

BYLAWS

BYLAWS OF LAKE MARCEL COMMUNITY CLUB

ARTICLE I Purposes

Section 1. This corporation shall be conducted as a nonprofit corporation for the purposes set forth in the Articles of incorporation under the Washington Nonprofit Corporation Act.

Section 2. The corporation shall have the power to levy and collect annual dues and special assessments from its members for the purposes set forth in its Articles of Incorporation and Bylaws. Unpaid annual dues and special assessments shall be a lien on a member's lot as provided in the Covenants of Lake Marcel and may be foreclosed as provided by law.

Section 3. The purposes for which this corporation was created may be altered, modified, enlarged, or diminished by the vote of two-thirds (2/3) of the members present in person or by proxy at a meeting duly called for such purpose, notice of which meeting shall be given in the manner provided by the Bylaws for a special meeting.

ARTICLE II Membership

Section 1. The membership of the corporation shall consist of and be limited to the life members described in Article V of the Articles of Incorporation, and the owners of lots in the area described in the Covenants filed under King County Auditor's File No. 5644743 who shall have one (1) membership regardless of the number of tracts so owned or purchased. Members shall have one (1) vote per lot so owned up to a maximum of three (3) votes. Each lot is assessed separately. A purchaser under a contract of purchase shall be deemed to be the owner for membership purposes. If any tract or tracts are held by two (2) or more persons, the several owners of such interest shall be entitled collectively to cast one (1) vote and one (1) vote only per lot so held up to a maximum of three (3) votes. Life members, members at large and honorary members who are not owners have no vote.

Section 2. Except as hereinbefore otherwise provided and as declaratory of the foregoing, no membership shall be voted unless represented by the owner or purchaser as aforescribed of an individual tract or tracts to which it is and shall be inseparably appurtenant and unless the dues and assessments for that, membership are current on the corporate books.

Section 3. Membership and certificates of membership evidencing the same shall be inseparably appurtenant to tracts owned by members and upon transfer of ownership, or contract of sale, of any such tracts, membership or certificates of membership shall ipso facto be deemed to be transferred to the contract purchaser. No membership or certificate of 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 of the 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 be expelled except upon foreclosure for nonpayment of dues or assessments, and no member may withdraw except upon transfer of title

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to the real property to which his membership is appurtenant, as elsewhere herein provided. No compensation shall be paid by the corporation upon any 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. Life Members. All incorporators and Eastgate Realty, Inc. (the developer of the Lake Marcel tracts herein mentioned) shall be life members, subject to Article II, Section 7. The Board of Directors may elect life members.

Section 6. Members at Large. The Board of Directors may elect members at large; provided, the number of life members and members at large shall not exceed twenty-five percent (25%) of all the members.

Section 7. Life members and members at large shall pay the same assessment or dues and be entitled to all the rights and privileges of any other member, including the right to hold office.

Section 8. Honorary members may be elected by the Board of Directors to have such privileges and subject to such conditions as the Board may resolve.

Section 9. No life member or member at large or honorary member may transfer his membership.

Section 10. The Board of Directors shall be slow to confer membership either at large or honorary, generally restricting them to persons who have had some previous contact with the corporation or who have rendered signal service to the corporation.

ARTICLE III Transfer of Real Property and Its Appurtenances

It shall take the vote of two-thirds (2/3) of the members present in person or by proxy at a meeting duly called for such purpose to transfer, convey, alter or modify the ownership or the uses of any real property belonging to the corporation. Notice of such meeting shall be given in the manner provided by the Bylaws for a special meeting.

ARTICLE IV Dissolution

In the event of the dissolution of the corporation, each person who is then a member shall receive his pro rata proportion of the property and assets after all of its debts have been paid under a plan of distribution approved by a vote of two-thirds (2/3) of the members present in person or by proxy at a meeting called for the purpose with notice as provided in the Bylaws for a special meeting.

ARTICLE V Directors and Officers

Section 1. Corporate powers of the corporation shall be vested in a Board of Directors. The number of Directors who shall manage the affairs of the corporation shall be five (5). A majority of the Directors shall constitute a quorum for the Directors' meetings. At any meeting or special

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meeting called therefore the members may increase or decrease the number of Directors to any number not more than fifteen (15) nor less than three (3).

Section 2. Directors shall be elected to serve for three (3) years, or until their successors are elected and duly qualified. One-third (1/3) of the Board shall stand for election each year. Election of Directors shall take place at the annual meeting of the members.

Section 3. Each director shall be a member.

Section 4. In the event a director, other than an incorporator qualified by Article II, Section 7 of these Bylaws, ceased to be the owner of the land to which his membership is appurtenant, or of a contract for the purchase thereof, he shall cease to become a Director and his office shall become vacant upon written notification without action other than to spread such fact upon the minutes of the Board of Directors.

Section 5. At the first meeting of the Board of Directors after each annual meeting of the members, the Board of Directors shall elect a President, Vice President, or Co-Vice Presidents, Secretary and Treasurer. The Co-Vice Presidents shall share duties as defined by the Board of Directors. 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 (1) year and until their successors are qualified. Any officer may be suspended or removed by the majority vote of all the Directors.

Section 6. Any Director who misses three (3) consecutive scheduled Board meetings without sufficient reason as determined by the Board shall be removed from the Board of Directors and that vacancy shall be filled according to Article V, Section 8.

Section 7. No Director or officer, except the Executive Secretary and/or the Assistant Treasurer shall receive any salary or compensation from the corporation.

Section 8. Any vacancy occurring in 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 end of the term of the vacated office.

ARTICLE VI Meetings

Section 1. Annual meetings of the members of the corporation shall be the principal place of business of the corporation or at such other place as the Board of Directors may determine. The annual meetings shall be held during the second quarter of each year on a date determined by the Board of Directors to cause the least inconvenience to the largest number of members. The time of these annual meetings shall be 2:30 p.m. Notice thereof shall be given by the secretary by mailing notice to each member not less than ten (10) nor more than fifty (50) days prior to the date of the meeting at the last known address.

Section 2. Special meetings of the members may be called at any time by the president or a majority of the Board of Directors, or any members representing ten percent (10%) of the tracts within the jurisdiction of the corporation. Notice of a special meeting, stating the date, time, place and purpose thereof, shall be given by the secretary by mailing such notice to each member

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not less than ten (10) days nor more than fifty (50) days prior to the date on which such meeting is to be held.

Section 3. At all meetings of the members, any number of the corporation present in person or by proxy shall constitute a quorum for the transaction of business. Each member shall be entitled to one (1) vote per lot up to a maximum of three (3) votes as described in Article II, Section 1.

Section 4. Special meetings of the Board of Directors shall be called at any time by the secretary on 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 (1) day previous thereto.

Section 5. A member may exercise his right to vote by written proxy, which shall be valid for not more than eleven (11) months.

Section 6. All meetings shall be conducted according to Robert's Rules of Order.

ARTICLE VII Powers and Duties of Directors

Section 1. Subject to limitation in the Articles of Incorporation and by Bylaws 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 Directors shall have the following powers.

Section 2. To select and remove all the 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 Bylaws, 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 resolutions therefore not inconsistent with law, with the Articles of Incorporation or the Bylaws, as they may deem best.

Section 4. To issue certificates of membership only to the owners or purchasers- of tracts hereinbefore described, subject to such conditions or terms as provided in the Articles of Incorporation and the Bylaws.

Section 5. To charge and/or assess the several parcels of land and the owners thereof as hereinbefore more particularly set forth.

Section 6. To cause to be kept a complete record of all minutes and acts and present a full statement to the regular annual meeting of members showing in detail the condition of the affairs of the corporation.

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ARTICLE VIII Duties of Officers

Section 1. President. The President shall preside at all meetings of the Directors and members; he shall sign as President all certificates of membership and all contracts or other instruments in writing authorized by the Board of Directors; he shall call special meetings of the Directors or of the members whenever he deems it necessary; he shall have and exercise under the direction of the Board of Directors the general supervision of the affairs of the corporation; he shall serve one (1) additional year after his term as President, in an advisory capacity, which shall be nonvoting, unless he has another year or more of service because of regular election.

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. In cases of Co-Vice Presidents, the individual who shall preside at or perform the duties of the President shall be the senior individual in terms of time of service on the Board. In cases of equal time of service/ that decision shall be made by the majority of the rest of the Board of Directors.

Section 3. Secretary. The Secretary shall issue all notices and shall attend and keep the minutes of all meetings; shall have charge of all corporate books, records and papers; shall be the custodian of the corporate seal; shall attest his signature and impress with the corporate seal all written contracts of the corporation; and shall perform all other duties as are incidental to his office.

Section 4. Treasurer. The Treasurer shall keep safely all monies and security of the corporation and disburse the same under the direction of the Board of Directors. He shall cause to be deposited all funds of the corporation in a bank selected by the Directors. At each annual meeting of the members, and at any time directed by the Directors, he 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, as appointed by the Board of Directors, shall perform such duties as may be designated by it.

Section 6. Any officer, other than the President, may occupy two (2) offices concurrently if the Board of Directors so directs.

ARTICLE IX Certificates of Membership and Transfers

Section 1. A certificate of membership in the corporation shall be issued to each member. All such certificates shall be signed by the President, or Vice President and the Secretary.

Section 2. All memberships and certificates evidencing same shall be inseparably appurtenant to the tract, tracts or fractional tracts owned by the holders thereof, and upon sale or contract to sell such memberships and such certificates shall become the property of the grantee or purchaser as hereinbefore provided. No transfer of membership shall entitle the transferee to vote the same

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until it has been established to the satisfaction of the Secretary that such transfer is bona fide and has been made in the manner provided.

Section 3. Unless specifically requested by the owner and holder thereof, it shall not be necessary that certificates of membership be actually issued, but any owner or purchaser of a tract or tracts within the said district may exercise all of the rights and privileges and shall be subject to all of the liabilities of membership without the actual issuance and possession of such certificates of membership.

ARTICLE X Assessments

Section 1. The members of the corporation shall be liable for the payment of such annual dues and special assessments as may from time to time be fixed and levied by the Board of Directors pursuant to the Articles of Incorporation, the Covenants of Lake Marcel as amended and these Bylaws.

Section 2. Dues and assessments against all members shall be levied by the Board of Directors at a uniform rate per lot without distinction or preference of any kind. All dues and assessments, when collected by the corporation, shall remain the property of the members until such time as such dues or assessments are expended pursuant to the Articles of Incorporation and Bylaws of the corporation.

Section 3. Dues set by the corporation are payable on January 1 of the year for which they are due and become a lien on the lot of the delinquent membership which may be foreclosed as provided by law after March 31 of that year. From time to time, special assessments may be levied by a vote of two-thirds (2/3) of the members present in person or by proxy at a meeting for which notice is given as provided in the Bylaws for a special meeting. Each member with respect to the land of interests therein to which his membership is appurtenant, shall pay the amount of such assessment against the same to the corporation, at its office, within thirty (30) days after the mailing of the notice of such assessment to the members; and the amount of such assessment, together with all expenses, attorneys' fees and costs reasonably incurred in enforcing the same, shall be paid by the members and shall be a lien upon said land and membership appurtenant thereto, superior to any and all other liens (except as in Section 4 of this Article otherwise provided) created or permitted by the owner of such land and enforceable by foreclosure proceedings in the manner provided by law for the foreclosure of mortgages upon land provided, that no proceedings for the foreclosure of any of said in the Article X provided shall be commenced except upon the expiration of four (4) months from and after the date of mailing said notice in this section described.

Section 4. First mortgage liens placed upon any of said tracts which are recorded in accordance with the laws of the State of Washington shall be, from the date of recordation of such, superior to such dues and assessments and the liens, resulting therefrom as are levied by the corporation subsequent to the date of the recordation of the first mortgage; provided, however, that the corporation is notified in writing of such first mortgage within thirty (30) days after recordation of such.

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ARTICLE XI Amendments

These Bylaws may be amended at any time by a vote of a majority of the members of the corporation in writing by mail or two-thirds (2/3) majority present in person or by proxy at any annual meeting or special meeting of which the notice refers to the proposed amendment.

ARTICLE XII Corporate Seal

The seal of the corporation shall be in a circular form and shall contain the words "Lake Marcel Community club" and the words "Corporate Seal Washington 1965" in the form and style as affixed in these Bylaws by the impression of said corporate seal.

ARTICLE XIII Reactivation of Corporation

Section 1. The corporation shall be deemed to be inactive if no meeting of either the members of the Board of Directors is held for a period of two (2) successive years, or if a majority Directors resign, move out of the area or cease to function.

Section 2. In such event, any five (5) members or any Director or officer may call a meeting by giving notice as provided in Article VI, Section 1, provided, such notice shall specify an exact time, place, purpose and who is calling the meeting and shall be not less than ten (10) days nor more than fifty (50) days prior to the meeting.

Section 3. At such reactivation meeting the caller or callers of the meeting shall detail the method of notice.

Section 4. At such reactivation meeting, the members may elect a Board of Directors and empower such Board to do any business authorized by the Articles of Incorporation and these Bylaws or impose such limits as may seem reasonable.

Section 5. If there is not a quorum, the members present may designate a new time and place and method of notice which shall be at least ten (10) days later.

Section 6. No Board of Directors following a reactivation shall have the right to dispose of any substantial amount of the assets of this corporation for a period of sixty (60) days without the express approval of a majority of the members, excluding honorary members.

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ARTICLE XIV Date of Adoption

These Bylaws are duly adopted by the corporation and the corporate seal thereof affixed on the ___day of _____, 1978.

ARTICLE XV Dates of Amendments

This article shall list the dates of all amendments to these Bylaws.

7 JUNE 1987
1 NOV. 1987
6 NOV. 1988
7 May 1989
6 May 1990
6 November 2005

AMENDMENTS TO BYLAWS

AMENDMENTS TO BYLAWS OF LAKE MARCEL COMMUNITY CLUB

PURPOSES

BE IT RESOLVED that Lake Marcel Community Club is a non-profit corporation registered with the State of Washington. The Plat and Dedication establishing Lake Marcel Community Club has previously been filed under King County Auditor's File No. 5644743.

Said Plat and Dedication previously filed under King County Auditor's File No. 5644743 formed an Architectural Control Committee.

Said Architectural Control Committee, according to said Plat and Dedication, "shall pass on all plans, including elevation drawings and stamp and approve all plans, and shall certify compliance with these covenants."

In addition, said Architectural Control Committee, was required by the Plat and Dedication, "to maintain the natural beauty of the lake area and to maintain the values of the entire plat."

In order to follow the dictates set forth above, and to insure equal fairness to all lot owners, the Lake Marcel Community club desires to AMEND its BYLAWS to set forth uniform rules of development for all current and prospective lot owners.

Lake Marcel Community Club has also previously passed and has enforced Bylaws of Lake Marcel Community Club.

Article X, Sections 1, 2, 3, and 4, set forth laws regarding the collection of dues and special assessments. In addition, Article X, Sections 1, 2, 3, and 4, set forth enforcement procedures for collection of dues and assessments.

All of the members of Lake Marcel recognize the importance and necessity of collecting dues and assessments in order to "maintain the value of the entire plat."

Members who are late in paying dues and assessments unfairly penalize the other members by making the paying members bear a disproportionate share of the operating costs of the Community Club.

In order to insure compliance with the Bylaws of Lake Marcel Community Club regarding dues and assessments, the Club desires to AMEND its BYLAWS to set forth uniform rules of collection and enforcement of dues and assessments.

ARTICLE I

ARCHITECTURAL CONTROL COMMITTEE REQUIREMENTS

Section 1. All buildings or structures over 150 square feet must be approved by the Architectural Control Committee.

Section 2. No modular or mobile homes will be allowed on any lots.

Section 3. All prospective dwellings, in order to gain the approval the Architectural Control Committee, must prove a septic system that has been approved by the King County Health Department.

Section 4. On any building or structure over 150 square feet, plans, drawings, and specifications must be submitted to the Architectural Control Committee prior to commencement of any

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construction, including preparation of the site for construction. These plans, drawings, and specifications must be approved by the Architectural Control Committee prior to the commencement of any construction, including preparation of the site for construction.

Section 5. All future constructed buildings that will be used as a home on any lot must be at least 1500 square feet, not including garage. Any garage or similar type structure must be at least 240 square feet.

Section 6. No T 1-11 siding may be used on any structure, on a side of said structure which faces either a roadfront or lakefront. If T 1-11 is used at all, it must be at least 5/8 inches thick.

Section 7. When a person or entity is developing or building any structure that must have Architectural Control Committee approval, one set of the building plans submitted to King County must bear the corporate seal of Lake Marcel Community Club - said seal indicating approval by the Architectural Control Committee.

Section 8. When submitting plans or specifications to the Architectural control Committee for approval, said submission must in addition to all other requirements, include the names and addresses of the lot owner and lending institution, if any.

ARTICLE II. DUES AND ASSESSMENTS

Section 1-A. All dues are payable in full by January 1 of that year and are delinquent and subject to late charges, and/or interest as of January 31. As of March 31 all accounts not current will have liens filed against the lot and will become liable for all costs incurred in bringing the account to current status.

Section 1-B. All special assessments are due as stated in Article X Section 3 and are subject to late charges and/or interest after 60 days of the mailing of said notice. After ninety (90) days after the mailing of the notice of such assessment to the members, all accounts not current will have liens filed against the lot and will become liable for all costs incurred in bringing the account to current status. Hardship cases will be handled on an individual basis by the Board of Directors.

Section 2. It is the duty and obligation of each and every lot owner to keep the Lake Marcel Community Club advised of the lot owner's current address, then the lot owner cannot thereafter complain of any lack of notice of any kind which the Club is responsible for sending out.

Section 3. If any lots are combined in whole or infraction thereof, the lots will be treated as the original number of lots, and the dues and assessments will be increased proportionately to the combination of said lots.

Section 4. Before the sale or transfer of any lot or portion thereof, the seller has the following obligations:

- A. The seller must notify the party to whom the lot will be sold or transferred that there is a Lake Marcel Community Club which has certain requirements and rules which must be adhered to.
- B. Prior to sale or transfer, the seller or transferor of any lot must notify the Lake Marcel Community Club of the sale or transfer.

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- C. Prior to or no later than the date of transfer of closing of said lot, the seller or transferor must have paid all outstanding dues, assessments, late charges, interest, and attorney fees.
- D. At the time of sale or transfer of any lot or combination of lots, the seller or transferor must possess a signed release form from the treasurer of the Lake Marcel Community Club, certifying payment of all dues, assessment, and/or other charges set forth above. The release form request will be processed immediately upon reception by the treasurer, so as not to delay said sale or transfer of property.
- E. Failure to obtain the signed release form will result in the Club enforcing the outstanding obligation against the new lot owner or escrow and/or transfer company and/or the previous lot owner or transferor, at the Club's option.

ARTICLE III.

APPROVAL

Notice having been given to all members of the Club that a special meeting would be held to consider these amendments to the Bylaws and Dedication and Plat, and these Amendments having been approved by 2/3 of the members present at said meeting, these Amendments are hereby PASSED.

DONE THIS SEVENTH DAY OF JUNE 1987.

/s/ Jerry E Smith

President

/s/ Janet L. Sprague

Vice-President

/s/ Mildred Gookstetter

Secretary

/s/ David Belli

Treasurer

AMENDMENTS TO BYLAWS

On the first of November 1987 at a special membership meeting called in accordance with the Lake Marcel Covenants and Bylaws, the general membership in attendance passed by a twothirds majority vote the following addition to Lake Marcel Covenants and Bylaws:

The Lake Marcel Community Club, Inc., shall defend and indemnify any member of the Board of Directors, Executive Committee, or Corporate Officer, who by reason of his or her position in, or activities on behalf of the Lake Marcel Community Club, Inc., incurs actual or potential liability.

/s/ Jerry E Smith

President

/s/ Janet L. Sprague

Vice-President

/s/ Mildred Gookstetter

Secretary

/s/ David Belli

Treasurer

AMENDMENTS TO BYLAWS

On the sixth of November 1988 at a special membership meeting called in accordance with the Lake Marcel Covenants and By-laws, the general membership in attendance passed by a twothirds majority vote the following addition to Lake Marcel Covenants and Bylaws:

1. PURPOSE

It is the intent of the members of the Lake Marcel Community Club as expressed through their Board of Directors' and officers to preserve and protect the environment, natural resources, and facilities belonging to the Lake Marcel Community Club and to provide for the financial integrity of the Lake Marcel Community Club so that the goals of the members may be advanced.

Now, therefore, in order to achieve the above purpose, the Lake Marcel Community Club does hereby amend its Bylaws as presently constituted by adopting the following:

2. AMENDMENTS

2.1 Paragraph 26 to page 6 of the Plat and Dedication incorporated into the Bylaws as follows:

"The right of each property owner to use the common facilities of the Lake Marcel Community Club is hereby limited to twenty-five [25] persons at any one time."

2.2 Section 5 of Article X of the Bylaws as follows:

"Assessments become a lien from the date of their passage and shall relate back to the recording of the Plat and Dedication authorizing same on October 1, 1963, whether reduced to a recorded lien or not. No property may be transferred voluntarily or involuntarily without the satisfaction of this prior obligation. "

/s/ Janet L. Sprague

President

/s/ Samuel McQuade

Vice-President

/s/ Mildred Gookstetter

Secretary

/s/ David Belli

Treasurer

AMENDMENTS TO BYLAWS

On the seventh of May 1989 at a special membership meeting called in accordance with the Lake Marcel Covenants and By-laws, the general membership in attendance passed by a two thirds majority vote the following addition to Lake Marcel Covenants and By-laws:

Addendum A & Control Surface H₂O Runoff

PURPOSE

To preserve the natural setting of the Community through the preservation of trees while maintaining the rights of property owners to develop their lots consistent with other approved By-laws and building codes, to assure the prevention of clear cutting, and to assist in reducing undesirable changes in the surface water runoff and water quality within the Community.

All lots in the Lake Marcel Community Club shall maintain 50% of the trees outside the areas required to build, a house, driveway, and septic system. Any removal of trees beyond the 50% shall be replaced within one (1) year. Under no condition shall a lot be clear cut and allowed to remain that way.

/s/ Ted Sundsby

President

/s/ James N Weller

Vice-President

/s/ Mildred Gookstetter

Secretary

/s/ David Belli

Treasurer

AMENDMENTS TO BYLAWS

On the sixth day of May 1990 at a special membership meeting called in accordance with the Lake Marcel Covenants and By-laws, the general membership in attendance by a two-thirds majority vote the following addition to Lake Marcel Covenants & By-laws.

1. PURPOSE

To ensure that the Lake Marcel Community Club can approve construction plans and enforce restrictions covered in the By-Laws as charged in Covenant 3a, the Lake Marcel Community Club does hereby amend its By-laws as presently constituted by adopting the following:

2. AMENDMENTS

- 2.1 Revise Article 1, Section 4 to read as follows: On any building or structure requiring a permit from King County (current size is 120 square feet), plans, drawings, and specifications must be submitted to the Architectural Control Committee prior to commencement of any construction, including preparation of the site for construction, which includes grading, cutting of trees, or preparations for pouring a foundation. These plans, drawings, and specifications must be approved prior to commencement of any construction, including preparation of the site for construction, or presale of the home to a buyer who does not own the lot. The Lake Marcel Community Club will not be responsible for actual or inconsequential damages to any developer or buyer if the plans of a presale home are not approved prior to the close of the sale.
- 2.2 In the event that the developer begins construction prior to having approved plans, a stop work order will be posted by the Lake Marcel Community Club. This stop work order will remain in effect until the proper plans, drawings, and specifications are submitted and approved by the Lake Marcel Community Club at the next Board of Director's meeting. The Board will not be responsible to approve plans prior to the next scheduled meeting, which in no case may exceed 45 days from the posting of the stop work order.
- 2.3 If any work by the developer or subcontractor continues on the site after the stop work order has been posted, the Lake Marcel Community Club, in addition to any other remedies available in law or equity, may assess fines of \$500.00 for each day that work continues.
- 2.4 If the developer has not submitted plans, drawings, and specifications to the board within two (2) weeks after the stop work order has been posted, the Board May assess fines of \$100.00 for each day that the plans are not submitted. Once the plans are submitted, they will be reviewed by the Board at the next Board of Director's meeting. The Board will not be responsible to approve plans prior to the next scheduled meeting, which in no case may exceed 45 days from the time that the plans are submitted.
- 2.5 Each property owner who does not comply with section 16 of the By-laws, which can also include abandoned vehicles or vehicles that are not in working order, will be notified by the Lake Marcel Community Club. This written notification will also indicate a date

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by which the violation must be resolved, which in no case can be shorter than 60 days or longer than 120 days. If the violation is not corrected after the specified date, a fine of \$25.00 will be assessed for each day until the situation is corrected.

2.6 All fines will be subject to the same terms as outlined in Article II Section 1-B.

/s/ Ted Sundsby

President

/s/ James N Weller

Vice-President

/s/ Mildred Gookstetter

Secretary

/s/ David Belli

Treasurer

DATED this 6th day of MAY, 1990

SUBSCRIBED and SWORN to before me

/s/ Nicola K. Fallis

Notary Public

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Amendment to the Bylaws of the Lake Marcel Community Club

On the sixth day of November 2005 at a special membership meeting called in accordance with the Lake Marcel Covenants and Bylaws, the general membership in attendance by a two-thirds majority vote passed the following amendment to the Lake Marcel Community Club (LMCC) Bylaws.

PURPOSE:

Washington RCW 64.38.020(11) gives homeowner's associations the right to "Impose and collect charges for late payments of assessments and, after notice and an opportunity to be heard by the board of directors or by the representative designated by the board of directors and in accordance with the procedures as provided in the bylaws or rules and regulations adopted by the board of directors, levy reasonable fines in accordance with a previously established schedule adopted by the board of directors and furnished to the owners for violation of the bylaws, rules, and regulations of the association." The LMCC Board of Directors has adopted a *Covenant Enforcement Policy and Fee and Fine Structure* in accordance with Washington State Statutes. The purpose of this bylaw amendment is to prevent conflicts in policies between existing Bylaw Amendments and the adopted Covenant Enforcement Policy and Fee and Fine Structure. Therefore, the Lake Marcel Community Club does hereby strike Section 2.5 from the Bylaw Amendments passed in May 1990. And where any further conflicts exist between LMCC Bylaw Amendments and the policies set forth in a *Covenant Enforcement Policy and Fee and Fine Structure* or similar such document adopted by the LMCC Board of Directors per regulations set forth in Washington State statutes, the policies in the latter will supersede LMCC Bylaw Amendments.

/s/ Sandra Bauer

President

/s/ GS Morgan

Vice-President

/s/ MH for Rob Roberts

Secretary

/s/ Kristina Dennis

Treasurer

Dated: March 21, 2006

SUBSCRIBED and SWORN before me, a Notary Public in and for the State of Washington, residing in Carnation, WA. My Commission expires: December 13, 2008.

/s/ Mary G. Harenda

Notary Public