

## **LAKE MINTERWOOD BEACH CLUB AMENDED BYLAWS**

The following shall be the amended bylaws of LAKE MINTERWOOD BEACH CLUB.

### **ARTICLE I Membership**

Section 1. There shall be one membership in this corporation for each lot in the subdivision of Lake Minterwood and any other property which may be conveyed to this corporation. Each such membership shall be appurtenant to and not severable from the title to one such lot. No such membership may be assigned or transferred voluntarily or by operation of law except in conjunction with the transfer of title to a lot to which it is appurtenant. Each such membership shall stand in the name of the owner or owners of the lot appearing of record in Pierce County, Washington, except in the case of the sale of a lot by contract. A recorded contract vendee shall be entitled to membership until the vendee's interest is terminated or forfeited of record. In case of an unrecorded contract, the vendor's notice to the corporation of the contract or the forfeiture thereof shall be due notice to the corporation of the party entitled to such membership.

Section 2. Each membership shall entitle the persons owning or residing on the lot to which the membership is appurtenant, and their families, to all of the privileges and rights to use the common facilities of the club unless suspended as hereafter provided. In the event that a corporation or partnership shall be the owner of a lot, then it shall have the right to name the persons, not in excess of three (3) for each lot it owns, who shall be entitled to the rights and privileges of membership. <sup>1</sup>

Section 3. By unanimous vote of the trustees of the corporation present at any meeting called for the purpose of suspending rights and privileges of membership any person or persons entitled to the rights and privileges of membership may be suspended there from (a) for non-payment of dues and charges until such time as the same are fully paid; or (b) for failure to comply with the rules and regulations of the corporation until such time as the trustees deem advisable, not to exceed one year. If suspension is for failure to comply with rules and regulations, the suspended person may appeal to the next meeting of membership, which may overrule or modify the decision of the trustees by affirmative vote of 75% of the membership present. No such suspension shall relieve or discharge the membership from its obligations to pay dues and charges. The trustees shall suspend no person or persons from the rights and privileges of membership unless such person or persons shall have been notified of such proposed action, except in the case of non-payment of dues and charges.

Section 4. Each membership appurtenant to a lot shall have one vote on all matters before a meeting of the membership. Corporate owners shall exercise their vote by their officers present or persons designated by the corporate president. If any persons or corporation shall be entitled to more than one membership because of ownership of more than one lot, they shall have one vote for each membership. Votes may be cast in person or by written proxy filed with the corporate secretary. <sup>2</sup> At an annual meeting or any special called meeting of the membership, 15% of the total membership shall constitute a quorum, i.e. a minimum of 41 of the 268 memberships. <sup>14</sup>

Section 5. There shall be an annual meeting of the membership held on the third Saturday of April, unless the date falls on a holiday, in which case it would be held on the Saturday before or after as designated by the trustees. <sup>3</sup> Meeting to be held at 7:30 o'clock p.m., at the registered office of the corporation at P. O. Box 311, Vaughn, Washington 98394, unless the trustees shall designate another place in writing. Special meetings of the membership may be called at such other times as may be necessary by (a) the corporate president; (b) a majority of the trustees; <sup>4</sup> or (c) 20% of the membership. No more than 20 days nor less than 10 days prior to the date fixed for such special membership meeting, written notice thereof shall be mailed to all members at their addresses last shown on the corporate records.

Section 6. The trustees may levy upon each membership annual dues and charges in amounts determined by the membership approved budget which are necessary to meet the current operational expenses of the corporation and for the maintenance, improvement, construction, reconstruction and repair of the roads, water and sewer drainage systems, lake and water level thereof, dam, and all other facilities made available to the membership or owned by the corporation. Annual dues and charges are payable on August 1 of each year and if unpaid become delinquent on the following October 1. Persons or corporations entitled to more than one membership because of ownership of more than one lot shall have dues and assessments levied upon each original lot (membership) even if lots (parcels) are combined into a single parcel for tax purposes with Pierce County.<sup>15</sup>

Section 7. Although membership in the corporation shall be appurtenant to and pass with ownership of lots as aforementioned, the corporation shall not be liable to ascertain ownership of any lot or the ownership of the membership appurtenant thereto until its secretary has received actual written notice of a change in ownership. There shall be a service charge paid for transfer of membership.

## ARTICLE II

### Trustees

Section 1. The management of the property, interests, business and affairs of the corporation shall be vested in the hands of a board of trustees of nine <sup>5</sup>, 9 persons elected from persons entitled to the rights and privileges of membership.

Section 2. The trustees elected at the first meeting of the membership served until the regular meeting of the membership in October, 1971, and until their successors were elected and qualified. At the annual meeting in 1971 one trustee was elected to serve for one year, two trustees for two years, and two trustees for three years. Succeeding trustees were and shall be elected to serve a three year term. Any vacancy occurring in the Board of Trustees shall be filled by action of the remaining trustees for the remainder of the term in which the vacancy occurs, except that if the vacancy occurs by reason of the removal of a trustee by action of the membership, such vacancy shall be filled by the membership, at the same meeting at which the removal vote shall take place.

Section 3. There shall be an annual meeting of the board of trustees immediately following the annual meeting of the membership and such other special meetings of the Board of trustees as they deem advisable. Special meetings of the board of trustees may be called by the corporate president or any trustee by giving oral notice thereof to all of the trustees.

Section 4. A majority of the trustees shall constitute a quorum for transaction of business. The trustees shall elect a president, who shall preside at all corporate meetings and, with the secretary, execute all official corporate documents, a secretary, who shall keep and have custody of all corporate books and records except books of account and who, with the president, shall execute all official corporate documents; and a treasurer, who shall have custody of, accounts for, and disburse the corporate funds. The trustees may designate other persons from time to time who may borrow funds, draw checks and drafts in addition to or jointly with the treasurer. The trustees may employ a general manager of the corporation who may delegate such authority as the trustees deem advisable from time to time as well as other employees as may be necessary or desirable in the opinion of the trustees. The trustees may elect such other officers as they deem necessary. No officers, except the president, need be a trustee.

Section 5. The secretary shall keep at all times a current list of the persons or firms in whose name the membership stand and of the persons entitled to the rights and privileges of memberships and shall cause all notices of meetings to be given as herein provided. The trustees may authorize such compensation as they deem advisable to the officers and employees of the corporation for services performed, and/or expenses incurred.

Section 6. The trustees may adopt rules and regulations from time to time, which shall be applicable to all memberships appurtenant to lots, for the use of the corporate facilities. Such rules and regulations shall be subject to modification or change at any time by affirmative vote of 75% of the membership present at any meeting called for that purpose.

Section 7. The trustees may establish such surplus funds and reserve funds as they deem necessary to the end that the corporation shall be in sound financial condition to meet its obligations and maintain its property. The trustees may authorize such contract and other corporate obligations as they deem necessary or advisable for the proper maintenance and development of the corporate property and may authorize borrowing of such sums on behalf of the corporation and give such security therefore as they deem appropriate. Each officer shall perform such other duties as the trustees may direct from time to time.

## ARTICLE III

### Amendments

These Bylaws may be amended by the affirmative vote of not less than 75% of the membership in attendance at any annual or special meeting of the membership; provided, however, notice of such proposed amendment and the nature thereof must be given in writing to all members at least ten days prior to any annual or special meeting at which such proposed amendments are to be considered. Further amendment or modification of proposed amendments can be considered at any meeting for which proper written notice has been given, but no further or different amendments, on other subjects can be adopted without separate written notice thereof.

## ARTICLE IV

### Miscellaneous<sup>6</sup>

Section 1. Conduct of all meetings of membership or trustees shall be governed by Roberts Rules of Order as revised and then current.

Section 2. Each director and officer of the corporation shall be indemnified and held harmless by the corporation and shall be reimbursed by the corporation for all expenses including attorney's fees, reasonably incurred by him or judgments rendered against him in connection with any action, proceed or suit to which he is made a party by reason of his being or having been an officer or director of the cooperation, unless it shall be determined therein that such officer or director is found guilty of gross misconduct or fraud upon the corporation. Such indemnification shall inure to the benefit of his heirs and personal representatives and shall not require any other contract or agreement than expressed herein.

## ARTICLE V

### Penalties<sup>7</sup>

Section 1. Any violation of Article II, Section 1 f, of the Amended and Restated Declaration of Restrictions, Covenants, and Conditions will result in a stop work notice to notify the lot owner to discontinue any work on the property, contact the Architectural Control Committee, and conform to the requirements set forth prior to resuming work. Failure to comply will result in a monetary fine not to exceed \$1000.00 depending on the severity of the violation, in the discretion of the Board of Trustees, plus any legal fees incurred.<sup>11</sup>

Section 2. Any violation of Article III, Section 4, of the Amended and Restated Declaration of Restrictions, Covenants, and Conditions will result in a letter from the Board of Trustees stating the nature of the violation and required action. Violations of local ordinance or county code will be referred to the governing agency. If the situation is not remedied, a \$100.00 fine will be invoked to continue at the rate of \$100.00 per month until such time as the violation is corrected or removed. In addition beach privileges may be suspended for a period not to exceed one year.<sup>8,10, 11, 12,</sup>

**Section 3.** Any violation of Article III, Section 6, of the Amended and Restated Declaration of Restrictions, Covenants, and Conditions will result in a letter from the Board of Trustees notifying the property owner of the violation. There will be a penalty of \$300.00 per incident, plus a \$50.00 to \$200.00 fine per tree, which is equal to or greater than 3 inches in diameter, depending on the severity of the violation, in the discretion of the Board of Trustees, plus any legal fees incurred in the collection of said fine. Any trees removed for commercial sale or purposes without prior consent will be assessed a fine equivalent to the market value of the timber plus legal fees. It is understood that construction of a residential structure is not equal to commercial purposes within the meaning of this section. <sup>11</sup>

**Section 4.** Any violation of Article II, Section 2, of the Amended and Restated Declaration of Restrictions, Covenants and Conditions for erecting or maintaining unauthorized temporary structures upon a lot or any other violation of said Section 2, will result in a fine of \$100.00 being invoked, to continue at the rate of \$100.00 per month until such time as the violation is corrected or removed. <sup>11, 12</sup>

**Section 5.** Any and all other violations of the Amended and Restated Declaration of Restrictions, Covenants and Conditions not already provided for in the Amended Bylaws, Article V, Penalties, Sections 1, 2, 3, or 4, will result in a fine of \$100.00 being invoked, to continue at the rate of \$100.00 per month until such time as the violation is corrected or removed. <sup>11, 12</sup>

**Section 6.**<sup>13</sup> At the discretion of the Board of Trustees, if violations are not corrected after six months, fines provided for in Sections 2, 4, and 5 of ARTICLE V, Penalties, may be increased by \$50.00 per month for each subsequent six month period during which the violation remains uncorrected up to a maximum of \$300.00 per month.

Non-payment of penalties will result in a continuing lien being placed upon the real property owned by the non-paying member, which may be foreclosed by the club as in the manner of mortgages under the laws of the State of Washington.

## **ARTICLE VI**

### **Dissolution**

The corporation may be dissolved and its affairs wound up voluntarily by the written request of three-quarters of the members, addressed to the trustees, specifying reasons why the winding up of the affairs of the corporation is deemed advisable, and naming three persons who are entitled to the rights and privileges of membership to act in liquidation. The request shall be filed with the trustees, the secretary of state, and the county auditor where the principal place of business of the corporation is located. Thereupon the power of the trustees shall cease and the persons appointed shall proceed to wind up the corporation, realize upon its assets, pay its debts, and divide the residue of the money among its membership in equal proportions. The request shall state the time for completing the winding up and dissolution during which time these matters shall be completed unless further time is granted by writing signed by three-fourths of the members and filed as required by law.

The foregoing are the Amended Bylaws of Lake Minterwood Beach Club adopted at a duly called meeting of the members held on the 22nd day of September 1978.

References to amendments to the Amended Bylaws of Lake Minterwood Beach Club

- 1 Amended at Board of Trustee Meeting August 19, 1996
- 2 Amended at Board of Trustee Meeting August 19, 1996
- 3 Amended at General Membership Meeting May 20, 1995
- 4 Amended at Board of Trustee Meeting August 19, 1996
- 5 Amended at the General Membership Meeting May 21, 1994
- 6 Inserted into the Bylaws at the General Membership Meeting September 22, 1978
- 7 Inserted into the Bylaws at the General Membership Meeting May 16, 1992
- 8 Inserted into the Bylaws at the General Membership Meeting May 20, 1995
- 9 Inserted into the Bylaws at the General Membership Meeting April 19, 1999
- 10 Amended at Special Membership Meeting of August 16, 2004
- 11 Amended at Board of Trustee Meeting July 18, 2005
- 12 Amended at Board of Trustees Meeting January 25, 2007
- 13 Added at Board of Trustees Meeting March 18, 2013
14. Added at Board of Trustees Meeting February 16, 2015
15. Added at Board of Trustees Meeting February 16, 2015