

BYLAWS OF POPLAR POINTE HOMEOWNERS ASSOCIATION

ARTICLE 1 - NAME, LOCATION, PURPOSE, AND APPLICATION

- 1.1. The name of the corporation is Poplar Pointe Homeowners Association. The Association shall be a non-profit corporation formed under the provisions of RCW 24.03A consistent with the laws regarding the formation and legal administration of owners' associations outlined in RCW 64.90.
- 1.2. The principal office of the Association shall be located in the State of Washington at such place as may be fixed from time to time by the Board of Directors upon filing of such notices as may be required by law, and meetings of the Board and/or Owners may be held at such places as may be designated by Declarant during the Declarant Control Period or by the Board thereafter.
- 1.3. The purpose of the Association is to act as the governing body for the Owners with respect to the administration, maintenance, repair, replacement, and operation of the Community, and all other property that the Association is required or permitted to maintain by the Declaration.
- 1.4. These Bylaws shall apply to all present and future Owners and all others having a full or partial legal or equitable interest in a Lot within the jurisdiction of the Association, including mortgagees, tenants, lessees, licensees, and occupants of any Lot, and their guests, invitees, and employees, and any other persons using the Community or any Lot or Common Areas.
- 1.5. Every Owner shall be a member of the Association. The Association membership of each Owner shall be appurtenant to the Lot giving rise to such membership and shall not be assigned, conveyed, pledged, or alienated in any way except upon the transfer of title to said Lot. Any attempt to make a prohibited transfer shall be void. Any transfer of title to a Lot shall operate automatically to transfer the membership in the Association to the new Owner.
- 1.6. The Owner shall participate in the affairs of the Association personally or through designated representatives, as set forth herein.

ARTICLE 2 - DEFINITIONS

For purposes of these Bylaws, certain capitalized words and phrases shall have particular meanings as follows:

- 2.1. "**Association**" shall mean and refer to the Poplar Pointe Homeowners Association, a Washington nonprofit corporation, and its successors and assigns.
- 2.2. "**Board**" shall mean and refer to the board of directors of the Association.
- 2.3. "**Common Areas**" shall have the meaning as specified in the Declaration.
- 2.4. "**Common Expenses**" shall have the meaning as specified in the Declaration.
- 2.5. "**Community**" shall have the meaning as specified in the Declaration.
- 2.6. "**Declarant**" shall mean and refer to Poplar Pointe LLC, a Washington limited liability company, and its successors and assigns.

- 2.7. **"Declaration"** shall mean and refer to the Declaration of Covenants, Conditions, Restrictions, and Easements for Poplar Pointe as recorded under Auditor's File No. [REDACTED], records of Snohomish County, Washington, including any amendments thereto.
- 2.8. **"Declarant Control Period"** shall have the meaning as specified in the Declaration.
- 2.9. **"Governing Documents"** shall have the meaning as specified in the Declaration.
- 2.10. **"Lot"** shall have the meaning as specified in the Declaration.
- 2.11. **"Owner"** shall have the meaning as specified in the Declaration.
- 2.12. **"Residence"** shall mean and refer to the residential building(s) occupying any Lot.
- 2.13. **"Transition Meeting"** shall mean and refer to a meeting held pursuant to the "Transition Meeting" section in the "Association/Owner Meeting" Article herein to transfer control of the Association from Declarant to the Owners.
- 2.14. **"WUCIOA"** shall mean and refer to the Washington Uniform Common Interest Ownership Act (RCW 64.90).

ARTICLE 3 - DECLARANT CONTROL PERIOD

- 3.1. Subject to Section 7.1.2 herein, during the Declarant Control Period, Declarant or a person(s) designated by Declarant may:
 - 3.1.1. Appoint and remove Board members or officers; or
 - 3.1.2. Veto or approve a proposed action of the Board or the Association.
- 3.2. If Declarant voluntarily surrenders the right to appoint and remove Board members or officers before the Declarant Control Period ends, Declarant may require that during the remainder of the Declarant Control Period, actions of the Association or the Board, as described in a recorded amendment to the Declaration executed by Declarant, be approved by Declarant before they become effective. Declarant's failure to veto or approve such proposed actions in writing within thirty (30) days after receipt of written notice of such proposed action is deemed approval by Declarant.

ARTICLE 4 - POWERS AND DUTIES OF THE ASSOCIATION

- 4.1. The Association must:
 - 4.1.1. Adopt Governing Documents;
 - 4.1.2. Adopt budgets as provided in the Declaration and RCW 64.90.525;
 - 4.1.3. Impose assessments for Common Expenses and specially allocated expenses as provided in the Declaration and RCW 64.90.080(1) and 64.90.525;

- 4.1.4. Prepare financial statements at least annually in accordance with accrual-based accounting practices as follows:
- (1) If the Association's annual assessments are fifty thousand dollars (\$50,000) or more, the financial statements of the Association must be audited at least annually by a certified public accountant.
 - (2) If the Association's annual assessments are less than fifty thousand dollars (\$50,000), an annual audit is also required but may be waived annually by majority vote of Owners other than Declarant.
- 4.1.5. Deposit and maintain the funds of the Association in accounts with a qualified financial institution, not commingled with any other funds as follows:
- (1) A checking account at a bank, savings association, or credit union insured by the federal government shall be established as a general account, which shall be the working capital account for the Association, and will normally receive all monthly Assessments and all income and other funds received by the Association. Checks shall be issued from this account for all management, maintenance, and operational obligations of the Association. If a replacement and maintenance reserve account and/or an insurance reserve account are established, funds for those accounts will normally be received and deposited in the general account, and checks shall then immediately be issued to the other accounts from the general account so that an overall accounting of the funds received and disbursed by the Association is centralized in the check register of the general account.
 - (2) An interest-bearing savings account in a commercial bank or other financial institution insured by the FDIC shall be established if the Board authorizes a replacement and maintenance reserve account and/or an insurance reserve account. The purpose of a replacement and maintenance reserve account is to provide for major renovation of Common Areas, for financial stability during periods of special stress, to meet deficiencies in the general funds that may occur, from time to time, as a result of delinquent payments of Assessments, and for other contingencies. The purpose of an insurance reserve account is to provide for payment of insurance premiums.
- 4.1.6. Commencing not later than the time of the first conveyance of a Lot to a person/entity other than Declarant, maintain in the Association's name, to the extent reasonably available and subject to reasonable deductibles:
- (1) Property insurance on any Common Areas and Common Expenses as defined in the Declaration, insuring against risks of direct physical loss commonly insured against, which insurance (a) after application of any deductibles, must be not less than eighty percent (80%) of the actual cash value of the insured property at the time the insurance is purchased and at each renewal date, exclusive of land, excavations, foundations, and other items normally excluded from property policies, and (b) must include the residential structure on the Lots, but need not include all improvements and betterments to the Lots;
 - (2) Commercial general liability insurance, including medical payments insurance, in an amount determined by the Board, covering all occurrences commonly insured against for bodily injury and property damage arising out of or in connection with the use, ownership, or maintenance of the Common Areas;
 - (3) Fidelity insurance in an amount determined by the Board;

- (4) Other insurance as the Owners by vote approve.
- (5) If the insurance described in subsections (1), (2), (3), and (4) above is not reasonably available, the Association must promptly cause notice of that fact to be given to all Owners.
- (6) Insurance policies must meet the requirements of RCW 64.90.470(4) and (5).
- (7) An insurance policy issued to the Association does not prevent an Owner from obtaining insurance for the Owner's own benefit.
- (8) An insurer that has issued an insurance policy under this section must issue certificates or memoranda of insurance to the Association and, upon a written request, to any Owner or holder of a security interest. The insurer issuing the policy may not modify the amount or the extent of the coverage of the policy or cancel or refuse to renew the policy unless the insurer has complied with all applicable provisions of RCW 48.18 pertaining to the cancellation or nonrenewal of contracts of insurance. The insurer may not modify the amount or the extent of the coverage of the policy or cancel or refuse to renew the policy without complying with this section.

4.2. The Association may exercise any other power authorized by RCW 64.90.405(2), the Governing Documents, or statute, including specific powers to:

- 4.2.1. Amend the Governing Documents and adopt and amend rules;
- 4.2.2. Amend budgets pursuant to the budget ratification process outlined in the "Association Budget and Assessments" Article herein;
- 4.2.3. Hire and discharge managing agents and other employees, agents, and independent contractors;
- 4.2.4. Institute, defend, or intervene in litigation or in arbitration, mediation, or administrative proceedings or any other legal proceeding in its own name on behalf of itself or two or more Owners on matters affecting the Community;
- 4.2.5. Make contracts and incur liabilities, except that any borrowing by the Association that is to be secured by an assignment of the Association's right to receive future income requires ratification by the Owners pursuant to RCW 64.90.405(4);
- 4.2.6. Regulate the use, maintenance, repair, replacement, and modification of the Common Areas;
- 4.2.7. Cause additional improvements to be made as a part of the Common Areas;
- 4.2.8. Acquire, hold, encumber, and convey in its own name any right, title, or interest to real estate or personal property, but Common Areas may only be conveyed or subjected to a security interest pursuant to RCW 64.90.465;
- 4.2.9. Grant easements, leases, licenses, and concessions through or over the Common Areas and petition for or consent to the vacation of streets and alleys;
- 4.2.10. Impose and collect any reasonable payments, fees, or charges for:
 - (1) The use, rental, or operation of the Common Areas;

- (2) Services provided to Owners;
 - (3) Late payment of assessments;
 - (4) Violations of the Governing Documents in accordance with a previously established schedule of fines adopted by the Board and furnished to the Owners, but only after notice to the non-compliant Owner/Lot and opportunity to be heard; and
 - (5) Preparation and recordation of amendments to the Declaration, resale certificates required under RCW 64.90.640, lender questionnaires, or statements of unpaid assessments;
- 4.2.11. Collect assessments;
- 4.2.12. Enforce the Governing Documents;
- 4.2.13. Provide for the indemnification of its officers and board members, to the extent provided in RCW 23B.17.030;
- 4.2.14. Maintain directors' and officers' liability insurance;
- 4.2.15. Subject to ratification by the Owners, assign its right to future income, including the right to receive assessments;
- 4.2.16. Establish and administer a Reserve Account as described herein;
- 4.2.17. Prepare a reserve study as described herein;
- 4.2.18. Exercise any other powers conferred by the Declaration or Governing Documents;
- 4.2.19. Exercise all other powers that may be exercised in the state of Washington by the same type of entity as the Association;
- 4.2.20. Exercise any other powers necessary and proper for the governance and operation of the Association;
- 4.2.21. Require that disputes between the Association and Owners or between two or more Owners regarding the Community, other than those governed by Chapter 64.50 RCW, be submitted to nonbinding alternative dispute resolution as a prerequisite to commencement of a judicial proceeding; and
- 4.2.22. Suspend any right or privilege of an Owner who fails to pay an assessment, but may not:
- (1) Deny an Owner or other occupant access to that Owner's Lot;
 - (2) Suspend an Owner's right to vote; or
 - (3) Withhold services provided to a Lot or an Owner by the Association if the effect of withholding the service would be to endanger the health, safety, or property of any person.

ARTICLE 5 - ASSOCIATION/OWNER MEETINGS

- 5.1. Transition Meeting: The Board shall schedule the Transition Meeting within thirty (30) days after termination of the Declarant Control Period. Notice of the meeting shall be provided to all Owners in accordance with the Association meeting notice requirements specified in the "Association/Owner Meetings" section of this Article. At the Transition Meeting, the Board shall be elected by the Owners.
- 5.1.1. Within sixty (60) days of the Transition Meeting, the Board must retain the services of a certified public accountant to audit the records of the Association as the date of the Transition Meeting in accordance with generally accepted auditing standards unless the Owners, other than Declarant, to which a majority of the votes are allocated elect to waive the audit. The cost of the audit must be a common expense unless otherwise provided in the Declaration. The accountant performing the audit must examine supporting documents and records, including the cash disbursements and related paid invoices, to determine if expenditures were for Association purposes, and must also examine the billings, cash receipts, and related records to determine if Declarant was charged for and paid the proper amount of assessments.
- 5.1.2. No later than thirty days following the date of the Transition Meeting, Declarant must deliver or cause to be delivered to the Board elected at the Transition Meeting all property of the Association, including (copies are acceptable unless an original is required for enforceability):
- (1) Recorded Declaration and each amendment to the Declaration;
 - (2) Governing Documents of the Association;
 - (3) Minute books, including all minutes, and other books and records of the Association;
 - (4) Current rules and regulations that have been adopted;
 - (5) Resignations of officers and members of the Board who are required to resign because Declarant is required to relinquish control of the Association;
 - (6) Financial records, including canceled checks, bank statements, and financial statements of the Association, and source documents from the time of formation of the Association through the date of transfer of control to the Owners;
 - (7) Association funds or the control of the funds of the Association;
 - (8) Recorded instruments of conveyance for any Common Areas included within the Community but not appurtenant to the Lots;
 - (9) All tangible personal property of the Association;
 - (10) Except for alterations to a Lot by an Owner other than Declarant, a copy of the most recent plans and specifications used in the construction or remodeling of the Community, except for buildings containing fewer than three units;
 - (11) Insurance policies for the Community and Association;
 - (12) Any certificates of occupancy that have been issued for the Community;

- (13) Any other permits obtained by or on behalf of Declarant and issued by governmental bodies applicable to the Community;
- (14) Written warranties that are still in effect for the Common Areas or any other areas or facilities that the Association has the responsibility to maintain and repair, from the contractor, subcontractors, suppliers, and manufacturers;
- (15) All owners' manuals or instructions furnished to Declarant with respect to installed equipment or building systems unrelated to individual Lots;
- (16) A roster of Owners and eligible mortgagees, including:
 - (a) Name;
 - (b) Address;
 - (c) Telephone number;
 - (d) The date of closing of the first sale of each Lot sold by Declarant;
 - (e) If a member has consented to receive notices by electronic transmission, the address, location, or system to which notices may be electronically transmitted. Members who sell or convey their interests in a Lot shall promptly report to the Board of Directors the name and address of their successor in interest. Persons claiming membership in the Association shall, upon request, furnish the Board of Directors with a copy of any document under which they assert ownership of a Lot, or any interest therein. The Board of Directors may require members to supply it with copies of any mortgage or other security instrument affecting their interests.
- (17) Any leases of the Common Areas and other leases to which the Association is a party;
- (18) Any employment contracts or service contracts in which the Association is one of the contracting parties, or service contracts in which the Association or the Owners have an obligation or a responsibility, directly or indirectly, to pay some or all of the fee or charge of the person performing the service;
- (19) Any qualified warranty issued to the Association as provided for in RCW 64.35.505; and
- (20) All other contracts to which the Association is a party.

5.2. Association/Owner Meetings:

5.2.1. An annual meeting of the Association/Owners must be held at least once each calendar year. At the annual meeting, the members shall elect directors or fill vacancies in the Board of Directors as provided in the Declaration and shall consider such other business as may properly come before the meeting. Failure to hold an annual meeting does not cause a forfeiture or give cause for dissolution of the Association, and does not affect otherwise valid Association acts. At the annual meeting of the Association/Owners, the order of business should be as follows:

- (a) Roll call

- (b) Proof of notice of meeting (or filing of waiver)
- (c) Announcement of number of votes present
- (d) Reading of minutes of the previous meeting
- (e) Reports of officers
- (f) Reports of committees
- (g) Ratification of budget (if necessary)
- (h) Selection of inspectors to tally ballots/votes (if necessary)
- (i) Election of directors (at annual meeting or special meeting called for that purpose)
- (j) Unfinished business
- (k) New business
- (l) Adjournment

5.2.2. Special meetings of the Association may be called by the president, a majority of the Board of Directors, or by Owners having at least twenty percent (20%) of the votes in the Association.

5.2.3. Not fewer than fourteen (14) nor more than fifty (50) days in advance of any Association meeting, the secretary or other officer as directed by the Board shall provide written notice of the meeting to each Owner pursuant to the requirements of the "Association Notices" Article herein. The notice of any meeting shall state the date, time, and place of the meeting and the business to be placed on the agenda for a vote by the Owners, including the text of any proposed amendment to the Articles of Incorporation, Bylaws, Declaration, or changes in the previously approved budget that result in a change in assessment obligation, or any proposal to remove a director. The minimum time to provide notice may be reduced or waived for a meeting called to deal with an emergency.

5.2.4. Association meetings shall be held at such location selected by the Board of Directors that is deemed by the Board to be reasonably convenient to the Community.

5.2.5. Any Association meeting may be conducted by telephonic, video, or other conferencing purposes if the meeting notice states the conferencing process to be used and provides information explaining how Owners may participate in the conference directly or by meeting at a central location or conference connection, and if the conferencing process provides all Owners the opportunity to hear or perceive the discussion and to comment.

5.2.6. The parliamentary authority for meetings of the Association shall be the most current available edition of Robert's Rules of Order.

5.3. Quorum:

5.3.1. A quorum is present throughout any meeting of the Owners if persons entitled to cast twenty percent (20%) of the votes in the Association:

- (1) Are present in person or by proxy at the beginning of the meeting;
- (2) Have voted by absentee ballot; or
- (3) Are present by any combination of Subsection (1) or (2)

- 5.3.2. A quorum of the Board is present for purposes of determining the validity of any action taken at a meeting of the Board only if individuals entitled to cast a majority of the votes on the Board are present (in person or by electronic means as provided in Section 8.7) at the time a vote regarding that action is taken. If a quorum is present when a vote is taken, the affirmative vote of a majority of the Board members present is the act of the Board.
- 5.3.3. Except as otherwise provided by the Declaration or these Bylaws, passage of any matter submitted to vote at a meeting or adjourned meeting duly called, where a quorum is in attendance in person or by proxy, shall require the affirmative vote of a majority of the total votes present in person or by proxy.
- 5.4. Meeting Records: Minutes of all Association/Owner meetings must be maintained in a record. The decision on each matter voted upon at an Association/Owner meeting must be recorded in the minutes.

ARTICLE 6 - OWNER VOTING

- 6.1. The total number of votes in the Association shall be equal to the number of Lots subject to this Declaration, and each Owner shall be entitled to one (1) vote for each Lot owned. A vote must be for all of the voting power for the Lot for which it is cast.
- 6.2. For Lots owned by multiple Owners:
 - 6.2.1. When more than one person or entity holds a fee interest in any Lot, the vote for that Lot shall be cast as the Owners of that Lot determine amongst themselves as evidenced by written proxy presented at each vote. In no event shall more than one vote be cast with respect to any Lot.
 - 6.2.2. If only one Owner is present at a meeting, that Owner is entitled to cast the entire vote allocated to that Lot;
 - 6.2.3. If more than one Owner is present, the vote allocated to that Lot may be cast only in accordance with the agreement of a majority in interest of the Owners of that Lot. There is a majority agreement if any one of the Owners casts the votes allocated to the Lot without protest being made promptly to the person presiding over the meeting by any of the other Owners.
- 6.3. Unless a greater percentage of the votes in the Association is required pursuant to the Declaration or herein, a majority of the votes cast determines the outcome of any action of the Association.
- 6.4. Owners may vote at a meeting in person, by absentee ballot pursuant to Section 6.5.2, or by a proxy pursuant to Section 6.6. When a vote is conducted without a meeting, Owners may vote by ballot pursuant to Section 6.7.
- 6.5. At a meeting of Owners, the following requirements apply for voting:
 - 6.5.1. Owners or their proxies who are present in person may vote by voice vote, show of hands, standing, written ballot, or any other method designated by the person presiding at the meeting.

- 6.5.2. Whenever proposals or Board members are to be voted upon at a meeting, an Owner may vote by duly executed absentee ballot if:
- (1) The names of each candidate or the text of each proposal to be voted upon were set forth in a writing accompanying or contained in the notice of meeting; and
 - (2) A ballot is provided by the Association for such purpose; and
 - (3) The Association can verify that the ballot is cast by the Owner having the right to do so.
- 6.6. The following requirements apply with respect to proxy voting:
- 6.6.1. Any Owner may vote by proxy. Proxies shall be written, signed by the Owner, and filed with the Board of Directors prior to the vote in which such proxies are cast. A proxy must be for all the voting power of the Lot.
- 6.6.2. Votes allocated to a Lot may be cast pursuant to a directed or undirected proxy duly executed by a Lot Owner in the same manner as provided in RCW 24.06.110.
- 6.6.3. If a Lot is owned by more than one person, each Owner of the Lot may vote or register protest to the casting of votes by the other Owners of the Lot through a duly executed proxy.
- 6.6.4. An Owner may revoke a proxy given pursuant to this section only by actual notice of revocation to the secretary or the person presiding over a meeting of the Association or by delivery of a subsequent proxy. The death or disability of an Owner does not revoke a proxy given by the Owner unless the person presiding over the meeting has actual notice of the death or disability.
- 6.6.5. A proxy is void if it is not dated or purports to be revocable without notice.
- 6.6.6. Unless stated otherwise in the proxy, a proxy terminates eleven months after its date of issuance.
- 6.7. The Association may conduct a vote without a meeting as follows:
- 6.7.1. The Association must provide written notice to the Owners that the vote will be taken by ballot. The notice must state:
- (1) The time and date by which a ballot must be delivered to the Association to be counted, which may not be fewer than fourteen (14) days after the date of the notice, and which deadline may be extended in accordance with Section 6.7.5;
 - (2) The percentage of votes necessary to meet the quorum requirements;
 - (3) The percentage of votes necessary to approve each matter other than election of Board members; and
 - (4) The time, date, and manner by which Owners wishing to deliver information to all Owners regarding the subject of the vote may do so.
- 6.7.2. The Association must deliver a ballot to every Owner with the notice. The ballot must set forth each proposed action and provide an opportunity to vote for or against the action.

- 6.7.3. A ballot cast pursuant to this section may be revoked only by actual notice to the Association of revocation. The death or disability of an Owner does not revoke a ballot unless the Association has actual notice of the death or disability prior to the date set forth in Section 6.6.6.
 - 6.7.4. Approval by ballot pursuant to this subsection is valid only if the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action.
 - 6.7.5. If the Association does not receive a sufficient number of votes to constitute a quorum or to approve the proposal by the date and time established for return of ballots, the Board may extend the deadline for a reasonable period not to exceed eleven (11) months upon further notice to all members in accordance with Section 6.7.1. In that event, all votes previously cast on the proposal must be counted unless subsequently revoked as provided in this section.
 - 6.7.6. A ballot or revocation is not effective until received by the Association.
 - 6.7.7. The Association must give notice to Owners of any action taken pursuant to this subsection within a reasonable time after the action is taken.
 - 6.7.8. When an action is taken pursuant to this subsection, a record of the action, including the ballots or a report of the persons appointed to tabulate such ballots, must be kept with the minutes of meetings of the Association.
 - 6.7.9. In voting by mail or electronic mail, Owners acknowledge that their votes are not secret.
- 6.8. Members voting by mail or electronic transmission are present for all purposes of quorum, count of votes, and percentages of total voting power present.

ARTICLE 7 - BOARD OF DIRECTORS: NUMBER, QUALIFICATIONS, AND TERM OF OFFICE

7.1. Number of Directors:

- 7.1.1. Prior to the Transition Meeting but subject to the provisions of this section, Declarant may serve as sole director or may appoint a person(s) as director(s). At the Transition Meeting, the Board shall be elected by the Owners. Incoming Board members shall take office upon adjournment at the meeting at which they were elected or appointed.
 - (1) Not later than sixty (60) days after conveyance of twenty-five percent (25%) of Lots to Owners other than Declarant, at least one member and not less than twenty-five percent (25%) of the members of the Board must be elected by Owners other than Declarant.
 - (2) Not later than sixty (60) days after conveyance of fifty percent (50%) of Lots to Owners other than Declarant, not less than thirty-three and one-third percent (33 1/3%) of the members of the Board must be elected by Owners other than Declarant. Until such Board members are elected and take office, the existing Board may continue to act on behalf of the Association.
- 7.1.2. Effective as of the Transition Meeting, the affairs of the Association shall be managed by a Board of at least three (3) directors, at least a majority of whom must be Owners within the Association.

- 7.2. Selection: Election to the Board of Directors shall be by ballot. At any such election, the Owners or their proxies may cast, with respect to each vacancy, as many votes as they are entitled to exercise under the provision of these Bylaws or the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.
- 7.3. Qualifications: Board members must have adequate interpersonal skills to communicate effectively via email, flyers, letters, phone calls. Board members should have a general knowledge of accounting and bookkeeping procedures to understand budgets, assessments, payment to vendors, and financial reports to gauge the financial status of the Association. Board members should have good organizational and computer skills to manage and process Association documents.
- 7.4. Term of Office: At the Transition Meeting, the Owners shall elect one (1) director for a term of one (1) year, at least one (1) additional director for a term of two (2) years, and at least (1) one additional director for a term of three (3) years. At each annual meeting thereafter, the Owners shall elect one (1) director for a term of three (3) years.
- 7.5. Vacancies: A vacancy in a director position, whether caused by resignation, death, conveyance of a Lot or otherwise, may be filled by the affirmative vote of a majority of the remaining Directors, even if there is no longer a quorum of the Board of Directors. A Director elected to fill a vacancy shall serve for the unexpired term of their predecessor, and until their successor is elected.
- 7.6. Removal: Owners present in person, by proxy, or by absentee ballot at any meeting of the Owners at which a quorum is present may remove any director or officer elected by the Owners, with or without cause, if the number of votes in favor of removal cast by Owners entitled to vote for election of the director or officer proposed to be removed is at least the lesser of: (a) a majority of the votes in the Association held by such Owners, or (b) two-thirds (2/3) of the votes cast by such Owners at the meeting. At any meeting at which a vote to remove a director or officer is to be taken, the director or officer being considered for removal must have a reasonable opportunity to speak before the vote. At any meeting at which a director or officer is removed, the Owners entitled to vote for the director or officer may immediately elect a successor director or officer consistent with WUCIOA. The Board may, without an Owner vote, remove from the Board a director or officer elected by the Owners if (i) the director or officer is delinquent in the payment of assessments more than sixty (60) days and (ii) the director or officer has not cured the delinquency within thirty (30) days after receiving notice of the Board's intent to remove the director or officer. The Board may remove an officer elected by the Board at any time, with or without cause. The removal must be recorded in the minutes of the next Board meeting.
- 7.7. Compensation: No director shall receive compensation for any service such person may render to the Association. However, any director may be reimbursed for the director's actual expenses incurred in the performance of the director's duties.

ARTICLE 8 - MEETINGS OF DIRECTORS

- 8.1. Regular meetings of the Board of Directors must be held at least once during each fiscal year.
- 8.2. Following the termination of the Declarant Control Period, all Board meetings must be at the Community or at a place convenient to the Community.
- 8.3. Special meetings of the Board of Directors may be called by the president. Special meetings of the Board of Directors shall be called by the president in like manner and on like notice at the request of any member of the Board of Directors.

- 8.4. Unless the meeting is included in a schedule given to the Owners or the meeting is called to deal with an emergency, the Secretary must provide written notice of each regular Board meeting to each Board member and to the Owners. The notice must be given at least fourteen (14) days before the meeting and must state the time, date, place, and agenda of the meeting. The minimum time to provide notice may be reduced or waived for a meeting called to deal with an emergency. If any materials are distributed to the Board before the meeting, copies of those materials shall be made reasonably available to the Owners, except that the Board need not make available copies of unapproved minutes or materials that are to be considered in executive session. During the Declarant Control Period, the Board must meet at least four times a year. At least one of those meetings must be held at the Community or at a place convenient to the Community. After the Transition Meeting, all Board meetings must be held at the Community or at a place convenient to the Community.
- 8.5. Meetings of the directors must be open to Lot Owners 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. The Board and committees authorized to act for the Board may hold an executive session only during a regular or special meeting of the Board or the committee. A final vote or action may not be taken during an executive session. An executive session may be held only to:
 - 8.5.1. Consult with the Association's attorney concerning legal matters;
 - 8.5.2. Discuss existing or potential litigation or mediation, arbitration, or administrative proceedings;
 - 8.5.3. Discuss labor or personnel matters;
 - 8.5.4. 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 the Association at a disadvantage; or
 - 8.5.5. Prevent public knowledge of the matter to be discussed if the Board or committee determines that public knowledge would violate the privacy of any person.
- 8.6. At each Board meeting, Owners must have reasonable opportunity to comment regarding matters affecting the Association and the Community. The Board may establish reasonable procedures to ensure that all Owners have such opportunity and to promote decorum and respect at such meeting.
- 8.7. Any Board meeting may be conducted by telephonic, video, or other conferencing purposes if the meeting notice states the conferencing process to be used and provides information explaining how Board members may participate in the conference directly or by meeting at a central location or conference connection, and if the conferencing process provides all Board members the opportunity to hear or perceive the discussion and to comment. A Board member participating in a meeting by these means is deemed to be present in person at the meeting.
- 8.8. Instead of meeting, the Board may act by unanimous consent as documented in a record by all its members. Actions taken by unanimous consent must be kept as a record of the Association with the meeting minutes. After the Transition Meeting, the Board may act by unanimous consent only to undertake ministerial actions, actions subject to ratification by the Owners, or to implement actions previously taken at a meeting of the Board.

- 8.9. A quorum of the Board is present for purposes of determining the validity of any action taken at a Board meeting only if Board members entitled to cast a majority of the Board votes are present at the time a vote regarding that action is taken. If a quorum is present when a vote is taken, the affirmative vote of a majority of the Board members present is the act of the Board.
- 8.10. A Board member may not vote by proxy or absentee ballot.
- 8.11. 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.

ARTICLE 9 - POWERS AND DUTIES OF THE BOARD OF DIRECTORS

- 9.1. The Board of Directors may act on behalf of the Association.
- 9.2. The Board may not, without vote or agreement of the Owners:
 - 9.2.1. Amend the declaration, except as provided in RCW 64.90.285;
 - 9.2.2. Amend the Governing Documents of the Association;
 - 9.2.3. Terminate the Community;
 - 9.2.4. Elect members of the Board, but may fill vacancies in its membership not resulting from removal for the unexpired portion of any term or, if earlier, until the next regularly scheduled election of Board members; or
 - 9.2.5. Determine the qualifications, powers, duties, or terms of office of Board members.
- 9.3. The Board shall not act on behalf of the Association to:
 - 9.3.1. Amend the Declaration (except as provided in RCW 64.90.285);
 - 9.3.2. Amend the Articles of Incorporation or these Bylaws, to elect directors (but the Board may fill vacancies in its membership not resulting from removal for the unexpired portion of any term or, if earlier, until the next regularly schedule election of directors);
 - 9.3.3. Terminate the Community; or
 - 9.3.4. Determine the qualifications, powers, and duties, or terms of office of directors.
- 9.4. In the performance of their duties, Board members must exercise the degree of care and loyalty to the Association required of a director of a corporation organized, and are subject to the conflict of interest rules governing directors, and are entitled to the immunities from liability available to directors under RCW 24.06.

ARTICLE 10 - OFFICERS OF THE ASSOCIATION

- 10.1. Enumeration of Offices: During the Declarant Control Period, Declarant may serve as the Association's sole officer, or Declarant may, at its sole discretion, appoint officers. After the Transition Meeting, the officers of the Association shall be a president, a secretary, and a treasurer, and such other officers as the Board may create from time to time by resolution, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may

establish by resolution. Two or more offices may be held by the same person, except the offices of president and secretary.

- 10.2. Qualifications: The person elected as president should be well-organized, have good leadership skills, be able to deal with criticism, and be comfortable speaking in front of the Board, officers, and Owners. The person elected as secretary should be well-organized, be able to take accurate notes of meetings, have a good understanding of mass communication by paper or electronic means, and be able to maintain a database of Owner and Board contact information. The person elected as treasurer should be detail-oriented, have a good understanding of basic accounting procedures, and be able to maintain a database of Owner payment records.
- 10.3. Election of Officers and Term: The officers of the Association shall be elected annually by the Board. The newly elected officers shall take office upon expiration of the current officers' annual term. The officers of the Association shall hold office for one (1) year unless an officer resigns sooner, or shall be removed, or otherwise disqualified to serve. Incoming officers shall take office upon adjournment at the meeting at which they were elected or appointed.
- 10.4. Resignation and Removal: 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 at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any officer may be removed from office, with or without cause, pursuant to the provisions of RCW 64.90.520.
- 10.5. 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 being replaced.
- 10.6. Duties: The duties of the officers are as follows:
 - a. President – Preside at all meetings of the Board of Directors; ensure that orders and resolutions of the Board are carried out; sign contracts, leases, mortgages, deeds, and other written instruments; sign checks and promissory notes of the Association.
 - b. Secretary - Record the votes and keep the minutes of all meetings and proceedings of the Board and of the Owners; keep the corporate seal, if any, of the Association and affix it on all papers requiring said seal; sign checks and promissory notes of the Association; serve notice of meetings of the Board and of the Owners; keep appropriate current records showing the Owners of the Association together with their addresses.
 - c. Treasurer - Receive and deposit in appropriate bank accounts all monies of the Association; disburse such funds as directed by resolution of the Board of Directors; sign 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 (but the audit may be waived by Owner vote each year); prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting.
- 10.7. Standard of Care: In the performance of their duties, officers must exercise the degree of care and loyalty to the Association required of an officer of a corporation organized, and are subject to the conflict of interest rules governing officers, and are entitled to the immunities from liability available to officers under RCW 24.06.

ARTICLE 11 - ASSOCIATION BUDGET AND ASSESSMENTS

- 11.1. In accordance with the procedures set forth below, during the last calendar quarter of each year, the Association shall adopt and ratify a budget to pay Association expenses for the next year, including, but not limited to, all costs related to: Association management and administration; the Common Expenses; services furnished by or to the Association; taxes; liability and other insurance; utilities and other services; and funding all reserves (if any) established by the Association.
- 11.2. Within thirty (30) days after adoption of any proposed budget for the Association, the Board must provide a copy of the budget to all Lot Owners and must set a date for a meeting of the Owners to consider ratification of the budget not less than fourteen (14) nor more than fifty (50) days after providing the budget. Unless at that meeting the Owners of Lots to which a majority of the votes in the Association are allocated reject the budget, the budget and the assessments against the Lots included in the budget are ratified, whether or not a quorum is present. If the proposed budget is rejected or the required notice is not given, the periodic budget last ratified by the Owners continues until the Owners ratify a subsequent budget proposed by the Board.
- 11.3. The budget must include:
 - a. The projected income to the Association by category;
 - b. The projected Common Expenses and those specially allocated expenses that are subject to being budgeted, both by category;
 - c. The amount of the assessments per Lot and the date the assessments are due;
 - d. The current amount of regular assessments budgeted for contribution to the Reserve Account;
 - e. A statement of whether the Association has a reserve study that meets the requirements of RCW 64.90.550 and, if so, the extent to which the budget meets or deviates from the recommendations of that reserve study; and
 - f. The current deficiency or surplus in reserve funding expressed on a per Lot basis.
- 11.4. General assessments and special assessments shall only be levied pursuant to the requirements and procedures outlined in the Declaration.

ARTICLE 12 - COMMUNITY RULES

- 12.1. The Board must, before adopting, amending, or repealing any rule, give all Owners notice of:
 - 12.1.1. Its intention to adopt, amend, or repeal a rule;
 - 12.1.2. The text of the rule or the proposed change; and
 - 12.1.3. A date on which the Board will act on the proposed rule or amendment after considering comments from the Owners.
- 12.2. Following adoption, amendment, or repeal of a rule, the Board must give notice to the Owners of its action and must provide a copy of any new or revised rule.
- 12.3. The Association's internal business operating procedures need not be adopted as rules.

12.4. Every rule must be reasonable.

ARTICLE 13 - COMMITTEES

The Board may appoint committees as it deems appropriate in carrying out the purposes of the Association. Committees authorized to exercise any power reserved to the Board must include at least two (2) Board members, and said Board members shall have exclusive voting power for that committee. Committees that are not so composed may not exercise the authority of the Board and are advisory only.

ARTICLE 14 - RESERVE STUDY AND RESERVE ACCOUNT

- 14.1. Unless the Association has only nominal reserve costs, or unless the cost of a reserve study or update exceeds ten percent (10%) of the Association's annual budget, the Association must prepare and update a reserve study in accordance with the requirements of RCW 64.90.550. An initial reserve study must be prepared by a Reserve Study Professional and based upon either a Reserve Study Professional's visual site inspection of completed improvements or a review of plans and specifications of or for unbuilt improvements, or both when construction of some but not all of the improvements is complete. An updated reserve study must be prepared annually. An updated reserve study must be prepared at least every third year by a Reserve Study Professional and based upon a visual site inspection conducted by the Reserve Study Professional.
- 14.2. When more than three (3) years have passed since the date of the last reserve study prepared by a Reserve Study Professional, the Owners to which at least twenty percent (20%) of the votes are allocated may submit a written demand to the Board that the cost of a reserve study be included in the next annual budget and that the reserve study be prepared by the end of that budget year. The written demand must refer to RCW 64.90.555. The Board must, upon receipt of the written demand, include the cost of a reserve study in the next budget and, if that budget is not rejected by the Owners pursuant to RCW 64.90.525, arrange for the preparation of a reserve study.
- 14.3. If the Association is required to obtain a reserve study pursuant to RCW 64.90.545, the Association must establish one or more accounts for the deposit of funds, if any, for the replacement costs of Reserve Components. Any reserve account must be an income-earning account maintained under the direct control of the Board, and the Board is responsible for administering the Reserve Account.
- 14.4. The Board may withdraw funds from the Reserve Account of the Association to pay for unforeseen or unbudgeted costs that are unrelated to replacement costs of the Reserve Components. Any such withdrawal must be recorded in the minute books of the Association. The Board must give notice of any such withdrawal to each Owner and must adopt a repayment schedule not to exceed twenty-four months unless the Board determines that repayment within twenty-four months would impose an unreasonable burden on the Owners. The board must provide to Owners along with the annual budget adopted in accordance with RCW 64.90.525: (a) notice of any such withdrawal, (b) a statement of the current deficiency in reserve funding expressed on a per Lot basis, and (c) the repayment plan.
- 14.5. The Board may withdraw funds from the Reserve Account without satisfying the notification of repayment requirements noted above to pay for replacement costs of Reserve Components not included in the reserve study.

ARTICLE 15 - ASSOCIATION NOTICES

- 15.1. All notices to the Association, Board, or any Owner or occupant of a Lot must be in writing and transmitted by mail, private carrier, personal delivery, or electronic equipment that transmits a facsimile of the notice.
- 15.2. Notice in a tangible medium to the Association may be addressed to the Association's registered agent at its registered office, to the principal office address as shown in its most recent annual report, provided by notice to the Owners, or to the president or secretary of the Association at the address shown in the Association's most recent annual report or provided by notice to all Owners.
- 15.3. Notice in a tangible medium to an Owner or occupant must be addressed to the Lot address unless the Owner or occupant has requested, in a record delivered to the Association, that notices be sent to an alternate address or by other method allowed by the Governing Documents.
- 15.4. Notice may be provided in an electronic transmission as follows:
 - 15.4.1. Notice by electronic transmission is effective only to Board members or Owners who have consented in writing to receive electronically transmitted notices and have designated in the consent the address, location, or system to which such notices may be electronically transmitted, provided that such notice otherwise complies with any other requirements of WUCIOA and applicable law.
 - 15.4.2. Notice by electronic transmission includes material that WUCIOA or the Governing Documents requires or permits to accompany the notice.
 - 15.4.3. A Board member or Owner who has consented to receipt of electronically transmitted notices may revoke this consent by delivering a revocation in writing to the Association.
 - 15.4.4. The consent of any Board member or Owner to receive electronically transmitted notices is revoked if the Association is unable to electronically transmit two consecutive notices in accordance with the consent and this inability becomes known to the secretary of the Association or any other person responsible for giving the notice. The inadvertent failure by the Association to treat this inability as a revocation does not invalidate any meeting or other action.
 - 15.4.5. Notice to Board members or Owners who have consented to receipt of electronically transmitted notices may be provided by posting the notice on an electronic network and delivering to said Board members or Owners a separate written notice of the posting, together with comprehensible instructions regarding how to obtain access to the posting on the electronic network.
 - 15.4.6. Notice to the Association in an electronic transmission is effective only if the Association has designated in writing an address, location, or system to which the notices may be electronically transmitted.
- 15.5. Notice may be given by any other method reasonably calculated to provide notice to the recipient.
- 15.6. Notice is effective as follows:
 - 15.6.1. Notice provided in a tangible medium is effective as of the date of hand delivery, deposit with the carrier, or when sent by fax.

15.6.2. Notice provided in an electronic transmission is effective as of the date it:

- (1) Is electronically transmitted to an address, location, or system designated by the recipient for that purpose; or
- (2) Has been posted on an electronic network and a separate written notice of the posting has been sent to the recipient containing instructions regarding how to obtain access to the posting on the electronic network.

15.7. The ineffectiveness of a good-faith effort to deliver notice by an authorized means does not invalidate action taken at or without a meeting.

ARTICLE 16 - BOOKS AND RECORDS

16.1. The Association must retain the following records:

- 16.1.1. The current budget, detailed records of receipts and expenditures affecting the operation and administration of the Association, and other appropriate accounting records within the last seven years;
- 16.1.2. Minutes of all meetings of its Owners and Board other than executive sessions, a record of all actions taken by the Owners or Board without a meeting, and a record of all actions taken by a committee in place of the Board on behalf of the Association;
- 16.1.3. The names of current Owners and addresses used by the Association to communicate with them;
- 16.1.4. Its original or restated Declaration, Governing Documents, all amendments to the Declaration and Governing Documents, and all rules currently in effect;
- 16.1.5. All financial statements and tax returns of the Association for the past seven years;
- 16.1.6. A list of the names and addresses of its current Board members and officers;
- 16.1.7. Its most recent annual report delivered to the Secretary of State, if any;
- 16.1.8. Financial and other records sufficiently detailed to enable the association to comply with RCW 64.90.640;
- 16.1.9. Copies of contracts to which it is or was a party within the last seven years;
- 16.1.10. Materials relied upon by the Board or any committee to approve or deny any requests for design or architectural approval for a period of seven years after the decision is made;
- 16.1.11. Materials relied upon by the Board or any committee concerning a decision to enforce the Governing Documents for a period of seven years after the decision is made;
- 16.1.12. Copies of insurance policies under which the Association is a named insured;
- 16.1.13. Any current warranties provided to the Association;
- 16.1.14. Copies of all notices provided to Owners or the Association in accordance with WUCIOA or the Governing Documents; and

- 16.1.15. Ballots, proxies, absentee ballots, and other records related to voting by Owners for one year after the election, action, or vote to which they relate.
- 16.2. The books, records, and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Owner. The Association may charge a reasonable fee for producing and providing copies of any records under this section and for supervising the Owner's inspection.
- 16.3. The Association's records must be established in a manner that allows demonstration of crediting assessments and other income to the Association, and debiting expenditures in accordance with the provisions of the Governing Documents.
- 16.4. To assure that Owners are correctly assessed for the actual expenses of the Association, the accounts of the Association must be reconciled at least annually unless the Board determines that a reconciliation would not result in a material savings to any Owner.

ARTICLE 17 - AMENDMENTS AND AUTHORITY

- 17.1. Amendment: These Bylaws may be amended by the same voting procedure as for budget approval as provided herein.
- 17.2. Authority: In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles of Incorporation shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control except to the extent the Declaration is inconsistent with WUCIOA.

ARTICLE 18 - FISCAL YEAR

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

ARTICLE 19 - DELEGATION OF USE

Any Owner may delegate that Owner's right of enjoyment of Common Areas to members of the Owner's family, or to the Owner's tenants. In the event an Owner rents or leases that Owner's Lot, a copy of the Declaration, as well as any rules or regulations that may be adopted by the Association, shall be provided by the Owner to the prospective renter at the time of commitment to the rental agreement. Each Owner shall also be responsible for informing guests and service personnel of the contents of the Declaration, as well as any rules and regulations that may be adopted by the Association as they may relate to appropriate community behavior.

Each Owner shall be personally responsible for any damages to any Common Areas (or any other area maintained by the Association) or to any other Association property, whether real or personal, caused by an Owner's family, guest, tenant, agent, workman, contractor, or other licensee or invitee. The Association shall have a lien upon the Owner's Lot for the amount of the damages.

ARTICLE 20 - INDEMNIFICATION

- 20.1. Right of Indemnification: Each director, officer, committee member, and Owner who, at the request of the Board or of an officer, is working on behalf of or assisting the Association at the time of the matter, event, or incident giving rise to the issue of indemnification, shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or

imposed in connection with any proceeding to which such person may be a party, or in which such person may become involved, by reason of holding or having held such position, or any settlement thereof, whether or not such person holds such position at the time such expenses or liabilities are incurred, except to the extent such expenses and liabilities are covered by any type of insurance and except in such cases wherein such person is adjudged guilty of willful misfeasance, intentional misconduct, self-dealing, or bad faith in the performance of such person's duties; provided that, in the event of settlement, the indemnification shall apply only when the Board approves such settlement and reimbursement as being in the best interests of the Association. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner in which such person reasonably believed to be in the best interests of the Association.

- 20.2. Effect on Other Rights: The right to indemnification provided by this article shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any bylaw, covenant, agreement, statute, vote of Owners or disinterested directors, or otherwise. Said right of indemnification shall continue as to a person who has ceased serving as a director, officer, employee, or agent of the Association, and shall inure to the benefit of the heirs, executors, and administrators of that person.
- 20.3. Insurance: The Board may, by majority vote, cause the Association to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the Association, or who is or was serving at the request of the Association, against any expense, liability, or loss, whether or not the Association would have the power to indemnify such person against such expense, liability, or loss under applicable state law.

ARTICLE 21 - ENFORCEMENT AND ATTORNEYS' FEES

- 21.1. Declarant, the Association, any Owner, or any other person subject to the Declaration or these Bylaws may bring an action to enforce a right granted or obligation imposed under WUCIOA or the Governing Documents. The court may award reasonable attorneys' fees and costs.
- 21.2. Parties to a dispute arising under WUCIOA or the Governing Documents may agree at any time to resolve the dispute by any form of binding or nonbinding alternative dispute resolution.

IN WITNESS WHEREOF, we, being all of the Directors of the Poplar Pointe Homeowners Association, have hereunto set our hands this 10 day of July, 2024.

Lisa Hallmon, Director

Baylee Tomak, Director

Lisa Hallmon

Lisa Hallmon (Jul 10, 2024 14:53 PDT)

Baylee Tomak

Baylee Tomak (Jul 10, 2024 14:54 PDT)