

ARTICLE VIII

OFFICERS AND THEIR DUTIES

SECTION 1. ENUMERATION OF OFFICERS. THE OFFICERS OF THIS ASSOCIATION SHALL BE A PRESIDENT AND VICE PRESIDENT, WHO SHALL AT ALL TIMES BE MEMBERS OF THE BOARD OF DIRECTORS, A SECRETARY/TREASURER, AND SUCH OTHER OFFICERS AS THE BOARD MAY FROM TIME TO TIME BY RESOLUTION CREATE.

SECTION 2. ELECTION OF OFFICERS. THE ELECTION OF OFFICERS SHALL TAKE PLACE AT THE FIRST MEETING OF THE BOARD OF DIRECTORS FOLLOWING EACH ANNUAL MEETING OF THE MEMBERS.

SECTION 3. TERM. THE OFFICERS OF THE ASSOCIATION SHALL BE ELECTED ANNUALLY BY THE BOARD AND SHALL HOLD OFFICE FOR ONE (1) YEAR UNLESS HE OR SHE SHALL SOONER RESIGN, OR SHALL BE REMOVED, OR BE OTHERWISE DISQUALIFIED TO SERVE.

SECTION 4. SPECIAL APPOINTMENTS. THE BOARD MAY ELECT SUCH OTHER OFFICERS AS THE AFFAIRS OF THE ASSOCIATION MAY REQUIRE, EACH OF WHOM SHALL HOLD OFFICE FOR SUCH PERIOD, HAVE SUCH AUTHORITY, AND PERFORM SUCH DUTIES AS THE BOARD MAY, FROM TIME TO TIME, DETERMINE.

SECTION 5. RESIGNATION AND REMOVAL. ANY OFFICER MAY BE REMOVED FROM OFFICE WITH OR WITHOUT CAUSE BY THE BOARD, THE PRESIDENT OR THE SECRETARY. SUCH RESIGNATION SHALL TAKE EFFECT ON THE DATE OF RECEIPT OF SUCH NOTICE OR ANY LATER TIME SPECIFIED THEREIN, AND UNLESS OTHERWISE SPECIFIED THEREIN, THE ACCEPTANCE OF SUCH RESIGNATION SHALL NOT BE NECESSARY TO MAKE IT EFFECTIVE.

SECTION 6. VACANCIES. A VACANCY IN ANY OFFICE MAY BE FILLED BY APPOINTMENT BY THE BOARD. THE OFFICER APPOINTED TO SUCH VACANCY SHALL SERVE FOR THE REMAINDER OF THE TERM OF THE OFFICER HE REPLACES.

SECTION 7. MULTIPLE OFFICES. THE OFFICES OF SECRETARY AND TREASURER MAY BE HELD BY THE SAME PERSON. NO PERSON SHALL SIMULTANEOUSLY HOLD MORE THAN ONE OF ANY OF THE OTHER OFFICES EXCEPT IN THE CASE OF SPECIAL OFFICES CREATED PURSUANT TO SECTION 4 OF THIS ARTICLE.

SECTION 8. DUTIES. THE DUTIES OF THE OFFICERS ARE AS FOLLOWS:

PRESIDENT

- (A) THE PRESIDENT SHALL PRESIDE AT ALL MEETINGS OF THE BOARD OF DIRECTORS; SHALL SEE THAT ORDERS AND RESOLUTIONS OF THE BOARD ARE CARRIED OUT; SHALL SIGN ALL LEASES, MORTGAGES, DEEDS AND OTHER WRITTEN INSTRUMENTS AND SHALL SIGN ALL CHECKS AND PROMISSORY NOTES.

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VICE-PRESIDENT

- (B) THE VICE-PRESIDENT SHALL ACT IN THE PLACE AND STEAD OF THE PRESIDENT IN THE EVENT OF HIS ABSENCE, INABILITY OR REFUSAL TO ACT, AND SHALL EXERCISE AND DISCHARGE SUCH OTHER DUTIES AS MAY BE REQUIRED OF HIM BY THE BOARD.

SECRETARY

- (C) THE SECRETARY SHALL RECORD THE VOTES AND KEEP THE MINUTES OF ALL MEETINGS AND PROCEEDINGS OF THE BOARD AND OF THE MEMBERS; KEEP THE CORPORATE SEAL OF THE ASSOCIATION AND AFFIX IT ON ALL PAPERS REQUIRING SAID SEAL; SERVE NOTICE OF MEETINGS OF THE BOARD AND OF THE MEMBERS; KEEP APPROPRIATE CURRENT RECORDS SHOWING THE MEMBERS OF THE ASSOCIATION TOGETHER WITH THEIR ADDRESSES, AND SHALL PERFORM SUCH OTHER DUTIES AS REQUIRED BY THE BOARD.

TREASURER

- (D) THE TREASURER SHALL RECEIVE AND DEPOSIT IN APPROPRIATE BANK ACCOUNTS ALL MONIES OF THE ASSOCIATION AND SHALL DISBURSE SUCH FUNDS AS DIRECTED BY RESOLUTION OF THE BOARD OF DIRECTORS; SHALL SIGN ALL CHECKS AND PROMISSORY NOTES OF THE ASSOCIATION; KEEP PROPER BOOKS OF ACCOUNT; CAUSE ALL REQUIRED GOVERNMENTAL REGULATORY FILINGS AND TAX RETURNS TO BE PREPARED AND SUBMITTED TO THE APPROPRIATE GOVERNMENTAL AGENCY; AND SHALL PREPARE AN ANNUAL BUDGET AND A STATEMENT OF INCOME AND EXPENDITURES TO BE PRESENTED TO THE MEMBERSHIP AT ITS REGULAR ANNUAL MEETING, AND DELIVER A COPY TO EACH TO THE MEMBERS.

ARTICLE IXCOMMITTEES

THE BOARD OF DIRECTORS SHALL APPOINT COMMITTEES AS DEEMED APPROPRIATE IN CARRYING OUT ITS PURPOSE. SAID COMMITTEES CAN BE OF A STANDING OR SPECIAL NATURE AND, THROUGH A CORPORATE RESOLUTION DULY ADOPTED BY THE BOARD OF DIRECTORS, THESE COMMITTEES CAN BE EMPOWERED TO ACT ON BEHALF OF THE BOARD OF DIRECTORS, ITS OFFICERS AND THE ASSOCIATION.

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ARTICLE X

INDEMNIFICATION

THE ASSOCIATION SHALL INDEMNIFY AND HOLD HARMLESS EACH PERSON WHO SHALL SERVE AT ANY TIME AS A DIRECTOR OR OFFICER OF THE ASSOCIATION WITHOUT COMPENSATION, FROM AND AGAINST ANY AND ALL CLAIMS AND LIABILITIES TO WHICH SUCH PERSON SHALL BECOME SUBJECT, BY REASON OF HIS HAVING SERVED AS A DIRECTOR OR OFFICER OF THE ASSOCIATION, OR BY REASON OF ANY ACTION ALLEGED TO HAVE BEEN TAKEN OR OMITTED TO BE TAKEN BY SUCH PERSON. THE ASSOCIATION SHALL REIMBURSE EACH PERSON FOR ALL LEGAL AND OTHER EXPENSES REASONABLY INCURRED BY HIM IN CONNECTION WITH ANY SUCH CLAIM OR LIABILITY; PROVIDED, HOWEVER, THAT NO SUCH PERSON SHALL BE INDEMNIFIED AGAINST OR BE REIMBURSED FOR AN EXPENSE INCURRED FOR ANY CLAIM OR LIABILITY ARISING OUT OF HIS OWN FRAUD, BAD FAITH OR WILLFUL MISCONDUCT.

ARTICLE XI

AMENDMENTS

SECTION 1. THESE BYLAWS MAY BE AMENDED, AT A REGULAR OR SPECIAL MEETING OF THE MEMBERSHIP, BY A VOTE OF A TWO-THIRDS (2/3) OF A QUORUM OF MEMBERS PRESENT IN PERSON OR BY PROXY, EXCEPT FOR ARTICLE III, SECTION 6 WHICH MAY ONLY BE AMENDED WHEN ALL OF THE RESIDENCES IN THIS PLAT HAVE BEEN SOLD AND THE TRANSACTIONS CLOSED.

SECTION 2. IN THE CASE OF ANY CONFLICT BETWEEN THE ARTICLES OF INCORPORATION AND THESE BY-LAWS, THE ARTICLES SHALL CONTROL; AND IN THE CASE OF ANY CONFLICT BETWEEN THE DECLARATION AND THESE BY-LAWS, THE DECLARATION SHALL CONTROL.

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ARTICLE XII

MISCELLANEOUS

THE FISCAL YEAR OF THE ASSOCIATION SHALL BEGIN ON THE FIRST DAY OF JANUARY AND END ON THE 31ST OF DECEMBER OF EVERY YEAR, EXCEPT THAT THE FIRST FISCAL YEAR SHALL BEGIN ON THE DATE OF INCORPORATION.

IN WITNESS WHEREOF, WE, BEING ALL OF THE DIRECTORS OF THE DISCOVERY POINT ASSOCIATION, HAVE HEREUNTO SET OUR HANDS THIS 21st DAY OF MAY, 1996.

[Handwritten Signature]

DIRECTOR

[Handwritten Signature]

DIRECTOR

[Handwritten Signature]

DIRECTOR

CERTIFICATION

I, THE UNDERSIGNED, DO HEREBY CERTIFY:

THAT I AM THE DULY ELECTED AND ACTING SECRETARY OF DISCOVERY POINT HOMEOWNER'S ASSOCIATION, A WASHINGTON STATE NON-PROFIT CORPORATION, AND

THAT THE FOREGOING BY-LAWS CONSTITUTE THE ORIGINAL BY-LAWS OF SAID ASSOCIATION, AS DULY ADOPTED AT A MEETING OF THE BOARD OF DIRECTORS THEREOF, HELD ON THE 21st DAY OF May, 1996.

IN WITNESS WHEREOF, I HAVE HEREUNTO SUBSCRIBED MY NAME AND AFFIXED THE SEAL OF SAID ASSOCIATION THIS 21st DAY OF May, 1996.

[Handwritten Signature]
SECRETARY

STATE OF WASHINGTON

SS

COUNTY OF KING

On this 21ST day of MAY, 1996, before me personally appeared DAVID E. SOLEIM, JACQUELINE M. SOLEIM, and ERIC R. SOLEIM, Directors of DISCOVERY POINT Homeowners Association, the organization that executed the foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said Association and on oath stated, that they are authorized to execute the said instrument for the corporation.

WITNESS my hand and official seal hereto affixed the day and year above written.



Taiji Miyamoto

Notary Public in and for the State of Washington, residing at SEATTLE.
My commission expires JUNE 18, 1999.