

RESTATED BYLAWS
CRYSTAL VILLAGE HOMEOWNERS ASSOCIATION
A WASHINGTON NON-PROFIT CORPORATION
17222 CRYSTAL DRIVE E, GREENWATER, WA 98022
MAY 17, 1997

ARTICLE I - DEFINITIONS

1. "COVENANTS REFERS TO THE RESTRICTIVE AND OTHER COVENANTS RUNNING WITH THE LAND WHICH GOVERNS THE USE OF LAND IN CRYSTAL VILLAGES I, II AND III, WHICH WERE RECORDED IN THE PIERCE COUNTY LAND RECORDS ON MARCH 19, 1993 UNDER AUDITOR'S FEE NUMBER 9303190263.
2. ALL OTHER DEFINITIONS ARE CONTAINED IN THE "COVENANTS."

ARTICLE II - MEMBERS AND THEIR RIGHTS

1. THE MEMBERSHIP OF THE ASSOCIATION SHALL CONSIST OF, BE LIMITED TO, AND BE REQUIRED OF THE OWNERS OF LOTS IN CRYSTAL VILLAGES I, II AND III. ONE ASSOCIATION MEMBERSHIP SHALL BE INSEPARABLY APPURTENANT TO EACH LOT AND SHALL PASS THEREWITH TO ALL PERSONS WHO BECOME OWNERS OF THE LOT.
2. A MEMBER WHOSE ANNUAL ASSESSMENTS ARE PAID CURRENT SHALL BE ENTITLED TO ONE VOTE FOR EACH LOT OWNED. WHEN TWO OR MORE PERSONS HOLD AN INTEREST IN ANY LOT, ALL SUCH PERSONS SHALL BE ACCORDED COMMON AREA USAGE PRIVILEGES. THE SINGLE VOTE FOR SUCH LOT SHALL BE CAST AS THEY AMONG THEMSELVES DETERMINE, BUT IN NO EVENT SHALL MORE THAN ONE VOTE BE CAST WITH RESPECT TO ANY LOT.

ARTICLE III - MEETINGS OF MEMBERS IN GOOD STANDING

1. THERE SHALL BE A REGULAR ANNUAL MEETING OF THE MEMBERS OF THE ASSOCIATION WHICH SHALL BE HELD ON THE THIRD SATURDAY IN JANUARY OF EACH YEAR.
2. SPECIAL MEETINGS OF THE MEMBERS MAY BE CALLED BY THE CHAIRMAN, THE SECRETARY, OR ANY TWO MEMBERS OF THE BOARD OF DIRECTORS. SPECIAL MEETINGS SHALL BE CALLED AT THE WRITTEN REQUEST OF MEMBERS HAVING AT LEAST 25% OF THE VOTES ENTITLED TO BE CAST AT SUCH MEETINGS.
3. EACH MEMBER OF THE ASSOCIATION SHALL BE GIVEN SUCH NOTICE OF ALL REGULAR AND SPECIAL MEETINGS AS MAY BE REQUIRED BY THE WASHINGTON NON-PROFIT CORPORATION ACT.
4. A MEMBER IN GOOD STANDING MAY VOTE IN PERSON, BY PROXY, OR BY ABSENTEE BALLOT SUBMITTED IN PERSON OR BY MAIL PRIOR TO THE MEETING.
5. WHEN DIRECTORS OR OFFICERS ARE TO BE ELECTED BY THE MEMBERS, SUCH ELECTIONS SHALL BE CONDUCTED BY MAIL.

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MEETING OF MEMBERS IN GOOD STANDING (CONTINUED)

6. SUBJECT TO ANY SPECIAL QUORUM REQUIREMENTS SET FORTH IN THE COVENANTS, THE QUORUM REQUIRED TO VALIDATE ACTION TAKEN AT ANY REGULAR OR SPECIAL MEETING SHALL BE THAT SPECIFIED IN THE WASHINGTON NON-PROFIT CORPORATION ACT.

ARTICLE IV - BOARD OF DIRECTORS; SELECTION, TERM OF OFFICE

1. THE AFFAIRS OF THIS ASSOCIATION SHALL BE MANAGED BY A BOARD OF SIX DIRECTORS.
2. AT EACH ANNUAL MEETING THE MEMBERS SHALL ELECT TWO DIRECTORS FOR A TERM OF THREE YEARS.
3. NO DIRECTOR SHALL RECEIVE COMPENSATION FOR ANY SERVICE HE OR SHE MAY RENDER TO THE ASSOCIATION. HOWEVER, ANY DIRECTOR MAY BE REIMBURSED FOR HIS OR HER ACTUAL EXPENSES INCURRED IN THE PERFORMANCE OF HIS OR HER DUTIES.
4. THE ASSOCIATION SHALL HEREBY INDEMNIFY AND HOLD HARMLESS ALL OFFICERS, DIRECTORS AND AGENTS ACTING ON BEHALF OF THE ASSOCIATION.

ARTICLE V - NOMINATION AND ELECTION OF DIRECTORS

1. NOMINATION FOR ELECTION TO THE BOARD OF DIRECTORS SHALL BE MADE BY A NOMINATING COMMITTEE. NOMINATIONS MAY ALSO BE MADE FROM THE FLOOR AT THE ANNUAL MEETING. THE NOMINATING COMMITTEE SHALL CONSIST OF A CHAIRMAN, WHO SHALL BE A MEMBER OF THE BOARD OF DIRECTORS, AND ONE OR MORE MEMBERS OF THE ASSOCIATION. THE NOMINATING COMMITTEE SHALL BE APPOINTED BY THE BOARD OF DIRECTORS PRIOR TO EACH ANNUAL MEETING OF THE MEMBERS, TO SERVE FROM THE CLOSE OF SUCH ANNUAL MEETING UNTIL THE CLOSE OF THE NEXT ANNUAL MEETING, AND SUCH APPOINTMENTS SHALL BE ANNOUNCED AT EACH ANNUAL MEETING. THE NOMINATING COMMITTEE SHALL MAKE AS MANY NOMINATIONS FOR ELECTION TO THE BOARD OF DIRECTORS AS IT SHALL IN ITS DISCRETION DETERMINE, BUT NOT LESS THAN THE NUMBER OF VACANCIES THAT ARE TO BE FILLED.
2. ELECTION TO THE BOARD OF DIRECTORS SHALL BE BY SECRET BALLOT. AT SUCH ELECTION THE MEMBERS OR THEIR PROXIES MAY CAST, IN RESPECT TO EACH VACANCY, AS MANY VOTES AS THEY ARE ENTITLED TO CAST UNDER THE PROVISIONS OF THE BYLAWS. THE PERSONS RECEIVING THE LARGEST NUMBER OF VOTES SHALL BE ELECTED. CUMULATIVE VOTING IS NOT PERMITTED.

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ARTICLE VI - DIRECTORS MEETINGS

MEETINGS OF THE BOARD OF DIRECTORS SHALL BE HELD WHEN CALLED BY THE CHAIRMAN OF THE BOARD OR BY ANY TWO DIRECTORS AFTER NOT LESS THAN THREE DAYS NOTICE TO EACH DIRECTOR.

ARTICLE VII - POWERS AND DUTIES OF DIRECTORS

1. THE BOARD OF DIRECTORS SHALL HAVE POWER TO

(a) ADOPT AND PUBLISH RULES AND REGULATIONS GOVERNING THE USE OF THE COMMON AREA AND THE FACILITIES LOCATED THEREON, AND THE PERSONAL CONDUCT OF THE MEMBERS AND THEIR GUESTS THEREON, AND TO ESTABLISH PENALTIES FOR THE INFRACTION THEREOF;

(b) SUSPEND THE VOTING RIGHTS AND THE RIGHT TO USE THE COMMON AREA OF ANY MEMBER DURING ANY PERIOD IN WHICH SUCH MEMBER SHALL BE IN DEFAULT IN THE PAYMENT OF ANY ASSESSMENT LEVIED BY THE ASSOCIATION. SUCH RIGHTS MAY ALSO BE SUSPENDED, AFTER NOTICE AND HEARING, FOR A PERIOD NOT TO EXCEED 60 DAYS FOR THE INFRACTION OF PUBLISHED RULES AND REGULATIONS;

(c) EXERCISE FOR THE ASSOCIATION ALL POWERS, DUTIES AND AUTHORITY INVESTED IN OR DELEGATED TO THIS ASSOCIATION AND NOT RESERVED TO THE MEMBERSHIP BY OTHER PROVISIONS OF THESE BYLAWS, THE ARTICLES OF INCORPORATION, OR THE COVENANTS.

(d) DECLARE THE OFFICE OF ANY DIRECTOR VACANT IN THE EVENT SUCH DIRECTOR SHALL BE ABSENT WITHOUT EXCUSE FROM THREE CONSECUTIVE MEETINGS OF THE BOARD OF DIRECTORS IF HE OR SHE WAS GIVEN PROPER NOTICE THEREOF;

(e) EMPLOY A MEMBER, INDEPENDENT CONTRACTORS, OR SUCH EMPLOYEES AS THEY DEEM NECESSARY, AND TO PRESCRIBE THEIR DUTIES; AND

(f) APPOINT AN ARCHITECTURAL CONTROL COMMITTEE CONSISTING OF TWO OR MORE MEMBERS, AND TO DELEGATE TO THE SAID COMMITTEE AUTHORITY TO INTERPRET, ADMINISTER AND ENFORCE THE COVENANTS.

(g) CO-SIGN ALL CHECKS AND OTHER WRITTEN INSTRUMENTS

2. IT SHALL BE THE DUTY OF THE BOARD OF DIRECTORS TO:

(a) CAUSE TO BE KEPT A COMPLETE RECORD OF ALL ITS ACTS AND CORPORATE AFFAIRS AND TO PRESENT A STATEMENT THEREOF TO THE MEMBERS AT THE ANNUAL MEETING OF THE MEMBERSHIP, OR AT ANY SPECIAL MEETING WHEN SUCH STATEMENT IS REQUESTED IN WRITING BY ONE/FOURTH OF THE MEMBERS WHO ARE ENTITLED TO VOTE;

(b) SUPERVISE ALL OFFICERS, AGENTS AND EMPLOYEES OF THIS ASSOCIATION, AND TO SEE TO IT THAT THEIR DUTIES ARE PROPERLY PERFORMED;

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DUTIES OF THE BOARD OF DIRECTORS (CONTINUED)

- (c) AS MORE FULLY PROVIDED IN THE PERTINENT COVENANTS, TO FIX AND COLLECT THE ASSESSMENTS AGAINST EACH LOT WHICH, UNDER THE APPLICABLE COVENANTS, IS SUBJECT TO ASSESSMENT;
 - (d) TO ISSUE OR CAUSE AN APPROPRIATE OFFICER TO ISSUE, UPON WRITTEN DEMAND BY ANY MEMBER OR AUTHORIZED AGENCY, A CERTIFICATE SETTING FORTH WHETHER ANY PARTICULAR LOT ASSESSMENT HAS BEEN PAID. A CHARGE OF \$25.00 SHALL BE MADE BY THE BOARD FOR THE ISSUANCE OF SUCH CERTIFICATE. IF A CERTIFICATE STATES THAT AN ASSESSMENT HAS BEEN PAID, SUCH CERTIFICATES SHALL BE CONCLUSIVE EVIDENCE OF SUCH PAYMENT;
 - (e) TO PROCURE AND MAINTAIN LIABILITY AND HAZARD INSURANCE ON WATER SYSTEM AND PROPERTY OWNED BY THE ASSOCIATION.
 - (f) THE BOARD OF DIRECTORS SHALL PURCHASE SUFFICIENT INSURANCE TO PROTECT THE OFFICERS, DIRECTORS AND AGENTS WHILE ACTING ON BEHALF OF THE HOMEOWNERS ASSOCIATION.
 - (g) TO CAUSE ALL OFFICERS OR EMPLOYEES HAVING FISCAL RESPONSIBILITIES TO BE BONDED.
 - (h) TO CAUSE THE COMMON AREA AND THE FACILITIES THEREON TO BE MAINTAINED;
 - (i) TO HEAR AND DECIDE APPEALS FROM DECISIONS OF THE ARCHITECTURAL CONTROL COMMITTEE PURSUANT TO THE APPLICABLE COVENANTS.
3. THE FOREGOING ENUMERATION OF THE POWERS AND THE DUTIES OF THE BOARD OF DIRECTORS IS NOT EXCLUSIVE.

ARTICLE VIII - OFFICERS AND THEIR DUTIES

- 1. ENUMERATION OF OFFICES
THE OFFICERS OF THIS ASSOCIATION SHALL BE A CHAIRMAN AND VICE-CHAIRMAN, A SECRETARY, A TREASURER AND SUCH OTHER OFFICERS AS THE BOARD MAY FROM TIME TO TIME BY RESOLUTION CREATE.
- 2. ELECTION OF OFFICERS
THE ELECTION OF OFFICERS SHALL TAKE PLACE AT THE FIRST MEETING OF THE BOARD OF DIRECTORS FOLLOWING THE ANNUAL MEETING OF THE MEMBERS.
- 3. TERM
THE OFFICERS OF THIS ASSOCIATION SHALL BE ELECTED ANNUALLY BY THE BOARD AND EACH SHALL HOLD OFFICE FOR AT LEAST TWO YEARS UNLESS HIS OR HER TERM EXPIRES, HE OR SHE RESIGNS OR SHALL BE REMOVED OR OTHERWISE DISQUALIFIED TO SERVE.

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OFFICERS AND THEIR DUTIES (CONTINUED)

4. SPECIAL APPOINTMENTS

THE BOARD MAY ELECT SUCH OTHER OFFICERS AS THE AFFAIRS OF THE ASSOCIATION MAY REQUIRE, EACH OF WHOM SHALL HOLD OFFICE FOR SUCH PERIOD, HAVE THE AUTHORITY, AND PERFORM SUCH DUTIES AS THE BOARD MAY, FROM TIME TO TIME, DETERMINE.

5. RESIGNATION AND REMOVAL

ANY OFFICER MAY BE REMOVED FROM OFFICE WITH OR WITHOUT CAUSE BY THE BOARD. ANY OFFICER MAY RESIGN AT ANY TIME BY GIVING WRITTEN NOTICE TO THE BOARD, THE CHAIRMAN OR THE SECRETARY. SUCH RESIGNATION SHALL TAKE EFFECT ON THE DATE OF RECEIPT OF SUCH NOTICE OR AT ANY LATER TIME SPECIFIED THEREIN, THE ACCEPTANCE OF SUCH RESIGNATION SHALL NOT BE NECESSARY TO MAKE IT EFFECTIVE.

6. VACANCIES

A VACANCY IN ANY OFFICE MAY BE FILLED BY APPOINTMENT BY THE BOARD. THE OFFICER APPOINTED TO SUCH VACANCY SHALL SERVE THE REMAINDER OF THE TERM OF THE OFFICER HE OR SHE REPLACES.

7. MULTIPLE OFFICES

NO PERSON SHALL SIMULTANEOUSLY HOLD MORE THAN ONE OF THESE OFFICES EXCEPT IN THE CASE OF SPECIAL OFFICES CREATED PURSUANT TO SECTION 4 OF THIS ARTICLE.

8. DUTIES

THE DUTIES OF THE OFFICERS ARE AS FOLLOWS;

(a) CHAIRMAN

THE CHAIRMAN SHALL PRESIDE AT ALL MEETINGS OF THE BOARD OF DIRECTORS; SHALL SEE THAT ORDERS AND RESOLUTIONS OF THE BOARD ARE CARRIED OUT; SHALL SIGN ALL LEASES, MORTGAGES, DEEDS AND OTHER WRITTEN INSTRUMENTS; SHALL CO-SIGN ALL CHECKS AND PROMISSORY NOTES; AND SHALL REVIEW, VERIFY, AND SIGN THE ANNUAL AUDIT OF THE ASSOCIATION BOOKS AT THE END OF THE FISCAL YEAR.

(b) VICE-CHAIRMAN

THE VICE-CHAIRMAN SHALL ACT IN THE PLACE AND STEAD OF THE CHAIRMAN IN THE EVENT OF HIS/HER ABSENCE OR INABILITY OR REFUSAL TO ACT, AND SHALL EXERCISE AND DISCHARGE SUCH OTHER DUTIES AS MAY BE REQUIRED OF HIM/HER BY THE BOARD.

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OFFICERS AND THEIR DUTIES (CONTINUED)

(c) SECRETARY

THE SECRETARY SHALL RECORD THE VOTES AND KEEP THE MINUTES OF ALL MEETINGS AND PROCEEDING OF THE BOARD AND OF THE MEMBERS; SERVE NOTICE OF MEETINGS OF THE BOARD AND OF THE MEMBERS; KEEP APPROPRIATE CURRENT RECORDS SHOWING THE MEMBERS OF THE ASSOCIATION TOGETHER WITH THEIR ADDRESSES; AND SHALL PERFORM SUCH OTHER DUTIES AS REQUIRED BY THE BOARD.

(d) TREASURER

THE TREASURER SHALL RECEIVE AND DEPOSIT IN APPROPRIATE BANK ACCOUNTS ALL MONIES OF THE ASSOCIATION, AND SHALL DISBURSE SUCH FUNDS AS DIRECTED BY RESOLUTION OF THE BOARD OF DIRECTORS; SHALL CO-SIGN ALL CHECKS AND PROMISSORY NOTES OF THE ASSOCIATION AND KEEP PROPER BOOKS OF THE ACCOUNT; CAUSE AN ANNUAL AUDIT OF THE ASSOCIATION BOOKS TO BE MADE BY A PUBLIC ACCOUNTANT AT THE COMPLETION OF EACH FISCAL YEAR; AND SHALL PREPARE AN ANNUAL BUDGET AND A STATEMENT OF INCOME AND EXPENDITURES TO BE PRESENTED TO THE MEMBERSHIP AT ITS REGULAR ANNUAL MEETINGS, DELIVERING A COPY OF EACH TO THE MEMBERS.

9. OFFICER TRANSITION

OUTGOING OFFICERS SHALL PROVIDE ALL PERTINENT RECORDS AND CURRENT ACTIVITY ACTIONS AND STATUS TO INCOMING OFFICERS WITHIN 15 DAYS OF RETIREMENT. OUTGOING OFFICERS WILL BE EXPECTED TO ATTEND THE FIRST BOARD MEETING AFTER THEIR RETIREMENT AND PROVIDE ASSISTANCE, AS REQUESTED, TO ASSURE A SMOOTH TRANSITION OF ASSOCIATION BUSINESS.

ARTICLE IX - COMMITTEES

THE BOARD OF DIRECTORS MAY APPOINT AN ARCHITECTURAL CONTROL COMMITTEE AND A NOMINATING COMMITTEE AS HEREINBEFORE PROVIDED. IN ADDITION, THE BOARD OF DIRECTORS MAY APPOINT SUCH OTHER COMMITTEES AS IT MAY DEEM NECESSARY OR USEFUL.

ARTICLE X - BOOKS AND RECORDS

THE BOOKS, RECORDS AND PAPERS OF THE ASSOCIATION SHALL AT ALL TIMES, DURING REASONABLE BUSINESS HOURS, BE SUBJECT TO INSPECTION BY MEMBERS. THE COVENANTS ADMINISTERED BY THE ASSOCIATION, THE ARTICLES OF INCORPORATION AND THE BYLAWS OF THE ASSOCIATION SHALL BE AVAILABLE FOR INSPECTION BY ANY MEMBER.

CURRENT FINANCIAL RECORDS WILL BE MAINTAINED BY THE TREASURER, AND CURRENT MINUTES OF MEETINGS, HOMEOWNER MAILING LISTS AND OTHER BUSINESS PAPERS WILL BE MAINTAINED BY THE SECRETARY. COVENANTS, BYLAWS, ARTICLES OF INCORPORATION AND ALL RECORDS MORE THAN ONE YEAR OLD WILL BE STORED IN THE ASSOCIATION FILE CABINET MAINTAINED BY THE BOARD. COPIES MAY BE PURCHASED AT REASONABLE COST.

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ARTICLE XI - ASSESSMENTS

AS MORE FULLY PROVIDED IN THE PERTINENT COVENANTS, EACH MEMBER IS OBLIGATED TO PAY THE ASSOCIATION ANNUAL AND SPECIAL ASSESSMENTS WHICH MAY BE SECURED BY A CONTINUING LIEN UPON THE PROPERTY AGAINST WHICH THE ASSESSMENT IS MADE. ANY ASSESSMENTS WHICH ARE NOT PAID WHEN DUE SHALL BE DELINQUENT. IF THE ASSESSMENT IS NOT PAID WITHIN 30 DAYS AFTER THE DUE DATE. THE ASSESSMENT SHALL BEAR INTEREST FROM THE DATE OF DELINQUENCY AT THE RATE OF 9% PER ANNUM AND THE ASSOCIATION MAY BRING AN ACTION AT LAW AGAINST THE OWNER PERSONALLY OBLIGATED TO PAY THE SAME, OR FORECLOSE THE LIEN AGAINST THE PROPERTY; ANY INTEREST, COSTS AND REASONABLE ATTORNEY'S FEES IN ANY SUCH ACTION SHALL BE ADDED TO THE AMOUNT OF SUCH ASSESSMENT. NO OWNER MAY WAIVE OR OTHERWISE ESCAPE LIABILITY FOR THE ASSESSMENT PROVIDED FOR HEREIN BY NONUSE OF THE COMMON AREA OR ABANDONMENT OF HIS/HER LOT.

ARTICLE XII - MISCELLANEOUS

1. IN THE CASE OF ANY CONFLICT BETWEEN THE ARTICLES OF INCORPORATION AND THESE BYLAWS, THE ARTICLES SHALL CONTROL, AND IN THE CASE OF ANY CONFLICT BETWEEN THE COVENANTS AND THESE BYLAWS, THE COVENANTS SHALL CONTROL
2. THE FISCAL YEAR OF THE ASSOCIATION SHALL BEGIN ON THE FIRST DAY OF JANUARY AND END ON THE THIRTY-FIRST DAY OF DECEMBER OF EVERY YEAR.

THE ABOVE RESTATES ARTICLES I THROUGH XII AS ORIGINALLY ADOPTED FEBRUARY 15, 1972 AND RESTATED MARCH 11, 1993.

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CRYSTAL VILLAGE HOMEOWNERS BOARD OF DIRECTORS:

Diane Gebenini
 DIANE GEBENINI, CHAIR

Daniel M. Lopez
 Daniel M. Lopez, BOARD MEMBER, Director

