

AMENDED BYLAWS

OF VALMONT PARK HOMEOWNERS ASSOCIATION

(Replacing Bylaws of Record at Snohomish County Auditor's File No. 8508230119)

AS APPROVED BY THE MEMBERSHIP ON FEBRUARY 12, 1998

ARTICLE I

OFFICERS

1.1 - Executive Officers

The executive officers of the Corporation (Valmont Park Homeowners Association hereinafter referred to as Association) shall be President, Vice President, Secretary and Treasurer. These officers shall hold office for one year, after which time they shall be elected annually by the Board of Directors, hereinafter referred to as Board. They shall take office immediately after election.

1.2 - President

Subject to the direction of the Board, the President shall be the chief executive officer of the Association and shall perform such other duties as from time to time may be assigned to him by the Board. The President shall be ex-officio, a member (non-voting) of all committees.

1.3 - Vice President

The Vice President shall have such power and perform such duties as may be assigned by the Board or the President. In case of the absence or disability of the President, the duties of that office shall be performed by the Vice President.

1.4 - Secretary

The Secretary shall keep the minutes of all proceedings of the Board and all committees and the minutes of the Members' Meetings in books provided for that purpose, shall have custody of such books and papers as the Board may direct, and shall, in general, perform all the duties incident to the office of Secretary, subject to the control of the Board and the President, and shall also perform such other duties as may be assigned by the President or by the Board.

1.5 - Treasurer

The Treasurer shall have custody of all receipts, disbursements, funds, and securities of the Association and shall perform all duties incident to the office of Treasurer, subject to the control of the Board and the President. The Treasurer shall perform such duties as may from time to time be assigned by the Board or the President. If required by the Board, shall give a bond for the faithful discharge of their duties in such sum as the Board may require. All disbursements for the Association require two (2) Board member signatures.

1.6 - Subordinate Officers

The President, with the approval of the Board, may appoint such other officers and agents as the Board may deem necessary, who shall hold office during the pleasure of the Board, and shall have such authority and perform such duties as from time to time may be prescribed by the President or the Board.

ARTICLE II
BOARD OF DIRECTORS

2.1 - Number

The business and affairs of this Association shall be managed by a Board which shall consist of seven (7) members elected. by the members of the Association.

2.2 - Executive Committee

The Board may elect from their number an Executive Committee consisting of not less than three (3) members of the Board, which committee shall have all the powers of the Board between Meetings, Regular or Special. The President of the Association shall be chairman of the Executive Committee.

2.3 - Regular Meetings

The Board shall meet for the transaction of business at such place and time designated.

2.4 - Special Meetings

Special Meetings of the Board may be called by the President or by a majority of the Board at any time or place, provided reasonable notice of such Meetings shall be given to each member of the Board before, the time appointed for such Meetings.

2.5 - Quorum

The Directors shall act only as a board, and the individual Directors shall have no power as such. A majority of the Board shall constitute a quorum for the transaction of business. Those present at any Regular or Special Meeting, although less than a quorum, may have discussions and continue to meet until a quorum is present, at which time decisions can be made. The act of a majority of the Board present at any Meeting at which there is a quorum shall be the act of the Board.

2.6 - Annual Report

The Board, after the close of the fiscal year, shall submit to the Members of the Association a report, at the Annual Meeting, as to the condition of the Association, its property, and an account of the financial transactions of the past year.

2.7 - Vacancies

Whenever a vacancy in the membership of the Board shall occur, the remaining members of the Board shall have the power, by a majority vote to select a Member of the Association to serve the unexpired term of the vacancy.

2.8 - Term of Office

The Board members will be elected for a period of one year at each Annual Meeting.

ARTICLE III
MEETINGS OF MEMBERS

3.1 - Annual Meeting

There shall be an Annual Meeting for the Members of the Association. The Meeting must be held during the first half of the month of February for the transaction of such business as required.

Written notice of the time and location of such Meeting shall be mailed to each Member of record by ordinary mail at least fourteen (14) days prior to the Meeting.

3.2 - Special Meetings

Special Meetings of the Members shall be held whenever called by the Board or by at least fifteen (15) Members. Fifteen Members may call a Special Meeting of the Members by petition to the Board. Should the Board refuse or fail to call a special meeting within thirty (30) days of the Board's receipt of a request by such a Petition, the Petitioning Members may call and schedule a Special Meeting by giving the same notice as would be required if the Board called the meeting. Notice of each Special Meeting, stating the time, place and, in general terms, the purpose or purposes, shall be sent by ordinary mail to the last known address of all Members at least fourteen (14) days prior to the Meeting.

3.3 - Voting

The decisions made by the Members will be by voting. This method may be in person at an Annual or Special Meeting, or by proxy or absentee ballot depending on the situation.

3.3.1 - Proxy Each Member may cast one vote, either in person, or by proxy, for each Lot owned by that particular Member. When more than one person holds an 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.

3.3.2 - Absentee Ballot Absentee ballots may be used to record votes for decisions when deemed necessary by the Board. 3.4 - Quorum A majority of the Members of the Association shall constitute a quorum at any Meeting of the Members, whether present in person, by proxy, or by absentee ballot and the majority in amount of such quorum shall decide any issue that may come before the Meeting.

ARTICLE IV

MEMBERSHIP

4.1 - Qualifications

Every person or entity who is an "Owner" of record of any Lot that is subject by covenants of record to assessment by the Association, shall be a Member of the Association. Ownership of such Lot shall be the sole qualification for membership. Membership shall be appurtenant to and may not be separated from Ownership of any Lot that is subject to assessment by the Association.

Membership in the Association automatically terminates when a Member ceases to own (1) Real property in Valmont Park Divisions 1 & 2, or (2) Stock in a corporation that owns real property in Valmont Park Divisions 1 & 2.

4.2 - Voting Rights Each Lot is authorized one vote. When more than one person holds an interest in any Lot, they shall determine among themselves the vote cast for their Lot. In no event shall more than one vote be allowed for any Lot.

4.3 - Manner of Admission Any person or entity which become an "Owner" of record of any Lot (excluding holders of security interest only) or becomes a purchaser under a real estate contract for any Lot, shall automatically become a Member in accordance with Article IV, Section 4.1. It shall be the duty of such Member to advise the Secretary of the Association in writing of the Member's name and address.

4.4 - Annual Assessments Every Member shall be required to pay Annual Assessments, Maintenance Fees, Dues, Special Assessments and other charges in the amount established by the Board, or by the Members.

ARTICLE V

LOSS OF PROPERTY

5.1 - Liability The Board shall not be liable or responsible for the destruction or the loss of or damage to the property of any Member or the guest of any Member, or visitor, or other person.

5.2 - Director Indemnification Each director or officer now or hereafter serving the corporation and the respective heirs, executors and administrators of each of them, shall be indemnified by the corporation to the fullest extent provided by law against all costs, expenses, judgments and liabilities, including attorney's fees reasonably incurred by or imposed upon him or her in connection with or resulting from any claim, action, suit or proceeding, civil or criminal, in which he or she is or may be a party by reason of any action alleged to have been taken or omitted by him or her as such director or officer, whether or not he or she is a director or officer at the time of incurring such costs, expenses, judgments and liabilities, provided, that she or he acted in good faith and in the interest of the corporation. The termination of any action, suit or proceeding by judgment, order, settlement or conviction, or upon a plea of nolo contendere, or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the corporation. The foregoing rights of indemnification shall not be exclusive of other rights to which such director or officer may be entitled as a matter of law. The Board of Directors may obtain insurance on behalf of any person who is or was a director, officer, employee or agent against any liability arising out of his or her status as such, whether or not the corporation would have the power to indemnify him or her against such liability.

ARTICLE VI

ANNUAL AND SPECIAL ASSESSMENTS

6.1 - Annual Assessments The Board shall determine the annual assessment amount as provided for in Article V of the Declaration of Covenants, Conditions and Restrictions of Valmont Park Divisions 1 & 2.

6.2 - Special Assessments Special assessments may be established as provided for in Article V of the Declaration of Covenants, Conditions and Restrictions of Valmont Park Divisions 1 & 2.

ARTICLE VII

NOTICE

7.1 Notification Whenever, according to these Bylaws, a notice shall be required to be given to any Member, it shall not be construed to mean personal notice. Such notice may be given in writing by the depositing of same in the post office in a post paid, sealed envelope addressed to such Member at their address that appears on the books of the Association. The time when such notice is mailed shall be the time of the giving of such notice.

7.2 - Waiver of Notice Any notice required to be given by these Bylaws may be waived by the person entitled thereto.

ARTICLE VIII

FISCAL YEAR

8.1 – Calendar Fiscal year of the Association shall begin the first (1st) day of January, and terminate on the thirty-first (31st) day of December each year.

ARTICLE IX

AMENDMENTS

9.1 - Amendments These Bylaws may be amended by a vote of two-thirds of the Members present at a Regular or Special Meeting. There must be notice of such revisions to all Members of the Association. Written notice of the time and location of such Meeting and a copy of proposed amendments shall be mailed to each Member of record by ordinary mail at least fourteen (14) days prior to said Meeting.

ARTICLE X

ADOPTION

10.1 - Adoption Notice that these Amended Bylaws would be voted on by the membership at the annual meeting held on February 12, 1998, was mailed to each Member more than fourteen (14) days before the meeting. A quorum was present at that meeting. More than two-thirds (2/3) of those present voted in favor of adopting these Amended Bylaws.

**Signed original document is recorded with Snohomish County