

REVISED
BY-LAWS
of
EVERGREEN SHORES BEACH CLUB

ARTICLE I - PURPOSES

Section 1. This corporation shall be conducted as a non-profit corporation for the purposes set forth in the Articles of Incorporation.

Section 2. The purposes for which this corporation was created may be altered, modified, enlarged or diminished by a vote of a majority of the membership at a meeting duly called for such purpose, notice of which meeting shall be given as herein provided.

ARTICLE II - MEMBERSHIP

Section 1. The membership of EVERGREEN SHORES BEACH CLUB shall consist of all who are owners of record of one or more building sites in the Plat known as EVERGREEN SHORES, as recorded in Thurston County, Washington, or any people, who hold a contract for the purchase of any building site in said property. Such ownership or such holding of a contract to purchase shall be the sole qualification for membership in the corporation and certificates of membership shall be issued to the members of this corporation accordingly. When such qualifications shall cease as to any member, membership of such member shall lapse and the certificate therefor be void. The voting power of each member of this corporation shall be equal and upon all matters that come before the members of the corporation each of such members shall have one vote, provided, however, that in case of joint ownership of a building site or sites, the joint owners shall be considered as a single voting unit and entitled to one vote only for such building site or sites jointly owned.

The property rights and interest of each member of this corporation shall likewise be equal; provided, however, that such interest is and shall be appurtenant to the building sites within said property of which such member is the owner. Upon the transfer of ownership or the making of a contract for the sale of a lot, the membership appurtenant to said lot or lots thereto, shall be deemed to be transferred to the contract purchaser or grantee. No membership may be conveyed or transferred in any other way inter vivos.

For the purpose of determining membership in this corporation and the existence of the rights incident thereto, a "building site" shall be taken to be either a numbered lot forming a part of said property or contiguous portions of any two or more contiguous lots (other than corner lots) permitted by the restrictions applicable thereto and thereby allowed to be used as a site for a dwelling house or such other structure as is permitted by such restrictions.

Anything to the contrary notwithstanding, all lot owners or purchasers shall have one membership regardless of the number of lots so owned or purchased and the interest of each member shall be equal to that of any other member and no member can acquire any interest which shall entitle him to any greater voice, vote or authority in the corporation than any other member. The purchaser under a contract of purchase shall be deemed to be an owner for membership purposes. The vote for any membership owned by a marital community may be cast by either spouse.

No membership shall be forfeited nor any member be expelled except for the non-payment of dues, which are payable not later than June 1st. Expelled in this instance will mean that said member will continue to retain his membership within the organization, but all rights and privileges afforded to him/her as a member will be revoked until such time as dues are brought current. Said member can still attend meetings and voice his/her opinion, but can not vote. No member may withdraw except upon the transfer of title to, or upon contracting for the sale of, the lot to which his membership is appurtenant. No compensation shall be paid by the corporation upon the

transfer of the 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.

ARTICLE III - MEETINGS

Section 1. The annual meeting of the corporation shall be held at the property site referred to as EVERGREEN SHORES BEACH CLUB, upon the grounds, or at the Club House, or at such other place as the trustees may elect, on the third Sunday of May of each year at 2:00 p.m. Notice thereof shall be given by the Secretary, in written form, postage prepaid, by U.S. mail or hand delivered to the address of each member appearing on the books of the corporation, with the mailing date thereof to be not less than ten (10) days prior to the meeting. At such meeting, the members shall elect trustees as herein provided and transact such other business as may properly come before them.

Section 2. Special meetings of the members of the corporation may be called at any time by the President of the Board of Trustees, or by the Secretary. Any ten members upon written request therefor to the Secretary may call a special meeting of the membership. Notice of a special meeting stating the purposes thereof shall be given by the Secretary to all members in the same manner as notice is given of the annual meeting.

Section 3. At all annual and special meetings of the membership of the corporation, ten (10%) per cent of the membership in good standing, present in person or by written proxy, shall constitute a quorum for the transaction of any business appropriate to a members' meeting. In the absence of a quorum, any meeting of the members may be adjourned from time to time by a vote of a majority of those present but no other business may be transacted. A majority of the votes of members constituting a quorum shall be sufficient to transact business unless a greater number of votes is required by law, the Articles of Incorporation, or these By-Laws with respect to some specified action.

ARTICLE IV - TRUSTEES

Section 1. The corporate powers of this corporation shall be voted and exercised by or under the authority of a Board

of Trustees. The number of trustees who shall manage the affairs of this corporation shall not be less than five nor more than eleven.

Section 2. The trustees elected by the members prior to the expiration of six (6) months from the effective date of the Articles of Incorporation to succeed the first five trustees named in the Articles of Incorporation, shall be elected for a term as follows: Four shall be elected for a period of three years; four shall be elected for a period of two years; and three shall be elected for a period of one year. Said trustees so elected shall serve as such until their successors are duly elected and qualified; each trustee shall be a member of the corporation in good standing.

Section 3. In the event a trustee other than an incorporator can no longer qualify as an owner or purchaser of a lot and ceases to be a member, he shall thereupon automatically cease to be a trustee and his office shall become vacant without the necessity for any action of the Board, which shall, nonetheless, spread that fact upon the minutes of its next meeting. Any vacancy occurring in the Board of Trustees shall be filled by appointment of a majority of the remaining trustees. A trustee appointed to fill a vacancy shall hold office until the next annual meeting of the members at which time they shall elect a trustee to fill the unexpired balance of the term, if any, of the office to which the vacancy occurred.

The Board of Trustees shall meet annually after and immediately following the annual meeting of the members. The Board of Trustees may hold special meetings, either quarterly or otherwise, which shall be called by the Secretary, the President or a majority of the Board. The Secretary shall give each trustee notice personally, verbally or by mail or telephone or wire, of all regular and special meetings sufficient to enable such trustee to attend and in any case at least ten (10) days notice in advance of the meeting date. A written waiver of notice, signed by the trustees, whether before or after the time fixed for the required notice, or the presence of the trustee at the meeting without formal objection on the ground of want of notice, shall be deemed the equivalent of the required notice

for all purposes.

A majority of the trustees shall constitute a quorum for the transaction of any business.

Any trustee may be removed from office by a two-thirds vote of the membership at any regular or special meeting of the membership of the corporation. Notice of the proposed removal of a trustee must be given to such trustee prior to the date of the meeting at which such removal is to be voted upon. Such notice to the trustee must state the cause for the proposed removal.

Unexcused absence from four (4) consecutive meetings of the Board of Trustees shall be due cause for removal of a trustee, and may be removed by a majority vote of the Board Members.

Within a reasonable time after their election, the members of the Board of Trustees shall elect from their number the following officers: President, Vice-President, Secretary and Treasurer, all of which officers shall be officers of the corporation.

ARTICLE V - POWERS AND DUTIES OF TRUSTEES

Section 1. Subject to any limitation in the Articles of Incorporation and these By-Laws, and the laws of the State of Washington, all the business and affairs of the corporation shall be controlled and conducted by the Board of Trustees. Without prejudice to such general powers and subject to the same limitations, it is hereby expressly agreed that the trustees shall have the following powers and duties:

a. To elect and remove all the officers, agents and employees of the corporation; to prescribe such powers and duties for them as may be consistent with the laws of the State of Washington, the Articles of Incorporation, and these By-Laws; and to require from themselves security for faithful performance.

b. To cause to be kept a complete record of all minutes and acts and to present a full statement at the regular annual meeting of the members, showing in detail the condition of the affairs of the corporation; to cause to be kept a complete membership list of all members.

c. To fix and establish the annual dues and any

other special assessments in accordance with these By-Laws.

d. Members of the Board of Trustees shall receive no compensation for their services to the corporation but shall be reimbursed by it for such reasonable expenses as they may necessarily incur in pursuance of the business of the corporation.

ARTICLE VI - DUTIES OF OFFICERS

Section 1. PRESIDENT--The president shall act as chairman at all meetings of the membership and preside at all meetings of the Board of Trustees. He shall sign as president all contracts or instruments for the corporation and perform such other duties as may be required of him by the Board of Trustees.

Section 2. VICE-PRESIDENT--The vice-president shall preside at all meetings in case of the absence or disability of the president and assume all duties of the president during such periods of absence or disability and shall perform such other duties as the Trustees may require.

Section 3. SECRETARY--The secretary shall issue all notices and shall attend and keep the minutes of all meetings of the members and of the Board of Trustees. He shall have charge of all corporate books, records, papers and the corporate seal. He shall attest with his signature and impress with the corporate seal all instruments executed by the corporation. He shall perform all such other duties as are incidental to his office or as may be required by the Board of Trustees.

Section 4. TREASURER--The treasurer shall receive, keep faithfully and deposit in such bank or banks as may be designated by the Board of Trustees, all funds, securities and liquid assets of the corporation, in its name, for its account, and shall disburse the funds of the corporation only under the direction of the Board of Trustees on checks signed by himself and one other officer of the corporation. He shall keep full and accurate books of account and shall make such reports of the finances and transactions of the corporation as may be required by the Board of Trustees and shall prepare and present to the annual meeting of the members a full statement showing in detail the financial condition of the corporation.

ARTICLE VII - OFFICERS

Section 1. The Board of Trustees may in addition

to the other officers previously set out at any time appoint an Executive Secretary or an Assistant Treasurer who need not have membership in the corporation and whose terms of office shall coincide with those of the officers whom they assist.

Section 2. Any officer may be suspended or removed by a majority vote of all of the Trustees. Any vacancy occurring in an elective office shall, and any vacancy occurring in an appointive office may, be filled by the Board of Trustees on a majority vote thereof.

Section 3. Officers shall be reimbursed by the corporation for such reasonable expenses as they may necessarily incur in the pursuance of the business of the corporation, subject to the majority vote of the Trustees as to approval or disapproval of such expenses.

ARTICLE VIII - DISSOLUTION

Section 1. In the event of the dissolution of the corporation, each person who is then a member in good standing, shall receive his/her pro-rata portion of the property and assests after all debts have been fully paid.

ARTICLE IX - DUES AND ASSESSMENTS

Section 1. For the purpose of financing the activities of the corporation, it is hereby declared that all lots within the jurisdiction of the corporation shall be charged and/or assessed dues at the rate of \$20.00 per lot, per year, with the exception that any lots retained in ownership by the developers of the property as hereinabove set out and as being within the jurisdiction of the corporation, shall not be assessed until such time as the developers shall perfect an initial sale thereof, which ordinary annual dues and/or charges shall be the membership dues fixed by the affirmative vote of a majority of the members of the Board of Trustees, for each year after the initial year at a meeting of the Board following the annual meeting of the members. Said dues may be increased above \$20.00 per year, per lot, only and by a fifty-one (51%) per cent of the votes cast by ballot at any regular or special meeting duly called for that purpose.

Section 2. Annual dues shall be due and payable June first of each and every year; in the event any sale is made

by the developers of the subject property subsequent to June first, such annual dues shall be pro-rated as to the remaining months of said twelve-month period. Such pro-ration shall be in monthly units only.

Section 3. Any special assessments determined to be necessary by the Board of Trustees to carry out the purposes and intent of the Articles of Incorporation and these By-Laws shall be submitted to the membership at a special or annual meeting, for a vote by written ballot as to whether such proposal for special assessment will be accepted or not. Said special assessment shall provide for the method and manner of payment and shall become effective immediately upon its adoption as herein provided. In the event a special meeting is called for the purpose of levying a special assessment, it shall take fifty-one (51%) per cent of the votes cast by ballot to approve the same.

Section 4. Any and all dues and/or special assessments herein set out and/or authorized shall be and become a lien upon the property of the member but shall be inferior to all the existing institutional mortgage liens and inferior to any subsequent institutional mortgage liens created by the owner of said lot for the contract purchaser thereof. In the event of default in the payment of the same, it shall be foreclosed in the same manner as prescribed by the statutes of the State of Washington for the foreclosure of mechanics liens.

ARTICLE X - AMENDMENTS

Section 1. These By-Laws may be amended at any time by fifty-one (51%) per cent of the votes cast by ballot at any regular or special meeting duly called for that purpose.

ARTICLE XI - CORPORATE SEAL

Section 1. A corporate seal shall not be required for said corporation.

Section 2. If the Trustees of said corporation deem a corporate seal necessary, the same shall be in circular form and shall contain the words:

EVERGREEN SHORES BEACH CLUB
Corporate Seal
Washington
1969

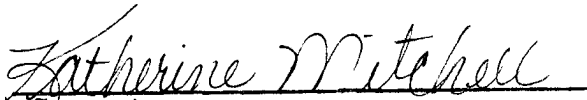
ARTICLE XII

Section 1. These By-Laws are duly adopted by the corporation pursuant to a resolution previously passed this 4th day of March, 1979

EVERGREEN SHORES BEACH CLUB

By 
President

Attest:


Secretary