

BYLAWS
OF
CEDAR RIDGE SEQUIM COMMUNITY HOMEOWNERS ASSOCIATION

TABLE OF CONTENTS

ARTICLE I - DEFINITIONS	1
ARTICLE II - POWER AND AUTHORITY OF ASSOCIATION	2
ARTICLE III - MEMBERSHIP - VOTING - REGISTER	2
ARTICLE IV - MEETINGS OF THE ASSOCIATION	3
ARTICLE V - BOARD OF DIRECTORS	7
ARTICLE VI - MEETINGS OF BOARD OF DIRECTORS	8
ARTICLE VII - RULES AND REGULATIONS	10
ARTICLE VIII - OFFICERS.....	11
ARTICLE IX - COMMITTEES AND MANAGER	12
ARTICLE X - HANDLING OF FUNDS	12
ARTICLE XI - KEEPING RECORDS AND REPORTS	13
ARTICLE XII - NOTICE	13
ARTICLE XIII - AMENDMENTS	14
ARTICLE XIV - MISCELLANEOUS	14

BYLAWS
OF
CEDAR RIDGE SEQUIM COMMUNITY HOMEOWNERS ASSOCIATION

The following are the Bylaws of the Cedar Ridge Sequim Community Homeowners Association ("Association"). Every Lot Owner of a Lot within the Cedar Ridge, as further described and identified in the First Amended and Restated Declaration of Covenants, Conditions and Restrictions for Cedar Ridge Subdivision as amended from time to time (the "Declaration"), shall automatically be a Member of this Association. The Lots are referred to collectively herein as the "Property." All present and future Members, mortgagees and other encumbrancers, lessees, tenants, licensees and Occupants of Lots, and their guests and employees, and any other person who may use the Property, are subject to these Bylaws, the Declaration, and any rules and regulations established from time to time by the Association.

ARTICLE I - DEFINITIONS

As used in these Bylaws, unless the context requires otherwise, the definitions given in the Declaration, as amended from time to time, shall apply. The following additional definitions are used herein:

"Act" means the Washington Homeowners Association Act, Chapter 64.38 RCW.

"Board" means the Board of Directors of the Association. The Board shall constitute the permanent Committee of property owners set forth in Section 4.3 of the Declaration.

"Deliver" or "Delivery" means: (a) mailing; (b) transmission by facsimile equipment, for purposes of delivering a demand, consent, notice, or waiver to the Association or one of its officers, directors, or Members; or (c) Electronic Transmission, in accordance with the officer's, director's, or Member's consent, for purposes of delivering a demand, consent, notice, or waiver to the Association or one of its officers, directors, or Members.

"Electronic Transmission" means an electronic communication (a) not directly involving the physical transfer of a record in a Tangible Medium and (b) that may be retained, retrieved, and reviewed by the sender and the recipient thereof, and that may be directly reproduced in a Tangible Medium by a sender and recipient.

"Electronically Transmitted" means the initiation of an Electronic Transmission.

"Record," when used as a noun, means information inscribed on a Tangible Medium or contained in an Electronic Transmission.

"Tangible Medium" means a Writing, copy of a Writing, facsimile, or a physical reproduction, each on paper or on other tangible material.

"Writing" does not include an Electronic Transmission.

"Written" means embodied in a Tangible Medium.

All capitalized terms not otherwise defined in these Bylaws shall have those meanings attributed to them as a defined term in the Declaration, unless the context indicates otherwise.

ARTICLE II - POWER AND AUTHORITY OF ASSOCIATION

The Association shall have the power and authority set forth in the Declaration, the Act, and the Washington Nonprofit Corporation Act, RCW Ch. 24.03.

ARTICLE III - MEMBERSHIP - VOTING - REGISTER

1. Membership.

(a) Each Lot Owner of a Lot shall automatically be a Member of the Association. All Members shall be subject to these Bylaws and such rules and regulations as may from time to time be adopted by the Association. The Membership shall be appurtenant to and nonseverable from the ownership of each Lot. The Membership shall automatically pass to the succeeding Lot Owner with the conveyance of each Lot.

(b) The Members shall participate in the affairs of the Association personally or through designated representatives, as set forth herein.

2. Voting. The total voting power of all voting Members shall be equal to the number of Lots in Cedar Ridge, and each voting Member shall have one (1) vote. A vote must be for all of the voting power for the Lot for which it is cast.

3. Cumulative Voting. For purposes of electing members of the Board, the Members may use cumulative voting.

4. Multiple Lot Owners. If only one of several Lot Owners of a Lot owned by multiple Owners is present at a meeting, that Lot Owner is entitled to cast the entire vote allocated to that Lot. If more than one of the Lot Owners are present, the votes allocated to that Lot may be cast only in accordance with the agreement of a majority in interest of the Lot Owners. There is a majority agreement if any one of the Lot Owners casts the votes allocated to the Lot without protest being made promptly to the person presiding over the meeting by any of the other Lot Owners of the Lot.

5. Voting Representative. There shall be one (1) voting representative for each Lot. The voting representative shall be designated by the Member or Members of each Lot by notice in the form of a Record to the Board and need not be a Member. The designation may be

revoked at any time by the Member or Members by notice in the form of a Record to the Board, and the death or judicially declared incompetence of the Member shall revoke the designation, provided, that such designation shall not be effective until the Board has been notified thereof. The powers of designation and revocation may be exercised by the guardian, trustee, personal representative, administrator or executor of a Member or his/her estate. Where no designation is made, or where a designation has been made, but is revoked and no new designations have been made, the voting power of each Lot shall be the group composed of all of its Members; and the Association may recognize the vote of any one or more of such Members present in person or by proxy at any meetings of the Association as the vote of all such Members.

6. Ownership of More Than One Lot. A person who owns more than one Lot shall be entitled to exercise the votes for the combined total of all Lots owned.

7. Register of Members. The Board of Directors of the Association shall maintain a register containing the names, addresses and telephone numbers of all Members, their designated representatives, and any voting rights pledges that have been filed with the Association. If a Member has consented to receive notices by Electronic Transmission, the register shall include the address, location or system to which notices may be Electronically Transmitted. Members who sell or convey their interests in a Lot shall promptly report to the Board of Directors the name and address of their successor in interest. Persons claiming membership in the Association shall, upon request, furnish the Board of Directors with a copy of any document under which they assert ownership of a Lot, or any interest therein. The Board of Directors may require Members to supply it with copies of any mortgage or other security instrument affecting their interests.

ARTICLE IV - MEETINGS OF THE ASSOCIATION

1. Annual Meeting. The annual meeting of the Association shall be held in the fourth quarter of each year, on a date fixed by the Board of Directors. At the annual meeting, the Members shall elect directors or fill vacancies in the Board of Directors as provided in the Declaration and shall consider such other business as may properly come before the meeting.

2. Special Meetings. The President of the Association may call a special meeting of the Association at any time. It shall be the duty of the President of the Association to call a special meeting of the Association upon a request in the form of a Record to the Secretary of the Association by a majority of the Board or by Members holding twenty percent (20%) or more of the votes in the Association. If the Association does not provide notice to Members of a special meeting within thirty (30) days after the requisite percentage of Members request the Secretary to do so, the requesting Members may directly provide notice to all the Members of the meeting. Only matters described in the notice of the meeting may be considered at a special meeting.

3. Place. Meetings of the Association shall be held at such reasonable place as may be designated from time to time by the Board of Directors.

4. Notice of Meetings. It shall be the duty of the Secretary of the Association to Deliver a notice of each annual and special meeting, stating the time, date and place where it is to be held, the business to be placed on the agenda by the Board of Directors for a vote by the Members, including the text of any proposed amendment to the Declaration, Articles of Incorporation, Bylaws, any budget or changes to a previously approved budget that result in a change in Assessment obligations and any proposal to remove a director or officer, to each Member and such other persons as provided in the Declaration. Unless a Member has consented to receive notices by Electronic Transmission, notices shall be in Writing. Written notices shall be delivered to the address of the Lot involved or at such other address as the Member shall have furnished in the form of a Record to the Board of Directors. All notices shall be given at least ten (10) but not more than fifty (50) days prior to an annual or special meeting, but the ten (10) day minimum time to provide notice may be reduced or waived for a meeting called to deal with an emergency. Notice of any meeting of the Association may be waived in the form of a Record at any time and is waived by actual attendance at such meeting, unless such appearance be limited expressly to object to the legality of the meeting. A declaration of such limited appearance shall be filed in the form of a Record with the Board of Directors at or prior to the meeting attended in such limited capacity.

5. Participation in Meetings. Members shall have a reasonable opportunity at any meeting of the Association to comment regarding any matter affecting the common interest community, the Property or the Association, provided that the Board may establish reasonable procedures to ensure that all Members have such opportunity and to promote decorum and respect at such meeting.

6. Conferencing. The Board, at its discretion, may allow participation in any meeting of the Association by telephonic, video or other conferencing process. If the Board allows such telephonic, video or other conferencing process, the meeting notice shall state the conferencing process to be used and provide information explaining how Members may participate in the conference directly or by meeting at a central location or conference connection. Such process must provide all Members the opportunity to hear or perceive the discussion and to comment on the proceedings.

7. Quorum. A quorum of Lot Owners at any annual or special meeting of the Association shall be the presence, in person or by proxy, of persons holding twenty percent (20%) or more of the total votes. A person is present throughout any meeting of the Association if such person is present in person or by proxy at the beginning of the meeting, has voted by absentee ballot, or any combination of the foregoing. If the quorum is not present, another meeting may be called subject to the same notice requirement and the required quorum at the subsequent meeting shall be on-half (1/2) of the required quorum at the preceding meeting. No subsequent meeting shall be held more than sixty (60) days following the preceding meeting. If a quorum is present at any such meeting, any action may be taken by an affirmative vote of a fifty-one percent (51%) majority of the total votes present at the meeting, except as otherwise expressly provided in the Act, the Declaration, or these Bylaws.

8. Voting. Voting Members or their proxies who are present in person may vote by voice vote, show of hands, standing, written ballot, or any other method for determining the votes of voting Members, as designated by the person presiding at the meeting.

9. Proxies. Any Member may vote by proxy. Proxies shall be in the form of a Record, signed by the Member, and filed with the Board of Directors prior to the vote in which such proxies are cast. A proxy must be for all the voting power of the Lot. Votes may be cast pursuant to a directed or undirected proxy duly executed by a Member by (a) executing a Writing authorizing another person or persons to act for the Member as proxy, which execution may be accomplished by the Member or the Member's authorized officer, director, employee, or agent signing the Writing or causing his or her signature to be affixed to the Writing by any reasonable means including, but not limited to, facsimile signature; or (b) authorizing another person or persons to act for the Member as proxy by transmitting or authorizing the transmission of an Electronic Transmission to the person who will be the holder of the proxy. If it is determined that the Electronic Transmissions are valid, the inspector of election or, if there are no inspectors, any other officer or agent of the Association making that determination on behalf of the Association shall specify the information upon which they relied. The Association shall require the holders of proxies received by Electronic Transmission to provide to the Association copies of the Electronic Transmission and the Association shall retain copies of the Electronic Transmission for the period specific in the Declaration. 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 Member may revoke a proxy only by actual notice of revocation to the Secretary or the person presiding over a meeting of the Association or by delivery of a subsequent proxy. The death or disability of a Member does not revoke a proxy given by the Member unless the person presiding over the meeting has actual notice of the death or disability. A proxy is void if it is not dated or purports to be revocable without notice. Unless stated otherwise in the proxy, a proxy terminates eleven (11) months after its date of issuance.

10. Absentee Ballots. Whenever proposals or Directors are to be voted upon at a meeting, a Member may vote by duly executed absentee ballot if the name of each candidate and the text of each proposal to be voted upon are set forth in a Record accompanying or contained in the notice of meeting and a ballot is provided by the Association for such purpose. When a Member votes by absentee ballot, the Association must be able to verify that the ballot is cast by the Member having the right to do so.

11. Vote Without a Meeting. The Association may conduct a vote without a meeting. If a vote without a meeting is authorized by the Board, the vote shall be conducted according to the following procedures:

(a) The Association must notify the Members that the vote will be taken by ballot without a meeting. The notice must state (i) the time and date by which a ballot must be delivered to the Association to be counted, which may not be fewer than fourteen (14) days after the date of the notice (the "Ballot Return Time"); (ii) the percent of votes necessary to meet the quorum requirements; (iii) the percent of votes necessary to approve each matter other than

election of Directors; and (iv) the time, date, and manner by which Members wishing to deliver information to all Members regarding the subject of the vote may do so.

(b) The Association must deliver a ballot to every Member with the notice. The ballot must set forth each proposed action and provide an opportunity to vote for or against the action.

(c) A ballot may be revoked only by actual notice of revocation to the Association. The death or disability of a Member does not revoke a ballot unless the Association has actual notice of the death or disability prior to the Ballot Return Time.

(d) Approval by ballot pursuant to this Section 11 is valid only if the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action.

(e) If the Association does not receive a sufficient number of votes to constitute a quorum or to approve the proposal by the Ballot Return Time, the Board may extend the deadline for a reasonable period not to exceed eleven (11) months by delivering to all Members a new notice in accordance with Section 11(a) of this Article. In that event, all votes previously cast on the proposal must be counted unless subsequently revoked as provided in this Section 11.

(f) A ballot or revocation is not effective until received by the Association.

(g) The Association must give notice to Members of any action taken pursuant to this Section 11 within a reasonable time after the action is taken.

(h) When an action is taken pursuant to this Section 11, a Record of the action, including the ballots or a report of the persons appointed to tabulate such ballots, must be kept with the minutes of meetings of the Association.

12. Presence at Meeting. Members voting by mail or Electronic Transmission are present for all purposes of quorum, count of votes and percentages of total voting power present.

13. Majority Vote. Except as otherwise provided by the Declaration or these Bylaws, passage of any matter submitted to vote at a meeting or adjourned meeting duly called, where a quorum is in attendance in person or by proxy, shall require the affirmative vote of a majority of the total votes present in person or by proxy.

14. Vote Held Open. At the request of the President or upon a majority vote of the votes held by the Members who are present, such Members may authorize the vote on any issue be held open for up to ten (10) business days from adjournment of the meeting. A Member may record his or her vote by Delivering a ballot in the form of a Record within the authorized period to the Secretary or person designated to accept receipt of the votes. The vote shall have the effect, and may be referred to in the minutes, as if the vote had been taken at the meeting.

15. Order of Business at Meetings. The order of business at meetings of the Association shall be as follows unless dispensed with or altered by motion:

- (a) Roll call
- (b) Proof of notice of meeting or waiver of notice
- (c) Minutes of preceding meeting
- (d) Reports of officers
- (e) Reports of committees
- (f) Election of directors (annual meeting or special meeting called for such purpose)
- (g) New business
- (h) Unfinished business
- (i) Adjournment

16. Minutes. Minutes of all Association meetings must be maintained in a Record. The decision on each matter voted upon at a meeting of the Association must be recorded in the minutes.

17. Parliamentary Authority. In the event of dispute, the parliamentary authority for the meetings shall be the current available edition of Roberts Rules of Order, Revised.

ARTICLE V - BOARD OF DIRECTORS

1. Authority; Number. Except as provided in the Declaration and these Bylaws, the Board shall act in all instances on behalf of the Association. The affairs of the Association shall be governed by a Board of Directors composed of at least four (4) but not more than ten (10) persons elected by the Members. At least a majority of the Directors shall be Members of the Association (including any board member, officer, member, partner, or trustee of any Member, who is, either alone or in conjunction with another person or persons, a Member of the Association). A Director shall take office upon adjournment of the meeting at which he or she was elected and will serve until his or her successor takes office.

2. Standard of Care. In the performance of their duties, officers and board members must act with good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances and in a manner the director or officer reasonably believes to be in the best interests of the Association. A director shall have discretion to act or refrain from acting as such director determines is in the best interest of the Association as a whole and the Members collectively and/or individually.

3. Term. The term of office of each Director shall be two (2) years. The initial Board shall determine that some Directors shall be elected at each annual meeting during even-numbered years, and the remaining Directors shall be elected at each annual meeting during odd-numbered years. At the initial meeting called for the purpose of electing the Directors, the Directors so elected shall, by lot, determine which shall have one (1) or two (2) year terms, to

stagger the expiration dates of the terms of the appropriate number of Directors. Any Director may be elected to serve for an additional term or terms.

4. Removal of Directors and Officers. Members present in person, by proxy, or by absentee ballot at any meeting of the Members at which a quorum is present may remove any Director or officer elected by the Members, with or without cause, if the number of votes in favor of removal cast by Members entitled to vote for election of the Director or officer proposed to be removed is at a majority vote of the voting Members present, in person or by proxy, and entitled to vote at any meeting of the Members at which a quorum is present. At any meeting at which a vote to remove a Director or officer is to be taken, the Director or officer being considered for removal must have a reasonable opportunity to speak before the vote. At any meeting at which a Director or officer is removed, the Members entitled to vote for the Director or officer may immediately elect a successor Director or officer. The Board may remove an officer elected by the Board at any time, with or without cause. The removal must be recorded in the minutes of the next Board meeting.

5. Compensation. No compensation shall be paid to Directors for their services as Directors.

6. Limitations of Authority. The Board shall not act on behalf of the Association to amend the Declaration, to amend the Articles of Incorporation or these Bylaws, to elect Directors (but the Board may fill vacancies in its membership not resulting from removal for the unexpired portion of any term or, if earlier, until the next regularly schedule election of Directors), terminate the common interest community, or to determine the qualifications, powers, and duties, or terms of office of Directors.

7. Official Business. All official business shall be transmitted to the Board of Directors in the form of a Record, emergencies excepted, and such business in the form of a Record shall be submitted to the Board of Directors through the President if available, and the Secretary of the Association, if the President is not available.

ARTICLE VI - MEETINGS OF BOARD OF DIRECTORS

1. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the directors, but at least four (4) such meetings shall be held during each fiscal year.

2. Special Meetings. Special meetings of the Board of Directors may be called by the President or by two (2) or more Directors. Special meetings of the Board of Directors shall be called in like manner and on like notice at the request in the form of a Record of any two (2) members of the Board of Directors.

3. Notice. Unless the Board meeting is included in a schedule given to the Members or the meeting is called to deal with an emergency, the Secretary must provide notice of each Board meeting to each Board member and to the Members. The notice must be given at least

fourteen (14) days before the meeting and must state the time, date, place, and agenda of the meeting. If any materials are distributed to the Board before the meeting, the Board must make copies of those materials reasonably available to Members, except that the Board need not make available copies of unapproved minutes or materials that are to be considered in executive session.

4. Place of Meetings. All Board meetings must be at the Property or at a place convenient to the Property.

5. Waiver of Notice. Before or after any meeting of the Board, any Director may, in the form of a Record, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of notice. Attendance by a director at any meeting of the Board of Directors shall be a waiver of notice by him/her of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

6. Quorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of all of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. A Director may not vote by proxy or absentee ballot.

7. Deemed Assent. A Director who is present at a Board meeting at which any action is taken is presumed to have assented to the action taken unless the Director's dissent or abstention to such action is lodged with the person acting as the Secretary of the meeting before adjournment of the meeting or provided in a Record to the Secretary of the Association immediately after adjournment of the meeting. The right to dissent or abstain does not apply to a Director who voted in favor of such action at the meeting.

8. Conferencing. Fewer than all Directors may participate in a regular or special meeting by or conduct a meeting through the use of any means of communication by which all Directors participating can hear each other during the meeting. A Director participating in a meeting by these means is deemed to be present in person at the meeting. All Directors may participate in any Board meeting by telephonic, video or other conferencing process if the meeting notice states the conferencing process to be used and provides information explaining how Directors may participate in the conference directly or by meeting at a central location or conference connection. Such process must provide all Directors the opportunity to hear or perceive the discussion and to comment on the proceedings.

9. Open Meetings. Meetings must be open to the Members except during executive sessions, but the Board may expel or prohibit attendance by any person who, after warning by the chair of the meeting, disrupts the meeting. A gathering of Directors or members of a committee authorized to act for the Board at which the Board or committee members do not conduct Association business is not a meeting of the Board or committee. Directors and committee members may not use incidental or social gatherings to evade the open meeting requirements of this Section.

10. Executive Sessions. The Board and committees authorized to act for the Board may hold an executive session only during a regular or special meeting of the Board or a committee. A final vote or action may not be taken during an executive session. An executive session may be held only to (a) consult with the Association's attorney concerning legal matters; (b) discuss existing or potential litigation or mediation, arbitration, or administrative proceedings; (c) discuss labor or personnel matters; (d) discuss contracts, leases, and other commercial transactions to purchase or provide goods or services currently being negotiated, including the review of bids or proposals, if premature general knowledge of those matters would place the Association at a disadvantage; or (e) prevent public knowledge of the matter to be discussed if the Board or committee determines that public knowledge would violate the privacy of any person.

11. Member Participation in Meetings. Members of the Association who are not Directors shall have a reasonable opportunity at any meeting of the Board to comment regarding any matter affecting the common interest community, the Property or the Association, provided that the Board may establish reasonable procedures to ensure that all Members have such opportunity and to promote decorum and respect at such meeting, and further provided that such opportunity to comment shall not unreasonably interfere with or prevent the conduct of the business of the Board at such meeting.

12. Action by Unanimous Consent. Instead of meeting, the Board may act by unanimous consent as documented in a Record by all Directors. Actions taken by unanimous consent must be kept as a Record of the Association with the meeting minutes. The Board may act by unanimous consent only to undertake ministerial actions, actions subject to ratification by the Members, or to implement actions previously taken at a meeting of the Board.

13. Minutes. Minutes of all Board meetings, excluding executive sessions, must be maintained in a Record. The decision on each matter voted upon at a Board meeting must be recorded in the minutes.

ARTICLE VII - RULES AND REGULATIONS

1. General. The Board of Directors may, from time to time, adopt such rules and regulations as may be reasonably required for the use, occupancy and maintenance of the Lots and Common Areas as are consistent with the Declaration. The Architectural Review Committee may adopt rules and regulations (including design guidelines) to the extent set forth in the Declaration or by consent of the Board. Every rule must be reasonable. When so adopted, such rules and regulations shall be binding upon all of the Members and Occupants of the Property and shall be a part of these Bylaws. The Board of Directors may from time to time amend any such rules and regulations.

2. Procedures for Adoption. The Board and the Architectural Review Committee must, before adopting, amending, or repealing any rule, give all Members notice of its intention to adopt, amend, or repeal a rule, and provide the text of the rule or the proposed change and a date on which the Board will act on the proposed rule or amendment after considering comments

from Members. Following adoption, amendment, or repeal of a rule, the Association must give notice to the Members of its action and provide a copy of any new or revised rule.

3. Operating Procedures. The Association's internal business operating procedures need not be adopted as rules.

ARTICLE VIII - OFFICERS

1. Designation. The officers of the Association shall be a President, a Secretary and a Treasurer, all of whom shall be elected by and from the Board of Directors. The Board of Directors may elect a Vice President and such other officers as in their judgment may be necessary.

2. Election of Officers. The officers of the Association shall be elected each year by the Board of Directors and shall hold office at the pleasure of the Board. Officers shall take office upon adjournment of the meeting at which they were elected and will serve until their successor takes office

3. Removal of Officers. At any regular meeting of the Board of Directors or at any special meeting called for that purpose, any officer elected by the Board may be removed, with or without cause, and his/her successor elected, upon an affirmative vote of a majority of the members of the Board of Directors.

4. President. The "President" shall be the chief executive officer of the Association and shall preside at all meetings of the Association and of the Board of Directors and shall have all powers and shall perform all duties usually incident to the office of president of a business corporation.

5. Secretary. The "Secretary" shall keep the minutes of all meetings of the Board of Directors and of the Association and shall also maintain the Register of Members, designated representatives and voting rights pledges. In addition, the Secretary shall perform all duties usually incident to the office of secretary of a business corporation.

6. Treasurer. The "Treasurer" shall have responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. In addition, the Treasurer shall perform all duties usually incident to the office of treasurer of a business corporation.

7. Other Officers, Assistants, Employees. Other officers of the Association, assistants to the officers, or persons employed to assist the officers, shall have such authority and shall perform such duties as the Board of Directors may prescribe within the provisions of applicable statutes, the Declaration and these Bylaws. A Vice President, an Assistant Secretary, and an Assistant Treasurer, if any are elected, shall also have all powers of the President, Secretary, and Treasurer, respectively, in the absence of such officers.

8. Compensation. The Board may pay reasonable compensation to any officer, assistant or Member who performs substantial services for the Association in carrying out the management functions.

ARTICLE IX - COMMITTEES AND MANAGER

1. Committees of Directors. The Board of Directors may designate one or more committees, each of which shall consist of one or more directors. Such committees shall have and exercise to the extent provided in the resolution establishing the committee, the authority of the Board of Directors in the management of the Association, but the designation of such committees shall not operate to relieve the Board of Directors of any responsibility imposed upon it by law.

2. Architectural Review Committee. The Board shall appoint an Architectural Review Committee, as provided in the Declaration. The Architectural Review Committee shall have and exercise the authority set forth in the Declaration.

3. Other Committees. Other committees, not having or exercising the authority of the Board of Directors in the management of the Association, may be designated by the President or by the Board of Directors, and such committees may be composed of one or more non-director Members of the Association, but each committee shall have at least one director as a member.

4. Delegation to Manager. The Board of Directors may delegate any of its duties, powers or functions to any person or persons, to act as manager of the Property, as provided in the Declaration.

ARTICLE X - HANDLING OF FUNDS

1. Accounts. The Association shall establish the necessary funds or accounts to properly provide for the operation and maintenance of the Property, as required by the Declaration. Overall management of these funds shall be the responsibility of the Treasurer of the Association, who shall be authorized to open such accounts and adopt such procedures as may be advisable to properly secure the accounts and funds of the Association.

2. General Account. The Treasurer shall establish a checking account in a bank, savings association, or credit union insured by the federal government to be known as the "General Account." The General Account shall be the working capital account for the Association and will normally receive all monthly Assessments and all income and other funds received by the Association. Checks shall be issued from this account for all management, maintenance and operational obligations of the Association. If a replacement and maintenance reserve account and/or an insurance reserve account are established, funds for those accounts will normally be received and deposited in the General Account and checks issued to the other accounts immediately so that an overall accounting of the funds received and disbursed by the Association is centralized in the check register of the General Account.

3. Reserve Accounts. If the Board authorizes a replacement and maintenance reserve account and/or an insurance reserve account, the Treasurer shall establish such account(s) as interest bearing savings account(s) in a commercial bank or other financial institution insured by the FDIC. The purpose of a replacement and maintenance reserve account is to provide for major renovation of the Common Areas, for financial stability during periods of special stress, to meet deficiencies in the general funds that may occur, from time to time, as a result of delinquent payments of Assessments, and for other contingencies. The purpose of an insurance reserve account is to provide for payment of insurance premiums.

ARTICLE XI - KEEPING RECORDS AND REPORTS

1. General. The Treasurer shall keep complete and accurate books and records of the receipts and expenditures affecting the Common Areas (as defined in the Declaration), specifying and itemizing the maintenance and repair expenses of the Common Areas and any other expenses incurred, and other projects and operations of the Association pursuant to the Declaration, in a manner that will enable the Association to credit assessments for common expenses, including allocations to reserves, and other income to the Association, and to charge expenditures, to the account of the appropriate Lots in accordance with the provisions of the Declaration. Such books and records, and all contracts, documents, papers and other records of the Association, shall be available for examination by Members as set forth in the Declaration.

2. Financial Reports. The Board of Directors shall cause to be issued and Delivered to all Members at least one (1) copy of each annual financial statement and report of the Association, and a statement from the President indicating the general condition of the Association. To assure that the Members are correctly assessed for the actual expenses of the Association, the accounts of the Association must be reconciled at least annually unless the Board determines that a reconciliation would not result in a material savings to any Member.

ARTICLE XII - NOTICE

Notice to the Association, Board, or any Member or occupant of a Lot must be provided in the form of a Record. Notwithstanding the methods to deliver notice set forth in this Article, notice may be given by any other method reasonably calculated to provide notice to the recipient. The ineffectiveness of a good-faith effort to deliver notice by an authorized means does not invalidate action taken at or without a meeting.

1. Tangible Medium. Notice provided in a Tangible Medium to the Association may be transmitted by mail, private carrier, or personal delivery, or facsimile addressed to the Association's registered agent at its registered office, to the Association at its principal office shown in its most recent annual report or provided by notice to the Lot Owners, or to the President or Secretary of the Association at the address shown in the Association's most recent annual report or provided by notice to the Lot Owners. Notice in a Tangible Medium to a Member or occupant must be addressed to the Lot address unless the Lot Owner or occupant has requested, in a Record delivered to the Association, that notices be sent to an alternate address or by other method allowed by this Section and the Governing Documents.

2. Electronic Transmission. Notice to Members or Directors by Electronic Transmission is effective only upon Members or Directors who have consented, in the form of a Record, to receive Electronically Transmitted notices and have designated in the consent the address, location, or system to which such notices may be Electronically Transmitted, provided that such notice otherwise complies with any other requirements of the Act or other applicable law. A Member or Director who has consented to receipt of Electronically Transmitted notices may revoke such consent by delivering a revocation to the Association in the form of a Record. The consent of any Member or Director is revoked if the Association is unable to Electronically Transmit two (2) consecutive notices given by the Association in accordance with the consent, and this inability becomes known to the Secretary of the Association or any other person responsible for giving the notice. The inadvertent failure by the Association to treat such inability as a revocation does not invalidate any meeting or other action. Notice to Members or Directors who have consented to receipt of Electronically Transmitted notices may be provided by posting the notice on an electronic network and delivering to the Member or Director a separate Record of the posting, together with comprehensible instructions regarding how to obtain access to the posting on the electronic network. Notice to an Association in an Electronic Transmission is effective only if the Association has designated in a Record an address, location, or system to which the notices may be Electronically Transmitted.

3. When Effective. Notice provided in a Tangible Medium is effective as of the date of hand delivery, deposit with the carrier, or when sent by fax. Notice provided in an Electronic Transmission is effective as of the date it is Electronically Transmitted to an address, location, or system designated by the recipient for that purpose, or it has been posted on an electronic network and a separate Record of the posting has been sent to the recipient containing instructions regarding how to obtain access to the posting on the electronic network.

ARTICLE XIII - AMENDMENTS

These Bylaws may be amended by a majority vote of the Members present at any meeting of the Association, or by agreement in the form of a Record of a majority of the Members. Written notice of the time, place and purpose of such meeting of the Association shall be delivered in person or mailed to each Member at least fourteen (14) and not more than fifty (50) days prior to the date of such meeting.

ARTICLE XIV - MISCELLANEOUS

1. Waiver. The failure of the Board of Directors in any one or more instances to insist upon the strict performance of any of the terms, covenants, conditions or restrictions of the Declaration, or of these Bylaws, or any rules and regulations established by the Board of Directors contained in such documents, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment for the future as to such term, covenant, condition or restriction, but such term, covenant, condition or restriction shall remain in full force and effect. The receipt by the Board of Directors of any Assessment from a Member, with knowledge of any such breach shall not be deemed a waiver of such breach, and no waiver by

the Board of Directors of any provision hereof shall be deemed to have been made unless expressed in the form of a Record and signed by the Board of Directors.

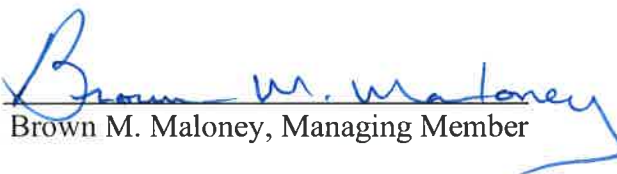
2. Limitation of Liability. The Board of Directors of the Association shall not be liable for any failure of any utility or other service to be obtained and paid for by the Board of Directors or for injury or damage to person or property caused by the elements, or by another Member or person; or resulting from electricity, water, rain, dust or sand which may lead or flow from outside or from any parts of the Buildings, or from any pipes, drains, conduits, appliances, or equipment, or from any other place; or resulting from loss, damage, or theft of articles used or stored by Members on the Property or in Lots or Common Areas. No diminution or abatement of Assessment shall be claimed or allowed for inconveniences or discomfort arising from the making of repairs or improvements to the Common Areas, or from any action taken to comply with any law, ordinance, or order of a governmental authority. This Section shall not be interpreted to impose any form of liability by any implication upon the Board of Directors or upon the Association.

3. Interpretation. The provisions of the Declaration and these Bylaws shall be liberally construed to effectuate the purpose of creating a uniform plan for the development and operation of the Property.

IN WITNESS WHEREOF, the undersigned, acting pursuant to Article III, Section 6 of the Amended & Restated Declaration of Covenants, Conditions and Restrictions for the Cedar Ridge Subdivision, hereby adopts these Bylaws for Cedar Ridge Sequim Community Homeowners Association on April 15th, 2021.

DECLARANT:

CEDAR RIDGE PROPERTIES, LLC,
a Washington limited liability company

By: 
Brown M. Maloney, Managing Member