

BYLAWS OF  
FALCONS RIDGE  
OWNERS ASSOCIATION  
(Amended 5/2020)

## BYLAWS OF FALCON'S RIDGE OWNERS ASSOCIATION

### ARTICLE I

#### Introduction

These are the Bylaws of Falcons Ridge Owners Association. It is a nonprofit corporation which shall be the governing body for "Falcon's Ridge, A Planned Recreational /Residential Community", hereinafter called the "Common Interest Community". The Common Interest Community includes Lots 1 through 5, Block 1; Lots 1 through 28, Block 2; Lots 1 through 34, Block 3 and Lots 1 through 10, Block 4, FALCON'S RIDGE SUBDIVISION, Palmer Recording District, State of Alaska, as well as the Common Area described in the *Declaration of Covenants, conditions and Restrictions for Falcon's Ridge, A Planned Recreational Residential Community*, hereinafter called the "Declaration." Additional property may be added to the Common Interest Community as provided in the Declaration. Owners of lots in the Common Interest Community are herein referred to as "Lot Owners". These bylaws are intended to be consistent with the Declaration and the Alaska Common Interest Ownership Act. "Declarant" means Falcons Ridge, LLC.

### ARTICLE II

#### Executive Board

##### Section 2.1 - Appointment and Election; Number and Qualification.

The affairs of the Common Interest Community and the Association shall be governed by an Executive Board of Directors which, shall consist of at least three (3) persons and no more than seven (7), all of whom shall be Lot Owners. If any Lot is owned by a partnership, limited liability company, or corporation, any officer, partner, member or employee of that Lot Owner shall be eligible to serve as a Director and shall be deemed to be a Lot Owner for the purposes of the preceding sentence. Directors shall be elected by the Lot Owners. At any meeting at which Directors are to be elected, the Lot Owners may, by resolution, adopt specific procedures for conducting the elections, not inconsistent with these Bylaws or the Corporation Laws of the State of Alaska.

The terms of at least one-third (1/3) of the Directors shall expire annually, as established in a resolution of the Lot Owners setting terms.

The Executive Board shall elect the officers. The Executive Board Directors and officers take office upon election.

To elect Directors, the Association shall call and give not less than ten (10) nor more than sixty (60) days' notice of a meeting of the Lot Owners for this purpose. Such meeting may be called and the notice given by any Lot Owner if the Association fails to do so.

Section 2.2 - Powers and Duties. The Executive Board may act in all instances on behalf of the Association, except as provided in the Declaration, these Bylaws or the Act. The Executive Board shall have, subject to the limitations contained in the Declaration, and the Act, the powers and duties necessary for the administration of the affairs of the Association and of the Common Interest Community which

shall include, but not be limited to, the following:

Adopt and amend Bylaws, and Rules and regulations;

Adopt and amend budgets, for revenues, expenditures and reserves; The Board will provide advance copies of the annual meeting agenda and proposed budget to owners at least 48hrs prior to the annual meeting. The Treasurer will brief the proposed budget for owners at the meeting and answer questions as they arise. Unless at that meeting a majority of all Lot Owners or any larger vote specified in the declaration reject the budget, the budget is ratified, whether or not a quorum is present. If the proposed budget is rejected, the periodic budget last ratified by the Lot owners continues until the Lot Owners ratify a budget proposed by the Executive Board.

- a) Collect assessments for Common Expenses from Lot Owners;
- b) Hire and discharge managing agents;
- c) Hire and discharge employees and agents other than managing agents and independent contractors;
- d) Institute, defend or intervene in litigation or administrative proceedings or seek injunctive relief for violations of the Association's Declaration, Bylaws or Rules in the Association's name on behalf of the Association or two or more Lot Owners on matters affecting the Common Interest Community;
- e) Make contracts and incur liabilities;
- f) Regulate the use, maintenance, repair, replacement and modification of Common Areas;
- g) Cause additional improvements to be made as a part of the Common Areas;
- h) Acquire, hold, encumber and convey in the Association's name all right, title or interest to real estate or personal property, but Common Area may be conveyed or subjected to a security interest only pursuant to Section 34.08.430 of the Act;
- i) Grant easements for any period of time including permanent easements, and leases, licenses and concessions for no more than one (1) year, through or over the Common Area;
- j) Impose and receive a payment, fee or charge for the use, rental or operation of the Common Area or Common Elements, other than Limited Common Area described in Subsections (2) and (4) of Section 34.08.100 of the Act, and for services provided to Lot Owners;
- k) Impose a reasonable charge for late payment of assessments and, after Notice and Hearing, levy a reasonable fine for a violation of the Declaration, Bylaws, Rules and regulations of the Association;

- l) Provide for the indemnification of the Association's officers and Executive Board and maintain Directors' and officers' liability insurance;
- m) Assign the Association's right to future income, including the right to receive Common Expense assessments;
- n) Exercise any other powers conferred by the Declaration or Bylaws;
- o) Exercise any other power that may be exercised in the State of Alaska by a legal entity of the same type as the Association;
- p) Exercise any other power necessary and proper for the governance and operation of the Association; and
- q) By resolution, establish committees of Directors, permanent and standing, to perform any of the above functions under specifically delegated administrative standards, as designated in the resolution establishing the committee. All committees must maintain and publish notice of their actions to Lot Owners and the Executive Board. However, actions taken by a committee may be appealed to the Executive Board by any Lot Owner within forty-five (45) days of publication of such notice, and such committee action must be ratified, modified or rejected by the Executive Board at its next regular meeting.

Section 2.3 - Standard of Care. In the performance of their duties, the officers and members of the Executive Board are required to exercise normal and reasonable care and judgment.

Section 2.4 - Additional Limitations. The Executive Board shall be additionally limited pursuant to the Declaration.

Section 2.5 - Manager. The executive Board may employ a manager for the Common Interest Community at a compensation established by the Executive Board, to perform such duties and services as the Executive Board shall authorize. The Executive Board may delegate to the manager only the powers granted to the Executive Board by these Bylaws under Subdivisions 2.2(c), (e), (g) and (h). Licenses, concessions and contracts may be executed by the manager pursuant to specific resolutions of the Executive Board or to fulfill the requirements of the budget.

Section 2.6 - Removal of Directors. The Lot Owners, by a two-thirds (2/3) vote of all persons present and entitled to vote at any meeting of the Lot Owners at which a quorum is present, may remove any Director of the Executive Board with or without cause.

Section 2.7 - Vacancies. Vacancies in the Executive Board caused by any reason other than the removal of a Director by a vote of the Lot Owners, may be filled at a special meeting of the Executive Board held for that purpose at any time after the occurrence of any such vacancy, even though the Directors present at such meeting may constitute less than a quorum, in the following manner:

- a) as to vacancies of Directors whom Lot Owners elected, by a majority of the remaining such Directors constituting the Executive Board.

Each person so elected or appointed shall be a Director for the remainder of the term of the Director so

replaced.

Section 2.8 - Regular Meetings. The regular meetings of the Executive Board following each annual meeting of the Lot owners shall be held within ten (10) days thereafter at such time and place as shall be fixed by the Executive Board. No notice shall be necessary to the newly elected Directors in order to legally constitute such meeting, providing a majority of the Directors shall be present. The Executive Board may set a schedule of additional regular meetings by resolution and no further notice is necessary to constitute such regular meetings.

Section 2.9 - Special Meetings. Special meetings of the Executive Board may be called by the president or by a majority of the Directors on at least three (3) business days' notice to each Director. The notice may be hand-delivered, mailed, emailed, or sent via text and shall state the time, place and purpose of the meeting.

Section 2.10 - Location of Meetings. Meetings of the Executive Board shall be held in a convenient location determined by the Board members. Meetings may also be held via conference call or other electronic means with the agreement of the Board.

Section 2.11 - Waiver of Notice. Any director may waive notice of any meeting in writing via email or text. Attendance by a Director at any meeting of the Executive Board shall constitute a waiver of notice. If all the Directors are present at any meeting, no notice shall be required and any business may be transacted at such meeting.

Section 2.12 - Quorum of Directors. At all meetings of the Executive Board, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the meeting. If, at any meeting, there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any adjourned meeting at which a quorum is present any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 2.13 - Compensation. A Director may receive a fee from the Association for acting as such, as may be set by resolution of the Lot Owners, and reimbursement for necessary expenses actually incurred in connection with his or her duties. Directors acting as officers or employees may also be compensated for such duties.

Section 2.14 - Consent to Corporate Action. If all the Directors or all Directors of a committee established for such purposes, as the case may be, severally or collectively consent in writing or email to any action taken or to be taken by the Association, and the number of the Directors or committee constitutes a quorum for such action, such action shall be a valid corporate action as though it had been authorized at a meeting of the Executive Board or the committee, as the case may be. The Secretary shall file such consents with the minutes of the meetings of the Executive Board.

### ARTICLE III

#### Lot Owners

Section 3.1 - Annual Meeting. Annual meetings of Lot Owners shall be held in May of every year to coincide with the beginning of the Association's Fiscal year. The Executive Board will set the schedule of the annual meeting by resolution and inform Lot owners of the time and place of such meeting. At the meeting, the Directors shall be elected by the Lot Owners, in accordance with the provisions of Article II. The Lot Owners may transact other business at such meetings as may properly come before them.

Section 3.2 - Budget Meeting. Meetings of Lot Owners to consider proposed budgets shall be called in accordance with the Declaration and the Act. The budget may be considered at Annual or Special Meetings called for other purposes as well.

Section 3.3 - Special Meetings. Special meetings of the Association may be called by the president, by a majority of the members of the Executive Board, or by Lot Owners comprising twenty percent (20%) of the votes in the Association.

Section 3.4 - Place of Meetings. Meetings of the Lot Owners shall be held at the project, or may be adjourned to such suitable place convenient to the Lot Owners as may be designated by the Executive Board or the president.

Section 3.5 - Notice of Meetings. Except for budget meetings which will be noticed not less than fourteen (14) nor more than thirty (30) days after the mailing of the summary, not less than ten (10) nor more than sixty (60) days in advance of a meeting, the Secretary or other officer specified in the Bylaws shall cause notice to, be hand-delivered or sent prepaid by United States mail to the mailing address of each Lot or to the mailing address designated in writing by the Lot Owner. No action shall be adopted at a meeting except as stated in the notice.

Section 3.6 - Waiver of Notice. Any Lot Owner may, at any time, waive notice of any meeting of the Lot Owners in writing, and such waiver shall be deemed equivalent to the receipt of such notice.

Section 3.7 - Adjournment of Meeting. At any meeting of Lot Owners, a majority of the Lot Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to another time.

Section 3.8 - Order of Business. The order of business at all meetings of the Lot Owners shall be as follows:

- a) Roll call (check-in procedure);
- b) Proof of notice of meeting;
- c) Reading of minutes of preceding meeting;
- d) Reports;
- e) Establish term of memberships of the Executive Board (if required and noticed);
- f) Election of Directors of the Executive Board (where required);
- g) Ratification of Budget (if required and noticed);
- h) Unfinished business;
- i) New business; and
- j) Adjourn.

Section 3.9 - Voting.

If only one of several owners of a Lot is present at a meeting of the Association, the Lot Owner present is entitled to cast the vote allocated to the Lot. If more than one of the Lot Owners is present, the vote allocated to the Lot may be cast only in accordance with the agreement of a majority in interest of the Lot Owners. There is majority agreement if any one of the Lot Owners casts the vote allocated to the Lot without protest being made promptly to the person presiding over the meeting by another owner of the Lot.

The vote allocated to a Lot may be cast under a proxy duly executed by a Lot Owner. If a Lot is owned by more than one person, each owner of the Lot may vote or register protest to the casting of votes by the other owners of the Lot through a duly executed proxy. A Lot Owner may revoke a proxy given under this Section only by actual notice of revocation to the person presiding over a meeting of the Association. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates one (1) year after its date, unless it specifies a shorter term.

The vote of a corporation, limited liability company or business trust may be cast by any officer of such corporation or business trust, manager, or sole member of a limited liability company in the absence of express notice of the designation of a specific person by the board of directors or bylaws of the owning corporation, or business trust. The vote of a partnership may be cast by any general partner of the owning partnership in the absence of express notice of the designation of a specific person by the owning partnership. The moderator of the meeting may require reasonable evidence: that a person voting on behalf of a corporation, partnership or business trust owner is qualified so to vote. The vote allocated to a Lot owned by the Association may not be cast.

Section 3.10 - Quorum. Except as otherwise provided in these Bylaws, the Lot Owners present in person or by proxy, but: no less than one-tenth (1/10) of the votes entitled to vote at the meeting, at any meeting of Lot Owners shall constitute a quorum at such meeting.

ARTICLE IV

## Officers

Section 4.1 - Designation. The principal officers of the Association shall be the president, the vice president, the secretary, and the treasurer, all of whom shall be: elected by the Executive Board. The Executive Board may appoint an assistant treasurer, an assistant secretary, and such other officers as in its judgment as may be necessary. The president and vice president, but no other officers, need be Directors. Any two (2) offices may be held by the same: person, except the offices of president and secretary. The office of vice president may be held by the president or treasurer.

Section 4.2 - Election of Officers. The officers of the Association shall be elected annually by the Executive Board at the organization meeting of each new Executive Board and shall hold office at the pleasure of the ExecutiveBoard.

Section 4.3 - Removal of Officers. Upon the affirmative vote of a majority of the Directors, any officer may be removed, either with or without cause, and his or her successor may be elected at any regular meeting of the Executive Board, or at any special meeting of the Executive Board called for that purpose.

Section 4.4 - President. The president shall be the chief executive: officer of the Association. He or she shall preside at all meetings of the Lot Owners and of the Executive Board. He or she shall have all of the general powers and duties which are incident to the office of president of a nonprofit corporation organized under the laws of the State of Alaska, including, but not limited to, the power to appoint committees from among the Lot Owners from time to time as he or she may in his or her discretion decide is appropriate to assist in the conduct of the affairs of the Association. He or she may fulfill the role of treasurer in the absence of the treasurer. The president, as attested by the secretary, may cause to be prepared and may execute amendments to the Declaration and the Bylaws on behalf of the Association, following authorization or approval of the particular amendment as applicable.

Section 4.5 - Vice President. The vice president shall take the place of the president and perform his or her duties whenever- the president is absent or unable to act. If neither the president nor the vice president is able to act, the Executive Board shall appoint some other Director to act in the place of the president, on an interim basis. The vice president shall also perform such other duties as may be imposed upon him or her by the Executive Board or by thepresident.

Section 4.6 - Secretary. The secretary shall keep the minutes of all meetings of the Lot Owners and the Executive Board. He or she shall have charge of such books and papers as the Executive Board may direct and he or she shall, in general, perform all the duties incident to the office of secretary of a nonprofit corporation organized under the laws of the State of Alaska. The secretary may cause to be prepared and may attest to execution by the president of amendments to the Declaration and the Bylaws on behalf of the Association, following authorization or approval of the particular amendment as applicable.

Section 4.7 - Treasurer. The treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation. of all required financial data. He or she shall be responsible for the deposit of all monies and other valuable effects in such depositories as may from time to time be designated by the Executive Board, and he or she shall, in general, performallthe duties



incident to the office of treasurer of a nonprofit corporation organized under the laws of the State of Alaska. He or she may endorse on behalf of the Association for collection only, checks, notes and other obligations, and shall deposit the same and all monies in the name of and to the credit of the Association in such banks as the Executive Board may designate. He or she may have custody of all and shall have the power to endorse for transfer on behalf of the Association, stock, securities or other investment instruments owned or controlled by the Association or as fiduciary for others.

Section 4.8 - Agreements, Contracts, Deeds, Checks, etc. Except as provided in Sections 4.4, 4.6 and 4.7 of these Bylaws, all agreements, contracts, deeds, leases, checks and other instruments of the Association shall be executed by any officer of the Association or by such other person or persons as may be designated by the Executive Board.

Section 4.9 - Compensation. An officer may receive a fee from the Association for acting as such, as may be set by resolution of the Lot Owners, and reimbursement for necessary expenses actually incurred in connection with his or her duties.

## ARTICLE V

### Enforcement

Section 5.1 - Abatement and Enjoinment of Violations by Lot Owners. The violation of any of the Rules and regulations adopted by the Executive Board, or the breach of any provision of the Declaration or related Documents shall give the Executive Board the right, after Notice and Hearing, except in case of an emergency, in addition to any other rights set forth in these Bylaws:

- a) to enter the Lot in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Lot Owner, any structure, thing or condition (except for additions or alterations of a permanent nature that may exist therein) that is existing and creating a danger to the Common Areas or any Common Elements contrary to the intent and meaning of the provisions of the Documents, and the Executive Board shall not hereby be deemed liable for any manner of trespass; or
- b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

Section 5.2 - Fine for Violation. By resolution, following Notice and Hearing, the Executive Board may levy a fine of up to Twenty-Five Dollars and Zero Cents (\$25.00) per day for each day that a violation of the Documents or Rules persists after such Notice and Hearing, but such amount shall not exceed that amount necessary to insure compliance with the rule or order of the Executive Board.

## ARTICLE VI

### Indemnification

The Directors and officers, of the Association shall have the liabilities, and be entitled to indemnification, as provided in sections AS 10.20.051(b) and AS 10.20.011(14) of the Alaska Statutes, the provisions of which are hereby incorporated by reference and made a part hereof

## ARTICLE VII

### Records

Section 7.1 - Records and Audits. The Association shall maintain financial records. The financial records shall be maintained and audited in accordance with Article XVIII of the Declaration. The cost of the audit shall be a Common Expense unless, otherwise provided in the Documents.

Section 7.2 - Examination. All records maintained by the Association or by the manager shall be available for examination and copying by any Lot Owner, by any holder of a Security Interest in a Lot, or by any of their duly authorized agents or attorneys, at the expense of the person examining the records, during normal business hours and after reasonable notice.

Section 7.3 - Records. The Association shall keep the following records:

- a) An account for each Lot which shall designate the name and address of each Lot Owner, the name and address of each mortgagee who has given notice to the Association that it holds a mortgage on the Lot, the amount of each Common Expense assessment, the dates on which each assessment comes due, the amounts paid on the account, and the balance due.
- b) An account for each Lot Owner showing any other fees payable by the Lot Owner.
- c) A record of any capital expenditures in excess of Three Thousand Dollars and Zero Cents (\$3,000.01) approved by the Executive Board for the current and two (2) next succeeding fiscal year's.
- d) A record of the amount, and an accurate account of the current balance of any reserves for capital expenditures, replacement and emergency repairs, together with the amount of those portions of reserves designated by the Association for a specific project.
- e) The most recently regularly prepared balance sheet and income and expense statement, if any, of the Association.
- f) The current operating budget adopted pursuant to subsection 34.08.460(a) of the Act and ratified pursuant to the procedures of Subsection 34.08.330(c).
- g) A record of all unsatisfied judgments against the Association and the existence of any pending suits in which the Association is a defendant.
- h) A record of insurance coverage provided for the benefit of Lot Owners and the Association.
- i) A record of any alterations or improvements to lots or Common Areas or Limited Common Elements which violate any provisions of the Declarations of which the Executive Board has knowledge.
- j) A record of any violations, with respect to any portion of the Common Interest Community, of health, safety, fire or building codes or laws, ordinances, or regulations of which the Executive Board has knowledge.

- k) A record of the actual cost, irrespective of discounts and allowances, of the maintenance of the Common Area.
- l) Annually the Association shall prepare a balance sheet showing the financial condition of the Association as of a date not more than four (4) months prior thereto, and a statement of receipts and disbursements for twelve (12) months prior to that date. The balance sheet and statement shall be kept for at least ten (10) years from such date.
- m) Tax returns for state and Federal income taxation.
- n) Minutes of proceedings of incorporators, Lot Owners, Directors, committees of Directors and, waivers of notice.

## ARTICLE VIII

### Miscellaneous

Section 8.1 - Notices. All notices to the Association or the Executive Board shall be delivered to the office of the manager, or if there is no manager, to the office of the Association, or to such other address as the Executive Board may hereafter designate from time to time, by notice in writing to all Lot Owners and to all holders of Security interests in the Lots who have notified the Association that they hold a Security Interest in a Lot. Except as otherwise provided, all notices to any Lot Owner shall be sent to his or her address as it appears in the records of the Association. All notices to holders of Security Interests in the Lots shall be sent, except when a different manner of notice is specified elsewhere in the Documents, by registered or certified mail to their respective addresses, as designated by them from time to time, in writing, to the Association. All notices shall be deemed to have been given when mailed except notices of changes of address which shall be deemed to have been given when received.

Section 8.2 - Fiscal Year. The fiscal year of the Association is May 1 through April 30.

Section 8.3 - Waiver. No restriction, condition, obligation, or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

Section 8.4 - Office. The principal office of the Association shall be on the Property or at such other place as the Executive Board may from time to time designate.

## ARTICLE IX

### Amendments to Bylaws

The Bylaws may be amended only by vote of two-thirds (2/3) of the Lot Owners present (or by proxy) at the annual meeting or any meeting duly called for such purpose.

Certified to be the Bylaws adopted by consent of the Directors of Falcons Ridge Owners Association.

By     Greg Kennedy  
       President, Falcon's Ridge Owners Association