

# BY-LAWS OF WHITE WATER ESTATES COUNTRY CLUB

## ARTICLE I PURPOSES

**Section 1.** This Corporation shall be conducted as a Non-profit Development and Maintenance Corporation for the purposes set forth in the Articles of Incorporation for **White Water Estates** situated in Pierce County, Washington.

**Section 2.** The Corporation shall have power to levy and collect assessments against its members and against the lots owned or purchased by them for the purposes in its Articles of Incorporation, and By-Laws set forth, and to sell or forfeit their interest in the Corporation for default with respect to any lawful provisions of said Articles of Incorporation and By-Laws and upon forfeiture of any such property as by law and in the By-Laws provided may transfer the membership of such defaulting member.

**Section 3.** The purposes for which this Corporation was created may be altered, modified, enlarged or diminished by the vote of two-thirds of the members at a meeting duly called for such purposes, notice of which meeting shall be given in the manner provided by the By-Laws of giving of notice for the election of Directors.

## ARTICLE II PLACE OF BUSINESS

**Section 1.** The principal place of business shall be in the community known as **White Water Estates**, Located at 33700 SR 507 South, in Roy Washington. Mailing address: P.O. Box 391, Roy, WA 98580.

**Section 2.** All records and correspondence shall be available at the principal place of business upon written request to the President who will be required to establish a time for review with the Secretary.

## ARTICLE III MEMBERSHIP

**Section 1.** The membership of the Corporation shall consist of and be limited to the owners or purchasers of lots in the **White Water Estates**, who shall have one membership for each lot owned. A purchaser under a contract of purchase shall be deemed to be an owner for membership purposes.

If any lot or lots are held by two or more persons, the several owners of such interest shall be entitled collectively to cast one vote for each lot owned.

**Section 2.** No membership shall be voted unless represented by the owner or purchaser of an individual lot or lots to which it is and shall be inseparably appurtenant.

**Section 3.** Membership shall be inseparably appurtenant to lots owned by the members, and upon transfer of ownership, or contract of sale, membership shall be deemed transferred to the contract purchaser. No membership may be transferred, assigned or in any manner conveyed, other than in the manner herein set forth. In the event of the death of a member, the membership of such member shall be and become the property of the personal representative of such deceased member upon the appointment and qualification as such in a judicial proceeding and such personal representative shall have all rights, privileges and liabilities of the deceased member until title shall be transferred or contracted to be transferred.

**Section 4.** No membership shall be forfeited nor member be expelled except upon foreclosure for non-payment of assessment, provided, however, that membership privileges, including the right to vote, shall be restricted to those members paying currently all charges and assessments fixed and levied by the Board of Directors, and no member may withdraw except upon transfer of title to the real property to which his membership is appurtenant, as elsewhere herein provided. No compensation shall be paid by the

Corporation upon transfer of membership and no member whose membership is transferred shall be entitled to share or participate in any of the property or assets of the Corporation.

**Section 5.** By majority vote of the Directors 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 therefrom (a) for non-payment of charges and assessments 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 as a time as the Directors deem advisable, not to exceed one year. Notice of Suspension of a members rights and privileges will be sent via certified mail. This notice of suspension will provide member with an opportunity to be heard by the Board of Directors before suspending rights and privileges.

If suspension is for failure to comply with the rules and regulations, the suspended person may appeal to the meeting of the membership which may overrule or modify the decision of the Directors by vote of 80 percent of the membership present. No such suspension shall relieve or discharge the membership from its obligation to pay charges and assessments. The Directors shall suspend no person or persons from the rights and privileges of membership unless such person or persons shall have been notified of such action by registered letter.

#### **ARTICLE IV**

##### **A. DISSOLUTION**

In the event of the dissolution of the Corporation, each person who is then a member shall receive his pro rate proportion of the property and assets after provision has been made to satisfy all liabilities and obligations of the Corporation. Pro rate distributions will be based upon each member's lot ownership.

##### **B. DIRECTORS AND OFFICERS**

**Section 1.** Corporate powers of the Corporation shall be vested in the Board of Directors. The number of Directors who shall manage the affairs of the Corporation shall number at least three but no more than nine.

**Section 2.** Directors shall be elected to serve for three years, or until their successors are elected and duly qualified. The terms shall be staggered, with one Director to be elected each year. The election of Directors shall be by mail vote. Ballots shall be forwarded to the membership not less than ten days before the Spring General Membership meeting. Each member shall be entitled to cast one vote for each lot owned for each vacant Director position.

**Section 3.** Each Director shall be a member who shall not have lost his/her right to vote by reason of having disposed of land to which his/her membership is appurtenant, or by failure to pay currently all charges and assessments.

**Section 4.** In the event a Director loses his/her right to vote under provisions of Section 3 above, he/she shall thereby cease to be a Director and his/her office shall become vacant upon written notification without action other than to record in the minutes of the Board of Directors.

**Section 5.** At the first meeting of the Board of Directors after each Spring General Membership meeting of the members, the Board of Directors shall elect a President, Vice-President, Secretary and Treasurer. The Board may also at any time appoint an executive secretary and/or assistant secretary and/or assistant treasurer. Officers of the Corporation so elected shall hold office for the term of one year and/or until their successors are duly qualified by having served on the Board of Directors for at least six months. A director may be re-elected to the same office. Any officer may be suspended or removed for due cause by a majority vote of all of the directors.

**Section 6.** No director shall receive any salary or compensation from the Corporation except for reimbursement of actual "out of pocket" expenses, including mileage incurred on Club business.

Reimbursement for mileage to and from Board meetings is not authorized. No paid employee of the Corporation, nor his or her immediate relative shall be a Director.

**Section 7.** Any vacancy occurring on the Board of Directors shall be filled by appointment by a majority of the remaining Directors. The person so appointed shall hold office until the next regular meeting of the members of the Corporation, at which time, the remainder of the original terms, if any, shall be filled by election by the members in the regular manner.

## **ARTICLE V MEETINGS**

**Section 1.** The semi-annual community General Membership Meetings shall be held in the spring and fall of each year, with place and time to be pre-determined by the Board of Directors. Notice of General Membership Meetings and Special Meetings of the Members of the Corporation shall be sent via regular mail to each member, and postmarked not less than ten days prior to the date of the meeting.

**Section 2.** Special meeting of the members may be called at any time by the President or a majority of the Board of Directors. Members representing twenty-five (25) percent of the Corporation may also call a special meeting provided the cost of mailing and notification of members are paid by the group. Notice of a special meeting, stating the object thereof, shall be given by the Secretary by mailing such notice to each member not less than ten days prior to the date of such meeting.

**Section 3.** At all General Membership meetings, five (5) percent of all of the members of the Corporation present shall constitute a quorum for the transaction of business. Each member shall be entitled to one vote per lot.

**Section 4.** Special meetings of the Board of Directors shall be called at any time by the Secretary or order of the President or a majority of the Board of Directors. The Secretary shall give each Director notice, personally, verbally, by mail or by telephone, of all regular and special meetings at least one day previous thereto.

**Section 5.** A member may exercise his/her right to vote at meetings on all business matters subject to a vote of the membership.

**Section 6.** Each member shall be entitled to cast one vote only for the transaction of business.

**Section 7.** All Board of Directors meetings shall require two (2) Board of Director members present to constitute a quorum.

**Section 8.** All meetings shall be conducted in conformance with Robert's Rules of Order.

## **ARTICLE VI POWERS AND DUTIES OF DIRECTORS**

**Section 1.** Subject to limitation in the Articles of Incorporation and the By-Laws and the laws of the State of Washington, all powers of the Corporation shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be controlled by, the Board of Directors. Without prejudice to such general powers, and subject to the same limitations, it is hereby expressly declared that the Trustees shall have the following powers:

**Section 2.** Directors absent from three (3) consecutive regular meetings without good cause as determined by the Board of Directors, may be deemed to have resigned, and with no further action or notification, may be replaced at the next successive meeting until the following annual election of Directors.

**Section 3.** To conduct, manage and control the affairs and business of the Corporation, and to make such rules and regulations therefore not inconsistent with the law, with the Articles of Incorporation or the By-Laws, as they may deem best.

**Section 4.** The Directors may authorize such contracts and other corporate obligations for specific uses not already budgeted, as they deem necessary or advisable for the proper maintenance and development of the corporate property up to a limit of \$5000.00 each fiscal year. The Board of Directors may not authorize expenditures beyond \$5000.00 without a majority vote of members present at a General Membership meeting.

**Section 5.** Records of all expenditures for special assessments will be kept by the Secretary of White Water Estates for the examination by the membership. Copies can be obtained by sending a self-addressed and stamped envelope.

#### **ARTICLE VII DUTIES OF OFFICERS**

**Section 1.** **PRESIDENT** – The President shall preside at all meetings of the Directors and members; he/she shall sign as President all contracts or other instruments in writing authorized by the Board of Directors; he/she shall call special meetings of the Directors or of the members whenever he/she deems it necessary; he/she shall have and exercise under the direction of the Board of Directors the general supervision of the affairs of the Corporation.

**Section 2.** **VICE-PRESIDENT** – The Vice President shall preside at all meetings in the absence of the President, and in case of the absence or disability of the President shall perform all other duties of the President, which are incidental to his office.

**Section 3.** **SECRETARY** – The Secretary shall issue all notices and shall attend and keep the minutes of all meetings; he/she shall have charge of all corporate books, records and papers; he/she shall be custodial of the corporate seal, shall attest his/her signature and impress with the corporate seal all written contracts of the Corporation, and shall perform all such other duties as are incidental to his/her office.

**Section 4.** **TREASURER** – The Treasurer shall keep safely all monies and securities of the Corporation and disburse the same under the direction of the Board of Directors. He/she shall cause to be deposited all funds of the Corporation other than petty cash, in financial institutions approved by the Directors. A report shall be attached to and posted with the minutes of the Board of Directors meetings showing amount paid, to whom, and what purpose. At each General Membership meeting, and at any time directed by the Directors, he/she shall issue and present a full statement showing in detail the condition of the affairs of the Corporation. He/she shall be responsible for filing of liens against property owners for delinquent dues.

**Section 5.** The executive secretary and/or assistant treasurer, if appointed by the Board of Directors, shall personally perform such duties as may be designated to them.

**Section 6.** Any officer, other than the President, may occupy two offices concurrently if the Board of Directors so directs.

#### **ARTICLE VIII CERTIFICATES OF MEMBERSHIP AND TRANSFERS**

**Section 1.** Unless specifically requested by the owner and holder thereof, it shall not be necessary that certificates of members be actually issued, but any owner or purchaser of a lot or lots within the said development may exercise all of the rights and privileges and shall be subjected to all liabilities of membership without the actual issuance and possession of such certification of membership.

## ARTICLE IX ASSESSMENTS

**Section 1.** The members shall be liable for the payment of Regular Annual Assessments, (Dues) as well as Special Assessments, whereby such assessments may from time to time be fixed and levied by the membership for capital improvements, reconstruction, maintenance and operation of common areas, or other special purposes. Changes in the amount of Annual Assessments or Levy of Special Assessments will be determined by the membership at their General Membership or Special Meeting in accordance with the Articles of Incorporation and these By-Laws. The amount of Assessments may be changed by the affirmative vote of the majority of the membership at any General Membership meeting.

**Section 2.** Each Member shall be obligated to pay his/her share of regular annual, and Special Assessment made pursuant to this Article, to the Corporation. Each member shall pay the amount of such assessment to the Corporation's mailing address within 30 days after the mailing of such notice of such an assessment to member's last known address. Assessments for each Lot Owner shall begin on the date said Owner closes the transaction in which he/she acquires right, title or interest in the Lot. Assessment for the initial month shall be prorated if closing occurs on other than the first of the month.

**Section 3.** Any assessment which remains unpaid for thirty (30) days past the due date, shall incur interest at the rate of twelve percent (12%) APR from due date until paid in full. In addition, the Board of Directors shall impose a late charge in an amount of \$50 per Assessment, per year, plus costs, including attorneys' fees, of any unpaid assessment or charge that has remained delinquent for more than thirty (30) days.

**Section 4.** Assessments shall be and become a lien upon said lots owned by said members superior to any and all other liens (except as in Section 6, otherwise provided) and shall be enforceable by foreclosure to RCW 7.12 et. seq. provided that no proceedings for the foreclosure of any lien created by this article shall be commenced except upon the expiration of four months from and after the date of mailing said notice of assessment.

**Section 5.** The Notice of Lien shall not be filed of record unless and until the Board or a person designated by it, shall have delivered, by regular and certified mail to the delinquent member's last known address, not less than fifteen (15) days prior to the recordation of such lien, a written Notice of delinquency and a demand to cure same within said fifteen (15) day period.

**Section 6.** First mortgage liens placed upon any of the said lots which are recorded in accordance with the laws of the State of Washington shall be, from the date of the recordation of such, superior to such assessments and liens resulting therefrom as are levied by the Corporation subsequent to the date of the recordation of the first mortgage.

**Section 7.** The Board of Directors shall file and record a satisfaction and release of the filed and recorded in accordance with this Article upon payment or other satisfaction of all delinquent assessments set forth in the Notice of lien, and all other assessments which have become due and payable following the date of such recordation with respect to the Lot as to which such Notice of lien was filed and recorded, together with all costs, late charges and interest which have accrued thereon. A fee covering the cost of preparation and recordation shall be paid to the Corporation prior to such action.

**Section 8.** Any lot or lots purchased or contracted for purchase or acquired by any means including gift, will, devise, bequest or any other form of transfer of ownership, even within families shall be subject to full charges and assessments regardless of condition, location or characteristics or such lot or lots.

**ARTICLE X  
LIMITATION OF LIABILITY**

**Section 1.** The failure of the Board of Directors in any one or more instances to insist upon the strict performance of any of the terms, covenants, conditions or restrictions at this Declaration, or of any Bylaws, administrative rules or regulations, or to exercise any right or option contained in such documents, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment for the future of such term, covenant, condition or restriction, but such term, covenant, condition or restriction shall remain in full force and effect.

**Section 2.** Provisions limiting the liability of the Board of Directors, protecting the Directors from personal liability, and to allow for indemnification of Directors where appropriate, are governed by statute, including RCW 23B.08.510 and RCW 23B.08.520.

**ARTICLE XI  
AMENDMENTS**

These By-Laws may be amended at any time by a vote of a majority of the members of the Corporation at any General Membership or Special Meeting of the members or by Special Mail Vote.

**ARTICLE XI  
CORPORATE SEAL**

The seal of the Corporation shall be in circular form and shall contain the words "White Water Estates".

**ARTICLE XII  
VOTING**

**Section 1.** At all meetings where ballots are used, persons must be able to present evidence of identity and membership. Each member has one vote.

**Section 2.** The vote allocated to a Lot may be cast pursuant to a proxy duly executed by a Lot Owner. A proxy must bear the issuing Lot Owners signature and identify the designated individual representing that Lot Owner. The proxy must also reflect a date of termination the proxy is to expire.

**Section 3.** Unless otherwise provided, in any matter voted upon at meetings of members, the majority of those voting shall determine the act of the Corporation, provided that a quorum is present.

**Section 4.** Where voting by mail is considered, balloting shall be conducted under the following procedure:

- a) One ballot clearly identified as such, shall be mailed by the Secretary to each member entitled to vote.
- b) A return envelope, addressed to the Secretary shall be enclosed with the ballot. A second plain envelope will be enclosed in which to put your ballot to insure secrecy.
- c) The member shall mark the ballot, seal in plain envelope, put in return envelope and mail to the Secretary.
- d) The Tellers, of whom there shall not be less than three (3) with one person designated as Head Teller, shall be appointed by the President. Appointments shall be subject to approval by the Board of Directors. Each Teller must be a lot owner whose dues are currently paid.

- e) The Tellers shall count only those ballots which are received through the U.S. Mail not later than the return date specified for balloting.
- f) Within five (5) days after the return date, the Tellers shall count the votes as shown on all valid ballots so received and report the results to the President of the Board of Directors.
- g) It shall be the duty of the Tellers to supervise the addressing, mailing of the ballots to lot owners; to keep all ballots received in safe keeping pending count and report the vote to the President; and for a period of sixty (60) days after such report, keep all ballots secure for availability as to possible challenges or recounts.
- h) All voting, whether by mail or membership meetings, on all transactions of business or assessments of White Water Estates Country Club will be determined by a simple majority rule.

**ARTICLE XIV  
DATE OF ADOPTION**

These By-Laws are duly adopted by the Corporation on the 25 day of May, 2006.

(President, Board of Directors  
Signature)

[Handwritten Signature]

**ATTEST:**

(Treasurer, Board of Directors Signature)

[Handwritten Signature]

**SUBSCRIBED AND SWORN** to before me this 25 day of May, 2006.

(Notary Public Signature)

[Handwritten Signature]

Notary Public in and for the State of Washington, residing Yelm.

My appointment expires 11-27-08.

