

**BYLAWS**  
**OF**  
**KELLOGG VILLAGE HOMEOWNERS ASSOCIATION**

**ARTICLE I. PURPOSES**

This association shall be conducted as a nonprofit Washington Association for the purposes set forth in the Articles of Incorporation. Further, the purposes for which this Association was created may be altered, modified, enlarged or diminished by vote of a majority of the membership at a meeting duly called for such specific purposes; provided, however, that the written notice of such meeting shall be duly given as herein provided and shall specifically set forth the nature of the proposed action.

**ARTICLE II. MEMBERSHIP**

2.1 Ownership Limitation. The membership of the Association shall consist of and be limited to the owners or purchasers of the property subject to the Declaration of Restrictive Covenants for Kellogg Village recorded under Snohomish County Auditor's File No. 9903030724, records of Snohomish County, Washington (the "Declaration").

The privileges and facilities of the Association shall be extended to the spouse and children of a member and, further, may be extended to guests of members under such rules and regulations as the Board of Directors of the Association may hereafter prescribe.

2.2 Membership Transfer. The membership shall be inseparably appurtenant to the lots owned or being purchased by the members and upon the transfer of ownership or the making of a contract for the sale thereof, the membership appurtenant 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. In the event of the death of a member, his membership shall pass in the same manner and to the same persons as the lot may transfer.

2.3 Membership Termination. No membership shall be forfeited nor any member expelled except for the nonpayment of dues, then only subject to the discretion of the Directors upon a majority vote of the Directors, and no member may withdraw except upon 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 Association upon the transfer of membership and no member whose membership is transferred shall be entitled to share or participate in any of the property or assets of the Association.

2.4 Voting Rights. There shall be two classes of membership in which shall be vested all voting rights and privileges of the Association. Every Owner of a Lot, including Declarant, shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

The Association shall have two classes of voting membership.

Class A. Class A members shall be all owners, with the exception of the Declarant, and shall be entitled to one (1) vote for each Lot owned, whether improved or not. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as the joint owners among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. Class B members shall be the Declarant and shall be entitled to two (2) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs first:

- a. When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or
- b. Three (3) years after the first Lot is conveyed by the Declarant to an Owner.

2.1.1 Real Estate Contract Purchaser. A purchaser under a real estate contract shall be deemed to be an "owner" for purposes of voting and assessment.

2.1.2 Joint Ownership. If any lot is held by two (2) or more persons under any form of joint ownership, the several owners of such lot shall be entitled to prorate their one vote between and among themselves. The vote of any membership owned by one martial community may be cast by either spouse without the presentation of written authority from the absent spouse. If both spouses are present, and they are unable to agree, they may divide their vote(s) in the same manner as any other joint owners.

2.5 Assessment Allocation. The assessment allocation shall be on a per lot basis, irrespective of the size of the particular lot.

### ARTICLE III. BOARD OF DIRECTORS

3.1 Number. The powers of this Association shall be vested and exercised by or under the authority of a Board of Directors. The number of Directors who shall manage the affairs of



this Association shall be not less than three (3). The exact number thereof to be fixed by the members of the Association from time to time, at any annual or special meeting called for that purpose.

3.2 Term. The Directors elected by the members at the first annual meeting to succeed the then existing Directors named in the Articles of Incorporation shall be elected for a term of one (1) year, or until their successors are duly elected and qualified and each Director shall be a member in good standing or, if the member is a corporation, any officer of that corporate member is qualified to be a Director of this Association.

3.3 Ownership Condition. In the event a Director other than an incorporator can no longer qualify as an owner or purchaser of a lot or an officer of a corporate owner or purchaser of a lot and ceases to be member, he shall thereupon also automatically cease to be a Director, and his office shall become vacated without the necessity of any action of the Board, which shall, nevertheless, spread that fact upon the minutes of its next meeting.

3.4 Vacancy. Any vacancy occurring in the Board of Directors shall be filled by appointment by a majority of the remaining Directors. The Director appointed to fill a vacancy shall hold office until the next annual meeting of the membership at which time the members shall elect a Director to fill the unexpired balance of the term, if any.

3.5 Meetings. The Board of Directors shall meet annually after and immediately following the annual meeting of the members. The Board of Directors 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 Director notice personally, verbally or by mail, or by telephone or wire of all regular and special meetings, sufficient to enable such Director to attend and in any case at least five (5) days' notice in advance. The written waiver of notice signed by the Directors, whether before or after the time fixed in a required notice, or the presence of Directors at the meeting without formal objection on the ground of want to notice shall be deemed to be equivalent of the required notice for all purposes.

3.6 Quorum. A majority of the Directors shall constitute a quorum for the transaction of any business.

#### **ARTICLE IV. MEMBERSHIP MEETINGS**

4.1 Annual Meeting. The annual meeting of the membership shall be held on the first Tuesday in November of each year at the hour of 6:00 p.m. The annual meeting shall take place at such location as the Board of Directors may select. If appropriate facilities are not available at Kellogg Village, the annual membership meeting shall be held at a site within twenty (20) miles of Kellogg Village. Written or printed notice stating the place, date and hour of the meeting shall be mailed by first-class mail not less than ten (10) nor more than thirty (30) days prior to the date

of the meeting, by or at the direction of the President or the Secretary of the Association, or the officer or persons calling a special meeting.

4.2 Addresses. The owners of each lot shall provide the Secretary of the Association with an address to which all notices may be addressed. In the event of joint ownership of lot, said joint owners shall designate one of their number as their agent for purposes of receiving all notices and other communications from the Association.

4.3 Annual Meeting Agenda. At the annual meeting, the members shall elect a Board of Directors as herein provided for terms of one (1) year and transact such other business as may properly come before them.

4.4 Special Meetings. Special meetings of the members may be called by the President or a majority of the Board of Directors. In addition, special meetings may be called by members having one-tenth (1/10th) of the votes entitled to be cast. Notice of any special meeting shall be given in the manner provided above, and, in addition, shall state specifically the purpose or purposes for which the special meeting is called.

4.5 Written Proxies Authorized. Members who are unable to attend an annual or special meeting may file a written proxy with any other member of the corporation.

4.6 Quorum. To constitute a quorum at the annual meeting, twenty-five per cent (25%) of the votes must be present in person or by written proxy. The quorum for a special meeting shall be fifty percent (50%) of the votes present in person or by written proxy. Decisions shall be made by a simple majority of those in attendance or voting by proxy.

## ARTICLE V. DIRECTORS

✓ 5.1 Duties. Subject to any limitation in the Articles of Incorporation and these Bylaws, and the laws of the State of Washington, all the business and affairs of the Association shall be controlled and conducted by the Board of Directors. Without prejudice to such general powers, and subject to the same limitations, it is hereby expressly agreed that the Directors shall have the following duties:

- ✓ (a) To elect and remove all of the officers, agents and employees of the Association, prescribing such powers and duties for them as may be consistent with the laws of the State of Washington, the Articles of Incorporation, and these Bylaws, and to fix their compensation, if any, and require from them security for faithful performance.
- ✓ (b) To cause to be kept a complete record of all minutes and acts and to present a full statement to the regular annual meeting of the members showing in



detail the condition of the affairs of the Association; to cause to be kept a complete membership of all members.

- ✓(c) To fix and establish the annual dues and any other special assessments in accordance with these Bylaws, the Articles of Incorporation, and the Declaration.

✓5.2 Compensation. Members of the Board of Directors shall receive no compensation for their services to the Association in the capacity as Director. However, Directors may be reimbursed for such reasonable expenses as they may necessarily incur in the pursuance of the business of the Association.

## ARTICLE VI. OFFICERS

6.1 Election or Appointment. The Board of Directors at its annual meeting immediately following the annual meeting of the members shall elect a President, Vice President, Secretary and Treasurer, each of whom shall be members of the Association. The Board may, in its discretion, combine any two officers except that of President and Secretary. Officers shall serve for a term of one (1) year from the time of their election and/or their successors are duly elected and qualified. The Board may also at any time appoint an executive secretary or an assistant secretary and/or assistant treasurer who need not have membership in the Association and whose terms of office shall coincide with those of the officers they assist.

6.2 Removal. Any officer may be suspended or removed by the following procedure: First, a resolution passed by a majority of the Board of Directors recommending the suspension or removal of such officer; and second, a majority vote of the membership at a special meeting called for the specific purpose of considering such suspension or removal. Any vacancy occurring in an elective or appointive office shall be filled by the Board of Directors upon a majority vote thereof.

6.3 Compensation. Officers shall receive no compensation for their services to the Association in the capacity as officer. Officers shall be reimbursed by the Association for such reasonable expenses as they may necessarily incur in pursuance of the business of the Association.

## ARTICLE VII. DUTIES OF OFFICERS

7.1 President. The President shall act as Chairman at all meetings of the members and preside at all meetings of the Board of Directors. He shall sign as President all contracts or instruments for the Association and perform such other duties as may be required of him by the Board of Directors.

7.2 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 Boards of Directors may require.

7.3 Secretary. The Secretary shall issue all notices and shall attend and keep the minutes of all meetings of the members of the Board. He shall have charge of all Association books, records, papers and the Association's seal. He shall attest with his signature and impress with the Association's seal all instruments executed for the Association. He shall perform all such other duties as are incidental to his office or as may be required by the Board of Directors.

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

#### ARTICLE VIII. DUES AND ASSESSMENTS

8.1 Annual Dues Authorized. The Board of Directors shall have the authority to establish, charge, and assess annual dues for each lot or parcel in Kellogg Village. Such dues and assessments may be modified by the affirmative vote of a majority of the Board of Directors at the annual meeting for each year after the initial year of the Association; provided, however, that such amendments shall be subject to the limitations set forth in the Declaration; provided, further, that the membership by an affirmative vote of simple majority of those present or voting by proxy may also amend the dues or assessments at the annual meeting or at any special meeting called for the specific purpose of modifying or amending the dues or assessments.

8.2 Payment. The annual assessments shall commence for the year beginning January 1, 1999. The annual assessment shall be due and payable as provided in the Declaration or as established by the Board of Directors, subject to the terms, conditions and limitations, if any, set forth in the Declaration.

8.3 Liens. Any unpaid assessments shall become past due after thirty (30) days following the due date and shall thereafter constitute a lien upon the lot of any owner who has not paid an assessment.

8.4 Voting Rights. All dues and assessments must be paid before the member or owner may vote at any meeting of owners or members.

**ARTICLE IX. AMENDMENTS**

These Bylaws may be amended at any time by a two-thirds (2/3) majority vote of the membership of the Association.

**ARTICLE X. CORPORATE SEAL**

The Association shall have an Association seal. It shall be in circular form and shall be affixed in these Bylaws by the impression of said Association seal in the space to the right of this paragraph.

**ARTICLE XI. COMMON AREA**

The Association shall own and maintain certain common area as conveyed to the Association. The Association, in addition to maintaining said common area, will pay all taxes and assessments owing to Snohomish County and will be fully responsible for said common area. The Association agrees to indemnify and hold harmless the Declarants and developers of Kellogg Village from any and all liability including injury to person or damage to property occurring on or about said common area.

**ARTICLE XII. DATE OF ADOPTION**

These Bylaws are duly adopted by the Association and the official Association seal affixed hereon this 3rd day of March, 1999.



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Henry M. Robinett