

**BYLAWS**  
**OF**  
**FOREST TRAILS HOMEOWNERS' ASSOCIATION**

**ARTICLE I**

**NAME AND LOCATION**

The name of the association is FOREST TRAILS HOMEOWNERS' ASSOCIATION, hereinafter referred to as the "Association." The principal office of the association shall be located at 2800 Northup Way, Suite 205-A Bellevue, Washington 98009, but meetings of members and directors may be held at such places within the State of Washington, County of King, as may be designated by the Board of Directors.

**ARTICLE II**

**DEFINITIONS**

Section 1. Except as otherwise specified herein, the definition of any word used in these Bylaws shall be the same as such term is defined in the Declaration.

Section 2. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

**ARTICLE III**

**MEETING OF MEMBERS**

Section 1. Annual Meetings.  
Annual meetings shall be held and conducted in accordance with the provisions of Section 4.5.1 of the Declaration.

Section 2. Special Meetings.  
Special meetings shall be held and conducted in accordance with the provisions of Section 4.5.2 of the Declaration.

Section 3. Quorum Requirements for Association Meeting.  
The quorum requirements shall be as set forth in Section 4.5.3 of the Declaration.

Section 4. Proxies.  
At all meetings of members, each member may vote in person or by proxy. All

proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by member of his Lot.

Section 5.            Voting by Mail.

The Board may decide that voting of the members shall be by mail with respect to any particular election of the Board or with respect to adoption of any proposed amendment to the Declaration or Bylaws, or with respect to any other matter for which approval by Owners is required by the Declaration or Bylaws, in accordance with the following procedure:

(a) In case of election of Board Members by mail, the existing Board members shall advise the Secretary in writing of the names of proposed Board members sufficient to constitute a full Board and of a date at least fifty (50) days after such advice is given by which all votes are to be received. The Secretary within five (5) days after such advice is given shall give written notice of the number of Board members to be elected and of the names of the nominees to all Owners of each membership. The notice shall state that any such Owner may nominate an additional candidate or candidates, not to exceed the number of Board members to be elected, by notice in writing to the Secretary at the specified address of the principal office of the Association, to be received on or before a specified date fifteen (15) days from the date the notice is given by the Secretary. Within five (5) days after such specified date the Secretary shall give written notice to all Owners, stating the number of Board members to be elected, stating the names of all persons nominated by the Board and by the members on or before said specified date, stating that each Owner may cast a vote by mail and stating the date established by the Board by which such votes must be received by the Secretary at the address of the principal office of the Association, which shall be specified in the notice. Votes received after that date shall not be effective. All persons elected as Board members pursuant to such an election by mail, by receipt of the number of votes required by applicable law shall take office effective on the date specified in the notice for receipt of such votes.

(b) In the case of a vote by mail relating to any other matter, the Secretary shall give written notice to all Owners, which notice shall include a proposed written resolution setting forth a description of the proposed action, and shall state that such persons are entitled to vote by mail for or against such proposal and stating a date not less than twenty (20) days after the date such notice shall have been given on or before which all votes must be received and stating that they must be sent to the specified address of the principal office of the Association. Votes received after that date shall not be effective. Any such proposal shall be adopted if approved by the affirmative vote of not less than a majority of the votes entitled to be cast on such question, unless a greater or lesser voting requirement is established by the Declaration or Bylaws for the matter in question.

(c) Delivery of a vote in writing to the principal office of the Association shall be equivalent to receipt of a vote by mail at such address for the purpose of this Section 5.

Section 6.            Order of Business.

The order of business at all meetings of the Owners of Lots shall be as follows:

- (a) Roll call.
- (b) Proof of Notice of meeting or waiver of notice.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Reports of committees.
- (f) Election of Board members (annual meeting only).
- (g) Unfinished business.
- (h) New business.

**ARTICLE IV**

**BOARD OF DIRECTORS: SELECTION; TERM OF OFFICE**

Section 1.            Number.

The affairs of this Association shall be managed by a Board of five (5) directors, each of whom shall be Lot Owners.

Section 2.            Term of Office.

At the first annual meeting the members shall elect one (1) director for a term of one (1) year, two (2) directors for a term of two (2) years and two (2) directors for a term of three (3) years; and at each annual meeting thereafter the members shall elect the number of directors equal to the number of directors whose term shall expire that year.

Section 3.            Removal.

Directors may be removed in accordance with Section 5.5.3 of the Declaration.

Section 4.            Compensation.

No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5.            Action Taken Without a Meeting.

The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

**ARTICLE V**

**NOMINATION AND ELECTION OF DIRECTORS**

Section 1.            Nomination.

Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election of the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

Section 2.            Election.

Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected.

**ARTICLE VI**

**MEETINGS OF DIRECTORS**

Section 1.            Regular Meetings.

Regular meetings shall be held in accordance with the provisions of Section 5.5.5 of the Declaration.

Section 2.            Special Meetings.

Special meetings may be held in accordance with the provisions of Section 5.5.6 of the Declaration.

Section 3.            Quorum.

The quorum requirements shall be as set forth at Section 5.5.8 of the Declaration.

## ARTICLE VII

### **POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

#### Section 1. Powers

The Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing the use of the Common Area and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and right to use of the recreational facilities (if any recreational facilities should hereafter be constructed) of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction and published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws or the Declaration;

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

#### Section 2. Duties.

It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the members who are entitled to vote;

(b) supervise all officers agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the Owner personally obligated to pay the same.

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) cause the Common Areas to be maintained.

## **ARTICLE VIII**

### **OFFICERS AND THEIR DUTIES**

#### Section 1.            Enumeration of Offices.

The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

#### Section 2.            Election of Officers.

The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

#### Section 3.            Term.

The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

#### Section 4.            Special Appointments.

The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

#### Section 5.            Resignation and Removal.

Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be

necessary to make it effective.

Section 6.            Vacancies.

A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7.            Multiple Offices.

The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 3.            Duties.

The duties of the officers are as follows:

President

(a) The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

Vice-President

(b) The vice-president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

(d) The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year at the discretion of the Board or as stated in paragraph 4.5.1; and shall prepare an annual budget and a statement of income and expenditure to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

Assistant Secretary

(e) The Board may appoint one (1) or more assistant secretaries to perform all of the duties of the secretary in the absence of the secretary.

Assistant Treasurer

(f) The Board may appoint one (1) or more assistant treasurers to perform all of the duties of the treasurer in the absence of the treasurer.

Section 9. Fidelity Bonds.

The Board may require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Association.

**ARTICLE IX**

**INDEMNIFICATION OF OFFICERS AND MANAGERS**

Section 1. Indemnification.

The Association shall indemnify every Board member or officer, and his or her heirs, executors and administrators as provided in Article 6 of the Declaration. Nothing contained in said Article 6 shall, however, be deemed to obligate the Association to indemnify any Member or Owner of a Lot who is or has been a Board member or officer of the Association with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of the Declaration as a Member or Owner of a Lot covered thereby.

**ARTICLE X**

**COMMITTEES**

The Association shall appoint a Nominating Committee, as provided in these Bylaws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

**ARTICLE XI**

**BOOKS AND RECORDS**

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation, if any, and the Bylaws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.



## ARTICLE XII

### **OBLIGATIONS OF OWNERS**

#### Section 1. In General.

Each Owner shall always endeavor to observe and promote the cooperative purposes for the accomplishment of which the development was built and each Owner shall comply strictly with all provisions of the Declaration. Without limiting the generality of the foregoing, particular reference is made to Article 7 of the Declaration.

#### Section 2. Use of General Common Elements and Limited Common Elements.

Each Owner shall use the Common Areas in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights of the other Owners, and in accordance with the House Rules, if any, promulgated by the Board or Association pursuant to the Declaration.

#### Section 3. Right of Entry.

(a) An Owner shall permit the Board, Managing Agent or other person authorized by the Board the right of access to the Owner's Lot from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of the Common Areas, or at any time deemed necessary by the Board or Managing Agent for the making of emergency repairs or to prevent damage to any of the Common Areas.

(b) An Owner shall permit the Board, Managing Agent, or other persons authorized by the Board, or other Owners, or their representatives, when so required, to enter upon his Lot for the purpose of performing installations, alterations or repairs to the mechanical or electrical services, or to Lots of such other Owners; provided that requests for entry are made in advance and that such entry is at a time convenient to the Owner. In case of an emergency, such right of entry shall be immediate.

## ARTICLE XIII

### **ASSESSMENT**

Each Owner shall pay periodic assessments as provided in Section 9 of the Declaration.

## ARTICLE XIV

### **MORTGAGES**

#### Section 1. Notice to Association.

An Owner who mortgages his Lot shall notify the Association through the Managing Agent, if any, or the president of the Board, giving the name and address of his mortgagee. The Association shall maintain such information in a book or list entitled "Mortgagees of Lots".

Section 2.            Notice of Unpaid Assessments.

The Association shall at the request of a mortgagee of a Lot report any unpaid assessments due from the Owner of such Lot.

**ARTICLE XV**

**EVIDENCE OF OWNERSHIP, REGISTRATION OF MAILING  
ADDRESS AND REQUIRED PROXIES**

Section 1.            Proof of Ownership.

Any person on becoming an Owner of a Lot shall furnish to the managing Agent or Board a photocopy of a copy of the recorded Instrument vesting that person with an interest or ownership, which instrument shall remain in the files of the Association. A member shall not be deemed to be in good standing or shall he be entitled to vote at any annual or at a special meeting of members unless this requirement is first met.

Section 2.            Registration of Mailing Address.

The Owners of each Lot shall have one and the same registered mailing address to be used by the Association for mailing of monthly statements, notices, demands and all other communications; and such registered address shall be the only mailing address of a person or persons, firm, corporation, partnership, association or other legal entity or any combination thereof to be used by the Association. Such registered address of a Lot Owner or Owners shall be furnished by such Owners to the Secretary within five (5) clays after transfer of title; such registration shall be in written form and signed by all of the Owners of the Lot or by such persons as are authorized by law to represent the interests of the Owners thereof. If no such address is registered or if all of the Owners cannot agree, then the address of the Lot shall be the registered address until another registered address is furnished as permitted under this section. Registered addresses may be changed from time to time by similar designation.

Section 3.            Completed Requirement.

The requirements contained in this Article shall be first met before an Owner or a Lot shall he deemed is good standing and entitled to vote at any annual or special meeting of members.

**ARTICLE XVI**

**AMENDMENTS**

Section 1.            These Bylaws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy.

**ARTICLE XVII**

**CONFLICT WITH DECLARATION OR LAW**

These Bylaws are intended to comply with and supplement the requirements of the Declaration. If any of these Bylaws conflict with the provisions of said statute or Declaration, the provisions of the statute and Declaration will apply.

**ARTICLE XVIII**

**NONPROFIT ASSOCIATION**

This Association is not organized for profit. No member, member of the Board, or person from whom the Association may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operations thereof, and in no event shall any part of the funds or assets of the Association be paid as salary or compensation to, or distributed to, or inure to the benefit of any members of the Board. The foregoing, however, shall neither prevent nor restrict the following: (1) reasonable compensation may be paid to any member or manager while acting as an agent or employee of the Association for services rendered in effecting one or more of the purposes of the Association, and (2) any member or Board member may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

**ARTICLE XIX**

**MISCELLANEOUS**

The fiscal year of the Association shall begin on the first day of January and end of the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, Declarant hereunder has hereunto set its hand this  
24th day of April, 1985.

DECLARANT

By \_\_\_\_\_  
Charles L. Henderson  
Its President