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PAGE 001 OF 018
08/23/2007 08:34
KING COUNTY, WA

AUDITOR'S INDEXING FORM

DOCUMENT TITLE:	BYLAWS
GRANTOR:	THE MEADOWS AT ROCK CREEK HOMEOWNERS ASSOCIATION
GRANTEE:	THE MEADOWS AT ROCK CREEK HOMEOWNERS ASSOCIATION
LEGAL DESCRIPTION: Abbreviated form (lot, block, plat name, section-township- range)	LOTS 2-3 KING COUNTY SHORT PLAT #679047, REC#8111130750; LOTS 2-3 KING COUNTY SHORT PLAT # 679048, REC#8111130751; PORTIONS TRACTS 10-15, VOLUME 20 PAGE 27, AND PORTIONS LOTS 1-6, BLOCK 18 LAKE WILDERNESS SHORE ACRES, UNRECORDED.
ASSESSOR'S PROPERTY TAX PARCEL NUMBERS:	412460-0033, 412460-0035, 412460-0040, 412460- 0045, 412460-0071, 412460-0072, 412460-0075, 412460-0076, 412700-1033, 412700-1035, 412700- 1036, 412700-1037, 412700-1038, 412700-1043 and 412700-1046.
REFERENCE NUMBERS OF DOCUMENTS ASSIGNED OR RELEASED OR RELATED DOCUMENTS:	

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BYLAWS

OF

THE MEADOWS AT ROCK CREEK
HOMEOWNERS ASSOCIATION

August 16, 2007

Table of Contents

ARTICLE I	Name and Location.....	1
ARTICLE II	Definitions.....	1
ARTICLE III	Membership	1
ARTICLE IV	Meeting of Owners	2
ARTICLE V	Board of Directors.....	3
ARTICLE VI	Standard of Care for Directors.....	4
ARTICLE VII	Meeting of Directors.....	5
ARTICLE VIII	Powers and Duties of Board of Directors	7
ARTICLE IX	Officers and Their Duties.....	9
ARTICLE X	Committees	11
ARTICLE XI	Indemnification of Directors and Officers.....	11
ARTICLE XII	Transactions Involving Directors.....	12
ARTICLE XIII	Books and Records	13
ARTICLE XIV	Amendments	13
ARTICLE XV	Enforcement and Attorney Fees.....	13
ARTICLE XVI	Venue	14
ARTICLE XVII	Fiscal Year.....	14

**BYLAWS
OF
THE MEADOWS AT ROCK CREEK HOMEOWNERS' ASSOCIATION**

**ARTICLE I
Name and Location**

Section 1. Name. The Meadows at Rock Creek Homeowners' Association, a non-profit homeowners association ("Association"). The principal office mailing address of the Association shall be as determined by the Board of Directors from time to time. Meetings of Owners and directors may be held at such places within the State of Washington, County of King, as designated by the Board of Directors.

Section 2. Registered Office and Agent. The Association's initial registered office and registered agent shall be as set forth in the Articles of Incorporation. The registered agent and the address of the registered office may be changed by the Board of Directors.

**ARTICLE II
Definitions**

The terms used in these Bylaws have the same meaning as those used in the Amended and Restated Declaration of Covenants, Conditions and Restrictions of The Meadows at Rock Creek (the "Declaration"), recorded under King County Auditor's File No. 20040630001657, and any and all amendments thereto.

**ARTICLE III
Membership**

Section 1. Membership. Each owner of a Lot within the Association shall be a member of the Association, and shall be entitled to one membership. Ownership of a Lot shall be the sole qualification for membership in the Association.

Section 2. Transfer of Membership. The Association membership of each owner shall be appurtenant to the lot giving rise to such membership, and shall not be assigned, conveyed, pledged or alienated in any way except upon the transfer of title to said lot and then only to the transferee of title to said lot. Any attempt to make a prohibited transfer shall be void. Any transfer of title to a lot shall operate automatically to transfer the membership in the Association to the new owner.

Section 3. Voting Rights. No person or entity shall have more than one membership, regardless of the number of lots owned, and each membership shall have only one vote. The interest of each Owner shall be equal to that of any other Owner, and no Owner may acquire any interest which shall entitle him to any greater voice, vote or authority in the Association than any other Owner. Votes may not be split by multiple Owners of a Lot. Thus, if multiple Owners

cannot agree on a vote, their vote will not be counted on a vote of the Association membership, even though those Owners may be counted for purposes of a quorum (as if abstaining).

Section 4. Suspension of Membership. During any period in which an Owner shall be in default in the payment of any assessment or charge, the voting rights and right to use any of the recreational facilities may be suspended by the Board until such assessments or charge has been paid. Such rights may also be suspended by the Board for violations of rules & regulations established by the Board.

Section 5. Registration of Mailing Address. Owners of a Lot shall designate a mailing address to be used by the Association for mailing of statements, notices, demands and all other communications; and such address shall be the only mailing address of the persons, firm, corporation, partnership, association or other legal entity, or any combination thereof, to be used by the Association. Such address shall be registered by such Owners with the Secretary of the Association within five (5) days after receipt of title or interest in a Lot. Such registration shall be in written form and signed by the Owners of the Lot or by such persons as are authorized by law to represent the interests of all of the Owners thereof. If no such address is registered, then the address of the Lot itself shall be the registered mailing address for all notices mailing purposes until the registered address is furnished under this section. Registered addresses may be changed from time to time by similar designation.

ARTICLE IV **Meeting of Owners**

Section 1. Annual Meetings. The annual meeting of the Owners shall be held during the month of November each year, on a specific date and at a time and place determined by the Board of Directors, for the purpose of electing directors and transacting such other business as may properly come before the meeting.

Section 2. Special Meetings. Special meetings of the Owners may be called at any time by the President, a majority of the Directors, or on written request of Owners entitled to vote, in the aggregate, of at least 10 percent of the votes.

Section 3. Notice of Meetings. The President, the Secretary or the Board of Directors shall cause to be delivered to each Owner entitled to notice of or to vote at the meeting, either personally or by mail, not less than ten (10) nor more than fifty (50) days before the meeting, written notice stating the place, date and time of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called. At any time, upon the written request of the Owners calling for a special meeting pursuant to the previous section (Special Meetings) of the Bylaws, it shall be the duty of the Secretary to give notice of the special meeting of Owners to be held at a date, time and place as the Secretary or the Board of Directors may fix, such date not to be less than ten (10) nor more than thirty-five (35) days after receipt of such written request, (given due consideration of the time constraints for receipt of the notice stated above). If the Secretary shall neglect or refuse to issue such notice, the person or persons making the request may do so and may fix the date, time and place for such meeting. If

such notice is mailed, it shall be deemed delivered when deposited in the official government mail, properly addressed to the Owner at his or her registered address (see Article III, section 5 above), with prepaid postage on the notice. Such notice will specify the place, day, and hour of the meeting and the items on the agenda to be voted on by the Owners, including the general nature of any proposed amendment to the Declaration, Articles of Incorporation, or Bylaws, changes of a previously approved budget that result in assessment obligations, and any proposal to remove a Director or officer. All meetings will be held at a place convenient for the Owners as determined by the Board of Directors, but in any event, in King County, Washington.

Section 4. Quorum. The presence at the beginning of any meeting of Owners entitled to cast twenty five percent (25%) of the votes, represented in person or by proxy, of the Association shall constitute a quorum throughout that meeting for any action. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirements set forth above, and the required quorum at such subsequent meeting shall be one-half (1/2) of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 5. Manner of Acting. The vote of a majority of the votes entitled to be cast by the Owners represented in person or by proxy at a meeting at which a quorum is present shall be necessary for the adoption of any matter voted upon by the Owners, unless a greater proportion is required by applicable Washington law, the Declaration, the Articles of Incorporation or these Bylaws.

Section 6. Proxies. An Owner may vote by proxy executed in writing by his or her attorney-in-fact. Such proxy shall be filed with the Secretary of the Association before or at the time of the meeting. A proxy shall become invalid eleven (11) months after the date of its execution unless otherwise expressly provided for in the proxy. A proxy with respect to a specific meeting shall entitle the holder thereof to vote at any reconvened meeting following adjournment of such meeting but shall not be valid after the final adjournment of such meeting.

ARTICLE V

Board of Directors

Section 1. General Powers. The affairs of the Association shall be managed by a Board of Directors.

Section 2. Number. The Board of Directors shall consist of not less than three (3) nor more than seven (7) directors, the specific number to be set by resolution of the Board of Directors. The number of directors may be changed by amendment to these Bylaws, provided that no decrease in the number shall have the effect of shortening the term of any incumbent director.

Section 3. Qualifications. Directors shall be members of the Association and must be residents of King County, Washington. Directors may have such other qualifications as the Board of Directors may prescribe by amendment to these Bylaws.

Section 4. Election of Directors/Staggered. An election of directors shall be held each year at the annual meeting of Owners. The terms of the directors shall be staggered so that at least one-third (1/3) of the director positions are voted on and elected at each annual meeting of Owners.

Section 5. Term of Office. Unless a director dies, resigns or is removed, he or she shall hold office until the end of his or her staggered term or until his or her successor is elected and assumes the office, whichever is later.

Section 6. Vacancies. A vacancy in a director position may be filled by the affirmative vote of a majority of the remaining directors, even if there is no longer a quorum of the Board of Directors. A director who fills a vacancy shall serve for the unexpired term of his or her predecessor director.

Section 7. Resignation. Any director may resign at any time by delivering written notice to the President or the Secretary of the Association at the principal office or registered agent of the Association, or by giving written notice at any meeting of the Board of Directors. Any such resignation shall take effect at the time specified in the notice, or if the time is not specified, upon delivery of the notice. Unless otherwise specified in the notice, the acceptance of such resignation shall not be necessary to make it effective.

Section 8. Removal. One or more directors (including the entire Board of Directors) may be removed from office, with or without cause, by a majority of the votes cast by Owners then entitled to vote on the election of directors represented in person or by proxy at a meeting of the Owners called expressly for that purpose.

Section 9. Compensation and Expenses. Directors shall not receive compensation for their service as directors. Directors may receive reimbursement for expenditures incurred on behalf of the Association.

ARTICLE VI

Standard of Care for Directors

Section 1. Standard of Care. A director shall perform the duties of a director, including the duties as a member of any committee of the board upon which the director may serve, in good faith, in a manner such director believes to be in the best interests of the Association, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

In performing the duties of a director, a director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by:

- a. One or more officers or employees of the Association whom the director believes to be reliable and competent in the matter presented;

- b. Counsel, public accountants, or other persons as to matters which the director believes to be within such person's professional or expert competence; or
- c. A committee of the board upon which the director does not serve, duly designated in accordance with a provision in the Articles of Incorporation or Bylaws, as to matters within its designated authority, which committee the director believes to merit confidence; so long as, in any such case, the director acts in good faith, after reasonable inquiry when the need therefore is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

Section 2. Amendment. If the statutory standard of care is, at any time, different than the standard of care set forth in these Bylaws, the Bylaws are deemed amended so that the standard of care is the standard set forth statutorily for nonprofit Associations in the State of Washington. This section does not apply where the consequences of an act, omission, error, or negligence are covered by the insurance obtained by the Board.

ARTICLE VII

Meeting of Directors

Section 1. Annual Meeting. The annual meeting of the Board of Directors shall be held without notice immediately following and at the same place as the annual meeting of Owners for the purposes of electing officers and transacting such business as may properly come before the meeting.

Section 2. Regular Meetings. Regular meetings of the Board of Directors, or any committee designated and appointed by the Board of Directors, may be specified as to the date, time and place for the holding of such regular meetings by the adoption of a resolution of the Board of Directors, or, in the case of a committee, by a resolution of the committee. Notice of such meetings for either the Board of Directors or committees is not necessary other than said resolutions. If such a resolution has not been adopted, then notices of regular meetings shall be given as set forth in Section 7 as for notices of special meetings.

Section 3. Special Meetings. Special meetings of the Board of Directors or any committee designated and appointed by the Board of Directors may be called by or at the written request of the President or any two (2) directors, or, in the case of a committee meeting, by the chairman of the committee. The person or persons authorized to call special meetings may fix any place within the State of Washington as the place for holding any special Board of Directors or committee meeting. Notice of special meetings of the Board of Directors or committees shall be made as set forth in Section 7.

Section 4. Meetings by Telephone. Members of the Board of Directors or any committee designated by the Board of Directors may participate in a meeting of such Board of Directors or committee by means of a conference telephone or similar communication

equipment; provided, all persons participating in the meeting can hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

Section 5. Action by Board Without a Meeting. Any action which could be taken at a meeting of the Board of Directors may be taken without a meeting if a written consent setting forth the action so taken is signed by each of the directors. Such written consents may be signed in two or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same document. Any such written consent shall be inserted in the minute book as if it were the minutes of a Board of Directors meeting.

Section 6. Place of Meetings. All meetings shall be held at the principal office of the Association or at such other place within the State of Washington designated by the Board of Directors from time to time, by any persons entitled to call a meeting or by a waiver of notice signed by all of the directors.

Section 7. Notice of Meetings. Notice of special meetings of the Board of Directors or of a committee shall be given to a director or committee member in writing or by personal communication with the director or committee member not less than ten (10) calendar days before the meeting. Notices in writing may be hand delivered or sent by U.S. mail, electronic mail, or facsimile transmission to the director or the committee member at his or her address shown on the records of the Association. Neither the business to be transacted at, nor the purpose of, any special meeting need be specified in the notice of such meeting, unless specifically required by the Articles of Incorporation or these Bylaws. If a notice is delivered by mail, the notice shall be deemed effective when deposited in the official government mail properly addressed with postage prepaid. If notice is given by electronic mail or facsimile transmission, the notice shall be deemed effective upon receipt of the transmission confirmation showing the transmission was received at the director's electronic mail box or facsimile number shown on the records of the Association.

Section 8. Waiver of Notice.

8.1 Written Waiver of Notice. Whenever any notice is required to be given to any director under the provisions of these Bylaws, the Articles of Incorporation or applicable Washington law, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated in the notice, shall be deemed equivalent to the giving of such notice. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the waiver of notice of such meeting.

8.2 Waiver of Notice by Attendance. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 9. Quorum. A simple majority of the number of directors in office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. If a

quorum is not present at a meeting, a majority of the directors present may adjourn the meeting and set a date and time for the meeting to reconvene without further notice.

Section 10. Manner of Acting. The act of the majority of the directors present at a meeting at which there is a quorum shall be the act of the Board of Directors, unless the vote of a greater number is required by these Bylaws, the Declaration, the Articles of Incorporation or applicable Washington law.

Section 11. Presumption of Assent. A director of the Association present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken, unless the director's dissent or abstention is entered in the minutes of the meeting or the director files a written dissent or abstention to such action with the person acting as secretary of the meeting before the adjournment of the meeting or forwards such dissent or abstention by registered mail to the Secretary of the Association immediately after the adjournment of the meeting. Such right to dissent or abstain shall not apply to a director who voted in favor of such action.

Section 12. Open Meetings. Except as provided in this subsection, all meetings of the Board of Directors are open for observation by all Owners of record and their authorized agents. The Board of Directors will keep minutes of all actions taken by the Board, which will be available to all Owners. 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, including 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 will state specifically the purpose for the closed session. Reference to the motion and the stated purpose for the closed session will be included in the minutes. The Board of Directors will 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 do not require the disclosure of information in violation of law, which might waive a confidential privilege or which is otherwise exempt from disclosure.

ARTICLE VIII

Powers and Duties of Board of Directors

Section 1. Powers. Unless prohibited by the Declaration, the Board of Directors has the power to do the following:

- a. Adopt and amend Bylaws, Rules, and Regulations;
- b. Adopt and amend budgets for revenues, expenditures, and reserves, and impose and collect assessments for common expenses from owners;
- c. Hire and discharge or contract with managing agents and other employees, agents, and independent contractors;

- d. 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;
- 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 its own name any right, title, or interest to real or personal property;
- i. Grant easements, leases, licenses, and concessions through or over the common areas and petition for or consent to the vacation of streets and alleys;
- j. Impose and collect any payments, fees, or charges for the use, rental, or operation of the common areas;
- k. Impose and collect charges for late payments of assessments and, after proper notice to owner of the right to request a hearing 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 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;
- l. Exercise any other powers conferred by the bylaws and the laws of the State of Washington;
- m. Exercise all other powers that may be exercised in this state by the same type of corporation as the association ; and
- n. Exercise any and all other powers reasonably necessary and proper for the governance and operation of the association.

Section 2. Prohibited Acts. 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 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; but the Board of Directors may fill vacancies in its membership of the unexpired portion of any term.

Section 3. Duties. It is the duty of the Board of Directors to:

- a. keep a complete record of all its acts and Association affairs and to present a statement thereof to the Owners at the annual meeting of the Owners, or at any special meeting when such statement is requested in writing by any one of the Owners who are entitled to vote;
- b. supervise all officers, agents, and employees of this Association, and see that their duties are properly performed;

- c. Issue, or to cause an appropriate officer to issue, on demand by any person, a statement signed by the treasurer setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of such statement. If a statement states an assessment has been paid, the statement will be conclusive evidence of such payment.
- d. Enforce covenants as provided in the Declaration and the provisions of the other governing documents of the Association, including without limitation Rules and Regulations adopted by the Board, when considered necessary by a vote of a majority of the Directors (this power of enforcement is in addition to the powers of the enforcement of any individual Owner);
- e. Procure and maintain adequate liability and hazard insurance on property owned by the Association including Common Areas. Procure and maintain adequate liability insurance for the Directors and Officers of Association;
- f. Maintain Common Areas as set forth in the Declaration; and,
- g. Perform any and all other functions which are necessary for the maintenance and continuance of the Association.

ARTICLE IX

Officers and Their Duties

Section 1. Enumeration of Officers. The officers of this Association are a president, vice president, secretary, and treasurer, who at all times are members of the Board of Directors, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers takes place at the first meeting of the Board of directors following each annual meeting of the Owners.

Section 3. Term. The officers of this Association are elected annually by the Board and each holds office for one year, or until that officer's successor is elected, unless the officer resigns, or is removed, or otherwise is disqualified to serve.

Section 4. Special Appointments. The Board may elect other officers as the affairs of the Association require, each of whom will hold office for a specific period not to exceed one year, have the authority, and perform duties as the Board may determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the president, or the secretary. Such resignation takes effect on the date of receipt of such notice or at any later time specified. Unless otherwise specified, the acceptance of such resignation is necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy serves for the remainder of the term of the officer who is replaced.

Section 7. Multiple Officers. The offices of secretary and treasurer may be held by the same person.

Section 8. Duties. The duties of the officers are as follows:

a. President. The President shall be the chief executive officer of the Association and, subject to the control of the Board of Directors, shall supervise and control all of the assets, business and affairs of the Association. The President shall preside over meetings of the Owners and of the Board of Directors. The President may sign deeds, mortgages, bonds, contracts or other instruments, except when the signing and execution have been expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Association or are required by law to be otherwise signed or executed by some other officer or in some other manner. In general, the President shall perform all duties incident to the office of President and such other duties as are assigned to him or her by the Board of Directors.

b. Vice President. In the event of the death of the President or his or her inability to act, the Vice President (or if there is more than one Vice President, the Vice President who was designated by the Board as the successor to the President, or if no Vice President is so designated, the Vice President whose name first appears in the Board resolution electing officers) shall perform the duties of the President, except as may be limited by resolution of the Board of Directors, with all the powers of, and subject to, all of the restrictions upon the President. The Vice President shall have, to the extent authorized by the President or the Board of Directors, the same powers as the President to sign deeds, mortgage, bonds, contracts or other instruments. The Vice President shall perform such other duties as from time to time may be assigned to him or her by the President or the Board of Directors.

c. Secretary. The Secretary shall be responsible for ensuring that minutes are recorded and maintained of meetings of the Owners, if any, and of the Board of Directors, and to the extent minutes are recorded of meetings of committees of the Board of Directors; that such minutes are maintained; see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; be custodian of the corporate records of the Association or appoint such person or entity as is appropriate to act as such custodian; ensure that records are kept of the address and class, if applicable, of each Owner, if any, and director and of the name and address of each officer; prepares, execute, certifies and records Amendments to the Declaration on behalf of the Association; sign with the President, or other officer authorized by the President or the Board of Directors,

deeds, mortgages, bonds, contracts, or other instruments; 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 the Board of Directors.

d. Treasurer. The Treasurer shall have charge of and be responsible for all funds and securities of the Association; ensure that monies due and payable to the Association from any source whatsoever are properly received and that receipts are given for said monies; ensure that all such monies are deposited in the name of the Association in banks, trust companies or other depositories selected in accordance with the provisions of these Bylaws; signs all checks and promissory notes of the Association; keeps proper books of accounts; pursuant and subject to R.C.W 64.38.045(3), as it may be amended from time to time, cause an annual audit of the Association books by an independent certified public accountant whenever the annual assessments exceed the statutory dollar amount, unless waived by the statutorily set percentage of the Owners; prepare an annual budget and a financial statement of income and expenditures as set forth above; and perform all of the duties incident to the office of Treasurer and such other duties as may be assigned to him or her by the President or the Board of Directors. The required time for preparation of Treasurer's budget and financial statement is prior to the annual meeting so that the budget and financial statement can be presented at the regular annual meeting of the Owners.

ARTICLE X

Committees

The Board of Directors, by resolution adopted by a majority of the directors in office, may designate and appoint one or more standing or temporary committees. The Board of Directors shall have the power to fill vacancies in, to change the size or membership of, and to discharge any committee as it deems appropriate in carrying out the powers and duties granted the Board and for the purposes of accomplishing the Association's business.

ARTICLE XI

Indemnification of Directors and Officers

Section 1. Right of Indemnification. Each person who was or is threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any actual or threatened action or proceeding, by reason of the fact that he or she is or was a Director or officer of the Association, (hereinafter "Indemnatee"), shall be indemnified and held harmless by the Association, to the full extent permitted by applicable law as then in effect, against all expense, liability and loss actually and reasonably incurred or suffered by such Indemnatee in connection therewith, and such indemnification shall inure to the benefit of the Indemnatee's heirs, personal representatives and administrators; provided, however, the Association shall indemnify any such Indemnatee seeking indemnification in connection with an action or proceeding initiated by such Indemnatee only if such action or proceeding was authorized or

ratified by the Board. The right to indemnification conferred in this section shall be a contract right and shall include the right to be paid by the Association the expenses incurred in defending any such proceeding in advance of its final disposition; provided, however, that the payment of such expenses in advance of the final disposition of an action or proceeding shall be made only (1) upon delivery to the Association of an undertaking, by or on behalf of such Indemnatee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal that such Indemnatee is not entitled to be indemnified under this section or otherwise, and (2) upon delivery to the Association of a written affirmation (hereinafter an "Affirmation") by the Indemnatee of his or her good faith belief that such Indemnatee has met the standard of conduct necessary for indemnification by the Association pursuant to this section.

Section 2. Effect on Other Rights. The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this Article is not to be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of the Articles of Incorporation, Bylaws, agreement, vote of Owners, or disinterested Directors or otherwise.

Section 3. Insurance. The Association may maintain insurance, at its expense, to protect itself and any Director, officer, employee, or agent of the Association against any expense, liability, or loss, whether or not the Association would have the power to indemnify such person against such expense, liability, or loss under the Washington Nonprofit Association Act and/or the Washington Homeowners Association Act. The Association may enter into contracts with any Director or officer of the Association in furtherance of the provisions of this Article and may create a trust fund, grant a security interest, or use other means (including, without limitation, a letter of credit) to ensure the payment of such amounts as may be necessary to effect indemnification as provided in this Article.

Section 4. Advance Payment. The Association may, by action of its Board of Directors from time to time, provide indemnification and pay expenses in advance of the final disposition of a proceeding to employees and agents of the Association with the same scope and effect as the provisions of this Article with respect to the indemnification and advancement of expenses of Directors and officers of the Association or pursuant to rights granted pursuant to, or provided by, the Washington Nonprofit Association Act or otherwise.

ARTICLE XII

Transactions Involving Directors

No contract or other transaction between this Association and one or more of its Directors or any other company, firm, association or entity in which one or more of its Directors are Directors, officers, or are financially interested or are related to Directors, officers, or persons with financial interests, shall be either void or voidable because of such relationship or interest, or because such Director or Directors are present at the meeting of the Board of Directors, or a committee, which authorizes, approves or ratifies such contract or transaction, if: (a) both the existence and nature of such relationship or interest and also all facts known to the Director

respecting the subject matter of the transaction that an ordinarily prudent person would reasonably believe to be material to a judgment about whether or not to proceed with the transaction, are disclosed or known to the Board of Directors, or committee, the meeting of which authorizes, approves or ratifies the contract or transaction by vote or consent sufficient for the purpose without counting the votes or consents of such interested director; or (b) the transaction is fair to the Association under the circumstances at the time of commitment. Common or interested Directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors, or committee, which authorizes, approves or ratifies such contract or transaction.

ARTICLE XIII

Books and Records

The books, records, and papers of the Association are at all times, during normal business hours, as determined by the Board, subject to inspection by any Owner, holder of a mortgage on a Lot, and their respective agents on reasonable advance notice and subject to such reasonable Policy or Rules and Regulations as the Board may adopt from time to time regarding place of inspection, whether a representative or agent of the Association will be present during such inspection, and the payment of reasonable fees and costs to cover the Association's costs, time and efforts in handling such records requests. The Declaration, the Articles of Incorporation, and the Bylaws of the Association are available for inspection by any Owner at the office of the Secretary of the Association, where copies may be purchased at reasonable cost.

ARTICLE XIV

Amendments

Section 1. Bylaws. These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by an affirmative vote of a majority of the number of Directors. The approving Directors will sign any amendment or replacement of the Bylaws and will mail or otherwise deliver copies to all Owners within 30 days of adoption.

Section 2. Conflict. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration controls.

ARTICLE XV

Enforcement and Attorney Fees

Section 1. Right to Enforce. The Board of Directors, the Association, and each owner of a lot or property subject to the Declaration, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of the Declaration, the Articles, these Bylaws of the Association and the rules and regulations promulgated by the Board of Directors (hereinafter collectively in this Article the "restrictions"). Failure of the Board of Directors, the Association

or any such owner to enforce any such restrictions shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Attorneys' Fees and Costs. In the event of a suit or action to enforce any provision(s) of such restrictions, including without limitation to collect any money due or to foreclose a lien or to require compliance with the restrictions, or a suit or action by an owner or owners against the Association pertaining to or involving any aspect of the restrictions or the authority of or interpretation by the Association to apply such restrictions, the prevailing party shall be awarded all reasonable attorneys' fees, costs and expenses incurred, including without limitation, charges for consultations with attorneys (regardless of whether any action is filed with the court), preparation of all pleadings and documents reasonably necessary, conducting discovery, and any and all other preparation of the case while litigation is pending, for trial, and for all appeals. "Costs and expenses" shall include in addition to RCW 4.84.010 all expenses incurred by and for the prevailing party, including without limitation filings fees, depositions (including court reporter fees and transcription costs), legal messengers, postage, photocopying, printing, expert witness fees and costs, and fees for consultants with expertise regarding the subject matter of issues, legal and factual, perceived by the prevailing party and/or its attorney(s). The purpose and intent of this section is that the prevailing party be made whole regarding all fees and costs/expenses of any kind which it may incur due to such litigation.

Further, after any award or judgment is entered, the prevailing party shall be fully entitled to recover against the losing party all future costs (as set forth above), attorneys' fees and all expenses which may be incurred in collecting upon and/or enforcing the award or judgment, including, without limitation, bond costs, sheriff's fees, filing and/or court fees, and all time spent by the prevailing party's attorneys in handling and pursuing collection/enforcement of the award or judgment.

Section 3. No Abandonment of Obligation. No owner, through his or her non-use of any common area or limited common area, or by abandonment of his property, or by rental to and use of the property by a third party or parties, may avoid or diminish the burdens or obligations imposed by the restrictions of the Declaration and these Bylaws.

ARTICLE XVI

Venue

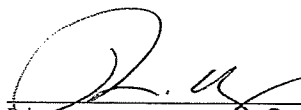
Venue, for purposes of these Bylaws, is King County, Washington.


ARTICLE XVII

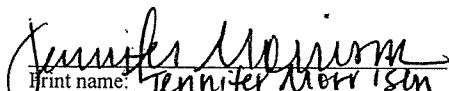
Fiscal Year

The fiscal year of the Association is a calendar year, unless determined otherwise by the Board of Directors.

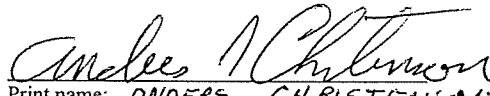
IN WITNESS THEREOF, we, the Directors of The Meadows at Rock Creek Homeowners' Association, a Washington non-profit homeowners association, have hereunto set our hands and adopted these Bylaws this 16th day of August, 2007.


Print name: ROGER MAGGIO
Director *PRESIDENT*


Print name: Vice President
Director


Print name: JENNIFER MORRISON
Director *Secretary/Treasurer*


Print name: ALLEN H. OSTERMAN
Director


Print name: ANDERS CHRISTENSON
Director