

AMENDED AND RESTATED REVISED BYLAWS
OF
SPRINGLAKE COMMUNITY, INC.
An Oregon Non-Profit Corporation

WHEREAS, the Springlake Community, Inc. ("SCI") was organized to enable homeowners and residents at Springlake Community to purchase the property within Springlake Community and operate it as a Non-profit Corporation.

NOW, THEREFORE, the undersigned hereby certify and acknowledge that these Amended and Restated Bylaws for the Springlake Community, Inc., an Oregon non-profit corporation, were duly adopted by a unanimous vote of the Board of Directors of SCI present at a meeting held on the February 21, 2013 to amend and supersede in their entirety any and all previously adopted bylaws.

SCI hereby adopts the following Amended and Restated Bylaws which supersede the Initial Bylaws of SCI adopted March 24, 2003; the Amended Bylaws adopted August 21, 2003; Amendment 1 adopted February 21, 2006; and Amendment 2 adopted June 11, 2009 along with any other previously adopted or amended bylaws in their entirety.

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ARTICLE 1. GENERAL PROVISIONS

1. Name. The name of this corporation shall be Springlake Community, Inc. and shall be referred to herein as SCI
2. Principal Office. The principal office of SCI shall be at the Springlake Community on-site manager's office at 51590 SE Westlake Drive, Scappoose, Columbia County, Oregon, or at such other place as may be subsequently designated by the Board.
3. Purpose of SCI. The purpose of SCI as set forth in the Articles of Incorporation, as amended, is to acquire, own and operate the land within Springlake Community located in Scappoose, Columbia County, Oregon, for and on behalf of the residents and homeowners therein.

ARTICLE 2. DEFINITIONS

Throughout these Amended and Restated Bylaws, the following terms, when capitalized, shall have the following meanings, except when the context requires otherwise:

- 2.1 **"Articles"** means the Articles of Incorporation of Springlake Community, Inc. adopted on March 7, 2003 and filed with the Oregon Secretary of State on March 12, 2003 and the Articles of Amendment, First Amendment to the Articles of Incorporation of Springlake Community, Inc. adopted by SCI on August 19, 2003 and filed with the Oregon Secretary of State on August 21, 2003.
- 2.2 **"Agenda"** means a list or outline of topics to be address at any particular meeting.
3. **"Board"** means the Board of Directors of SCI.
4. **"Bylaws"** means these Amended and Restated Bylaws adopted by Springlake Community, Inc. on (Enter new date), and as amended thereafter.
5. **"Capital Acquisition"** means an investment by SCI to acquire new real or existing real property which is not considered an ordinary expense for accounting or tax purposes.
6. **"Capital Improvement"** means an investment by SCI to improve an existing real property of SCI, which is not considered an ordinary repair or maintenance expense for accounting or tax purposes.
7. **"Certificate"** or **"Membership Certificate"** means a certificate issued by SCI evidencing membership in SCI upon payment of a subscription and qualification for Membership as provided in the Articles and these Bylaws.
8. **"Common Expenses"** means all expenses incurred by SCI in the normal operation, maintenance and repair of Springlake and SCI.
9. **"Co-occupant"** means someone who resides with a Member and/or Resident more than thirty (30) days a year, who is forty-five (45) years of age, is not a Co-owner of the manufactured home where they wish to reside, passes a background check and has signed a Co-occupancy Agreement with SCI. Please see SCI's Rules and Regulations for more information on this topic.
10. **"First Amendment"** shall refer to the Articles of Amendment, First Amendment to the Articles of Incorporation adopted and filed on the dates set forth herein.

11. **"Guest"** means someone who resides with a Member for less than thirty (30) days in a one-year period.
12. **"Lease" or "Proprietary Lease"** means the ninety-nine (99) year proprietary lease offered to every Member for the manufactured home lot pertaining to the Membership of that Member.
13. **"Maintenance Fee"** means the monthly assessment paid by a Member to SCI required by the Lease.
14. **"Member"** means any person who owns a manufactured home on a manufactured home lot in Springlake Community, qualifies to purchase a Membership in SCI, and subscribes to and purchases the Membership pertaining to the lot on which his manufactured home is located.
15. **"Memberships"** Refers to those holding Membership Certificates by way of approval of the Board of Directors and ownership of a Manufactured Home within Springlake Community.
16. **"Mortgage Payments"** means the payments made by SCI on any commercial loan secured by a trust deed or mortgage on the property within Springlake Community.
17. **"Non-member Residents"** means the residents and homeowners in Springlake Community who are not Members of SCI but who rent property from SCI.
18. **"Preservation Period"** means that period of time for up to eighteen (18) months in which a Secured Party may seek to foreclose its lien in and sell the Membership of a Member without action by SCI to cancel such Membership. See Article 3.8.
19. **"Rental Agreement"** means the one-year leases between SCI and Non-Member Residents.
20. **"SCI"** means Springlake Community, Inc.
21. **"Secured Party"** means a lender to a Member who has given notice to SCI of its lien or encumbrance in the Membership or Lease of a Member as provided in Article 3, Section.8.
22. **"Springlake Community"** Refers to the property held for lease by SCI.
23. **"Temporary Tenancy"** Refers to the right to occupy a lot for a definitive period of time as approved of by the board in the event of the death of an owner.

24. **"Terminated Member"** means any Member of SCI whose Membership is canceled and Lease terminated as provided in Article 10.
25. **"Live In Caregiver"** is defined as anyone spending more than 14 hours in a home in any given 24 hour period and who does not have a different primary residence other than the home in which they are giving care to a Member. A live in caregiver is someone who will reside in the home giving care to one of its residents for periods exceeding 30 days.
26. **"Guest"** means someone who resides with a Member for less than thirty (30) days in a rolling calendar, one-year period.

ARTICLE 3. MEMBERSHIP

1. Qualifications for Membership.
 - A. Membership in SCI shall be upon the terms and conditions set forth in Article II of the First Amendment to the Articles of Incorporation, and shall be limited to those persons who qualify as set forth in said Article.
 - B. As provided in said Article, the owner or owners of the manufactured home on a lot within Springlake Community are the only persons eligible to purchase the Membership for their lot.
 - C. A person purchasing a manufactured home on contract shall be considered an owner of the home for purposes of qualifying to purchase the Membership for the lot on which the home is located.
 - D. At the time of subscription for Membership and at all times during Membership, a Member must
 1. maintain the manufactured home located on the lot for which Membership is purchased in good condition and repair pursuant to the Manufactured Home Setup and Standards Rules and Regulations established by SCI and;
 2. maintain his or her domicile and primary residence at the lot in Springlake Community for which Membership is purchased.
2. Subscription for New Memberships.
 - A. The price for subscription of Membership shall be set by the Board.
 - B. A prospective Member shall submit to SCI any subscription documents required by the Board.
 - C. Upon payment of the subscription price and acceptance of the subscription, a person or persons who meet the Membership qualifications set forth in Article II of the First Amendment to the Articles of Incorporation and these Bylaws shall become Members of SCI, and
 1. shall be issued a Certificate of Membership evidencing such Membership, and
 2. shall execute a Lease for the manufactured home lot connected to the Membership.

3. Membership Certificates.

- A. As provided in Article II of the First Amendment to the Articles of Incorporation, each Membership in SCI is connected to a manufactured home lot in Springlake Community.
- B. For each manufactured home lot, SCI shall prepare a Membership Certificate and each such Certificate shall be issued to the lessee of a manufactured home lot in Springlake upon their subscription to Membership in SCI.
- C. The Certificate shall be identified by number as to the particular manufactured home lot related to that Membership. The form of the Certificate of Membership shall be determined by the Board.

4. Conditions of Acceptance of Membership Certificates. Each Certificate of Membership shall recite the following and each Member receiving rights under a Certificate of Membership shall agree to the following:

"The rights of any holder of this Certificate of Membership are subject to the provisions of (1) the Articles of Incorporation, as amended; (2) the Amended and Restated Bylaws of Springlake Community, Inc. ("SCI"); and (3) all the terms, covenants, conditions and provisions of a certain proprietary lease made between SCI, as lessor, and the person or persons in whose name or names this Certificate is issued, as lessee. The Articles of Incorporation, as amended; Bylaws; and proprietary lease limit and restrict the title and rights of any transferee of this Certificate and impose a lien on this Certificate to secure payment of assessments, Common Expenses and other sums which may become due to SCI from the holder hereof."

5. Transfer of Membership by Sale.

- A. A Membership may be transferred by sale but only on the following terms and conditions:
 - 1. The transferee must purchase the manufactured home on the lot connected to the Membership;
 - 2. The transferee must also execute an acceptance of the assignment of the Proprietary Lease for the manufactured home lot connected to the Membership, and;
 - 3. The transferee must be approved by the Board, meet all qualifications set by the Articles and these Bylaws for Membership and pay to SCI all lien amounts on the membership certificate, transfer fees as reasonably set by SCI and costs incurred by SCI.

- B. Upon approval of such transfer, the Certificate of the selling Member shall be canceled and SCI shall issue a new Certificate to the transferee.
 - C. The Board may from time to time issue new rules and regulations pertaining to the transfer of Membership by sale and the issuance of new Membership Certificates.
6. Transfer of Membership by Bequest, Intestacy or Operation of Law.
- A. Upon the death of a Member, the Membership shall pass to the heir or devisee of that Member by bequest, intestacy or operation of law, so long as the person receiving the Membership as heir or devisee:
 - 1. Provides documentation of their legal right to receive the transfer;
 - 2. Lives or will live in the manufactured home on the manufactured home lot connected to the Membership;
 - 3. Executes an acceptance of the assignment of the deceased Member's Lease;
 - 4. Pays to SCI any outstanding lien amounts on the Membership;
 - 5. Satisfies the occupancy requirements set forth in Article 9, Section 6, and;
 - 6. Otherwise satisfies the requirements for Membership set forth in these Bylaws.
 - B. In all other circumstances upon the death of a Member, the estate, heir or devisee of such Member shall have up to eighteen (18) months under the deceased Member's Lease, with a right to a Temporary Tenancy of 6 months, for the purposes of
 - 1. Probating or administering the estate, or;
 - 2. Selling the Membership and the manufactured home on the manufactured home lot connected to that Membership.
 - 3. Such estate, heir or devisee shall comply with all requirements of the Lease including but not limited to the timely payment of Maintenance Fees, and other assessments or payments due under the Lease.
 - 4. The estate, heir or devisee of the deceased Member shall also pay the deceased Member's past-due Maintenance Fees or other unpaid assessments.
 - 5. Any sale by the estate, heir or devisee of the Membership of a deceased Member shall be subject to the transfer requirements of Article 3, Section 5.

6. If the estate, heir or devisee of the deceased Member commits or permits to occur any event of default as defined in Article 10, Section 1 or fails to satisfy any other requirement herein, SCI may terminate the Lease and cancel the Membership as provided in Article 10, Section 2.
 7. Upon petition by the estate, heir or devisee, the Board may extend the period beyond eighteen (18) months.
 8. Otherwise, upon expiration of the eighteen (18) months, the Lease of the deceased Member shall be terminated and the appurtenant Membership canceled pursuant to Article 10, Section 2.2.
7. SCI's Lien. As provided in Article II of the First Amendment to the Articles of Incorporation, SCI shall
- A. At all times have a lien upon the Membership and Membership Certificate of each Member for all indebtedness and obligations owing and to be owed by such Member to SCI, arising under the provisions of any Lease issued by SCI, the Articles of Incorporation; these Bylaws; or any other contract between the Member and SCI.
 - B. The lien shall be superior to all other liens except that the Board may at its discretion subordinate SCI's lien position to that of the lender of a Member who finances either the purchase of the Membership or the manufactured home of the Member.
 - C. The Board may refuse to consent to the transfer of any Membership until all indebtedness is satisfied.
8. Secured Party Lien.
- A. A Member may mortgage, pledge, hypothecate or encumber his Membership or the Lease appurtenant thereto and the leasehold interest created thereby for the purposes of financing or refinancing his purchase of the Membership or the manufactured home on the manufactured home lot connected to the Membership.
 - B. Upon notice to SCI by the Member or the Secured Party providing financing, SCI shall subordinate its lien in such Membership to the lien of the Secured Party and shall register the Secured Party's lien in the Roster required by Article 13, Section 2.
 - C. For any Secured Party registered in the Roster, SCI shall give to the Secured Party a copy of any notice sent to the Member pursuant to Article 10, Sections 1 or 2.

- D. If SCI elects to terminate the Lease or cancel the Membership of the Member as provided in Article 9, Sections 3.2, and Article 10, Section 2.2, the Secured Party may initiate the Preservation Period by notifying SCI at any time before the effective date of the termination of the Lease and Cancellation of the Membership.
 - E. The Secured party may also initiate the Preservation Period upon written notice to SCI where the Member is in default under any contract, loan agreement or security agreement with the Secured Party.
 - F. During the Preservation Period, the Secured Party shall pay all past due and reoccurring Maintenance Fees or other Unpaid assessments, and shall pay on the Member's Lease as if the Member were not in default. Once the past due amount owing has been paid SCI shall abate all action to terminate the Lease or cancel the Membership. If the Secured Party fails to continue payments, SCI retains the right to terminate the lease or cancel the Membership.
 - G. During the Preservation Period, the Secured Party may;
 - 1. foreclose on its lien;
 - 2. take possession, but not occupy, or lease out the manufactured home lot or the manufactured home on the manufactured home lot appurtenant to the Membership, and/or;
 - 3. sell the manufactured home subject to the transfer requirements of Article 3 Section 5.
 - H. Upon petition by the Secured Party, the Board may extend the Preservation Period beyond eighteen (18) months.
 - I. Otherwise, upon expiration of the Preservation Period or upon failure of the Secured Party to timely make any payment required hereunder;
 - 1. and after ten (10) days' notice from SCI to cure such failure,
 - 2. the Lease shall be terminated and the appurtenant Membership canceled pursuant to Article 9, Section 3.2 and Article 10, Section 2.2.
9. Cancellation of Membership. The Membership of any Member is subject to cancellation upon the terms and conditions set forth in Article 3, Sections 6 and 8, and Article 10. Upon cancellation of the membership certificate any amounts paid towards the purchase of a membership certificate revert back to SCI and shall be distributed according to Article 10, Section 3(D) below.

ARTICLE 4. MEETINGS AND VOTING OF THE MEMBERS

1. Place. All meetings of the Members shall be held in Fred Winter Hall in Springlake Community or at such suitable meeting place as the Board may designate within Columbia County which is reasonable and accessible to the Members.
2. Annual Membership Meeting.
 - A. An annual meeting of the Members shall be held on the last Wednesday of October of each year; at the hour of 7:00 p.m. or at such other hour as may be established by the Board and duly announced to all Members as provided herein.
 - B. At the annual meeting, the Members shall:
 1. Elect, by a majority vote of the members, Directors to serve on the Board;
 2. Consider reports of the affairs of SCI, and;
 3. Transact such other business as may be properly brought before the Membership.
3. Regular Membership Meetings.
 - A. Regular meetings of the Members shall be scheduled by the Board at intervals during the year by establishing at the annual meeting a calendar of meetings for the ensuing year.
 - B. At such regular meetings any business may be transacted which may be properly brought before the Membership.
4. Special Membership Meetings.
 - A. Special meetings of the Members for any purpose or purposes specified in the notices of special meetings, may be called at any time by the President or, in his absence, by the Vice-President, or; if either is so directed by the Board.
 - B. A special meeting may also be called by the President, or in the absence of the President, by the Vice-President, upon petition, signed and presented to the President, or in the absence of the President, to the Vice-President. The meeting shall be set within 10 days from the receipt of the petition and be held within 20 days of receipt of the petition. The petition must be signed by Members holding a total of Twenty Five Percent (25%) of the voting rights of Memberships issued and outstanding.

- C. The notice of a special meeting shall state the date and time of the meeting and the subject or subjects to be considered or transacted, and at such meeting only business mentioned in the notice shall be considered.

5. Notices.

- A. Notices of all meetings shall be posted at Fred Winter Hall in a place designated by the Board, and commonly used for the posting of notices, and on the five (5) reader boards located in the community, additionally;
- B. Written notice of all Regular and Annual meetings of the Members shall be given to all Members listed in SCI's record by the Secretary, at least seven (7) but not more than thirty (30) days prior to the date fixed for such meeting, by:
 - 1. depositing the notice in the mail, and/or;
 - 2. delivering in person written notices to all Members at their respective addresses, or;
 - 3. publishing and delivering notice of the meeting in the SCI newsletter.
- C. Notices for special meetings shall be given in the same manner as for annual and regular meetings except in the event of an emergency.
 - 1. In the event of an emergency, notice of the meeting shall be posted at Fred Winter Hall in a place designated by the Board, and commonly used for the posting of notices and on the five (5) reader boards located in the community, if feasible, within 24 hours of the time the meeting is to be held.
 - 2. If feasible, notices shall be delivered to the homes of residents.

6. Quorum.

- A. The holders of thirty percent (30%) of the Memberships entitled to vote, present in person, by proxy, or absentee ballot shall constitute a quorum at all meetings of the Members for the transaction of business. The subsequent joining of a Member in the action taken at a meeting by signing and concurring in the minutes of the meeting shall constitute the presence of such person for the purpose of determining a quorum. When a quorum is once present to hold a vote, it cannot be broken by the subsequent withdrawal of a Member.

- B. If any meeting of the Members fails to establish a quorum, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present. If a meeting is adjourned to a different date, time or place, notice need not be given of the new date, time or place, if the new date, time or place is announced at the meeting before adjournment.
 - C. At such adjourned meeting at which the requisite number of voting Members shall be represented, any business may be transacted which might have been transacted at the meeting as originally notified.
 - D. The Quorum requirement may be reduced by as much as one half at an adjourned Membership meeting if:
 - 1. The notice for the Membership meeting specifies that the requirement will be reduced if the meeting cannot be organized because of a lack of Quorum and,
 - 2. The notice states what the reduced Quorum requirement will be.
7. Order of Business.
- A. The order of business at annual meetings and, as far as practical, at other meetings of the Membership, shall include but not be limited to:
 - 1. Call to order by President; Vice-president, or other designated presiding officer.
 - 2. Proof of notice of the meeting, or waiver of notice;
 - 3. Reading and approval of any unapproved minutes;
 - 4. Ratification of prior actions of Board of Directors,
 - 5. Reports of officers;
 - 6. Reports of committees;
 - 7. Unfinished business;
 - 8. New business;
 - 9. Adjournment.
8. Proxies. Proxies shall be considered for any vote of the membership, and shall be governed pursuant to the requirements in the Oregon Non-Profit Act.
9. Minutes of Meetings.
- A. The Secretary shall keep minutes of all membership meetings.
 - B. The master copy of the minutes of all meetings shall be kept in good order and condition by the Secretary of the Board of Directors.

- C. The property manager's shall keep on file a copy of these records which shall be made available for inspection by the Members or their authorized representatives and Board Members at any reasonable time.
 - D. SCI shall retain these minutes for a period of not less than seven (7) years.
10. Valid Transactions. The transactions of any meeting of Members, however called or noticed, shall be valid when consented to by a majority vote of 51% or more once a quorum has been established.
11. Entry of Notice. Whenever any Member entitled to vote has been absent from any meeting of Members, whether annual, regular or special, any entry in the minutes to the effect that notice has been duly given shall be sufficient evidence that due notice of such meeting was given to such Member, as required by law and by these Bylaws.
12. Conduct of Meetings.
- A. Except as may be otherwise required by law, meetings will be conducted in accordance with the current edition of Robert's Rules of Order.
 - B. Each Member shall have the right to participate in meetings with reference to all designated agenda items.
 - C. The Board may adopt reasonable rules governing the frequency, duration and the manner of Member participation.
 - D. Any Member may tape, record or videotape meetings of the Members only with the consent of all Members present.
13. Voting.
- A. The owner or owners of each Membership shall be entitled to one vote per Membership. The Membership vote may not be split. No Member shall be disqualified from voting because of any outstanding debts owed to SCI.
 - B. Where the Membership is owned by more than one person, any one of the named persons may vote on behalf of the Membership and such vote shall be considered as made with the knowledge and consent of all other owners of the Membership.

- C. The vote of a majority (51%) at which a quorum is present shall be binding upon all Members for all purposes except in those instances in which a higher percentage vote is required by statute, the Articles or these Bylaws.
- D. Votes will be conducted by the Voting Committee chaired by a person appointed by the board.
 - 1. Normal votes will be conducted at the Annual Meeting of the Members on the last Wednesday in October. Special votes may be held at any Regular meeting as needed.
 - 2. Ballots with security envelopes return envelopes, and instructions will be mailed to eligible voting members no later than 30 days prior to any voting deadline.
 - 3. Ballots may be returned to the Voting Committee via regular mail, delivered to the manager's office, or taken to the Annual Meeting (the night of the election).
 - 4. Ballots will be checked against a roster of members to insure each membership has only one vote.
 - 5. Any member not wishing to submit a ballot, may vote in person or by proxy at the meeting.
 - 6. The ballots will be counted in the custody of two (2) people. A second counting, in the custody of two (2) different people. The two counts will be compared for accuracy.
 - 7. The results will be announced and ratified at the Annual Meeting.

ARTICLE 5. BOARD OF DIRECTORS

1. Number.
 - A. SCI shall be managed by a Board of Directors.
 - B. The number of directors shall be seven (7).
 - C. All directors shall be Members of SCI.
 - D. No Member who is indebted to SCI for any common expense, assessment or Maintenance Fee, or other fee related to a lease agreement with SCI, which is overdue and not under protest for a period of more than thirty (30) days, shall be eligible for election to the Board.
 - E. The Board of Directors will be supplemented by two (2) alternate Directors.
 1. Alternates are elected to one-year terms. They will attend Board meetings and join in any discussions but they will not be able to make or second any motion and will not have a vote unless they have been appointed to fill a permanent vacancy or, in the event of an absence of any board member, temporarily filling in at any meeting.
 2. In the event any Board member is unable to fulfill his or her full term, Alternate 1 shall assume that vacant Director position but shall not assume any office held on the board except upon a majority vote of the Board.
 3. If a second director position is vacated, Alternate 2 shall assume that vacant position but shall not assume any office held on the board except upon a majority vote of the Board.
 4. In the event both alternate positions are vacant, the positions may be filled by holding a special election/meeting following the method included herein for calling such special meeting.
2. Code of Conduct. Each Board of Director shall agree to and sign a Directors Code of Conduct Policy before taking any action as a Director.
3. Terms and Number of Directors. There shall be 7 Directors on the Board of Directors, the terms of which are staggered according to the outline below:
 - A. The term for director position one, two, and three shall be for staggered three (3) year terms.

- B. The term for director position four and five shall be for staggered two-year terms.
 - C. The term for director position numbers six and seven shall be for one year each.
4. Election and Removal of Directors.
- A. Election of Directors shall be held at the Annual meeting of the Membership.
 - B. Any director may be removed from office by the affirmative vote of a majority of the Members then entitled to vote, including by proxy or absentee ballot, at a meeting duly called for that purpose.
 - C. Any director may also be removed from office for cause by an affirmative vote of the Board at any regular or special meeting of the Board. Cause shall include the absence of the director from three (3) consecutive meetings of the Board followed by a fourth absence after notice from the Board given to said director of its intent to remove him or her from the Board if he/she fails to attend the next (fourth) meeting of the Board.
 - D. Any director may resign at any time by written notice delivered or mailed to the President, Vice President, or Secretary.
 - E. Such resignation shall take effect at the time specified therein, and unless specifically requested, acceptance of such resignation shall not be necessary to make it effective
 - F. A director who ceases to be a Member of SCI shall be considered to have resigned from the Board.
5. Vacancies on the Board. See Article 5.1, Section E.
6. Annual and Regular Meetings of the Board of Directors.
- A. A meeting of the Board shall be held each year within thirty (30) days following the Annual meeting of the Members.
 - B. At the first meeting, a calendar shall be established for Regular Board meetings for the ensuing year.
 - C. Notice of Annual and Regular meetings shall be given to each director by mail or in person at least seven (7) days prior to the date of the meeting.

- D. Notices of such meetings shall also be posted at Fred Winter Hall in a place designated by the Board, and commonly used for the posting of notices and by placement on the five (5) community bulletin boards.
 - E. These meetings are open to the Public with limited input at the discretion of the chair.
7. Special Meetings of the Board of Directors.
- A. Special meetings of the Board shall be called by the President, or Vice-President in his or her absence, or upon the written request of the majority of Board Members.
 - B. Notice of a special meeting shall state the date, time, place and purpose of the meeting, and except in the case of an emergency, shall be delivered, or mailed to each director at least three (3) days prior to the meeting.
 - C. Notices of such meetings shall also be posted at least three (3) days prior to the meeting at Fred Winter Hall in the a place designated by the Board and commonly used for the posting of notices, and by placement on the five (5) community bulletin boards.
8. Executive Meetings
- A. All meetings for the Board of Directors of the association shall be open to owners, except that at the discretion of the board, the board may close the meeting to owners other than board members and meet in executive session to:
 - 1. Consult with legal counsel; and/or
 - 2. Consider the following:
 - a. Personnel matters, including salary negotiations and employee discipline;
 - b. Negotiation of contracts with third parties;
 - c. Collection of unpaid assessments;
 - d. Disputes between Members;
 - e. Any other sensitive issue which may require the discreet attention of the Board of Directors at their discretion.
 - B. Except in cases of an emergency, the Board of Directors shall vote in an open meeting whether to meet in executive session. If the Board of Directors votes to meet in executive session, the presiding officer of the Board of Directors shall state the general nature of the action to be considered and, as precisely as possible, when and under what

circumstances the deliberations can be disclosed to Members. The statement, motion or decision to meet in executive session must be included in the minutes of the meeting.

- C. A contract or an action considered in executive session does not become effective unless the Board of Directors, following the executive session reconvenes in open meeting and votes on the contract or an action, which must be reasonably identified in the open meeting and included in the minutes.
 - D. No records of executive sessions shall be made; rather all decisions shall be noted in the minutes of the open meeting.
9. Emergency Meetings. Emergency meetings of the Board of Directors may be held without notice, if the reason for the emergency is stated in the minutes of the meeting.
10. Waiver of Notice.
- A. A director may, in writing, waive notice of any meeting of the Board.
 - B. Attendance by a director at a meeting shall constitute a waiver of notice of such meeting, unless the director states that his attendance is for the express purpose of objecting to the transaction of business because the meeting is not lawfully called or because of a lack of adequate notice.
11. Quorum of the Board of Directors. A quorum at a meeting of the Board shall consist of a majority of the current Directors present in person or by proxy, not including alternate directors. A Director shall be considered present in person if that Director is able to hear the proceedings as they occur and interact with the other Directors in real time.
12. Majority Vote of the Board of Directors.
- A. At meetings of the Board all matters not otherwise conditioned by Law, or the Articles, shall be determined by simple majority voice vote.
 - B. Any Director, at any meeting of the Board of Directors, may call for a roll call vote on any matter under consideration before the Board.
13. Adjourned Meetings of the Board of Directors.
- A. If at any meeting of the Board there is less than a quorum present, the majority of those present may adjourn and reschedule the meeting from time to time until a quorum is present.

- B. At any rescheduled adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted.
 - C. Notice of any rescheduled adjourned meeting shall be made in accordance with the notice requirements of regular meetings.
14. Order of Business.
- A. The order of business at meetings of the Board shall include but not be limited to:
 - 1. Roll call;
 - 2. Adoption of minutes of the last meeting after reading of the minutes by the Secretary or, upon motion, second and majority vote to waive the reading;
 - 3. Resignations and/or elections;
 - 4. Reports of officers and employees;
 - 5. Reports of committees;
 - 6. Unfinished business;
 - 7. Original resolutions and new business;
 - 8. Consideration of communications;
 - 9. Adjournment.
15. Agenda.
- A. An agenda shall be prepared by the Secretary prior to every meeting.
 - B. Items for consideration on each agenda will be determined by the Board. Any member wishing to add items to the agenda should do so by notifying the President or the Secretary, in writing, at least 3 days prior to the meeting for which the agenda is being developed.
 - C. The agenda shall be available for viewing prior to any meeting. A copy of the agenda will be available in the Community Manager's office.
16. Non-agenda Items.
- A. Any item not included on the agenda may be taken up on an emergency basis upon agreement by at least a majority of the Members of the Board.
 - B. In the event that an emergency action is taken as set forth in this Section,

1. Notice of such action shall be included in the agenda of the next regular meeting of the Board (5.11.F Unfinished business) and
2. Shall be ratified at the next meeting.

17. Conduct of Meeting.

- A. Regular Meetings of the directors shall be open to all Members except Executive Session as described in Article 5 Section 8.
 1. The right of Members to attend such meetings includes the right to participate in discussion of agenda items designated as open discussion agenda items.
 2. The directors may adopt reasonable rules governing the frequency, duration and manner of Members' participation in discussion.
- B. Meetings may be held by any method authorized under the Oregon Non-Profit Act.
- C. Any action or vote taken by the Board of Directors of any meeting must be recorded in the Minutes of the Meeting.

18. Minutes of Meetings.

- A. The minutes of all meetings of the Board shall be kept in a book available in the Manager's office for inspection by the Membership or their authorized representatives. These minutes will only be available in the office after they have been read and approved by the Board at their next meeting and signed by the Secretary or the Appointed Secretary.
- B. Minutes of the meetings of the Board shall be retained for a period of not less than seven (7) years.

19. Compensation.

- A. No director shall receive compensation for his or her, services as director.
- B. Upon submission of receipts, a director may receive reimbursement of his reasonable expenses incurred in connection with the performance of his duties and upon presentation of a paid receipt, if such expense reimbursement was previously authorized or is at that point ratified by the Board.

- C. A director is precluded by his Membership on the Board from serving in any other capacity in connection with SCI and receiving compensation for such service.

20. Action without Meetings.

- A. The Board may take action without a meeting, by a majority consent resolution signed by a quorum of the Board.
- B. Such consent resolution shall be signed and entered into the record at the next Board meeting.
- C. Any action so taken shall have the same force and effect as a majority vote of the Board at a meeting.

21. Powers and Duties of the Directors.

- A. The Board shall have the powers and duties necessary for the administration of the affairs of SCI, and for the management of Springlake Community and may do all acts except such acts which by law or the Articles or these Bylaws specifically indicate may not be delegated to the Board by the Members.
- B. Among other things, the Board shall:
 - 1. Elect the officers of SCI as provided in these Bylaws;
 - 2. Collect rent from Non-member Residents and Maintenance Fee assessments from Members necessary to pay for the Common Expenses of SCI., Mortgage Payments, Capital Improvements (or reserves therefore) and Capital Acquisitions (or reserves therefore);
 - 3. Determine the expenditures required for the operation of and the cash requirements necessary to meet SCI's Common Expenses, Mortgage Payments, Capital Improvements and Capital Acquisitions;
 - 4. Prepare and provide an annual budget for the operation of SCI;
 - 5. Establish and maintain a Reserve Account to provide for the long term maintenance and approved Capital Improvements, and Capital Acquisitions of Springlake Community.
 - 6. Fix the terms and manner of payment of rent from non-member residents and the maintenance fee and other assessments under the Lease between Members and the Association, all sufficient to meet the Common Expenses, Mortgage Payments, and reserve fund for Capital Improvements, long term Maintenance and Capital Acquisitions
 - 7. Maintain bank accounts and books of account according to generally accepted accounting practices reflecting all SCI's receipts and disbursements with proper supporting documents;
 - 8. Adopt and enforce such reasonable rules and regulations as it may deem necessary or desirable in respect to the use of the

manufactured home lots and the common areas and facilities of Springlake Community in pursuance of the purposes and policies of SCI;

9. Adopt and enforce the terms of the Lease under which each Member occupies his manufactured home lot and adopt and enforce the terms of a Rental Agreement for non-member residents;
10. Employ personnel necessary for the operation of SCI and Springlake Community and order and supervise work deemed necessary to the operation, maintenance, repair and replacement of the common areas and facilities and any additions and improvements thereto;
11. Obtain and maintain the kinds and amounts of insurance for the property and SCI as is reasonable and prudent;
12. Prepare or supervise the preparation of an annual financial report to the Members as of the last date of each calendar year or fiscal year if the fiscal year is different from the calendar year;
13. Employ attorneys and accountants and other professional or technical consultants and advisors as may be reasonably necessary in carrying out the management and administration of SCI;
14. Borrow money to refinance any SCI loan, or to pay for a necessary and approved Capital Acquisition or Capital Improvement and to execute promissory notes, deeds of trust encumbering Springlake Community, or other security instruments and loan agreements as are reasonably necessary.
15. Determine and levy fines; set schedule of fines.
16. The board shall approve any expenditure between \$250 and \$5,000 not previously budgeted or covered by the Reserve Study.

22. Committees.

- A. The President of the Board of Directors may appoint standing, operational and temporary committees to perform tasks and duties as necessary to achieve proper operation of SCI.
- B. These committees will be advisory to the Board and have no authority in and of themselves.
- C. Committees should be made up of a cross-section of members of SCI.
- D. At the option of the chairman of the committee or majority of the committee members, committee meetings may be conducted in private at a time and place of the committee's own choosing.
- E. No committee shall take any action that is in any manner binding on the Board, but shall submit its reports at a meeting of the Board.
- F. Current standing committees include:
 1. Finance Committee, chaired by the Treasurer.
 2. Voting Committee.
 3. Bylaws, Rules and Regulations Committee.

4. Community Design Committee.

23. Actions Requiring Approval of Members.

- A. Without a majority vote of the current Members of SCI, the Board shall not:
1. Contract for the construction or installation of any Capital Acquisition or Capital Improvement that will cost more than Five Thousand Dollars (\$5,000.00);
 2. Employ any independent professional property manager or management firm;
 3. Cause SCI to conduct any business other than the operation of Springlake Community as a Non-Profit corporation;
 4. Possess, use or assign any property or other assets of SCI for other than a SCI purpose or commingle the funds of SCI with any other funds, or employ such funds in any manner except for the exclusive benefit of SCI;
 5. Approve any financing or refinancing of SCI in the event the directors do not agree among themselves to such financing or refinancing;
 6. Dissolve, liquidate or declare bankruptcy for SCI;
 7. Sell or exchange any SCI property other than in the ordinary course of business; or
 8. Terminate all of the Leases.

ARTICLE 6. OFFICERS

1. Designation.
 - A. The officers shall be: President, Vice-President, Secretary and Treasurer.
 - B. The Board may appoint assistant officers as necessary to perform SCI's functions, except for the President and Vice-President.
 - C. No person may be elected or appointed to serve in more than one office at the same time.
 - D. All officers shall also be Directors.
2. Elections.
 - A. Officers shall be elected by the Board at the Annual Board Meeting, following the Annual Membership meeting or at such time and place agreed upon by the Board, but not more than thirty (30) days after the annual Membership meeting.
 - B. The term of office for each officer shall be one year; nevertheless, each shall hold office at the pleasure of the Board, which may remove any officer by two-thirds (2/3) vote with or without cause and elect his successor.
3. Resignations.
 - A. Any officer may resign his post at any time by written resignation delivered to the Secretary.
 - B. Resignations shall take effect immediately unless a later date is specified therein.
4. Officer Positions and Responsibilities.
 - A. President.
 1. The President shall be the chief executive officer of SCI. He shall preside at all meetings of the Members and the Board, except in the event of personal illness, or other emergency which prevents such duty.
 2. The President shall have general supervision over the affairs of SCI and other officers.

B. Vice-President.

1. The Vice-President shall take the place of the President and perform the duties of President whenever the President is absent or unable to act.
2. The Vice-President shall perform such other duties as shall from time-to-time be assigned by the Board or the President.
3. If neither of the President or Vice-President is able to act, the Board shall appoint another director to act in the place of the President on an interim basis.
4. If the president resigns his office or is unable to serve for any reason, the Vice-President shall assume the office of President.
5. The vacated office of Vice-President shall be filled during the next regular, or special, meeting of the Board.

C. Secretary.

1. The Secretary shall keep the minutes of all proceedings, motions and actions of the Board.
2. The Secretary shall attend to the giving and serving of all notices to the directors, Members, any Secured Party, and other notices required by law, unless otherwise provided by these Bylaws.
3. The Secretary shall keep the records of SCI, except those of the Treasurer, including the current master edition of SCI Bylaws, reflecting all amendments, corrections, deletions or other changes.
4. The Secretary shall prepare and present to Officers and Members, the meeting agendas.
5. The Secretary shall perform all other duties incident to the office of Secretary as may be required.
6. In the event none of the directors is qualified to serve as Secretary, a secretary may be appointed but would be an assistant officer, and would not be a director, nor have a vote on Board matters. This appointed secretary shall be a SCI member.

D. Treasurer.

1. The Treasurer shall have responsibility for the care and custody of all monies, funds and securities of SCI and shall ensure true and accurate accounts of monies received and expended on behalf of SCI, adhering to the Generally Accepted Accounting Practices (GAAP), as well as the financial practices and procedures as established by the Board of Directors. This

includes the hiring of an outside accountant to monitor and prepare financial statements and tax returns on behalf of the Board.

2. The Treasurer shall submit the financial records to the Board for inspection when requested and make a report in writing of all amounts collected and disbursed and monies on hand at each annual meeting of the Members.
3. The Treasurer shall serve as the chair of the Finance Committee.
4. The Treasurer will review and approve all invoices paid by SCI. An outside accountant will reconcile the bank statements. The Finance Committee will review all financial reports.
5. Any changes to, or deviations from, the GAAP or SCI established practices and procedures for financial matters must be approved by the Board.

5. Agreements, Contracts, Checks, Etc.

- A. The officers shall have the power to execute such agreements, contracts, checks, deeds, leases and other instruments of SCI as authorized by the Board.
- B. All checks issued by SCI must be signed by two of the following persons:
 1. The President
 2. The Vice President
 3. The Treasurer
 4. The Secretary
 5. And, if approved by the Board, the hired accountant, but only in an emergency situation where only one officer is available.

ARTICLE 7. LIABILITY AND INDEMNIFICATION OF DIRECTORS AND OFFICERS

1. Liability.
 - A. An officer or director of SCI shall have no liability to SCI or its Members for monetary damages for conduct as an officer or director, except for acts or omissions that involved intentional misconduct, or a knowing violation of law or for any transaction from which the director will personally receive a benefit in money, property or services to which the director is not legally entitled.
 - B. If the Oregon Non-profit Corporation Act (ORS Chapter 65) is hereafter amended to authorize or limit the indemnity of directors then the indemnity of an officer or director shall also be limited or broadened to the full extent permitted by the law as amended.
 - C. Any repeal or modification of indemnification laws shall not be effective with respect to any act or activities occurring prior to the repeal or modification.
2. Bonds or Insurance. SCI may purchase fidelity bonds for directors, officers and management employees or directors and officers insurance for them and the premiums for such bonds or insurance shall constitute a Common Expense of SCI.
3. Indemnification.
 - A. Every director and officer of SCI shall be indemnified by SCI against all expenses and liabilities, including reasonable attorney fees incurred by or imposed upon him/her in connection with any proceeding or settlement thereof in which the director, or officer may become involved, by reason of his being or having been a director, or officer of SCI.
 - B. This indemnification shall apply whether or not the individual is a director or officer at the time such liabilities or expenses are incurred, except in cases wherein the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties.
 - C. In the event of a settlement, the indemnification established herein shall apply only when the Board approves such settlement or reimbursement.
 - D. The foregoing right of indemnification shall be in addition to and not exclusive of any and all other rights of indemnification to which such director or officer may be entitled.

ARTICLE 8. FINANCES

1. Sources of Revenues. SCI anticipates revenues from the following:
 - A. Subscription of Memberships, Assessments or Maintenance Fees paid by Members pursuant to their Leases;
 - B. Rent paid by Non-member Residents pursuant to their Rental Agreements with SCI;
 - C. Interest income on funds held by SCI;
 - D. The sale of SCI assets.
2. Duty of Members to Pay Maintenance Fee. SCI shall charge each Member a monthly Maintenance Fee in the amount determined by the Board as set forth in Article 8, Section 7(G) and Article 8 Section 7(L) and it shall be the duty of the Member to pay the Maintenance Fee each month at the time and place set forth in their particular Lease agreement.
3. Depositories.
 - A. The funds of SCI shall be deposited in such banks and depositories as may be determined and approved by resolutions of the Board.
 - B. Funds shall be withdrawn only upon checks and demands for money signed by such officers as may be designated by the Board and as provided by these Bylaws.
4. Fiscal Year.
 - A. The fiscal year of SCI shall begin on January 1 of each year; and end on December 31st of that same year.
 - B. The Board is authorized to change to a different fiscal year if it deems it advisable.
5. Books and Records.
 - A. SCI's books and records shall be maintained in accordance with Generally Accepted Accounting Practices (GAAP) and SCI established practices and procedures, and shall include all receipts and disbursements.

- B. The records shall segregate Common Expenses, Mortgage Payments, Capital Improvements, Capital Acquisitions and reserves for Capital Improvements and Capital Acquisitions.
 - C. The accounting records of SCI shall be open to inspection by Members or their authorized Representatives at reasonable times.
6. Accounting Services.
- A. The Board shall employ an accountant and/or tax specialist to perform audits, accounting services, and prepare tax reports and returns as the Board may deem necessary and shall set the compensation to be paid to such accountant or accounting firm.
 - B. Such compensation shall be a Common Expense.
 - C. The employed accountant or tax specialist shall be added as a signatory to SCI bank accounts as an emergency source but may not sign without a signature of a current SCI Officer.
7. Annual Budget and Determination of Assessments.
- A. For each fiscal year, the Board shall prepare an annual budget no later than two (2) months before the commencement of the fiscal year.
 - B. The budget shall project anticipated revenue from Maintenance Fees and assessments paid by the Members and rents paid by Non-member Residents.
 - C. The budget shall project anticipated expenditures including the following:
 - 1. Common Expenses,
 - 2. Mortgage Payments,
 - 3. Capital Improvements, reserves for Capital Improvements,
 - 4. Capital Acquisitions and reserves for Capital Acquisitions.
 - D. A copy of the proposed budget shall be mailed to the Members not less than seven (7) days prior to a Board meeting at which the budget will be considered, together with a notice of that meeting.
 - E. The Board meeting at which the budget shall be considered shall be open to all Members.

- F. The Board shall review the budget, consider the statements of Members regarding the budget, make adjustments and adopt the budget.
- G. Based on the budget, the Board shall then set the amount for the Maintenance Fee to be assessed against Members for the following fiscal year under their Leases as well as the rent to be charged to Non-member Residents for the ensuing fiscal year.
- H. The anticipated revenues from Maintenance Fees and rents paid by non-member Residents must equal or exceed budgeted expenditures including reserves.
- I. Upon adoption of a budget, the Treasurer shall mail to each Member the final budget and a statement of assessment of Maintenance Fees for the ensuing year.
- J. The Treasurer shall also mail to each non-member Resident a notice regarding the rent to be charged for the ensuing fiscal year.
- K. If an adopted budget requires assessments against Members in any fiscal year exceeding one hundred fifteen percent (115%) of the assessments for the preceding year, the Board, upon written application of Twenty Five Percent (25%) of the Members, shall call a special meeting of the Members within thirty (30) days, upon not less than ten (10) days' written notice.
 - 1. At the special meeting, the Members shall consider the budget adopted by the Board.
 - 2. If a majority of the members eligible to vote are in attendance in person or in proxy at the meeting a vote may be taken by the members to adopt a modified budget. The budget adopted at the meeting shall be adopted by a vote of not less than a majority of the quorum present.
 - 3. If a quorum of members has not been established at the meeting than the budget adopted by the board stands.
- L. If at any time the Board declares by resolution that the assessment of Members for the current year is insufficient and that a financial emergency exists, the Board shall call a special meeting of the Members to consider a supplemental assessment.
 - 1. Any such supplemental assessment must be approved by a majority of the quorum of Members present at the meeting.
 - 2. A supplemental assessment may be levied on a one-time basis or divided over no more than twelve (12) months.

8. Reports to Members.

- A. In addition to the annual budget to be provided to Members, the Board shall
 - 1. Provide an annual report to Members which shall include; the financial statement of SCI and
 - 2. A narrative report as necessary to fully explain and account for the management and finances of SCI.

- B. The annual report shall be based on financial statements as of the end of the fiscal year and shall be made available to each Member not later than ninety (90) days after SCI's fiscal year.

ARTICLE 9. PROPRIETARY LEASES

1. Issuance.
 - A. A Lease shall be issued by SCI to Members purchasing a Membership in SCI.
 - B. One Lease shall be available for each leasable manufactured home lot in Springlake Community, but shall be issued only upon purchase of a Membership.
 - C. The price for the issuance of the Lease is the price of the Membership for that manufactured home lot.
 - D. The Lease shall be for ninety-nine (99) years.
2. Form of Lease.
 - A. The form of the Lease shall from time to time be determined by the Board.
 - B. The Lease shall provide for the payment of assessments as Maintenance Fees to be paid by Members.
 - C. The Lease shall prohibit subleasing of the lot, either with or without removal of the Member's manufactured home, and installation of a sub lessee's manufactured home.
3. Assignment.
 - A. A Member's Lease may not be assigned to any person except
 1. Concurrently with the transfer and conveyance of the related Membership and
 2. By approval of the Board.
 - B. A member may assign the Lease and related Membership as collateral security as provided in Article 3, Section 3.8.
4. Lease Subordinate to Mortgages.
 - A. Each Lease issued to a Member shall be subject and subordinate to the deed of trust or mortgage securing a loan made and encumbering Spring Lake Manufactured Home Park.

- B. Such subordination shall continue for all renewals, extensions, modifications and amendments of any such deed of trust or mortgage.
 - C. This subordination shall be for any loan made to SCI to acquire Springlake Community or for any future loan made to SCI which is secured by a deed of trust or mortgage on Springlake Community.
 - D. This clause shall be self-operative and no further instrument of subordination shall be required to give such deed of trust or mortgage priority over any Lease issued by SCI although the form of Lease and any Memorandum of a Lease shall recite this subordination.
 - E. Each Member accepts the Lease acknowledging the present or future subordination of the Lease to the deed of trust or mortgage on Springlake Community.
5. Rental Agreements.
- A. SCI has issued Rental Agreements to non-member Residents.
 - B. Such existing Rental Agreements shall continue until which time as they are terminated. No new rental agreements will be issued.
6. Occupancy Requirements.
- A. At least one person in each household in Springlake Community shall be 55 years of age or older.
 - B. No resident shall be less than 45 years of age.
 - C. No person shall be allowed to reside in Springlake Community, which as a result would cause twenty percent (20%) or more of the residents in Springlake Community to be younger than fifty-five (55) years of age or which would result in a loss of SCI's status under federal (HUD) or state statutes or regulations as a senior community for persons aged 55 years and older.
 - D. Notwithstanding the foregoing, any person permanently residing in Springlake Community on the date of adoption of the original Bylaws, dated March 23, 2003, shall be entitled to remain a resident even though under fifty-five (55) years of age and any person who is 55 years of age or older may petition the Board to allow occupancy by a companion who is less than 45 years of age.
 - E. The Board shall have full discretion to allow or deny such petition.

- F. The granting of such occupancy by the Board shall not create a precedent upon which any other person may rely.
7. Co-occupants.
- A. A Co-occupant to a Member must be at least 45 years of age, must pass a background check and must sign and deliver to SCI a Co-occupancy Agreement in which the Co-occupant agrees to comply with the Springlake Rules and Regulations and all applicable laws.
 - B. If a Member intends to have a person live in the Member's manufactured home for more than thirty (30) days, the Member must present that person to SCI for a background check and to execute a Co-occupancy Agreement before the person begins residing in the Member's home.
 - C. Under no circumstances will a Co-occupant be considered a Member of SCI.
 - D. The rights of a Co-occupant to reside in Springlake will be limited to the terms set forth in the Co-occupancy (previously termed "Occupancy") Agreement executed between SCI and the Co-occupant and in the Springlake Rules and Regulations.
 - E. The member, with whom the Co-occupant lives, must also sign the Co-occupancy agreement, acknowledging that holdover by the Co-occupant in the Member's home after termination of the Co-occupancy Agreement will constitute a breach by the Member under the Member's Proprietary Lease with SCI.
 - F. A monthly utilities fee may be charged for a Co-occupant.
8. Guest. Guests will be subject to Springlake's Rules and Regulations and may reside with Member as permitted in said Rules and Regulations. Once a Guest has resided in a Member's home for thirty (30) days during a rolling calendar, one-year period, then the Guest cannot reside with the Member for any additional time until the Member presents the Guest to SCI for a background check and to execute an Occupancy Agreement. SCI will not charge a utilities fee for a Guest.

ARTICLE 10. DEFAULT AND REMEDIES

1. Events of Default. A Member shall be in default under the Lease for any of the following:
 - A. The Member ceases to own the Membership to which the Lease is appurtenant or if the Lease passes or is assigned to anyone who is not approved by SCI as a transferee of such Membership.
 - B. The lot covered by the Lease is subleased or otherwise occupied in violation of the requirements of the Lease or these Bylaws.
 - C. The Member has failed for a period of two (2) months to pay any Maintenance Fee, rent or assessment or any installment thereof due under the Lease or these Bylaws and fails to cure such default within ten (10) days after written notice from SCI
 - D. The Member fails to perform any covenant or provision of the Lease, Rules and Regulations, or these Bylaws, other than payment of rent, and such default continues for thirty (30) days after written notice from SCI. Nevertheless, if the default is of such a nature that it cannot be completely remedied within said thirty-day period, this provision shall be complied with if Member begins correction of the default within the thirty-day period and thereafter proceeds with reasonable diligence and in good faith to affect the remedy as soon as practicable.
 - E. During the term of this Lease the Member files a voluntary petition in bankruptcy or is determined to be bankrupt under the laws of the United States;
 1. A receiver is appointed for the properties of the Member;
 2. An involuntary petition of bankruptcy is filed regarding the Member and the Member fails to secure a dismissal of that petition within sixty (60) days after filing;
 3. The Member makes a general assignment for the benefit of creditors;
 4. The Membership of the Member is attached or levied or the leasehold interest of the Member in the Lease is attached or levied
 5. And the Member fails to secure discharge of such attachment or release of such levy of execution within sixty (60) days.
 - F. The Member is convicted under a federal law, state law or local ordinance of a crime based on an act which the Board determines by a majority vote, threatens the health, safety or welfare of the other Members and residents in Springlake Community.

- G. The Board, at a meeting called for that purpose, finds that the Member has engaged in egregious and objectionable conduct, or has violated these Bylaws or any rules relating to residency in Springlake Community which
1. Jeopardizes the orderly operation of SCI;
 2. Damages SCI's reputation;
 3. Disturbs the peaceful living of other Members and residents in Springlake Community;
 4. Places any person in imminent danger of death or serious physical injury.
- H. The Member is in default under any security agreement, pledge or leasehold mortgage given to a Secured Party.

2. Remedies on Default.

- A. All past due Member fees and rent shall act as a lien on the Membership Certificate and shall be collected upon the sell or transfer of the certificate, if not previously collected. The lien is a lien on the certificate only and therefore is not recorded in the county records as it does not affect the property which the manufactured home occupies.
- B. Once a default has occurred the Board shall give the Member at least two (2) written notices to cease such objectionable conduct, or cure such violations of the Bylaws or applicable rules. Each such notice shall give the Member an opportunity of at least ten (10) days to comply with the demands contained in the notice and to request a hearing by the board. The notices shall state one of the following consequences of not remedying the action in the time designated:
1. SCI may terminate the Lease:
 - a. If the Member does not request a meeting of the Board to review the proposed termination, then the Lease shall be terminated fifteen (15) days after notice of termination is delivered by certified mail to the Member.
 - b. If within fifteen (15) days after receipt of the notice, the Member gives written notice to the Board of a request to hold a meeting of the Board to consider the termination, then a meeting shall be scheduled as soon as practical and the Board shall hear the Member at such meeting.
 - c. The member may bring an attorney to the meeting to speak on their behalf only after giving written notice to the board 3 days prior to the time set for the meeting. If a member brings an attorney to a hearing without prior notice to the Board,

- upon an affirmative vote of the Board, the meeting may be adjourned until such time as SCI's attorney can be present.
- d. At the meeting, the Member shall be given all reasonable opportunity to show the Board why the Lease should not be terminated.
 - e. After hearing the Member, the Board shall render a decision which shall be written and delivered to the Member within seven (7) days.
 - f. If the Board votes to terminate the Lease, such termination shall be effective fifteen (15) days after delivery of the decision to the Member.
2. In lieu of terminating the Lease, the Board may set terms of probation for the Member and require that the Member comply with such terms as are reasonable under the circumstances.
3. Upon Termination of the Lease
 - A. The Member shall surrender to SCI his Membership Certificate to which the Lease is appurtenant. Whether or not said Membership Certificate is surrendered, the Membership of that Member shall be canceled and the Certificate for such Membership shall thereafter be null and void.
 - B. Upon cancellation of the Membership, SCI may issue a new Membership, Membership Certificate and Lease for the manufactured home lot formerly occupied by the Terminated Member.
 - C. The Membership, Membership Certificate and Lease shall be issued upon subscription for the same and payment of market price for the Membership, as determined by the Board.
 - D. SCI shall apply the proceeds of such subscription as follows:
 1. Toward the Terminated Member's indebtedness to SCI for any unpaid Maintenance Fee, rent or assessments or SCI's expenses including but not limited to attorney fees incurred because of the Terminated Member's default under the Lease;
 2. Toward any balance and expenses owing to a Secured Party who has given notice to SCI of a lien under Section 3.8, as provided in any security documents with such Secured Party; then
 3. The surplus, if any, to be paid to the Terminated Member.

- E. SCI shall not be held to any time line by which to sell a Membership for the manufactured home lot formerly occupied by a Terminated Member, or otherwise make any attempt to mitigate damages.

- F. Once notice has been given, a Member or Lease holder, or previous member or Lease holder shall be personally responsible to pay all attorney fees associated with collecting back dues and or Rent. These attorney fees will act as member dues or past due rent and may be collected concurrently with the back dues and or rental payments owed or added to the amount until all dues and attorney fees are paid in full. The delinquent owner shall be responsible to pay the attorney fees regardless of if they are not yet secured in a judgment awarded by the court.
4. Remedies. SCI shall have the right to take any other available remedies under the law or these bylaws to recuperate any losses resulting from the default of a Member or Tenant under a Rental Agreement or Lease agreement.

ARTICLE 11. EASEMENTS

1. Easements. Each of the following easements is a covenant running with the land within Springlake Community:
 - A. Utility services and drainage easements are reserved under, through and over Springlake Community as may be required for utility services and drainage in order to serve SCI and residents in Springlake Community.
 - B. Such reservation shall be also reserved in the Lease and Rental Agreement.
 - C. A Member shall do nothing on or under the unit that interferes with or impairs the utility services using these easements.
 - D. SCI, or Managing agent of Springlake Community, has the irrevocable right of access to each manufactured home lot from time to time during reasonable hours when necessary for the maintenance, repair and replacement of any utility.

2. Traffic.
 - A. An easement shall exist for pedestrian traffic over, through and across sidewalks, paths, walks, other portions of SCI as may be from time to time intended and designated for such purpose and use;
 - B. And for vehicular and pedestrian traffic over, through and across such portions of SCI as may, from time to time, be paved and intended for such purposes;
 - C. And such easements shall be for the use and benefit of the Members, Non-member Residents, institutional mortgagees or lessees, and those claiming by, through and under the aforesaid.

3. Covenant.
 - A. All easements of whatever kind or character, whether heretofore or hereafter created, shall constitute a covenant running with the land, and shall survive the termination of SCI.
 - B. Notwithstanding any other provisions of these Bylaws, easements may not be substantially amended or revoked in a way which would unreasonably interfere with its proper and intended use and purpose.

ARTICLE 12. AMENDMENTS

1. Amendments.
 - A. Upon adoption of these Amended and Restated Bylaws, hereafter the Bylaws may be amended or revised by a mail-in vote of the membership. A thirty percent (30%) quorum, as defined by Article 4.6, must vote and the amendment must be approved by the affirmative vote of two-thirds (2/3) of those voting.
 - B. Copies of the proposed amendments must be provided in writing to the Secretary at least fifteen (15) days prior to a meeting at which they are to be considered and shall be published and distributed to all Members by the Secretary at least ten (10) days prior to the date of the meeting.
2. Record of Amendments.
 - A. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment to the Bylaws,
 - B. Such certificate shall be executed by the President and attested by the Secretary, and placed in the official records of SCI. A copy shall also be placed in the records available with the Property Managers.
 - C. A master copy of the Bylaws and all amendments thereto shall be kept in good order and condition by the Secretary of the Board of Directors, and such legal counsel who represents the interests of SCI.
 - D. The Property Managers of Springlake Community shall keep a current copy on file, in good order and condition. This copy shall be available for inspection by any member, or their representative, at the SCI business office during regular business hours.
 - E. All prospective members shall receive a copy of these Bylaws and all Amendments prior to being approved as a member.

ARTICLE 13. MISCELLANEOUS

1. Conflict.
 - A. The provisions of these Bylaws shall govern the issuance and termination of Memberships and the management and administration of SCI affairs.
 - B. If there is a conflict among the provisions of these Bylaws, and the Chapter sections and the provisions of Chapter 65 of Oregon Revised Statutes, the provisions of the State statute shall be controlling over the provisions of these Bylaws and the Articles of Incorporation.
 - C. The provisions of the Articles of Incorporation shall be controlling over the provisions of these Bylaws.
2. Roster of Members and Mortgages.
 - A. SCI shall maintain records regarding liens, mortgages or encumbrances on the Membership interests of Members.
 - B. A Member who encumbers his Membership shall notify SCI of the name and address of the Secured Party and shall file a copy of the lien or mortgage documents with SCI.
 - C. A Member who satisfies a mortgage or lien covering his Membership shall also notify SCI thereof and file a copy of the satisfaction of the encumbrance with SCI.
 - D. SCI may maintain other records regarding Members as is reasonable and set by the Board.
3. Liability Survives Termination of Membership. The sale or termination of the Membership in SCI shall not relieve or release any former Member from any liability or obligation incurred or in any way connected with SCI during the period of Membership, or impair any rights or remedies which SCI may have against such former Member arising out of or which is in any way connected with such Membership.
4. Limitation of Liability. Notwithstanding the duty of SCI to maintain and repair the common facilities, SCI shall not be liable for injury or damage caused by a latent condition in any property of SCI, nor for injury or damage caused by the natural elements, wildlife, Members, household employees, contractors, visitors, or other persons.

5. Approval and Ratification.

- A. SCI, by its execution of these Amended and Restated Bylaws, approves and ratifies all of the covenants, terms, and conditions, duties and obligations of these Bylaws.
- B. The Members, by virtue of their acceptance of a Lease and a pertinent Membership Certificate as to their manufactured home lot, hereby approve and ratify all of the terms and conditions, duties and obligations of these Bylaws.

6. Rules and Regulations.

- A. Rules and regulations for Springlake may be adopted and amended from time to time and shall be deemed in effect until amended by the Board of Directors.
- B. Rules and regulations shall apply to and be binding upon all Members.
- C. The Members shall, at all times, obey said rules and regulations, and shall use their best efforts to see that they are faithfully observed by their families, guests, invitees, household employees, and persons over whom they exercise control or supervision.
- D. The rules and regulations may require that any purchaser of a non-member Resident's manufactured home must purchase the Membership for the lot on which the home is located if such purchaser intends to keep the home on that lot.
- E. In order to change, amend or vary old or present rules and regulations, and/or adopt new rules and regulations, the same shall be duly passed by a majority vote of the Board; no vote of the Membership shall be required.
- F. A change, amendment or adoption of a rule or regulation shall not require an amendment to the Bylaws.
- G. The rules and regulations, in full force and effect are made a part hereof as though set out in full.
- H. Members who violate any rules and regulations of the association may be required to pay fines to the Association for violation of rules. The fines shall be assessed to an owner based on an enforcement policy and schedule of fines adopted by the board and distributed to the

membership. The fines may be added to the membership lien and shall also be the personal responsibility of the owner to pay.

7. Restrictions on Transfers by Non-Member Residents. Upon its acquisition of Springlake Community, SCI took the property subject to the existing rental agreements of non-member Residents.
 - A. Such rental agreements are for one year.
 - B. At any time upon expiration of the rental agreement of a Non-member Resident, SCI may deliver to such non-member Resident a new Rental Agreement which prohibits subleasing of the manufactured home, or lot and/or which provides that any purchaser of a non-member Resident's manufactured home must purchase the Membership from the Co-Op for the lot on which the home is located if such purchaser intends to keep the home on that lot in Springlake.

8. Construction.
 - A. As used in these Bylaws, the masculine, feminine and neuter gender and the singular and plural number shall each be deemed to include the others whenever the context so indicates.
 - B. Should any of the covenants herein imposed, be void or become unenforceable at law or in equity, the remaining provisions of this instrument shall, nevertheless, be and remain in full force and effect.

IN WITNESS WHEREOF, the undersigned, being the President and Secretary of the Association, executed these Amended and Restated Bylaws this _____ day of _____, 2013.

Ron Willis, President

Colette Adams, Secretary

State of OREGON
County of _____

This instrument was acknowledged before me on _____, 20____
by _____ and _____ as officers of
Springlake Community, Inc.

