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BYLAWS of

THE EAGLE POINT AT AMERICAN LAKE HOMEOWNERS' ASSOCIATION

ARTICLE I- Purpose

EAGLE POINT AT AMERICAN LAKE HOMEOWNERS'

ASSOCIATION (the "Corporation") is organized as a non-profit corporation under the Washington Nonprofit Corporation Act (the "Act") and operates as a Homeowners' Association (the "Association") under Chapter 64.38 RCW (Revised Code of Washington) for the purpose of providing a mechanism for meeting and carrying out the purposes of the Declaration of Covenants, Conditions and Restrictions for the plat of Eagle Point at American Lake, as amended from time to time, and to own, operate and maintain certain real estate and improvements, including roads, sidewalks, common areas, clubhouse, community drain field system, sewer system, dock and other amenities as provided in such Covenants, Conditions and Restrictions. In addition, the Association may engage in governance of the plat and other activities allowable, which its members may deem appropriate from time to time, and engage in any lawful activity under the laws of the State of Washington.

ARTICLE II - Offices

The Association shall have and continuously maintain in the State of Washington, a registered office and a registered agent. The agent may be either an individual resident in the State of Washington whose address is identical with such registered office, or a Domestic corporation authorized to conduct affairs in the State of Washington.

ARTICLE III - Association Membership and Voting Rights

Section 1: Member.

The sole qualification for membership shall be ownership of a lot, developed or undeveloped, at Eagle Point at American Lake plat.

Section 2: General Voting Rights. Voting Rights Formula:

Owners of all Lots other than Lots 2C and 9A shall have one vote for each lot owned. Lots 2 C and 9A support 2 residences each and shall have a vote for each residence.

Section 3: Restricted Voting Rights:

Voting on actions relating to maintenance, improvements, or assessment for the recovery of the Association's management costs incurred for the community common drain field shall be restricted to members who own lots with an access to the common drain field.

Complex A has 9 members. Complex B has 8 members. Complex C has 5 members plus the Lodge, counting as 1 member. This gives a total of 23 having an access to the common drain field.

ARTICLE IV- Association Powers and Limitations

Section 1: Powers: The Eagle Point at American Lake Homeowners' Association may:

- 1. Elect and empower a Board of Directors;
- 2. Adopt and amend Bylaws, Covenants, Conditions and Restrictions, and other rules and regulations;
- 3. Adopt and amend budgets for revenues, expenditures, and reserves, and impose and collect assessments for common expenses from owners;
- 4. Hire and discharge or contract with managing agents and other employees, agents, and independent contractors;
- 5. Institute, defend, or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more owners on matters affecting

the homeowners' association, but not on behalf of owners involved in disputes that are not the responsibility of the Association;

- 6. Make contracts and incur liabilities;
- 7. Regulate the use, maintenance, repair, replacement, and modification of common areas;
- 8. Cause additional improvements to be made as a part of the common areas;
- 9. Acquire, hold, encumber, and convey in its own name any right, title, or interest to real or personal property;
- 10. Grant easements, leases, licenses, and concessions through or over the common areas and petition for or consent to the vacation of streets and alleys;
- 11. Impose and collect any payments, fees, or charges for the use, rental, or operation of the common areas;
- 12. Impose and collect charges for late payment 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 and liens 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;
- 13. Exercise any other powers conferred by the Bylaws, Articles of Incorporation, or Covenants, Conditions and Restrictions;
- 14. Exercise all other powers that may be exercised in the State of Washington by the same type of Association; and
- 15. Exercise any other powers necessary and proper for the governance and operation of the Association.

Section 2: Limitations.

No provision shall be included in the Bylaws, Covenants, Conditions, and Restrictions, rules or regulations of the Association which forbids or directly

or indirectly restricts the use, occupancy, conveyance, encumbrance, or lease of real property, including a right of entry or possibility of reverter, to individuals of a specified race, creed, color, sex, national origin, sexual orientation, families with children status, or with any sensory, mental, or physical disability or the use of a trained dog guide or service animal by a blind, deaf, or physically disabled person,

ARTICLE V-Meetings of Membership

Section 1-Place of meetings of the Association membership

All meetings shall be held in The Lodge at American Lake in Lakewood, Washington or, if necessary, at an appropriate site nearby.

Section 2-Regular meetings of Membership

An annual meeting of the members shall be held on the last Tuesday in September each year for the purpose of electing directors, if applicable, and for the transaction of such other business as may come before the meeting.

Section 3-Special meetings

Special meetings of the Association may be called by the president, a majority of the Board of Directors, or shall be called by petition of owners having ten percent (10%) of the votes in the Association. The petition by owners shall state the agenda for the meeting as well as the time and place. The petition shall be personally delivered or sent by registered mail to the Association President. Not less than fourteen (14) nor more than sixty (60) days in advance of any meeting, the Board's secretary shall cause notice to be hand-delivered, sent prepaid by first class United States mail, or by electronic means to the mailing address of each owner or to any other mailing address designated in writing by the owner. The notice of any meeting shall state the time and place of the meeting and the business to be placed on the agenda for a vote by the owners, including the general nature of any proposed amendment to the Articles of Incorporation, Bylaws, any budget or changes in the previously approved budget that result in a change in assessment obligation, and any proposal to remove one or more Directors.

Section 4-Quorum

A quorum is present throughout any meeting of the Association if the owners to which thirty-four percent (34%) of the votes of the association are allocated are present in person or by proxy at the beginning of the meeting.

Section 5-Proxies

At any meeting of members a member entitled to vote may vote either in person or by proxy executed in writing by the member or by his or her duly authorized attorney-in-fact. No proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in the proxy.

ARTICLE VI -Board of Directors

Section 1-Election, Number, Tenure and Qualification.

- 1. The Directors shall be elected at large from Association members by a majority of members voting at the annual meeting of the Association, or at a special meeting of members called for that purpose.
- 2. The number of Directors shall be five (5), but any action reducing the number of Directors shall not be effective to shorten the term or eliminate the position of a then sitting Director.
- 3. There shall be five (5) Board positions with three (3) year tenure.
- 4. In the performance of their duties, the officers and members of the Board of Directors shall exercise the degree of care and loyalty required of an officer or Director of a corporation organized under Chapter 24.03 RCW.

Section 2-Duties of, and limitations on, the Board of Directors

- 1. The members of the Association empower the Board of Directors to manage the affairs of the Association
 - 2. The Board of Directors shall not act on behalf of the Association to amend the Articles of Incorporation, to take any action that requires the vote or approval of the owners, to

terminate the Association, to amend the Bylaws, to elect members of the Board of Directors, or to determine the qualifications, powers, and duties, or terms of office of members of the Board of Directors.

- 3. Except as provided in this subsection, all meetings of the Board of Directors shall be open for observation by all owners of record and their authorized agents. The Board of Directors shall keep minutes of all actions taken by the Board, which shall be available to all owners. At all meetings the Secretary shall make voice recordings of the proceedings, and such recordings shall be kept as official records for 5 years from the date recorded. Upon the affirmative vote in open meeting to assemble in closed session, the Board of Directors may convene in closed executive session to consider personnel matters; consult with legal counsel or consider communications with legal counsel; and discuss likely or pending litigation, matters involving possible violations of the governing documents of the Association, and matters involving the possible liability of an owner to the Association. The motion shall state specifically the purpose for the closed session. Reference to the motion and the stated purpose for the closed session shall be included in the minutes. The Board of Directors shall restrict the consideration of matters during the closed portions of meetings only to those purposes specifically exempted and stated in the motion. No motion, or other action adopted, passed, or agreed to in closed session may become effective unless the Board of Directors, following the closed session, reconvenes in open meeting and votes in the open meeting on such motion, or other action which is reasonably identified. The requirements of this subsection shall not require the disclosure of information in violation of law or which is otherwise exempt from disclosure.
- 4. Within thirty (30) days after adoption by the Board of Directors of any proposed regular or special budget of the Association, the Board shall set a date for a meeting of the membership for ratification of the budget. The Board shall notify the membership of the budget ratification meeting. Included with the notification shall be a budget summary. This notification shall be by mail or electronic means, not less than fourteen (14) nor more than sixty (60) days from the selected meeting date. Unless at that meeting the owners of a majority of the votes in the Association (whether in person or by proxy) reject the budget, the

budget is ratified, whether or not a quorum is present. In the event the proposed budget is rejected or the required notice is not given, the periodic budget last ratified by the owners shall be continued until such time as the owners ratify a subsequent budget proposed by the Board of Directors.

Section 3: Regular Meetings.

A regular meeting of the Board of Directors shall be held, with notice by announcement at the annual meeting of time, place and purpose. This meeting shall be held immediately following the annual meeting, and at the same place as the annual meeting.

Section 4: Special Meetings.

Special meetings of the Board of Directors shall be called on request of the President or any Director.

Section 5: Notice.

Notice of any special meeting of the Board of Directors shall be given at least four (4) days prior thereto by written notice delivered personally or sent by U.S. mail or electronically to the Directors and members. The notice shall specify the time and place of the meeting as well as the purpose for the meeting. Additional agenda items may be added at the meeting. Additionally, the notice shall be posted on the community bulletin board.

Section 6. Emergency Meetings of Board of Directors.

A waiver to the notice requirement shall be granted in case of the need for an emergency meeting of the Board of Directors to deal with a problem or problems requiring immediate attention. The reason or reasons for such a meeting and the actions taken shall be sent within ten (10) days of the meeting by written notice, delivered personally, or sent by U.S. mail or electronically to the Directors and members. Ratification of such action or actions shall become an agenda item at the next Board of Directors meeting.

Section 7: Quorum.

A majority of the Directors then in office shall constitute a quorum for the transaction of business at any meeting of the Board, provided, that if less

than a majority of the Directors are present at said meeting, a majority of the Directors present may use the motion "to fix the time to which to adjourn," to allow time to acquire a quorum

Section 8: Vacancies.

Any vacancy occurring in the Board of Directors shall be filled by the Board of Directors selecting, by majority vote, an association member to fill the vacancy for the un-expired term of that person's predecessor in office. Any increase in the number of Director positions shall be filled by vote of the Association members at a meeting called for that purpose

Section 9: Removal of Directors.

Directors may be removed, with or without cause, at any time, by the affirmative vote of a majority of the association members voting at a regular meeting provided that the same notice as required for special meetings is given of intention to remove a Director or Directors, or at a special meeting called for that purpose.

Section 10: Agenda at Board of Directors Meetings.

At all meetings there shall be an Agenda Item for Member Remarks to allow for member input at the commencement of business at the meeting. Other than this, remarks by non-board attendees shall only be in order by recognition of the President or by request of a Director.

Section 11: Standing Committees of the Board.

- 1. Each standing committee shall have at least one Director as a member.
- 2. Standing Committees and administrative responsibilities.
- a. <u>Architectural Control Committee</u>. An Architectural Control Committee shall be established and appointed as provided in Article VIII of the Covenants, Conditions and Restrictions for Eagle Point at American Lake. And, as additional duties:
- (1) Develop and publish an indexed document containing the established rules of the E.P.A.L.H.O.A. to be distributed to each member.
- (2) Update this document as needed.

- (3) All rules included in the document shall be validated by a majority of those voting at a regular meeting or at a special meeting called for the purpose of validation. Not less than fourteen (14) nor more than sixty (60) days in advance of any meeting, the Board secretary shall cause notice to be hand-delivered, electronically delivered, or sent prepaid by first class United States mail to the mailing address of each owner or to any other mailing address designated in writing by the owner. The notice of any meeting shall state the time and place of the meeting and a copy of the intended rule or changes in rules.
- b. Lodge and Grounds Committee and responsibility to administer:
 - (1) Landscaping of all common areas
 - (2) Repair and maintenance of the Lodge exterior
- (3) Tree pruning in common areas.
 - (4) Maintenance of streetlights
- c. Social Committee and duties:
- (1) Schedule Lodge
- (2) Plan and develop a Winter Holiday Event
- (3) Foster other special events
- (4) Maintain Lodge supplies
- (5) Supervise repair and maintenance inside the Lodge
- d. Community Drain Field Committee and supervisory duties:
- (1) Monitor operation and maintenance of the community drain field
- (2) Maintain 24/7 emergency call out service
- (3) Attend to Health Department yearly inspection and report filing
- (4) Actuate and maintain year long weed and brush control

- (5) Perform year end community drain field billing and collection
- e. Storm Drain System Committee and supervisory duties:
- (1) Operation and maintenance of storm drain system
- (2) Maintain 24/7 emergency call out service
- (3) Attend to yearly City of Lakewood inspection and report filing
- (4) Order filter drain inspection and replacement
- (5) Perform code enforcement and billing as needed
- f. Storage Lot Committee and administrative duties:
- (1) Actuate and maintain year long weed and brush control
- (2) Administer Rental Contract signing and renewals
- (3) Determine rules of use and enforcement thereof
- (4) Develop and administer a lot security plan including security lights and maintenance thereof
- g. Long Range Planning Committee and duties:
- (1) Study and advise as to allocation of reserve balances
- (2) Create proposals for future projects and funding thereof
- (3) Plan strategies for CD Investment Portfolio
- h. Budget Committee and duties
- (1) Analyze the existing budget
- (2) Create a budget forecast and proposed budget for the coming year
- (3) Forecast future needs by working with the Long Range Planning Committee

- i. Beach and Dock Committee and duties
- (1) Administer the repair and maintenance of dock, beach, and launching ramp
- (2) Plan for future improvements of dock, beach, and launching ramp
- j. Newsletter Committee and duties:
- (1) Publish a periodical newsletter for the community
- k. Parliamentarian and duties.
 - (1) Advise Board of Directors and committees on correct procedures, following the Association Bylaws and Robert's Rules of Order, newly revised
 - (2) Advise on Bylaw revisions suggested by Association members or mandated by State of Washington legislation.

1. Policy, Procedures and Guidelines Committee (if required):

- 1. Develop and publish an indexed document containing the established rules of the E.P.A.L.H.O.A. to be distributed to each member
- 2. Update this document as needed
- 3. All rules included in the document shall be validated by a majority of those voting at a regular meeting or at a special meeting called for the purpose of validation.

Section 11-Special Committees.

- 1. The Board of Directors by a vote of a majority of the Directors may create one or more ad hoc committees and appoint Directors or such other persons as the Board designates, to serve on the committee or committees.
- 2. Unless the appointment by the Board of Directors requires a greater number, a majority of any committee shall constitute a quorum.
- 3. In creating a special committee the Board shall, in its charge to the committee, specify either as to (1) power to act or (2) to report recommendations to the Board for action.

4. Notice of special committee meetings shall be posted on the Community Bulletin Board at least two (2) days prior to the meeting.

ARTICLE VII- Officers

Section 1: Officers.

The officers of the Association shall be a president, who shall also act as chairman of the Board, a secretary and a treasurer and such other officers as may be elected in accordance with the provisions of this Article VI. The Board of Directors may elect or appoint such other officers, including one or more vice presidents and assistant secretaries and one or more assistant treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed, from time to time, by the Board of Directors. Board members may hold multiple offices, except that no Director shall hold the offices of President and Treasurer simultaneously.

Section 2: Election and Term of Office.

The officers of the Association shall be elected annually from members of the Board of Directors at the regular annual meeting of the Board of Directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as convenient. Vacancies may be filled or new offices created and filled at any meeting of the Board of Directors. Each officer shall hold office until his or her successor shall have been duly elected and shall have qualified.

Section 3: Removal.

Any officer or agent elected or appointed by the Board of Directors may be removed by a majority vote of the Board of Directors, with or without cause. Such removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4: Vacancies.

A vacancy in any office shall be filled by the Board of Directors for the unexpired portion of the term.

Section 5: Chairman of the Board: President.

The president shall be the principal officer of the Association and shall in general supervise and control all of the business and affairs of the Association. The president shall preside at all meetings of the membership and of the Board of Directors, as chairperson of the Board. He or she may sign, with any vice president, the secretary or treasurer or any other proper officer of the Association authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors authorizes to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these by-laws or by statute to some other officer or agent of the Association; and in general shall perform all duties incident to the office of president and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6: Vice Presidents.

In the absence of the president or in the event of his or her inability or refusal to act, the vice presidents, in the order of their seniority, shall perform the duties of the president, and when so acting, shall have all the powers of and be subject to all the restrictions upon the president. The vice presidents shall perform such other duties as from time to time may be assigned to them by the president or by the Board of Directors.

Section 7: Treasurer.

If required by the Board of Directors, the treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Directors shall determine. The treasurer shall: have charge and custody of and be responsible for all funds and securities of the Association; receive and give receipts for monies due and payable to the Association from any source whatsoever, and deposit all such moneys in the name of the Association in such banks, trust companies or other depositories as shall be selected by the Board of Directors; and in general perform all the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him or her by the president or by the Board of Directors. If a management company is hired, the Treasurer is required to work with that organization in the handling of all funds belonging to the Association.

Section 8: Secretary.

The secretary shall keep minutes of the meetings of the members of the Board of Directors in one or more paper documents and electronic files provided for that purpose; see that all notices are duly given in accordance with the provisions of these by-laws or as required by law; be custodian of the Association records; keep a register of the post office address of each member which shall be furnished to the secretary by such member; and in general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him or her by the president or by the Board of Directors.

ARTICLE VIII- Director Conflict of Interest

For purposes of this provision, the term "interest" shall include personal interest, interest as director, officer, member, stockholder, shareholder, partner, manager, trustee or beneficiary of any concern and having an immediate family member who holds such an interest in any concern. The term "concern" shall mean any corporation, association, trust, partnership, limited liability entity, firm, person or other entity other than the organization.

No director or officer of the organization shall be disqualified from holding any office in the organization by reason of any interest in any concern. A director or officer of the organization shall not be disqualified from dealing, either as vendor, purchaser or otherwise, or contracting or entering into any other transaction with the organization or with any entity of which the organization is an affiliate. No transaction of the organization shall be voidable by reason of the fact that any director or officer of the organization has an interest in the concern with which such transaction is entered into, provided:

1. The interest of such officer or director is fully disclosed to the board of directors.

Such transaction is duly approved by the board of directors not so interested or connected as being in the best interests of the organization.

Payments to the interested officer or director are reasonable and do not exceed fair market value.

2. No interested officer or director may vote or lobby on the matter or be counted in determining the existence of a quorum at the meeting at which such transaction may be authorized.

The minutes of meetings at which such votes are taken shall record such disclosure, abstention, and rationale for approval.

ARTICLE IV - Indemnification of Directors and Officers

Section 1 The Association shall indemnify each Director and each officer who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association) by reason of the fact that he or she is or was a Director or officer of the Association, or who is or was serving at the request of the Association against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Association and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, 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 Association, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

Section 2. Any indemnification under paragraph (a) of this Article (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the Director or officer is proper in the circumstances because such person has met the applicable standard of conduct set forth in paragraph (a). Such determination shall be made: (1) by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding; or (2) if such a quorum is not obtainable, or, even if obtainable but a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion; or (3) by the vote of the Association membership in a special meeting called for that purpose.

Section 3. The Board of Directors may authorize a loan, in advance of the final disposition of such action, suit or proceedings, for expenses incurred in defending a civil or criminal action, suit or proceeding upon receipt of a letter of request and documentation of such action, suit or proceeding as defined in Section (a) of this Article, from or on behalf of the Director or Officer. Included in this request shall be a promissory note from the Director or Officer to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the Association as authorized in this Article

Section 4. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which a Director or Officer seeking indemnification may be entitled under any governmental statute, provision in the Association's Articles of Incorporation, Bylaws, agreement, or vote of members or of disinterested Directors, both as to action in his or her official capacity while holding such office, and shall continue as to a person who has ceased to be a Director or Officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 5. The Association shall purchase and maintain insurance on behalf of any person who is or was a Director, or Officer of the Association against any liability asserted against such person and incurred by such person in any such capacity, or arising out of his or her status as such, whether or not the Association would have the power to indemnify such person against such liability under the provisions of this Article.

Section 6. The invalidity or non enforceability of any provision in this Article shall not affect the validity or enforceability of the remaining provisions of this Article.

ARTICLE X - Contracts, Checks, Deposits & Funds

Section 1: Contracts.

The Board of Directors by majority vote may authorize any officer or officers, agent or agents of the Association, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

Section 2: Checks, Drafts, or other orders for the payment of money, notes or other evidences of indebtedness.

All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association, shall be signed by such officer or officers, agent or agents of the Association and in such manner, as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the treasurer or an assistant treasurer and countersigned by the president or a vice president of the Association.

Section 3: Deposits.

All funds of the Association shall be deposited from time to time to the credit of the Association banks, trust companies or other depositories as the Board of Directors may select.

Section 4: Gifts.

The Board of Directors or the president may accept on behalf of the Association any contribution, gift, bequest, or device for the general purposes or for any special purpose of the Association.

ARTICLE XI - Books and Records

RCW 64.38.045

Section 1.

The Association or its managing agent shall keep financial and other records sufficiently detailed to enable the Association to fully declare to each owner the true statement of its financial status. All financial and other records of the Association, including but not limited to checks, bank records, and invoices, in whatever form they are kept, are the property of the Association. Each Association managing agent shall turn over all original books and records to the Association immediately upon termination of the management relationship with the Association, or upon such other demand as is made by the Board of Directors. An Association managing agent is entitled to keep copies of Association records. All records which the managing agent has turned over to the Association shall be made reasonably available for the

examination and copying by the managing agent.

Section 2.

All records of the Association, including the names and addresses of owners and other occupants of the lots, shall be available for examination by all owners, holders of mortgages on the lots, and their respective authorized agents on reasonable advance notice during normal working hours at the offices of the Association or its managing agent. The Association shall not release the unlisted telephone number of any owner. The Association may impose and collect a reasonable charge for copies and any reasonable costs incurred by the Association in providing access to records.

Section 3.

At least annually, the Association shall prepare, or cause to be prepared, a financial statement of the Association. The financial statements of this Association, if annual assessments equal fifty thousand dollars or more, shall be audited at least annually by an independent certified public accountant, but the audit may be waived if sixty-seven percent (67%) of the votes cast by owners, in person or by proxy, at a meeting of the Association at which a quorum is present, vote each year to waive the audit.

Section 4.

The funds of the Association shall be kept in accounts in the name of the Association and shall not be commingled with the funds of any other Association, or with the funds of any manager of the Association or any other person responsible for the custody of such funds.

ARTICLE XII - American Flag Display

The governing documents may not prohibit the outdoor display of the flag of the United States by an owner or resident on the owner's or resident's property if the flag is displayed in a manner consistent with federal flag display law, 4 U.S.C. Sec. 1 et seq. The governing documents may include reasonable rules and regulations, consistent with 4 U.S.C. Sec. 1 et seq., regarding the placement and manner of display of the flag of the United States.

ARTICLE XIII-Display of Political Yard Signs.

Political yard signs may be displayed on the owner's own property, but not on common area property. The size and placement of the signs shall be determined by the Architectural Control Committee.

ARTICLE XIV—Fiscal Year

The fiscal year of the Association shall end on the last day of the month of December in each year.

ARTICLE XV—Parliamentary Authority

Robert's Rules of Order, Newly Revised, shall be the parliamentary authority for the Association.

ARTICLE XVI – Waiver of Notice

Whenever any notice whatever is required to be given under the provisions of the Act or under the provisions of the Articles of Incorporation or the Bylaws of the Association, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XVII - Amendments to Bylaws

These Bylaws may be amended by a two thirds (2/3) vote of the Association members voting at any regular meeting or special meeting, provided that the same notice as required for special meetings is given of intention to amend the Bylaws at such meeting.

ARTICLE XVIII - Conflicts With Association's Other Governing Documents

In the event of conflict between these Bylaws and the provisions of the Covenants, Conditions and Restrictions for the Eagle Point at American Lake Homeowners' Association, the Declaration of Covenants, Conditions and Restrictions shall supersede provisions of these Bylaws.