of the Board of Directors to the Members or occupants of each Lot in the Association. The notice shall state the following:

- (a) The date, time and place of the meeting, together with an agenda describing matters to be addressed at the meeting;
- (b) A sufficient description of the issues to be discussed in the Board Meeting such that a member can know in advance the substance of expected discussions and issues that will come to a vote;
- (c) Names of any Members seeking appointment to an open board position;

(d) Any changes in the previously approved budget that result in a change in the assessment obligation.

Section 7.3 Delivery of Notice from Board to Member. All Notice sent to any Member or occupant of a Lot , must be in writing and delivered by first class United States mail, private carrier, or personal delivery to the last known address of the person who appears as Member or Owner on the records of the Association at that time. Notice may also be given by email as specified in Section 7.5, below.

Section 7.4 Delivery of Notice from Member to the Board. Notice sent by a Member to the Association, to the Board, or any individual serving the Association in any official capacity, must be in writing and delivered by first class United States mail, private carrier, or personal delivery to the Association's Registered Agent at the Registered Agent's office, the Association's principal office, the personal residence of any member of the Board of Directors, or Notice may also be given by email as specified in Section 7.5, below. The address of the Registered Agent's office or the Association's principal office shall be as shown on the most recent annual report or as provided by notice to the Members. Notice may not be sent to the Board's PO Box, if any.

Section 7.5 Notice by email.

(a) Notice may be delivered by email to Members or Board Members, provided the Member or Board Member has consented in writing to receive email and has designated in the consent the address, location or system to which such notices may be transmitted, and further provided that such notice otherwise complies with the requirements of these bylaws and applicable law. A Member or Board Member who has consented to receive notice by email may revoke this consent by delivering a written revocation to the SCHOA.

(b) The consent of any Member is revoked if: the Board is unable to electronically transmit two consecutive email notices in accordance with the consent, and this inability becomes known to the Board's Secretary or any other person responsible for giving the notice. The inadvertent failure by the Board to treat this inability as a revocation does not invalidate any meeting or other action.

(c) Notice to Members or Board Members who have consented to receipt of notice by email may receive notice by receiving a link or instructions by email, which permits a Member to see and read a message posted to an electronic network or website.

Section 7.6 When Notice is Effective: Notice is effective on the date Notice is hand delivered, deposited in the post office or with the private carrier, the day email notice is sent to a Member, or the day notice has been posted on an electronic network and a separate record of the posting has been sent to the recipient containing instructions regarding how to obtain access to the posting on the electronic network; the ineffectiveness of a good-faith effort to deliver notice by an authorized means does not invalidate action taken at or without a meeting.

Section 7.7 Timing of Notice of Member Meetings. Notice of Member meetings must be given not less than fourteen (14) days and not more than fifty (50) days before the Member meeting.

Section 7.8 Timing of Notice of Board Meetings. Notice of Board Meetings must be given at least fourteen (14) days before the Board meeting.

ARTICLE VIII

MEMBER MEETINGS

Section 8.1 Annual Member Meeting. The Members shall meet in an Annual Meeting, at least once each year. Failure to hold an Annual Meeting does not cause a forfeiture or give cause for dissolution of SCHOA and does not affect otherwise valid Association acts.

Section 8.2 Special Member Meeting. SCHOA must hold a Special Meeting of the Members to address any matter affecting SCHOA, if its President, a majority of the Board, or Members having at least twenty percent (20%) of the votes in SCHOA, request that the Secretary call the meeting. If SCHOA does not provide notice to Members of a Special Meeting within 30 days after the requisite percentage of Members request the Secretary to do so, the requesting Members may directly provide notice to all Members of SCHOA. Only matters described in the meeting notice may be considered at the Special Meeting.

Section 8.3 Minutes of Member Meetings. Minutes of all Member Meetings must be maintained in a record. The decision on each matter voted upon at a Member Meeting must be recorded in the minutes.

ARTICLE VIX

BOARD OF DIRECTORS

Section 9.1 Number of Directors. The affairs of this Association shall be managed by a Board of Directors consisting of three (3) or five (5) Directors who must all be Members of SCHOA. The number of Directors may be changed only by amendment to the Articles of Incorporation.

Section 9.2 Election or Appointment of Directors. Directors shall be elected by a vote of the Members, except that the Board may appoint a Member (“Appointee”) to fill the position of a director who resigns or dies before his or her term ends. An Appointee may serve only until the appointed term expires, or the next Member election, whichever shall come first. If an election comes first, the Appointee must prevail in the election to remain on the Board. The Board may not appoint someone to replace a Director who was removed from the Board. The position of a Board Member who was removed by the Members must be filled by a vote of the Members.

Section 9.3 Term of Service. Directors shall serve for a term of three (3) years. A Director may be elected to no more than three (3) consecutive terms, including a shortened first term resulting from appointment, as described above. A Member having served for three (3) consecutive terms may hold no Board position in the Association for a period of at least 12 months, after which he or she may seek a Board position.

Section 9.4 Board Members and Committees.

(a) 1. The Board may act on behalf of SCHOA.

2. In the performance of their duties, Board Members/Officers must exercise the degree of care and loyalty to SCHOA required of an officer or director of a corporation organized and subject to the conflict of interest rules governing directors and officers, under RCW 23B.08.300. The standards of care and loyalty described in this section apply regardless of the form in which SCHOA is organized.

(b) Within ten (10) days following the appointment or election of a new Board Member, the Board shall hold an open organizational meeting to reorganize the officers of the Board. A three-member board shall organize and fill the offices of president, secretary, and treasurer; a five-member board shall include a president, vice president, secretary, treasurer, and others as determined by the Board.

(c) Committees of SCHOA must be appointed by the Board and are advisory only.

Section 9.5 Board Limitations. The Board may not without the vote or agreement of the Members:

- (a) Amend the Declaration, except as provided in Chapter 64.90, RCW;
- (b) Amend the Articles of Incorporation or the Bylaws;
- (c) Determine the qualifications, powers, duties, or terms of office of the Board Members;
- (d) Terminate the SCHOA;
- (e) Elect Members to the Board. The Board may, however, temporarily fill a vacancy that did not result from removal of a Director by appointing an Interim Director as provided in Section 9.2 above.
- (f) Receive compensation for any service he or she may render to the SCHOA; however, a director may be reimbursed for his or her actual expenses incurred in the performance of his or her duties, if the repayment has previously been approved by the Board.

Section 9.6 Meetings of the Board of Directors.

The following requirements apply to meetings of the Board and Committees authorized to act for the Board:

- (a) Meetings must be open to the Members except during executive sessions, but the Board may expel or prohibit attendance by any person who after warning by the Chair of the meeting, disrupts the meeting. Upon the affirmative vote in open meeting to assemble in closed session, the board of directors may convene in closed executive session. No motion, or other action adopted, passed, or agreed to in closed session may become effective unless the board of directors, following the closed session, reconvenes in open meeting and votes in the open meeting on such motion, or other action which is reasonably identified. The requirements of this subsection shall not require the disclosure of information in violation of law or which is otherwise exempt from disclosure.
- (b) The Board may not vote on a motion or adopt any action which has not been properly described in an agenda and made available to the Members for review at least 14 days prior to the vote or adoption.

(c) At each Board meeting, the Board must provide a reasonable opportunity for Members to comment regarding matters affecting SCHOA.

(d) If any materials are distributed to the Board before the meeting, the Board must make copies of such materials reasonably available for the Members, except that the Board need not make available copies of unapproved minutes or materials that are to be considered in executive session.

(e) Board Members may conduct or participate in a regular Board Meeting or Special Board Meeting through the use of any means of communication by which all board members participating can *hear* each other and speak to each other during the meeting. A Board Member participating in a meeting by these means is deemed to be present in person at the meeting. When such a Board Meeting is conducted, the notice of Board Meeting shall describe the conferencing process to be used and provide information explaining how members of the Association may participate in the meeting directly or by gathering at a central location with working conferencing connections, which allow all Members the opportunity to hear and speak at the meeting.

(f) A Board Member who is present at a Board Meeting at which any action is taken is presumed to have assented to the action taken unless the Board Member's dissent or abstention to such action is lodged with the person acting as the Secretary of the meeting before adjournment of the meeting or provided in a record to the Secretary of SCHOA immediately after adjournment of the meeting. The right to dissent or abstain does not apply to a Board Member who voted in favor of such action at the meeting.

(g) A Board Member may not vote by proxy or absentee ballot in a Board Meeting.

(h) Even if an action by the Board is not in compliance with this section, and when brought to the Board's attention, the non-compliance is not corrected, it is valid unless set aside by a court. A challenge to the validity of an action of the Board for failure to comply with this section may not be brought more than ninety (90) days after the minutes of the Board Meeting at which the action was taken are approved or the record of that action is distributed to Members, whichever is later.

(i) Minutes of all Board Meetings, excluding executive sessions, must be maintained in a record. The decision on each matter voted upon at a Board Meeting must be recorded in the minutes and the minutes must be made available to all members.

(j) An executive session may be held only to:

1. Consult with SCHOA's attorney concerning legal matters;

2. Discuss existing or potential litigation or mediation, arbitration, or administrative proceedings;
3. Discuss labor or personnel matters;
4. Discuss contracts, leases, and other commercial transactions to purchase or provide goods or services currently being negotiated, including the review of bids or proposals, if premature general knowledge of those matters would place SCHOA at a disadvantage;
5. Present public knowledge of the matter to be discussed if the Board or Committee determines that public knowledge would violate the privacy of any person.
6. For purposes of this subsection, a gathering of members of the Board or Committees at which the Board or Committee members do not conduct Association business is not a meeting of the Board or Committee. Board members and committee members may not use incidental or social gatherings to evade the open meeting requirements of this subsection.

Section 10. Removal of Director from Board. (See RCW 64.90.520)

(a) Members present in person or by proxy, at any Members' Meeting at which a quorum is present may remove any board member, with or without cause, if the number of votes in favor of removal cast by Members entitled to vote for election of the board member proposed to be removed is at least the lesser of:

1. A majority of the votes in the Association held by the members (156); or
2. Sixty seven percent (67%) of the votes cast by Members at the meeting after first reaching quorum, but:

(b) The Members may not consider whether to remove a Board Member at a Meeting of the Members unless that subject was listed in the notice of the meeting.

(c) At any meeting at which a vote to remove a Board Member is to be taken, the Board Member being considered for removal must have a reasonable opportunity to speak before the vote.

(d) At any meeting at which a Board Member is removed, the Members may immediately elect a successor Board Member consistent with applicable law.

(e) The Board may, without a Member vote, remove from the Board a Board Member elected by the Members only if:

1. The Board Member is delinquent in the payment of assessments more than 60 days; and

2. The Board Member has not cured the delinquency within thirty (30) days after receiving notice of the Board's intent to remove the Board Member or Officer.

(f) The Board may, however, remove an appointed Director (not elected Director) with or without cause. The removal must be recorded in the Minutes of the next Board Meeting.

Section 11. Vacancies in Board of Directors: Vacancies in the Board shall be filled subject to the following provisions:

(a) **Vacancies by Death or Resignation.** In the event of the death or resignation of a Director, a successor Director shall be selected by a majority of the remaining Members of the Board; the appointee shall serve until the next Annual or Special Meeting at which Members may vote (as per Article IV above) or until the departed director's term ends, whichever shall first occur. The appointee may run for election in the following two consecutive three-year terms.

(b) **Vacancies by Removal.** Vacancies created by the removal of a Director shall be filled by an affirmative majority of the votes cast after having first reached a quorum of 106 voters at a duly called meeting of the members. The appointee may run for election in the following two consecutive three-year terms.

(c) **Vacancies by Increase in Directorships.** Any vacancy to be filled by reason of an increase in the number of Directors shall be filled by election at an Annual Meeting or at a Special Meeting of Members called for that purpose if the candidate is approved by the majority of the votes cast after first reaching quorum of 106 voters. The directors so approved may serve for three consecutive terms but must run for election at the end of each 3-year term and be properly approved by the members each time per Article IV.

DATED this day: _____

**SNOHOMISH CASCADE
HOMEOWNERS' ASSOCIATION**

By: _____
Tami Zevenberger, President

CERTIFICATE OF SECRETARY

THE UNDERSIGNED hereby certifies that she is the Secretary of the Snohomish Cascade Homeowners' Association, and that the foregoing-described Restated Bylaws of Snohomish Cascade Homeowners' Association for Divisions I, II, III and IIIA has been duly adopted by approval of 67% of the votes cast by Members of the SCHOA after first reaching quorum at the Special Member Meeting held on _____ 2020.

**SNOHOMISH CASCADE
HOMEOWNERS' ASSOCIATION**

By: _____
Michelle Haneberg, Secretary

STATE OF WASHINGTON)
)ss.
COUNTY OF SNOHOMISH)

I certify that I know or have satisfactory evidence that Tami Zevenberger is the person who appeared before me, and said person acknowledged that she signed this instrument, and on oath stated that she was authorized to execute the instrument as the President of Snohomish Cascade Homeowners' Association to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____

Notary Public for the State of Washington.
My appointment expires: _____

STATE OF WASHINGTON)
)ss.
COUNTY OF SNOHOMISH)

I certify that I know or have satisfactory evidence that Michelle Haneberg is the person who acknowledged that she signed this instrument, and on oath stated that she was authorized to execute the instrument as the Secretary of Snohomish Cascade Homeowners' Association to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____

Notary Public for the State of Washington.
My appointment expires: _____