

**BY LAWS
OF
HERITAGE GLEN ASSOCIATION
THIRD ADDITION**

**ARTICLE I
NAME AND OFFICE**

1. **Name.** The name of the corporation is Heritage Glen Association Third Addition, herein referred to as the “Association”.
2. **Principle Office.** The principal office of the Association shall be maintained in the residence of the elected president of the Homeowners’ Association.

**ARTICLE II
DEFINITIONS**

1. “**Association**” shall mean and refer to Heritage Glen Association, its successors and assigns.
2. “**Properties**” shall mean and refer to that certain real property described in the Heritage Glen Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.
3. “**Common Area**” shall mean all real property owned by the Association for the common use and enjoyment of the Owners.
4. “**Lot**” shall mean and refer to any plots of land designated for residential use within Heritage Glen and identified on the plats thereof by Arabic numerals. (See Amendment dated February 29, 1992.)
5. “**Owner**” shall mean and refer to the owner of record, whether one or more persons or entities, of the fee simple title to any lot which is part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.
6. “**Member**” shall mean and refer to those persons entitled to membership as provided in the Declaration. No such membership shall be transferred except as described therein

7. “**Declaration**” shall mean and refer to the Declaration of Covenants, Conditions, and Restrictions applicable to the Properties recorded in the Office of the Pierce County Auditor.

ARTICLE III OBJECTS AND PURPOSES

The objects and purposes of the Association shall be to further and promote the community welfare of the owners of the real property commonly known as Heritage Glen Association Third Addition in Pierce County, State of Washington, and to make said property a better place in which to live and enjoy life, and to establish, operate and maintain a nonprofit association within said land area commonly known as Heritage Glen Association Third Addition for the benefit of the members and their families. Said Association shall be authorized to do whatever may be deemed necessary, conducive, incidental or advisable to accomplish and promote said objects or purposes, except carrying on a business, trade, avocation or profession for profit.

ARTICLE IV MEETINGS OF MEMBERS

1. **Annual Meeting.** The first annual meeting of the members shall be held on the 5th day of January, 1981, at 7:30 o'clock p.m. at the offices of the corporation and each subsequent regular annual meeting of the members shall be held on the third Thursday of January of each year at 7:30 p.m. at a location designated by the Board of Directors unless said third Thursday is a holiday, in which event the annual meeting shall be held on the fourth Thursday of January.
(Third week of January-amended December 4, 1989 Board Meeting)
2. **Special Meetings.** Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of one-quarter (1/4) of the Association membership.
3. **Notice of Meetings.** Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by delivery or mailing a copy of such notice, postage prepaid, not less than 15 days nor more than 30 days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

4. **Quorum.** The presence at the meeting of members entitles to cast, or of proxies entitled to cast one-tenth of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time without notice other than announcement at the meeting until a quorum as aforesaid shall be present or be represented.
5. **Proxies.** A member may vote in person or by proxy executed in writing and filed with the secretary. Every proxy shall be revocable and shall automatically terminate upon termination of membership, or 11 months after date of execution, whichever shall first occur.
6. **Place of Meetings.** Meetings shall be held at a location as designated by the Board of Directors.

ARTICLE V

BOARD OF DIRECTORS

1. **Number.** The affairs of this Association shall be managed by a board of seven directors. Directors must be members if the Association
2. **Term.** At the annual meeting, the members shall elect directors for a term of three years or to fill a vacant term.
3. **Compensation.** All active directors elected after January 1, 2001 will have their annual assessment waived for the duration of their term. No other compensation will apply. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties as director.
4. **Action Taken Without a Meeting.** In the absence of a meeting, directors shall have the right to take action that could have been taken at a meeting, by obtaining the written approval of all the directors.
5. **Nomination of Directors.** A Nominating Committee appointed by the president shall make nomination for election of the Board of Directors. The Nominating Committee shall exist for a period of sixty days prior to the annual meeting and shall consist of a chairman who shall be a member of the Board of Directors and two or more members from the Association. The Nominating Committee shall make as many nominations as it shall in its discretion determine but not less than the number of vacancies that are to be filled at such annual meeting. The report of the nominating committee shall be included in the notice of the annual meeting. Nominations may also be made from the floor at the annual meeting.

6. **Election.** Election to the Board of Directors shall be by secret written ballot. At such elections, the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected.

ARTICLE VI

MEETINGS OF THE BOARD OF DIRECTORS

1. **Regular Meetings.** Within ten days after each annual meeting of the members, the directors elected at such meeting and those holding over shall hold an organization meeting for the purpose of electing officers as hereinafter provided for transaction of such other business as may come before the meeting. If all directors are present at the time and place of such meeting, no prior notice of such meeting shall be required to be given to the directors.

The Board of Directors by resolution may establish the date, time and place for other regular meetings of the Board.

2. **Special Meetings.** Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three day's notice to each director.
3. **Quorum.** A majority of the directors shall constitute a quorum.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

1. **General Powers.** The Board of Directors, acting in quorum, shall have power to:
 - A. Adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;
 - B. Suspend the voting right of a member, or impose a fine, or both, during any period in which such member shall be in default of 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 infraction of published rules and regulations;
 - C. Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;

- D. Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent, without excuse, from three consecutive regular meetings of the Board of Directors;
- E. Employ a manager, an independent contractor, or such other employees as deemed necessary, and to prescribe their duties and fix their compensation.
- F. Levy special assessments in accordance with the declaration;
- G. Grant to persons other than members the right to use the Common Area and properties owned by the Association, including the right to grant permanent easements for said use to such person, persons, or entities;
- H. Give, transfer or sell the Common Areas including roadways, to any governmental entity;
- I. Grant easements across the Common Areas and properties owned by the Association.

2. **Duties.** It shall be the duties of the Board of Directors to:

- A. Keep a complete record of all of its acts and the proceedings of its meetings and present at the annual meeting of the members a report reviewing the business and affairs of the Association for the year.
- B. As more fully provided in the Declaration, to:
 - 1. Fix the amount of the annual assessment against each Lot at least thirty days in advance of each annual assessment period;
 - 2. Send written notice of each assessment to every Owner subject thereto at least thirty days in advance of each annual assessment period;
 - 3. May impose and foreclose a lien against any property for which assessments are not paid within thirty days after due date, or to bring an action at law against the Owner personally obligated to pay the same or endorse said lien, assessment or fine by sale by the Association or an organization authorized by the Association, such sale to be conducted in accordance with the provisions of law.
 - 4. Prepare a roster of property subject to assessment with assessments applicable to each such property and to keep such roster in the Association office subject to inspection by any Owner.

- C. Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. The Board may make a reasonable charge for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- D. Procure and maintain adequate liability and hazard insurance on property owned, leased or otherwise used by the Association;
- E. All officers or employees having fiscal responsibilities shall be bonded, as it may be deemed appropriate;
- F. Maintain the Common Areas.

ARTICLE VIII OFFICERS

1. **Officers.** The officers of this Association shall be a president and vice president who shall be members of the Board of Directors, and a secretary and treasurer who may but need not be members of the Board of Directors. The Board of Directors may appoint an assistant secretary or an assistant treasurer by resolution entered on its minutes. The officers shall be elected at the organization meeting of the Board of Directors each year and the term of office shall be for a period of one year and until their successors are elected and assume office, unless such officer resigns or is removed.
2. **Resignation and Removal.** The Board may ~~be removed~~ any officer from office with or without cause. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or any later time specified herein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.
3. **Vacancies.** A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.
4. **Multiple Offices.** The same person may hold the offices of secretary and treasurer. No person shall simultaneously hold more than one of the other offices.

5. **President.** The president shall preside at all meetings of the members of the Association and of the Board of Directors. He shall sign for the Association such contracts and other documents as he may be authorized by the Board of Directors to sign and shall perform all acts and duties usually performed by a president or as prescribed by the Board of Directors.
6. **Vice President.** In the absence or disability of the president, the vice-president shall preside and perform the duties of the president. He shall also perform such other duties as may be delegated to him by the Board of Directors.
7. **Secretary.** The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; 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.
8. **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 Officers; shall sign all checks and promissory notes of the Association; keep proper books of 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 meeting, and deliver a copy of each to the members.

ARTICLE IX COMMITTEES

The Board of Directors shall appoint such other committees as it, in its discretion, deems necessary to assist in the operation of the affairs of the Association including without limitation, a Recreation Committee, a Maintenance Committee, and an Audit Committee. Committee members need not be members of the Board of Directors.

Article X BOOKS, RECORDS, SEAL

1. **Inspection by Members.** The books, records and papers of the Association shall at all times during reasonable business hours be subject to inspection by any member.
2. **Corporate Seal.** The corporate seal of the Association shall be circular in form and shall have inscribed thereon the name of the Association, the state of incorporation and the year of incorporation.

3. **Execution of Corporate Documents.** When the execution of any instrument has been authorized by the Board of Directors without specifying the executing officer, such instrument may be executed by any two of the following officers: the president, vice president, secretary, treasurer and assistant secretary. The Board of Directors may, however, authorize any one of such officers to sign any of such instruments for and on behalf of the Association and may designate officials or employees of the Association other than those named above who may sign such instrument.

ARTICLE XI ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments, which are 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 thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum, and the Association may bring an action at law against the property, and interest, costs, and reasonable attorney's fees of 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 the nonuse of the Common Area or abandonment of his Lot.

ARTICLE XII AMENDMENTS

1. These Bylaws may be amended by the Board of Directors or by a majority vote of the membership at a regularly or specially called meeting of the members after due notice has been given to the membership or changes proposed.
2. Any matter stated in these Bylaws to be or which is in fact governed by the Declaration may not be amended except as provided in such Declaration. In the case of any conflict between such Declaration and these Bylaws, the provisions of the Declaration shall control.

**ARTICLE XIII
MISCELLANEOUS**

The fiscal year of the Association shall begin on the first day of July and end on the 30th day of June of each year, except that the first fiscal year shall begin on the date of incorporation.

(ARTICLE XIV- See Amendment dated March 4, 1986.)

IN WITNESS WHEREOF, we, being all of the directors of the HERITAGE GLEN ASSOCIATION III ADDITION, have hereunto set our hands this 7 day of August, 1985.

Ronald W. Haworth, President
HERITAGE GLEN ASSOCIATION
Third Addition

SUBSCRIBED AND SWORN to before me this _____ day of _____, 1985.

NOTARY PUBLIC in and for the
State of Washington, residing at

HERITAGE GLEN THIRD ADDITION
Resolution No. _____

WHEREAS, the Board of Directors for the Third Addition of Heritage Glen met in regular session on March 4, 1986; and

WHEREAS, the Board determined that indemnification of the Board of Directors is a proper and necessary action.

NOW, THEREFORE the BOARD OF DIRECTORS do hereby resolve, that the Bylaws of HERITAGE GLEN ASSOCIATION THIRD ADDITION are hereby amended to add Article XIV as follows:

**ARTICLE XIV
INDEMNIFICATION**

To the full extent permitted by the laws of the State of Washington, the corporation shall indemnify any person who was or is a party or is threatened to be made a party to any civil, criminal, administrative or investigative action, suit, or proceeding (whether brought by or in the right of the corporation or otherwise) by reason of the fact that he/she is or was a director or officer of the corporation, or is or was serving at the request of the corporation as a director or officer of another corporation against expenses (including attorney fees), judgements, fines, and amounts paid in settlement actually and reasonably incurred by him/her in connection with such action, suit, or proceedings; and the Board of Directors may at any time approve indemnification of any other person which the corporation has the power to indemnify under the laws of the State of Washington. The indemnification provided by this section shall not be deemed exclusive of any rights to which a person may be entitled as a matter of law or by contract.

DATED and ADOPTED this _____ day of _____, 1996.

APPROVED:

ATTEST:

SECRETARY

CONSENT TO ACTION OF THE BOARD OF DIRECTORS
IN LIEU OF FORMAL MEETING

The undersigned being all of the Board of Directors of Heritage Glen Association consent to the following action of the Board of Directors:

The following action is adopted:

It is moved, seconded, and unanimously approved that Article II, Section 4, be amended to read as follows:

4. "Lot" shall mean and refer to any plots of land designated for residential use within Heritage Glen and Identified on the plats thereof by Arabic numerals and Lot 1, Lot 2, and Lot 3 of Short Plat No. 8907210519, records of Pierce County Auditor, State of Washington.

Approved and consented to as of February 29, 1992

CONSENT TO ACTION OF THE BOARD OF DIRECTORS
IN LIEU OF FORMAL MEETING

The undersigned being all of the Board of Directors of Heritage Glen Association consent to the following actions of the Board of Directors:

It is moved, seconded, and unanimously approved that the By Laws of Heritage Glen Association, Third Addition, be amended to reflect changes to the following sections:

- Article II, Section 2 "Properties"
- Article II, Section 7 "Declaration"
- Article IV, Section 1 Annual Meeting
- Article V, Section 3 Compensation
- Article V, Section 5 Nomination of Directions
- Article VII Section 1 General Powers
- Article VII Section 2 Duties
- Article VIII Section 2 Resignation and Removal

Approved and consented to as of December 23, 2000
