

BY-LAWS
OF
LAKE LAWRENCE COMMUNITY CLUB

(As Amended June 18, 1994)

ARTICLE I
PURPOSES

SECTION 1.

This corporation shall be conducted as non-profit maintenance corporation for the purposes set forth in the Articles of Incorporation for a portion of the area situated in Sections 20 and 29, Township 16 North, Range 2 E. W. M., Thurston County Washington.

SECTION 2.

The corporation shall have the power and authority to levy and collect dues and/or maintenance fees against such members and/or owners of real property for the benefit of which it acts or to which its activities are related all for the purposes in its Articles of Incorporation and By-Laws set forth.

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 purpose, notice of which meeting shall be given in the manner provided by the By-Laws of giving notice for the election of trustees.

ARTICLE II
MEMBERSHIP

SECTION 1.

Every person or entity who is a record owner of a fee or undivided fee interest in any lot which is subject by covenants of record to assessment by the Club, including contract purchasers, shall be a member of the Club; provided, however, that if any Lot is held jointly by two (2) or more persons, the several owners of such interest shall designate one of their number as the "Member."

The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No Owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment by the Club. Ownership of such Lot shall be the sole qualification for membership.

No person shall have more than one (1) membership regardless of the number of Lots owned or being purchased, and the interest of each member shall be equal to that of any other member, and no member may acquire any interest which shall entitle him to any greater voice, vote or authority in the Club than any other member. In the case of Lots owned jointly by two (2) or more persons, only the joint owner designated as the "Member" pursuant to Article II hereof shall be entitled to vote.

In the event that the Non-Profit Corporation Law of the State of Washington as set forth in Title 24, Revised Code of Washington is changed to permit one member of a non-profit corporation to exercise greater voting rights than another member, voting shall thereafter be according to the number of Lots owned, that is members shall be entitled to one vote for each Lot in which they hold the interest required for membership by Article II. When more than one person holds such interest in any Lot, the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

SECTION 2. DEFINITIONS

"MEMBERS" shall mean members of the corporation who shall conduct the affairs of the corporation as provided in the Articles of Incorporation and By-Laws of the corporation.

"OWNERS" shall mean owners or contract purchasers of building lots within the subdivisions of Lake Lawrence West and such other property as may be designated by a vote of two-thirds of the members.

SECTION 3.

No membership or certificate of membership may be transferred, assigned or in any manner conveyed other than in the manner set forth in Article III of the Articles of Incorporation.

SECTION 4.

In the event that any Owner, his/her family or guests shall violate the Articles of Incorporation or By-Laws of this corporation, or the rules and regulations established by the Board of Trustees, the corporation shall have the right to suspend the voting rights and right to use of the recreational facilities by a member, member's family or guests for any period during which any assessment against his/her Lot remains unpaid; and for a period not to exceed thirty (30) days for any infraction of its published rules and regulations.

ARTICLE III

DISSOLUTION

In the event of a dissolution of the corporation, each person who is then an Owner shall receive his/her

pro rata proportion of the property and assets after all of the corporation's debts have been paid.

ARTICLE IV

TRUSTEES AND OFFICERS

SECTION 1.

Corporate powers of the corporation shall be vested in a Board of Trustees. The number of Trustees who shall manage the affairs of the corporation shall be five. At any meeting or special meeting called therefor, the members may increase or decrease the number of Trustees to any number not more than nine nor less than three.

SECTION 2.

Trustees shall be elected to serve for four years, or until their successors are elected and duly qualified.

SECTION 3.

At the first meeting of the Board of Trustees after each annual meeting of the members, the Board of Trustees 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 until their successors are qualified. Any officer may be suspended or removed by a majority vote of all of the trustees.

SECTION 4.

No trustee or officer, except the executive secretary and/or assistant secretary and/or assistant treasurer, shall receive any salary or compensation from the corporation.

SECTION 5.

Any vacancy occurring in the Board of Trustees shall be filled by appointment by a majority of the remaining trustees. The person so appointed shall hold office until the next regular meeting of the members of the corporation, at which annual or adjourned annual meeting the vacancies for 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.

Annual meetings of the members of the corporation shall be held at the principal place of business of the corporation or at such other place as the Board of Trustees may elect. The annual meetings shall be held on the third Saturday of each June. Notice thereof shall be given by the secretary by mailing notice to

each member not less than ten days prior to the date of meeting.

SECTION 2.

Special meetings of the members may be called at any time by the President or a majority of the Board of Trustees or by twenty-five percent (25%) of the members, and notice of the special meeting stating the object thereof shall be given by the Secretary by mailing such notice to each member not less than five days prior to the date on which such meeting is to be held.

SECTION 3.

At all annual and special meetings of the members, ten percent (10%) of all the members of the corporation shall constitute a quorum for the transaction of business. Each member in good standing shall be entitled to one vote. At all annual and special meetings of the members, fifty percent (50%) of all the members in good standing present shall constitute a majority for transaction of business.

SECTION 4.

Special meetings of the Board of Trustees shall be called at any time by the secretary on order of the President or a majority of the Board of Trustees. The secretary shall give each trustee 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 right to vote by proxy.

ARTICLE VI

POWERS AND DUTIES OF TRUSTEES

SECTION 1.

Subject to limitations in the Articles of Incorporation and the By-Laws of the State of Washington, all powers of the corporation shall be exercised by or under the authority of, and the business affairs of the corporation shall be controlled by the Board of Trustees. 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: to maintain park facilities for the benefit of all property owners who are or shall become members of Lake Lawrence Community Club.

SECTION 2.

To select and remove all other officers, agents and employees of the corporation, prescribe such powers and duties for them as may not be inconsistent with law, with the Articles of Incorporation or the By-Laws, fix their compensation and require from them security for faithful service.

SECTION 3.

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

SECTION 4.

To issue certificates to owners or purchasers of tracts subject to such conditions or terms as provided in the Articles of Incorporation and the By-Laws.

SECTION 5.

To charge and/or assess the several parcels of land and the owners thereof as more particularly set forth herein.

SECTION 6.

To cause to be kept a complete record showing in detail the condition of the affairs of the corporation.

ARTICLE VII

DUTIES OF OFFICERS

SECTION 1. President.

The president shall preside at all meetings of the trustees and members; he/she shall sign as president all certificates and all contracts or other instruments in writing authorized by the Board of Trustees; he/she shall call special meetings of the trustees or of the members whenever he/she deems it necessary; he/she shall have and exercise under the direction of the Board of Trustees the general supervision of the affairs of the corporation. The president shall be responsible for enforcing the Articles of Incorporation and By-Laws and any rules and regulations established by the Board of Trustees and levying such penalties as he/she deems necessary as provided for in Section 3, Article II, of the By-Laws of the Lake Lawrence Community Club.

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/her 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 custodian 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 Trustees. He/she shall cause to be deposited all funds of the corporation in a bank selected by the trustees. At each annual meeting of the members, and at any time directed by the trustees, he/she shall issue and present a full statement showing in detail the condition of the affairs of the corporation.

SECTION 5.

The executive secretary and/or assistant secretary and/or assistant treasurer, if appointed by the Board

of Trustees, shall perform such duties as may be designated by it.

SECTION 6.

Any officer, other than the president, may occupy two offices concurrently if the Board of Trustees so directs.

ARTICLE VIII

ASSESSMENTS

SECTION 1.

Each Owner or contract purchaser of any Lot or Lots by acceptance of a deed or real estate contract therefor, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay the same as hereinafter provided: (1) annual assessments or charges, and (2) special assessments for capital improvements or other extraordinary expenses. Such assessments to be fixed, established, and collected from time to time as hereinafter provided.

The annual and special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest, costs, and reasonable attorney's fees shall also be the personal obligation of the person who was the Owner of such property at the time the assessment fell due. The personal obligation shall not pass to the successors in title unless expressly assumed by them. However, the lien shall continue upon the subject property notwithstanding the sale or transfer of ownership of the subject property.

Annual assessments or charges shall be set by a majority vote of the Board of Trustees, provided that such annual assessments or charges shall not be increased by more than ten percent (10%) in any fiscal year. Special assessments for capital improvements or other extraordinary expenses shall be established by a majority vote of the members in accordance with Article V of these By-Laws.

All charges and assessments shall be expended pursuant to the Articles of Incorporation.

SECTION 2.

Whether or not it shall be so expressed in any such deed or other conveyance, the corporation shall enforce its assessments and liens as follows:

A.

If any assessment is not paid within thirty (30) days after it was first due and payable, the assessment shall bear interest from the date on which it was due at the maximum rate allowed by law at the time of assessment, and the Club may bring an action at law against the one personally obligated to pay the same and/or foreclose the lien against the subject property in the nature of a mortgage foreclosure, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment and all such sums shall be included in any judgment. No Owner or contract purchaser shall be relieved of liability for the assessments provided for herein by non-use or abandonment of his Lot.

B.

The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage (and to the lien of any second mortgage given to secure payment of the purchase price) now or hereafter placed on any Lot.

Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot which is subject to such first mortgage or purchase money second mortgage, pursuant to a decree of foreclosure under such mortgage or a deed in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to payments thereof which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE IX

AMENDMENTS

These By-Laws may be amended at any time by a vote of a majority of the members in good standing present at any regular or special meeting of the corporation, in accordance with Article V of these By-Laws.

DATED this 2nd day of July, 1994.

BOARD OF TRUSTEES:

(Original signed)