

BY-LAWS OF NORWOOD VILLAGE CORPORATION
(As Amended Through January ~~1990~~ 2009)

Article 1
Meetings

Section 1. Place of Meeting

Any or all meetings of the members and of the Board of Trustees, of the corporation may be held at the time and place determined by the Board of Trustees within the state of Washington

Section 2. Annual Meeting of Members

After the year 1950, an annual meeting of the members shall be held in January each year or as soon thereafter as possible, the specific date and time to be determined by the Board of Trustees; one of the purposes of which shall be the election of a Board of Trustees.

Section 3. Notice of Annual Meeting of Members

At least ten (10) days prior to the date fixed by Section 2 of this article for the holding of the annual meeting of members; written notice of the time, place and purposes of such meeting shall be mailed **or emailed**, as hereinafter provided, to each member entitled to vote at such meeting.

Section 4. Delayed Annual Meeting.

(Repealed)

Section 5. Order of Business at annual meeting.

The order of business at the annual meeting of the members shall be as follows:

- a. Roll Call
- b. Reading notice of proof of mailing.
- c. Reading of minutes of last preceding meeting
- d. Report of President.
- e. Report of Secretary.
- f. Report of the Treasurer.
- g. Report of committees.
- h. Presentation and approval of budget.
- i. Election of Trustees.
- j. Transaction of other business mentioned in the notice.
- k. New business (non-budget).
- l. Adjournment provided that in the absence of any objection, the presiding officer may vary the order of business at discretion.

Section 6. Special Meetings of Members.

A special meeting of the members may be called at any time by the President or by a majority of the Board of Trustees. The method by which such meeting may be called is as follows:

- Upon receipt of a specification in writing setting forth the date and objects of such proposed special meeting, signed by the President or by a majority of the Board of Trustees.
- The Secretary or an Assistant Secretary shall prepare, sign and mail/**email** the notices requisite to such meeting.
- Such notice may be signed by stamped, typewritten, or printed signature of the Secretary or of an Assistant Secretary.

Section 7. Notice of Special Meeting of Members.

At least ten (10) days prior to the date fixed for the holding of any special meeting of members, written notice of the time, place and purposes of such meeting shall be mailed/**emailed**, as hereinafter provided, to each member entitled to vote at such meeting. No business not mentioned in the notice shall be transacted at such meeting.

Section 8. Assessment Meetings.

Whenever assessments or rulings governing assessments are to be voted on at a regular or special meeting of the membership, notice shall be given as provided in Section 7. A description of the nature and amount of the proposed assessment or change of the rules shall be included in the written notice.

Section 9. Organization Meeting of Board.

Not more than thirty (30) days following the annual meeting of members, the Board of Trustees constituted upon final adjournment of such annual meeting shall convene for the purposes of electing officers and transacting any other business properly brought before it, at a time and place determined by the **outgoing president of the** trustees of such new board.

Section 10. Regular Meetings of Board.

Regular meetings of the Board of Trustees shall be held not less frequently than once in each month **or at the discretion of the Board of Trustees pending business to be covered**, at such time and place as the Board of Trustees shall from time to time determine. No notice of regular meetings of the board shall be required.

Section 11. Special Meetings of Board

Special meetings of the Board of Trustees may be called by the President at any time by means of such written notice by mail/**email or by phone or fax** of the time,

place and purpose thereof to each trustee as the President in his discretion shall deem sufficient. Action taken at any such meeting shall not be invalidated for want of notice if such notice shall be waived, as hereinafter provided.

12. Notices and Mailings.

All notices required to be given by any provision of these by-laws shall state the authority pursuant to which they are issued (as, "by order of the President", or "by order of the Board of Trustees", as the case may be). And shall bear the written, stamped, typewritten or printed signature of the Secretary or Assistant Secretary or President. Every notice shall be deemed duly served when the same has been deposited in the United States mail with postage fully prepaid, plainly addressed to the sendee at his or her address (or at the last address appearing upon the membership records of this corporation).

13. Waiver of Notice.

In case of emergencies, to correct technical procedural errors, or for other good reasons, notice of the time, place and purpose of any meeting of the members or the Board of Trustees, may be waived by ~~telegram, radiogram, cablegram or other writing-mail/email~~, either before or after such meeting has been held.

Article II. Quorum

Section 1. Quorum of Members.

Presence in person or by proxy of members representing 25% of the voting rights of this corporation shall constitute a quorum at any meeting of the members.

Section 2. Quorum of Trustees.

A majority of the trustees shall constitute a quorum.

Article III. Voting, Elections, And Proxies

Section 1. Who is Entitled to Vote.

Except as the articles or any amendment, or amendments, thereto otherwise provide, each member of this corporation shall at every meeting of the members, be entitled to one (1) vote in person or by proxy upon each subject properly submitted to vote. When more than one person is a member because of record ownership of one lot, the vote may be exercised as those persons may determine, but in no event shall more than one vote be cast with respect to any lot. When one residential property (i.e., one residence and adjoining land that is customarily treated as a single unit and that would normally be transferred as a single property), is made up of more than one lot or parts of more than one lot

(as shown on the plat), such residential property shall be treated as a single lot for the purposes of membership, voting and assessments.

Section 2. Proxies.

No proxy shall be deemed operative unless and until signed by the member and filed with the corporation; and it shall remain in force for the particular meeting or issue for which it was given, and no longer.

Section 3. Vote by Shareholder Corporation.

Any other corporation voting shares in this corporation may vote upon the same by the President of such shareholder corporation, or by proxy appointed by him, unless some other person shall be appointed to vote upon such shares by resolution of the Board of Trustee or Board of Directors of such shareholder corporation.

Section 4. Inspectors.

Whenever any person entitled to vote at a meeting of the members shall request the appointment of inspectors, a majority of the members present at such meeting and entitled to vote thereat shall appoint no more than (3) three inspectors, who need not be members. If the right of any person to vote at such meeting shall be challenged, the inspectors shall determine such right. The inspectors shall receive and count the votes, either upon an election or for the decision of any question and shall determine the result. Their certificate of any vote shall be 'prima facie' evidence thereof.

**Article IV.
Board of Trustees**

Section 1. Number and Term of Trustees.

The business, property and affairs of this corporation shall be managed by a Board of Trustees composed of five (5) persons, who shall be members of this corporation. Each trustee shall hold office for the term for which he is elected and until his successor is elected and qualified.

Section 2. Classification of Trustees.

At the first annual meeting of the members for the purpose of electing the members of the Board of Trustees, the members of the Board of Trustees shall be divided into three classes:

Class "A" – one member

Class "B" – two members

Class "C" – two members.

The members of Class "A" shall hold office or a term of one year; the members of Class "B" shall hold office for a term of two years; and the members of Class "C" shall hold office for a term of three years. At all annual elections, thereafter sufficient trustees to fill the then expired term or terms shall be elected by the members for a term of three (3) years, to succeed the trustees whose terms then

expired, provided that nothing herein shall be constituted to prevent the election of a trustee to succeed himself.

Section 3. Vacancies.

Vacancies in the Board of Trustees shall be filled by appointment made by the remaining trustees. Each person, so elected to fill a vacancy shall remain a trustee until his successor has been elected by the members, who may make such election at their next annual meeting or at any special meeting duly called for that purpose and held prior thereto.

Section 4. Action By Unanimous Written Consent.

If and when the trustees shall severally or collectively consent in writing to any action to be taken by the corporation, such action shall be as valid corporate action as though it had been authorized at a meeting of the Board of Trustees.

Section 5. Power to Make By-Laws.

(Repealed)

Section 6. Power to Elect Officers.

The Board of Trustees shall select a President, one or more Vice Presidents, a Secretary and a Treasurer.

Section 7. Power to Appoint Other Officers, Agents and Committees.

The Board of Trustees shall have power to appoint such other officers, agents and committees, as the board may deem necessary for transaction of the business of the corporation.

Section 8. Removal of Officers, Agents and Committees.

Any officer, agent or member of a committee may be removed by the Board of Trustees whenever, in the judgment of the board the interests of the corporation will be served thereby.

Section 9. Power to Fill Vacancies.

The board shall have power to fill any vacancy in any office occurring from any reason whatsoever.

Section 10. Delegation of Powers.

For any reason deemed sufficient by the Board of Trustees, whether occasioned by absence or otherwise, the board may delegate all or any of the powers and duties of any officer to any other officer or director; but no officer or director shall execute, acknowledge or verify any instrument in more than one capacity.

Section 11. Power to Appoint Executive Committee.

The Board of Trustees shall have power to appoint by resolution, an executive committee composed of two or more trustees who, to the extent provided in such resolution, shall have an exercise the authority of the Board of Trustees in the management of the business of the corporation between meetings of the board.

Section 12. Power to Require Bonds.

The Board of Trustees may require any officer or agent to file with the corporation a satisfactory bond conditioned for faithful performance of his duties.

Section 13. Compensation.

The compensation of trustees, officers, and agents may be fixed by the board.

Section 14. Transfer of Property.

The Board of Trustees may not complete transactions effecting the transfer of ownership of property owned by the corporation until such proposed actions are approved either by a majority vote of those present at a corporation meeting; in which case information regarding such action must be included in the notice of the meeting, or by a majority of the voting members of the corporation on signed ballots.

Section 15. Power to Levy Assessments.

The Board of Trustees shall have no power to levy assessments except with the approval of the members, and all assessments shall be made in accordance with Article XII.

**Article V.
Officers**

Section 1. President.

The President shall be selected by and from the membership of the Board of Trustees. He shall be the chief executive officer of the corporation. He shall preside over all meetings of the board and of the members. He shall have general and active management of the business of the corporation and shall see that all orders and resolutions of the board are carried into effect. He shall be ex-officio member of all standing committees and shall have the general powers and duties of supervision and management usually vested in the office of President of a corporation.

Section 2. Vice President.

Vice President shall be chosen from the membership of the board. Such Vice President, in order of their seniority, shall perform the duties and exercise the powers of the President during the absence or disability of the President.

Section 3. Secretary.

The Secretary shall attend all meetings of the members, the Board of Trustees and of the executive committee. The Secretary shall preserve in books of the corporation true minutes of the proceedings of all such meetings. ~~He shall safely keep in his custody the seal of the corporation and shall have authority to affix~~

~~the same to all instruments where its use is required.~~ He shall give all notices required by statute, by-law or resolution. He shall perform other duties as may be delegated to him by the Board of Trustees or by the executive committee.

Section 4. Treasurer.

The Treasurer shall have custody of all corporate funds and securities and shall keep in books belonging to the corporation full and accurate accounts of all receipts and disbursements. He shall deposit all monies; securities and other valuable effects in the name of the corporation in such depositories as may be designated for the purpose by the Board of Trustees. He shall disburse the funds of the corporation, as may be ordered by the board, taking proper vouchers for such disbursements and shall render to the President and trustees at the regular meetings of the board, and whenever requested by them, an account of all his transactions as Treasurer and of the financial condition of the corporation. ~~He shall deliver to the President of the corporation and shall keep in force, a bond in form, amount and with a surety or sureties satisfactory to the board, conditioned for faithful performance of the duties of his office; and for restoration to the corporation, in case of his death, resignation, retirement or removal from office, of all books, papers, vouchers, monies and property of whatever kind in his possession or under his control belonging to the corporation.~~

Section 5. Assistant Secretary and Assistant Treasurer.

The Assistant Secretary, in the absence or disability of the Secretary shall perform the duties and exercise the powers of the Secretary. The Assistant Treasurer, in the absence or disability of the Treasurer shall perform the duties and exercise the powers of the Treasurer.

Article VI. Execution of Instruments

Section 1. Checks, Etc.

All checks, drafts and orders for payment of money shall be signed in the name of the corporation and shall be countersigned by such officers or agents as the Board of Trustees shall from time to time designate for that purpose.

Section 2. Contracts, Conveyances, Etc.

When the executive of any contract, conveyance or other instrument has been authorized without specification of the executing officers, the President or any Vice President and the Secretary, or Assistant Secretary may execute the same in the name and behalf of this corporation and may affix the corporate seal thereto. The Board of Trustees shall have power to designate officers and agents who shall have authority to execute any instrument on behalf of this corporation.

**Article VII.
Power of Board To Borrow Money**

The Board of Trustees shall have full power and authority to borrow money subject to approval, either by a majority vote of those present at a corporation meeting, in which case information regarding such action must be included in the notice of the meeting, or by a majority of the voting members of the corporation on signed ballots. In such case, the Board of Trustees may authorize the proper officers of this corporation to make, execute and deliver in the name and behalf of this corporation such notes, bonds, and other evidence of indebtedness, as said board shall deem proper; and said board shall have full power to mortgage the property of this corporation, or any part thereof, as security for such indebtedness, and no subsequent action on the part of the membership of this corporation shall be requisite to the validity of any such note, bond, evidence of indebtedness or mortgage.

**Article VIII.
Membership**

Section 1. Membership

Every record owner of a lot in the plat of *Norwood Village* and the plat of *Norwood Village, Division 2*, shall be a member of *Norwood Village Corporation*. When more than one person holds an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they may determine, but in no event shall more than one vote be cast with respect to any lot. When one residential property (i.e., one residence and adjoining land that is customarily treated as a single unit and that would normally be transferred as a single property) is made up of more than one lot or parts of more than one lot (as shown on the plat), such residential property shall be treated as a single lot for the purposes of membership, voting and assessments.

Section 2. Dues

(Repealed)

Section 3. Removal From Membership

(Repealed)

Section 4. Evidence of Membership.

Membership in this corporation shall be evidenced by record ownership of property, as described in Section 1 of this Article.

Section 5. Cessation of Membership.

Membership in this corporation shall automatically cease upon the transfer by the member concerned of his interest in the particular lot in the “block” or “plat” of *Norwood Village*.

Section 6. Transfer of Membership.

Membership in this corporation shall be appurtenant to and may not be separated from ownership of any lot, and may not be assignable or transferable by operation of law or otherwise.

Section 7. Interest in More Than One Membership.

(Repealed)

**Article IX.
Rules Of Order To Govern At Meetings**

The rules contained in *Roberts Rules of Order, Revised* shall govern the meetings of the members or trustees where they are not inconsistent with these by-laws.

**Article X.
Declaration Of Purpose Of Corporation**

(Repealed)

**Article XI.
Amendment Of By-Laws**

Section 1. Amendments – How Effected.

These by-laws may be amended, altered, changed, added-to or repealed either upon the initiative of the Board of Trustees or by members of the corporation. If the Board of Trustees votes to amend, alter, change, add-to or repeal the by-laws, such amendments, alterations, changes, additions or repeal will be effective upon notification by either a majority affirmative vote of those members present of a duly constituted quorum at the regular or special meeting of the corporation; in which case, information regarding such action must be included in the notice of the meeting or by ratification of such action by a majority affirmative vote by voting members of the corporation on signed ballots.

Amendments, alterations, changes, additions and repeals may also be initiated by vote of a majority of those voting members present at any regular or special meeting of the members; in which case, the amendment, alteration, change,

addition or repeal shall be effective upon notification by a majority affirmative vote of the Board of Trustees.

Article XII. Assessments

Section 1. Assessments, General.

Each record owner of legal title to a lot in *Norwood Village* by acceptance of a deed, therefore, whether or not it shall be so expressed in such deed, agrees to pay Norwood Village Corporation annual assessments or charges and special assessments as established by the membership, in accordance with these provisions.

Section 2. Levying Assessments.

Members may agree to annual or special assessments, either by affirmative majority vote of members present at any meeting of the members provided that the meeting notice must include a description of the nature and amount of the proposed assessments, or by a majority of the voting members of the corporation on signed ballots.

Section 3. Use of Assessed Funds, Budgeting Process, Accounting.

All of the monies collected by the *Norwood Village Corporation* through annual assessments shall be used for the purposes of promoting the recreation, health, safety, and welfare of the residents of the properties; and in particular, for the payment of taxes, insurance, drainage assessments, and other expenses relating to commonly-owned properties, for the expenses necessary for the operation of the *Norwood Village Corporation*, to maintain a reserve fund, and for such other purposes as may be approved by the members of *Norwood Village Corporation*, in accordance with these provisions. All of the monies collected by the *Norwood Village Corporation*, through a special assessment shall be used for the purpose for which the assessment was levied and provisions for the disposition of any excess shall be made at the time the special assessment is approved.

The Board of Trustees shall approve a budget that will be presented to the members at the annual meeting of the members. It shall represent the trustees' best estimate of expenditures that will be made together with income sufficient to fund said expenditures in the succeeding year. The budget shall be included with the notice of the annual meeting of members.

The budget shall include all expenditures by committees funded by the *Village*. Committees and individual members may request funding by presenting a budget request for the next year, in such detail as the trustees may require, to the Treasurer no later than the 1st of October of the year prior to the annual meeting. The trustees shall have the authority to approve, revise, or reject budget requests from such committees or individuals. Approved budget requests shall be

included in the annual budget presented to the members. If the trustees revise or reject a budget request, they shall notify the requestor no later than the 1st of December, to permit a timely request for consideration by the membership. The requestor may ask that the issue be presented to a vote of the membership. Such a request must be made to the Treasurer in writing no later than the last day of December and be included in the meeting notice; and the requestor shall be permitted to include a statement, not to exceed one (1) page, with the notice in support of his request.

The budget approved by the Board of Trustees shall be effective unless it is reduced **or expanded** by a majority of the members present, or for budget requests rejected or revised by the trustees and submitted to the membership as provided above, amended by a majority vote of all members (including those not present). **If the budget is increased and the funds are not available in the budget to support the increase, the Board of Trustees can request an increase of dues subject to approval by membership as provided above in order to implement the requested expenses.**

~~Proposals involving new or increased expenditures of Village funds that have not been included in the annual meeting notice shall not be considered at such meeting.~~

The budget shall provide guidance and authority to spend or obligate *Village* funds, provided that the trustees shall have the authority to make necessary and reasonable expenditures for unforeseen expenses, consistent with the provisions of the first paragraph of this section, at the discretion, from all monies collected.

The trustees shall make an annual accounting to the members of receipts and disbursements.

Section 4. Due Dates.

Annual assessments shall be paid in full to the *Norwood Village Corporation* on or before April 1st of each year, commencing with the year 1990. Special assessments shall be paid in full within ninety (90) days of the approval unless a different time is established at the time the assessment is approved; but in no case shall the period be less than thirty (30) days. Any assessments not paid when due shall be delinquent.

Section 5. Effect of Non-Payment Remedies.

If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency, as provided in Section 6. The annual and special assessments, together with interest, costs, costs of collection, and attorney's fees incurred in connection therewith shall be a charge on the land and shall be a continuing lien upon the property against which such assessment is made. Each such assessment together with interest, costs, costs of collection, and attorney's fees shall also be the personal obligation of the

person who was the recorded legal owner of such property at the time the assessment became due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

The lien of the assessment provided for herein, shall be subordinate to the lien of all mortgages or deeds of trust, now or hereafter placed upon the same property, provided however, that such subordination shall apply only to assessments which shall have become due and payable prior to the sale or transfer of the property pursuant to a decree of foreclosure, or any proceeding in lieu of foreclosure and shall not apply after such sale or transfer.

Norwood Village Corporation may take action to collect said assessments and may bring an action at law or in equity against the recorded owner personally obligated to pay or to foreclose the lien against the property; and attorney's fees of any such action shall be added to the amount of such assessment.

Section 6. Interest Rates.

Any interest rates that may be applicable under the assessment provisions shall be at the rate of 12% per annum on the unpaid balance or the legal maximum permitted by the laws of the State of Washington, whichever is less.

The amount of interest set forth herein to be charged against delinquent assessments may be increased or decreased by *Norwood Village Corporation*, pursuant to the amendment provisions of these By-Laws; provided, that any increase or decrease shall not apply to assessments then currently delinquent, and that the amount of interest charged shall not, under any circumstance, exceed the legal limit permitted by the laws of the State of Washington.

No interest will be charged or lien action taken with regard to assessments owned the *Norwood Village Corporation* for years prior to 1990, if said assessments are paid in full by April 1, 1990 or by such other agreement satisfactory to the Corporation Board of Trustees. Such prior assessments, if not paid by April 1, 1990, will be subject to the lien and interest provisions of this section on that date, and April 1, 1990 shall be deemed to be the date such assessments were first due and payable.