

2020 AMENDED AND RESTATED BYLAWS OF
SURF PINES ASSOCIATION,
AN OREGON NONPROFIT CORPORATION

ARTICLE I
DEFINITIONS

1.1 ASSOCIATION shall mean Surf Pines Association, an Oregon nonprofit corporation, its successors and assigns.

1.2 BUILDING SITE shall mean one or multiple contiguous parcels of property under one ownership within the community as defined in Article II of the Articles of Incorporation, as amended, so long as said parcel of property has an existing dwelling or is large enough to obtain a building permit for constructing a dwelling under the applicable land use regulations in effect at the time.

1.3 DECLARATION shall mean the Declaration of Covenants, Conditions and Restrictions for Surf Pines, recorded simultaneously with these Bylaws.

1.4 DWELLING shall mean a single-family residence as defined and permitted under applicable land use regulations.

1.5 COMMON PROPERTIES shall mean all properties, rights of way, easements, and every property right owned by the Association or used by the Association in connection with fire control, street lighting, parks and recreation facilities and other functions of the Association. [Amended 9-94]

1.6 COMMUNITY shall mean the properties lying within the boundaries described in Article II of the Articles of Incorporation of Surf Pines Association, an Oregon nonprofit corporation. [Amended 9-2000]

1.7 MEMBER shall mean any property owner entitled to membership under Article VI of the Articles of Incorporation. [Amended 10-09]

1.8 OWNER shall mean the record owner of a fee simple title to any building site or the holder of a recorded contractual right of purchase thereto.

ARTICLE II
PURPOSE

2.1 LIMITATION OF PURPOSE AND ACTIVITIES. The purpose and activities of the corporation are limited to those authorized by Article II of the Articles of Incorporation. [Amended 10-09]

2.2 ACTIVITIES. The activities of the Association shall be limited to all lawful acts necessary to accomplish the purposes for which the corporation is formed within the boundaries of the community defined in Article II of the Amended Articles of Incorporation of the Surf Pines Association, an Oregon nonprofit corporation.

2.3 CONFLICTS WITH THE DECLARATION. Wherever these Bylaws conflict with the Declaration, the Declaration takes precedence. [Amended 10-09]

ARTICLE III OFFICES

3.1 LOCATION. The principal office of the corporation in the State of Oregon shall be the registered office on file with the Oregon Corporation Commissioner. However, for purposes of general business, an office of the corporation shall be located at the street address of the corporation's secretary but the mailing address shall be: Surf Pines Association, 33317 Surf Pines Lane, Warrenton, Oregon 97146.

For practical purposes the corporation may have other offices which may include but are not limited to the homes and places of business of the officers, either within or without the state of incorporation, as the Board of Directors may determine or as the business of the corporation may from time to time require for purposes of convenience. [Amended 9-2000]

ARTICLE IV MEETING OF MEMBERS

4.1 ANNUAL MEETING. The annual meeting is open to all members of the Surf Pines Association and shall be held at Surf Pines, Oregon, or such other place and at such date and time during the month of July or August of each year as may be prescribed by the Board of Directors and set forth in the notice of meeting. The annual meeting shall be for the purpose of election of directors, adoption of the annual budget, and for the transaction of such other business as may duly come before the meeting. [Amended 9-94 and 9-2000]

4.2 SPECIAL MEETINGS. Special meetings of the members, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the president of the Board of Directors, and shall be called by said president at the written request of not less than ten percent (10%) of the members of the Surf Pines Association, for the consideration of such business as may duly come before the meeting. No final resolution may be made at such special meeting on any subject other than the one or ones stated in the notice. Such notice shall be delivered not less than ten (10) days or more than thirty (30) days prior to the date of such meeting. [Amended 9-94 and 9-2000]

4.3 NOTICE. Written or printed notice stating the place, date and hour of the meeting, and in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be mailed by or at the direction of the secretary of the Board of Directors to each member, first class postage prepaid at the address thereof as such appears in the records of the Association. Such notice may be delivered personally, in which case it will be deemed received upon actual personal delivery, or such notice may be mailed in the United States Mail. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail, with the postage fully prepaid. Provided, however, any notice required to be given may be waived in writing, signed by the person or persons entitled to such notice whether it be before or after the time stated therein and shall be equivalent to the giving of such notice. Such notice shall be delivered as defined herein, not less than ten (10) days or more than thirty (30) days prior to the date of such meeting. [Amended 9-94]

4.4 VOTING. All voting at the Annual Meeting and on amendments to the Articles of Incorporation or these Bylaws shall be by written ballot cast in person or by proxy. The Board of Directors, at its discretion, may employ written ballots for all other matters. Candidates for positions on the Board of Directors receiving the highest number of votes shall be deemed elected.

4.5 QUORUM. At any Association meeting of Owners, Owners representing twenty percent (20%) of the voting rights constitute a quorum whether present in person, by proxy or absentee ballot. When a quorum is once present to organize a meeting, the quorum cannot be broken by the subsequent withdrawal of an Owner or Owners.

4.6 PROXIES. A vote may be cast or consent given by proxy. A proxy given by an Owner must: (A) Be in writing, dated and signed by the Owner; and (B) Name an individual as the proxy holder. A proxy must be filed with the secretary or other person designated by the Board of Directors in accordance with procedures adopted by resolution of the Board of Directors. The Board may not require by resolution or other action that a proxy be on a form prescribed by the Board of Directors. A proxy is not valid if it purports to be revocable without notice to the Association.

4.7 FIDUCIARIES AND JOINT OWNERS. An attorney-in-fact, executor, administrator, guardian, conservator or trustee may vote or grant approval or consent with respect to any Lot owned or held in such capacity, whether or not the Lot has been transferred to the person's name, provided the person satisfies the secretary that the person is the attorney-in-fact, executor, administrator, guardian, conservator or trustee holding the Lot in the fiduciary capacity. Whenever a Lot is owned by two (2) or more persons jointly, according to the records of the Association, the vote (or consent) of the Lot may be exercised by any one of the Owners, in the absence of protest by a co-owner. If a co-owner protests, no one co-owner is entitled to vote without the approval of all co-owners. If there is a disagreement among the co-owners, the vote (or consent) of the Lot must be disregarded completely in determining the proportion of votes given with respect to the matter.

ARTICLE V BOARD OF DIRECTORS

5.1 VACANCIES. In the case of the death, incapacity, resignation, or removal of a director, a successor shall be elected by a majority vote of the remaining directors to fill the unexpired term of such director. A director who is no longer a member as defined by Section 1.7 herein and Article VII of the Articles of Incorporation or who is absent from three regular meetings of the Board in a twelve month period without the consent of the Board shall be considered to have resigned his or her position as a director. [Amended 9-2000; 8-2002]

5.2 NOMINATION OF DIRECTORS. The president shall appoint a nominating committee consisting of at least three members; the nominating committee shall make as many nominations of members as it shall determine to be appropriate in its sole discretion, but not fewer than the number of vacancies that are to be filled at the annual meeting. Nominations also may be made from the floor by members duly qualified to vote at the annual meeting.

5.3 REMOVAL OF DIRECTORS. At a meeting of the owners at which a quorum is present, the owners may remove a director from the Board of Directors with or without cause, by a majority vote of owners who are presents and entitled to vote. Before a vote to remove a director, owners must give the director whose removal has been proposed an opportunity to be heard at the meeting. The owners must vote on the removal of each directors whose removal is proposed as a separate question. Removal of a director by owners is effective only if the matter of removal was an item on the agenda and was stated in the notice of the meeting if notice is required. A director who is removed by the owners remains a director until a successor is elected by the owners or the vacancy is filled as provided in Section 5.1 above.

ARTICLE VI

MEETINGS OF THE BOARD OF DIRECTORS

6.1 REGULAR MEETING. Within ten (10) days after each annual meeting of the members, the directors elected at such meeting and those holding over shall hold an organizational meeting for the purposes of electing officers of the Board of Directors who shall be considered the officers of the corporation as hereinafter provided, and for transaction of such other business as may come before the meeting. The Board of Directors may by resolution establish the date, time and place for other regular meetings of the board to be conducted without specific notice.

6.2 SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by the President and shall be called by the President upon written request of at least three directors to be held within or without this state and upon not less than 24 hours' prior notice to each Director delivered in writing by mail, by E-mail, hand delivered or personally by phone. [Amended 9-2000]

6.3 QUORUM. At any meeting of the directors, a majority of the directors fixed by the Articles of Incorporation shall constitute a quorum for the transaction of business, but if less than said number is present at a meeting, a majority of the directors present may adjourn the meeting.

6.4 NOTICES. No notice need be given of regular meetings held pursuant to resolution of the Board of Directors as herein above specified. [Amended 9-94 and 9-2000]

6.5 BOARD ACTION. The act of the majority of the directors present at a meeting in which a quorum is present shall be the act of the Board of Directors. [Amended 9-94]

6.6 DIRECTOR ASSENT. A director of the corporation who is present at a meeting of the directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken, unless a director's dissent shall be entered in the minutes of the meeting by the secretary.

6.7 ACTION WITHOUT A MEETING. Directors may not take any action in the absence of a meeting.

6.8 OPEN MEETING. All meetings of the directors shall be open to the members of the corporation, except that the President may declare an Executive Session at a regular, special or emergency meeting to:

- (a) Consult with legal counsel.
- (b) Consider the following:
 - (1) Personnel matters, including salary negotiations and employee discipline;
 - (2) Negotiation of contracts with third parties; or
 - (3) Collection of unpaid assessments.

ARTICLE VII OFFICERS

7.1 The officers of this corporation shall be president, vice president, secretary and treasurer, each of whom shall be members of the Board of Directors. The Board of Directors may appoint an assistant secretary and an assistant treasurer by resolution entered on its minutes. The officers shall be elected at the organizational meeting of the Board of Directors each year, and the term of office shall be for one year or until their successors are elected and assume office, unless such officer ceases to serve upon the Board of Directors.

7.2 **REMOVAL RESIGNATION AND VACANCIES.** Any officer may be removed from office with cause by the Board. A vacancy in said office shall be filled by an election of the Board of Directors. The officer elected to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

7.3 **PRESIDENT.** The president shall preside at all meetings of the members of the Association and of the Board of Directors. The president shall sign for the Association such contracts and other documents as the president may be authorized by the Board of Directors to sign and shall perform all acts and duties usually and customarily performed by a president or as prescribed by all members of the Board of Directors.

7.4 **VICE PRESIDENT.** In the absence of the president, the vice president shall preside and perform the duties of the president. The vice president shall also perform such other duties as may be designated to the vice president by the president of the Board of Directors.

7.5 **SECRETARY.** The secretary shall keep a full and complete record of the meetings of the Association and of the Board of Directors; mail or personally deliver notice of the meetings of the Board of Directors and of the members; keep accurate current records showing the members of the Association together with their addresses; perform such duties as he or she is required to perform in connection with assessments; sign for the Association such contracts and other documents as he or she may be authorized by the Board of Directors to sign; and perform such other duties as may be required by the Board. The assistant secretary, which may be authorized by the Board of Directors, may be delegated the duties of the secretary.

7.6 **TREASURER.** The treasurer shall keep such records, make such reports, and perform such other duties as may be required from time to time by the Board of Directors. The treasurer may be required to be bonded by the directors; the premium costs shall be paid the Association. The assistant treasurer, which may be authorized by the Board of Directors, may be delegated the duties of the treasurer.

7.7 DELEGATION AND CHANGE OF DUTIES. In the event of absence or disability of any officers, the Board of Directors may delegate during such absence or disability the powers or duties of such officer to any other officer or other director, except for voting.

ARTICLE VIII
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

8.1 GENERAL POWERS. The Board of Directors shall have power to:

- (a) Adopt and publish rules and regulations governing the use of common properties and facilities provided by the Association, and the personal conduct of members and their guests thereon, and to establish penalties for the infraction thereof;
- (b) Exercise for the Association all powers, duties and authority in or delegated to the Association and not reserved for the membership by other provisions of the Bylaws or the Articles of Incorporation;
- (c) Conduct or otherwise acquire the use of any and all kinds of recreation and athletic facilities for the use and benefit of the members of the Association and enter into management contracts for the management of such facilities;
- (d) Employ a manager or other employees and officials, prescribe their duties and fix their compensation;
- (g) Perform such other functions as are ordinarily performed by directors and permitted by the Articles of Incorporation and the statutes of the State of Oregon.

8.2 DUTIES OF THE DIRECTORS.

- (a) Cause to be kept a complete record of all its acts in the proceedings of its meetings and cause to be presented at the annual meeting of the members a report reviewing the business and affairs of the Association;
- (b) Procure and maintain adequate liability and hazard insurance on the property owned, leased or otherwise used by the Association to the extent such insurance is available at a cost considered reasonable and prudent by the Board of Directors;
- (c) Cause the common properties to be maintained. The Board may impose assessments for trees, plantings, fencing, structures, parking, storage or other modifications or intrusions upon the right-of-ways or other common properties done without written approval by the Board. Owners shall comply with any order of the Board requiring removal or correction of such conditions.

ARTICLE IX
FISCAL MATTERS; RECORDS

9.1 DUTIES OF THE DIRECTORS.

- (a) It shall be the duty of the directors to cause an annual budget to be formulated in which the Board shall estimate the annual common expenses in advance for each fiscal year. Such common expenses shall include but not be limited to:
- (1) Cost of maintaining the facilities within the area from which the membership of the corporation is comprised;
 - (2) Cost of goods, supplies and services to be provided for the maintenance, repair and operation of the common facilities and to carry out the duties and responsibilities of the corporation;
 - (3) Cost of insurance and bonds required by these Bylaws;
 - (4) Management, legal and accounting costs for operation of the corporation and enforcement of the Bylaws and Articles of Incorporation or other responsibilities attributable to the corporation;
 - (5) Such other reasonable costs and expenses as may be paid for on behalf of promoting the interest of the corporation including an amount for contingency expenses; [Amended 9-2000]
 - (6) Said annual budget shall be presented for approval at the annual meeting of the members. Included in the budget report shall be a comparison of the proposed budget to prior year's budget and the actual income and expenses of the prior year; [Amended 9-2000]
- (b) It shall be the duty of the directors to maintain a record of the annual assessments against each dwelling or property and special assessments as approved by the membership as set forth in the Articles of Incorporation and give the members subject thereto written notice of such charges or assessments at least thirty (30) days prior to the due date thereof and cause to be prepared a roster of property subject to assessments and charges applicable to each such property and keep such roster in the Association office subject to inspection by any member.[Amended 9-2000]
- (c) The directors shall present a review of the financial accounts of the Association by a Certified Public Accountant to the annual meeting every third and sixth year with an audit every ninth year beginning with the annual meeting of 2016. [Amended 8-14]

9.2 LIMITATION. The Board of Directors shall not obligate the corporation for costs in excess of the amount of assessments, charges and dues approved by the membership pursuant to the Articles of Incorporation or emergency assessment pursuant to paragraph 9.3 below.

9.3 EMERGENCY ASSESSMENT. Notwithstanding the provisions of Section 9.2 above, if a true emergency arises, the Board of Directors may assess up to \$100 per year to each parcel of property for which the owner or owners are entitled to cast a membership vote.

9.4 USE OF FUNDS. The assessments, charges and dues levied by the Association shall be exclusively for the purpose of promoting the recreation, health and safety, enjoyment, common good and welfare of the members and for the improvement and maintenance of the

property, services and facilities devoted to such purpose and related to the use and enjoyment of the common properties.

9.5 BILLINGS. The initial quarterly billing of assessments shall be on October 1, 1988, with assessments to be billed at 3-month intervals following said date.

9.6 COLLECTION. [Amended 8-06]

- (a) Membership dues are payable upon receipt but not later than the last day of the month of the dues statement and are delinquent thereafter. All unpaid dues are subject to a late charge of \$15 for each month the balance remains unpaid, beginning the first business day of the month following the invoice date.
- (b) Assessments and fees are payable upon receipt but not later than the last day of the month of the invoice and are delinquent thereafter. All unpaid assessments and fees are subject to a late charge of \$15 or five percent (5%) of the unpaid balance, whichever is larger, for each month the balance remains unpaid, beginning the first business day of the month following the invoice date.
- (c) Should any owner fail or refuse to pay the invoice amount including the late charges, the Board of Directors is authorized to bring any and all necessary and appropriate action, including but not limited to placing a lien and foreclosing on the assessed property. The Association shall be entitled to collect its attorneys' fees and any and all costs incurred during the lien and/or foreclosure process.
- (d) The Board of Directors may adjust the late charges as necessary to cover increases in billing and handling costs. Revised charges will commence upon notification of the membership by publishing the changes in the Breeze.

9.7 COMPENSATION AND REIMBURSEMENT. Directors may not be compensation for fulfilling their duties as directors, except that directors may be reimbursed for reasonable expenses directly attributable to the performance of their duties and responsibilities as directors.

9.8 FINANCIAL STATEMENTS. Within 90 days after the end of the fiscal year, the Board of Directors shall prepare or cause to be prepared an annual financial statement consisting of a balance sheet and income and expenses statement for the preceding fiscal year; and distribute to each owner and, upon written request, any mortgagee of a lot, a copy of the annual financial statement.

ARTICLE X INSURANCE

10.1 TYPES OF ASSOCIATION INSURANCE. The Board of Directors shall obtain and maintain at all times the insurance specified in this section.

- (a) Property Insurance. The Association shall obtain and maintain property insurance covering loss or damage from perils normally covered by a “special,” “blanket,” or “all risk” form policy or the equivalent, including, to the extent available at a reasonable cost, earthquake and flood. The amount of coverage shall be for not less than the one hundred percent (100%) of the current replacement cost of the improvements on the Common Property (exclusive of land, foundation, excavation and other items normally excluded from coverage).
- (1) The policy or policies shall include all fixtures and building service equipment to the extent that they are part of the Common Property and all personal property and supplies belonging to the Association.
 - (2) The insurance shall include the following terms, if the Board determines they are reasonably available:
 - (A) A waiver of subrogation by the insurer as to any claims against the Board, any Owner, or any guest of an Owner;
 - (B) A waiver by the insurer of its right to repair and reconstruct instead of paying cash;
 - (C) A provision that no policy may be canceled, invalidated, or suspended because of the action of an Owner;
 - (D) A provision that no policy may be canceled, invalidated or suspended because of the conduct of any director, officer, or employee of the Association unless the insurer gives the Association a prior written demand that the Association correct the defect and allows the Association a reasonable time to make the correction; and
 - (E) A provision that any “other insurance” clause in any policy shall exclude from its coverage all owners’ policies.
- (b) Liability Insurance.
- (1) The Association shall obtain and maintain comprehensive general liability insurance coverage insuring the Association, the Board of Directors and managing agent, if any, against liability to the public or to the Owners and their invitees or tenants incident to the operation, maintenance, ownership or use of the Common Property. There may be excluded from the policy or policies coverage of an Owner (other than as a member of the Association or the Board of Directors) for liability arising out of acts or omission of the Owner and liability incident to the ownership or use of the part of the property as to which the Owner has the exclusive use or occupancy.

- (2) Limits of liability under the insurance required under Paragraph (1) of this subsection may not be less than One Million Dollars (\$1,000,000) on a combined single limit basis.
 - (3) The policy or policies obtained under this subsection shall be issued on a comprehensive liability basis and must provide cross liability endorsement wherein the rights of a named insured under the policy or policies may not be prejudiced as respects his, her or their action against another named insured.
- (c) Fidelity Bond.
- (1) The Association shall maintain a fidelity bond for all officers, directors, trustees and employees of the Association and all other persons handling or responsible for funds of or administered by the Association.
 - (2) The total amount of the fidelity coverage required shall be based upon the best business judgment of the Board of Directors.
 - (3) The fidelity bond shall name the Association as obligee and shall contain waivers by the issuers of the insurance of all defenses based upon the exclusion of persons serving without compensation from the definition of “employees” or similar terms or expressions. The coverage shall provide that it may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least ten (10) days’ prior written notice to the Association.
- (d) Directors’ and Officers’ Liability Insurance. The Association shall maintain a policy of directors’ and officers’ liability insurance with coverage in the amount of not less than One Million Dollars (\$1,000,000), subject to a reasonable deductible, if any.

**ARTICLE XI
FISCAL YEAR**

The fiscal year of the corporation shall begin on July 1st of each year.

**ARTICLE XII
AMENDMENTS**

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by a majority vote of the members of the Association voting in person or by proxy at any regular or special meeting of the membership called therefor, with notice specifying such purpose provided not less than ten (10) days in advance. An amendment is not effective until the amendment is:

- (1) Executed and acknowledged by the president and secretary of the Association;

- (2) Certified by the president and secretary of the Association as being adopted in accordance with this Declaration and the applicable provisions of the Act; and
- (3) Recorded in the office of the recording officer of Clatsop County, Oregon.