

BYLAWS OF THREE RIVERS LANDOWNERS ASSOCIATION, INC.

ARTICLE 1

NAME AND LOCATION

The name of this Corporation is Three Rivers Landowners Association. Its principal office is located at Three Rivers Front Gate 12468 SW Graham Rd. Culver, OR 97734. The registered agent shall be the legal council for the organization. The Association is a nonprofit corporation organized and existing under the laws of the State of Oregon and in particular the Oregon Nonprofit Corporation Act.

ARTICLE 2

DEFINITIONS

2.1 **“Members of a family unit”** means all persons who are a spouse, legal partner, or dependent of an owner of interest in real property located in Three Rivers Recreation Area. Trusts and corporations shall be deemed one family unit.

2.2 **“An interest in real property”** includes fee ownership and the interest of a purchaser under a contract of sale with purchaser’s name legally listed on the recorded deed, but does not include a lessee, renter, or secured party.

2.3 **“Three Rivers Recreation Area”** includes that land described in the plats of Three River Recreation Area and the First, Second, Third and Fourth Additions thereto as recorded in Book 2 on pages 39, 35, 41, 43, and 49, respectively, of the Plat Records of Jefferson County, Oregon.

ARTICLE 3

MEMBERSHIP

3.1 **Membership Qualifications.** Every person who owns an interest in real property located within Three Rivers Recreation Area (as reflected in the Deed of Record of Jefferson County, Oregon) and is the holder of a valid access card (according to Three Rivers Landowners Association official records) their family unit shall automatically be members of the Association. Co-owners of an interest who are not members of the same family unit shall each be deemed an owner for purpose of voting and for dues or other charges against an owner.

3.2 **Right to Vote.** Subject to the provisions of Article 4 of these bylaws, every member family unit shall, if current on dues, have a right to vote as established by article 4.6.

3.3 **Address of Owner.** Every owner of an interest in real property located in Three Rivers Recreation Area shall furnish the secretary of the association with the owner's current mailing address and shall inform the secretary of any change in address of ownership of the property within 30 days of such change.

3.4 **Other Rights and Privileges.** Every member of the Association in good standing shall have the right to the use and enjoyment of the Association's common areas, private ways, and recreational facilities in accordance with the provisions of the Rules and Regulations of the Association.

3.5 **Suspensions or Curtailment of Rights and Privileges.** All rights and privileges attributable to membership in the Association, other than the right to vote, may be suspended or curtailed by action of the Board of Directors with respect to a member who is declared by the Board of Directors as not in good standing due to repeated or continuous violations of the Rules and Regulations, the Covenants, Conditions and Restrictions or Resolution 1 of the Association, by either such person, a member of the family unit, or a guest of such person. Any decision by the Board of Directors made pursuant to this Section 3.5 shall not be final until the affected member has been provided with at least thirty (30) days prior notice in writing setting forth therein the proposed declaration, the grounds in support of such action, and the duration thereof. Such notice shall be forwarded to the mailing address, according to the Three Rivers official records, of such member and shall contain a statement that the member may request reconsideration by the full board of such action, provided that such request is filed in writing with the Association within thirty (30) days following the date of the notice of the proposed declaration.

Whenever a suspension of membership privilege has been occasioned solely as a result of a delinquency in the payment of amounts due to the Association, such suspension shall immediately terminate upon the receipt by the Association of the full amount of the delinquency and all costs incurred.

3.6 **Termination.** Membership in the Association shall terminate upon the transfer of the equitable legal title to a property or a contract purchaser's interest therein, effective upon the recording of such transfer in the records of the Association or the deed records of Jefferson County, Oregon. Failure to so record a change in the legal title to a property shall not relieve a member from personal liability for the payment or satisfaction of any assessment, dues or charge imposed by the Association subsequent to an unrecorded transfer.

3.7 **All Members of the Three Rivers Landowners Association Shall Pay Dues.** Each deeded owner of each deeded property located within the Three Rivers Recreational Area (as recorded in the deed of record with Jefferson County, Oregon) shall pay annual dues to the Three Rivers Landowners Association, currently in the amount of three hundred fifty dollars (\$350.00) due by May 31st, of each year. Any change or alteration to the current dues structure, such as an increase or decrease, or a suspension of dues will require a vote of the membership, in accordance with Article 4 and Article 11 of these By-Laws. (Amended 3/2/2008)

3.8 **Fees and Assessments created by a vote of the membership.** The Three Rivers Landowners Association may create special fees or assessments for specific purposes from time to time. All fees or special assessments require an affirmative vote by the membership. Amounts received by the Three Rivers Landowners Association for fees or special assessments

are restricted to the specific purpose voted on by the membership. Voting will be in accordance with Article 4 and Article 11 of these By-Laws.
(Adopted 3/2/2008)

ARTICLE 4

MEETING OF MEMBERS

4.1 **Place of meetings.** Meetings of the membership shall be held at a place within the State of Oregon that is reasonably accessible to all members of the association as designated by the Board of Directors. The meeting place shall be designated in the notice of the meeting.

4.2 **Annual Meetings.** There shall be an annual meeting of the members of this association during the month of March each year. The Board of Directors shall fix the location and time of the meeting.

4.3 **Special Meetings.** Special meetings of the members may be called by the President, the Board of Directors or upon written request of the members representing at least ten (10) percent of those eligible to vote.

4.4 **Notice.** Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose for which the meeting is called shall be given not less than ten (10) nor more than fifty (50) days before the date of the meeting, either personally or by mail, by or at the direction of the secretary, to each member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, postage prepaid and addressed to the member at his/her address as it appears on the Three Rivers Landowners Association official records.

4.5 **Quorum.** At any meeting of the members, the members of the Association present in person or by proxy shall constitute a quorum.

When a quorum is once established, it cannot be broken by withdrawal of one or more of the members who were counted in establishing the quorum. The affirmative votes of the majority of the members present or represented at the meeting shall be the act of the members.

4.6 **Voting.** Each member family unit shall be entitled to two votes on each matter submitted to a vote at the meeting of members. Voters shall be at least 18 years of age, whole number votes only, no fractional votes will be allowed. If more than two votes are cast from a family unit, none of their votes shall be counted.

4.7 **Voting at Meetings.** Voting by members at meetings may be either in person or by proxy, provided that such proxy is in writing and filed within the prescribed time limit with the Secretary of the Association. Every proxy shall be revocable and valid for no more than eleven (11) months from the date of its execution unless otherwise provided in the proxy and submitted on the form or copy thereof included in the notice of the annual meeting. No proxy may be solicited.

4.8 **Voting by written ballot.** Any action, which may be taken at an annual or special meeting of members, may be taken without a meeting if the Association delivers a written ballot to each member. The written ballot shall set forth each proposed action, pro and con arguments of each proposed action, the date specified for the receipt of the ballot, and shall provide an opportunity to vote for or against each proposed action. Approval by written ballot pursuant to this Section shall be valid only when the number of votes cast by ballot equals or exceeds any quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting in which the total number of votes cast was the same as the number of votes cast by written ballot. All solicitations for votes by written ballot shall indicate the number of responses needed to meet the quorum requirements, state the percentage of favorable votes necessary to approve each matter other than the election of Directors, and specify the time and place at which a ballot must be physically received by the Association in order to be counted. A written ballot may not be revoked after the date specified for voting.

ARTICLE 5

BOARD OF DIRECTORS

5.1 **Governing Powers and Numbers.** A Board of nine (9) Directors shall manage the business and affairs of the Association.

5.2 **Terms of Office.** Members of the Board of Directors shall be elected at the annual meetings and serve for a term of three (3) years or until a successor is elected. A policy of staggered terms for board members shall be established so that at the close of each annual meeting the terms of only three (3) Directors shall expire. In the event that a vacancy occurs on the Board of Directors prior to the expiration of a Director's three-year term, such vacancy shall be filled in accordance with the provisions of Section 5.5 of these Bylaws. In determining the terms to be served by the elected candidates, the three (3) candidates receiving the highest number of votes shall each be designated to serve a three (3) year term. The remaining candidates shall be assigned to serve for the unexpired terms of any vacancies by first designating the candidate with the next highest number of votes to serve for the vacancy having the longest unexpired term, and so on in this manner until existing vacancies are filled.

5.3 **Nominations.** Any member in good standing is eligible for election to the Board of Directors and may become a candidate by requesting or agreeing to be placed on the ballot by the nomination committee. Candidates may also be submitted by nomination from the floor at the annual meeting.

5.4 **Resignation of Director.** The written resignation of a Director from the Board of Directors shall be final and irrevocable. Any oral resignation, which a Director shall be unwilling to put in writing, may, nonetheless, be accepted at the discretion of the Board and once accepted, becomes irrevocable.

5.5 **Vacancies.** Any vacancy occurring after or before the annual meeting on the Board of Directors may be filled by the affirmative vote of the majority of the remaining directors, even though less than a quorum of the Board may exist. The Director so selected shall then serve until the next annual meeting, and until a new director is elected for the balance of the term.

5.6 **Compensation.** A Director shall not be entitled to receive any compensation attributable to service as a member of the Board of Directors other than the waiver of annual dues. They are however still responsible for any additional assessments levied by the membership. A Director may be reimbursed for any reasonable expense, which the Director incurs on behalf of the Association, provided such expenditure is adequately substantiated and approved by either the President or the Treasurer.

5.7 **Removal.** Upon the presentation during any thirty (30) day period of a petition or petitions for the recall of any Board member(s) to the President of the Board of Directors which is signed by members representing at least twenty-five percent (25%) of members eligible to vote, then a vote for the recall of the Board members(s) shall be held within sixty (60) days of receipt of such petition or petitions. A petition must include the reasons for the proposed recall. Those reasons, together with a response by the Board member(s) named in the petition, shall be provided to all eligible voters prior to the recall election. The recall of a Director shall require a favorable majority provided ballots are cast by the majority of Members eligible to vote. The vote in any recall election shall be tallied by an independent election judge to be appointed by a majority of Directors who are not the subject of the recall. If all of the directors are the subject of the recall then the independent election judge shall be appointed by the presiding judge of the Jefferson County Circuit Court.

ARTICLE 6

MEETINGS OF THE BOARD OF DIRECTORS

6.1 **Regular Meetings.** A regular meeting of the Board of Directors shall be held within ten (10) days before and within ten (10) days after the annual meeting of the members. The purpose of the meeting after the annual meeting shall be for the election of officers. Other regular meetings shall be held at such times and places as determined by the Board of Directors.

6.2 **Special Meetings.** Special meetings of the Board of Directors may be called from time to time by the President or any Director on 48 hours notice to each Director. Any business may be transacted without notice at any special meeting.

6.3 **Notices.** Notice of special meetings may be by telephone, telegraph, postal mail, faxed or e-mailed delivered to each director personally or left at his residence or usual place of business. Neither the business to be transacted nor the purpose of any special meeting need be stated in the notice. No notice need be given of any regular meeting of the Board of Directors nor of any meeting the time and place of which was announced at a meeting of the Board of Directors not more than 45 days before such meeting. Attendance of a Director at a meeting shall constitute a waiver of notice of such meeting except when a Director attends a meeting for the express purpose of objection to the transaction of any business because the meeting is not lawfully called or convened.

6.4 **Quorum.** A majority of the number of Directors in Office shall constitute a quorum at any meeting. The act of a majority of the Directors present at a meeting shall be the act of the Board of Directors.

6.5 **Action Without Meeting.** Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if the action is taken unanimously by all members of the Board of Directors. The action shall be evidenced by one or more written consents describing the action taken, signed by each director, and included in the minutes or filed with the Association records reflecting the action taken. A consent signed pursuant to this section has the effect of a meeting vote and may be described as such in any document.

ARTICLE 7

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

7.1 **General Powers.** The Board of Directors shall have the authority to exercise all powers, duties, and authority vested in or delegated to the Association and not reserved to the membership by provision of these Bylaws, Rules and Regulations, Covenants, Conditions and Restrictions, and Resolution 1 as such documents may be amended from time to time.

7.2 **Authority to Delegate.** The Board of Directors may delegate its management functions.

7.3 **Other Powers.** The Board shall have the power to hire employees and agents and prescribe their powers and duties and fix their compensation.

The Board shall have the power to declare the position of a member of the Board of directors vacant in the event such member shall be absent without reason from three consecutive regular meetings of the Board of Directors.

The Board shall have the power to sell assets of the Association other than common area real property. All dissolutions of assets of value of at least five (5) times the individual annual dues shall require a unanimous vote by the Board.

7.4 **Duties of the Board of Directors.** The Board shall manage and govern the organization in a manner consistent with ordinary business practices and in good faith. They shall perform all responsibilities given by these Bylaws, Rules and Regulations, Covenants, Conditions and Restrictions, and Resolution 1 as such documents may be amended from time to time.

7.5 **Liability and Indemnification of Directors.** The Directors shall not be liable to the Association or the members for any mistake of judgment, negligence, or otherwise except for their own willful misconduct or bad faith. The Association shall indemnify to the fullest extent permitted by the Oregon Nonprofit Corporation Act (as amended from time to time) any person who has been made, or threatened to be made, a party to an action, or proceeding, whether civil, criminal, administrative, investigative, or otherwise (including an action, suit or proceeding by or in the right of the Association), by reason of the fact that the person is or was a Director of the Association or serves or served at the request of the Association as a Director or Officer of another corporation, partnership, joint venture, or other enterprise. The Association shall advance reasonable expense incurred by Director or Officer who is a party to an action or proceeding in advance of the final disposition of the action or proceeding in accordance with the provision of ORS 65.397 or any successor statute thereto.

ARTICLE 8

COMMITTEES

8.1 **Executive.** The Board of Directors, by resolution adopted by a majority, may designate three or more Directors to constitute an executive committee. The executive committee must be unanimous in all decisions. The executive committee shall exercise all powers and perform duties, which the Board shall give them to the extent provided in such resolution.

8.2 **Standing Committees.** All standing committees shall include at least one Director from the Board. A majority of the members of any committee shall constitute a quorum for the purpose of conducting the business of the committee.

- a) **Rules, Regulations and Organizational Committee.** The responsibility of the rules, regulations and organizational committee is to promote the mutual goals of Three Rivers Landowners Association Inc. to all members and their guests with specific rules, regulations and restrictions. The rules, regulations and organizational committee shall consist of a least one Director and all other committee members are members in good standing of the Association. All final decisions must have Board approval.
- b) **Architectural Committee.** The responsibility of the architectural committee is the approval of plans and specifications submitted for development, construction and improvements of the private areas of Three Rivers Residential Recreation Area. The architectural committee shall consist of at least one Director and six (6) members appointed by the Board for two-year terms. Three shall be appointed in an even year; Three shall be appointed in an odd year.
- c) **Fire Chief/Fire Committee.** The Board of Directors shall be responsible for the administration of the Three Rivers volunteer fire department. This shall be done, by either the selection of a Fire Chief, or a committee to handle the affairs of the Department.
- d) **Budget Committee.** The budget committee will be responsible for presenting an annual budget to the Board of Directors. The chairperson shall be the board member who is the treasurer. The other four members shall be appointed by the board of directors for a two-year term. Two shall be appointed in an even year, two shall be appointed in an odd year. All final decisions must have Board approval.
- e) **Other Committees.** The Board of Directors or its President may appoint such committees, as it deems necessary to assist in the operation of the affairs of the Association. Such committees shall exercise all powers and perform duties, which the Board or its President shall give them, which are consistent with these bylaws and the laws of the State of Oregon.

ARTICLE 9

OFFICERS

9.1 **Election.** The principal officers of the Association shall be a president, a vice president, a secretary, and a treasurer, who shall be members of the Board. The Board may also elect an assistant secretary and an assistant treasurer. The Board of directors may create such other offices as may so deemed advisable, and prescribe the duties thereof. The officers of the Association shall be elected annually by the Board of Directors and shall serve the will of the Board. Each officer shall hold office until the regular meeting immediately after the annual election of directors, and until his/her successor shall have been elected and qualified, or until his death or resignation or removal. Any officer may be removed by an affirmative vote of a majority of the members of the Board of Directors. A vacancy in any office shall be filled in the manner deemed appropriate by the Board of Directors.

9.2 **President.** The president shall, when present, preside at all meetings of the Board of directors and of the members. Subject to the Board of Directors, he/she shall perform all the duties required of him/her by the by-laws of the Association and such as shall be assigned to him/her from time to time by the Board of Directors. He/she shall sign all deeds, mortgages and contracts affecting the real property of any right or interests of the Association. A second signature by the Association secretary is required on all of the above. Voting capability of the president to be exercised only as a tie-breaking vote.

9.3 **Vice President.** The vice president shall perform such duties as shall be assigned to him/her by the Board of Directors, and in the case of the death, disability or absence of the president, the vice president shall perform and be vested with all the duties and powers of the president until the president's successor shall have been elected by the Board of Directors at the next monthly meeting or the president shall have resumed his/her duties.

9.4 **Secretary.** The secretary shall assure a record of the proceedings at all the meetings of the members and Board of Directors, and shall give notice as required in these by-laws of all such meetings. The secretary shall have custody of all the books, records and papers of the Association, except such as shall be in the charge of the treasurer or some other person authorized to have custody and possession thereof by resolution of the Board of Directors. The secretary shall with the president, sign all deeds, mortgages and contracts in any way affecting the real property or any right or interest therein, and shall affix the seal of the Association to all such documents required to be under seal. The secretary shall from time to time make such reports to the officers, Board of directors, and members as may be required and shall perform such other duties as the Board of Directors from time to time may delegate.

9.5 **Treasurer.** The treasurer shall keep account of all monies of the Association received or disbursed. The treasurer shall oversee deposits of money in the name of and to the credit of the Association in such banks and depositories and payments of all bills. All checks shall require two signatures. One of which must be a board member. The treasurer shall be responsible for the filing of all liens at least once a year. The treasurer shall make monthly reports to the Board and to the members as may be required.

9.6 **Delegation of Duties.** Any officer may delegate the performance of any function of the office, but not decision making authority to another person, provided, however, that the officer shall remain responsible for any function so delegated. Moreover, in the event of absence or disability of any officer, the Board of Directors may delegate the powers, duties, or functions of such officer to any other officer or Board member.

ARTICLE 10

BOOKS, RECORDS, AUDIT

10.1 **Inspection by Members.** The books and records of the Association shall at all times during reasonable business hours be subject to inspection by any member or member's authorized agent at the office of the Association in accordance with the provisions of relevant Oregon Law. A member exercising this right shall give a minimum of five (5) business days' advance notice of intention to inspect the Association's records and shall conduct the inspection in a fashion that does not interfere with the Association's normal business operations.

10.2 **Certification/Audit.** An annual certification shall be made by an independent Certified Public Accountant before each annual meeting. The CPA's report of such certification shall be presented at the annual meeting. An audit shall be made at any time upon order of the Board of Directors or upon the affirmative vote of a majority of the members entitled to vote at any regular or special meeting.

10.3 **Execution of Instruments.** All check, drafts, notes, bonds, acceptances, deeds, leases, contracts and other instruments shall be signed by such person or persons as designated in Article 9 of the by-laws or as designated by general or special resolution, in writing, of the Board of Directors.

ARTICLE 11

AMENDMENT

11.1 **Rules, Regulations and Restrictions.** Any or all rules, regulations or restrictions of the Association may be altered, amended, repealed, added to or suspended by a majority vote of the Board of Directors at any meeting. Such changes will take affect thirty (30) days after proper notification has been given to all members of the Association.

11.2 **Resolution 1.** It is the responsibility of the Architectural Committee to present any changes or updates of Resolution 1 to the membership for changes or additions. Resolution 1 may be altered or changed by the members at any special meeting upon proper notice or at the regular annual meeting. All such changes must be approved by a quorum consistent with article 4 of the bylaws. (Revised 3/2/2008)

11.3 **Bylaws.** Any of these bylaws may be altered, amended, repealed, added to or suspended by the members at any special meeting upon proper notice or at any regular annual meeting. All such bylaws changes must be approved by majority vote of the members at such meeting. Provided, however, that the Directors may make such changes to the bylaws if by affirmative vote of all nine directors they find that an emergency situation exists and that it is necessary to make such changes to the bylaws to preserve the life, health or property of the Association or its members. Provided further, that all such changes by the Directors shall expire at the conclusion of the next regular annual meeting of the members if not re-enacted by the members in the manner provided above.

ARTICLE 12

FINES AND PENALTIES

12.1 **Fine.** The Board of Directors may provide for the imposition of fines or penalties to be levied or assessed against any member for violations by such members or their guests of the Bylaws, Rules and Regulations, Covenants, Conditions and Restrictions, and Resolution 1 as such documents may be amended from time to time, provided that every such member shall be given a reasonable opportunity to protest or request reconsideration of the imposition of such fine or penalty.

12.2 **Liens.** Any dues, charges, fines, assessments and attorneys fees and costs (whether or not suit or action is instituted) payable by any member or assessed against any lot by the Board of Directors and not paid within ninety (90) days after sending notice of the amount due to the latest address on record with the Association shall thereafter be delinquent and shall further become a lien against the lot or lots of the member failing to make such payment from the date notice of the lien is filed with the Jefferson County clerk. Such sum shall bear interest at the rate of twelve percent (12%) per annum from date of delinquency until paid in full. The Treasurer of the Association shall file in the office of the Jefferson County clerk, a notice of lien and a statement of the delinquent sums, together with interest. Upon payment in full, the treasurer shall execute and file a proper release of such lien.

12.3 **Effect of Liens.** Such lien shall have the same effect as the filing of a mortgage duly acknowledged by such members or the owner of such lot and shall equally affect the interest of any successor in title.

12.4 **Personal Liability.** Such member shall also be personally liable for the dues, fines, charges or assessments provided in Section 2 of this article. If judicial proceedings are commenced to collect any such sum the prevailing party is entitled to his reasonable attorney fees at trial and on appeal.

12.5 **Foreclosure of Lien.** Any lien remaining unpaid for a period of four months may be foreclosed upon the order of the Board of Directors in the manner provided by law for the foreclosure of a mortgage lien, Notice of intent to foreclose shall be sent by any mailing method that provides for a return receipt, to the delinquent member not less than twenty (20) days prior to commencement of foreclosure proceedings. If judicial proceedings are commenced to foreclose such lien, the prevailing party is entitled to his reasonable attorney fees at trial and on appeal.

12.6 **Attorneys Fees.** Notwithstanding anything to the contrary in these Bylaws, the Association shall be entitled to recover from a member the Association's attorneys fees and costs incurred to collect any delinquent dues, charges, fines or assessments payable by such member or assessed against such member's lot, whether or not any suit or action is commenced in connection with collecting such delinquent dues, charges, fines or assessments.

ARTICLE 13

WAIVER

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