

**BYLAWS
OF
SUNRISE MASTER ASSOCIATION**

**ARTICLE I
NAME AND LOCATION**

The name of the corporation is Sunrise Master Association (“Association”). The principal office of the Association shall be located in the State of Washington and meetings of the Directors and the Members shall be held at such places within Pierce County, Washington as may be designated by the Board of Directors, and as hereafter provided.

**ARTICLE II
PURPOSE AND DEFINITIONS**

2.1 **PURPOSE.** The purpose for which the Sunrise Association is formed is to govern the master planned community known as “Sunrise”. Sunrise is subject to and more particularly described in the Second Amended and Restated Sunrise Declaration of Covenants, Conditions, Restrictions and Easements (“Declaration”) which sets forth provisions governing the ownership and use of property within Sunrise.

2.2 **DEFINITIONS.** Unless otherwise specified, all terms shall have the same meaning in these Bylaws as such terms have in the Declaration. The terms “Owners” and “Members” as used in these Bylaws shall be synonymous and shall include Declarant, so long as Declarant is an Owner.

**ARTICLE III
MEMBERS AND VOTING RIGHTS**

3.1 **MEMBERSHIP.** The Association shall have three classes of Membership, Class A, Class B, and Class C, as more fully set forth in the Declaration. The provisions of the Declaration pertaining to Membership are incorporated by this reference.

3.2 **VOTING.** The voting rights of the Members shall be as set forth in the Declaration and in these Bylaws. The provisions of the Declaration pertaining to voting rights are incorporated by this reference. Members may vote in person, by proxy, by mail or by electronic ballot in accordance with such rules and procedures as the Board may adopt.

Each Member’s vote shall be appurtenant to, and held in the same manner as, the ownership of the Unit to which it relates. When more than one Person owns a Unit, the vote for such Unit shall be cast as the Owners among themselves determine, but in no event shall more than one vote be cast with respect to any Unit; and if the several Owners of a Unit are unable to agree as to the casting of their vote, the vote shall not be counted. When a single Person owns more than one Unit, each vote shall be cast separately.

3.3 NUMBER OF VOTES. There are currently a total of 4,727 votes in the Association, representing one vote for each of 4,727 Units, the maximum number presently authorized by the Master Plan for Sunrise (“Master Plan”). During the Development Period, the Declarant shall be entitled to cast 4,727 votes, less the number of votes held by the Class A and Class B Members.

3.4 ADJUSTMENT TO NUMBER OF VOTES. If more than 4,727 Living Units are authorized by the Master Plan at any time during the Development Period, the number of votes in the Association shall be adjusted to reflect the increased number of Units, and Declarant shall be entitled to cast all such votes, less the number of votes held by the Class A and Class B Members. Thereafter, Declarant shall be entitled to cast votes only for Units then owned by Declarant. If, after the end of the Development Period, additional Units are established from time to time in Sunrise, e.g., Lots are platted or Living Units constructed, the number of votes in the Association shall be similarly readjusted, so that there shall always be one vote for each Unit constructed in Sunrise, plus one vote for each Unit authorized by the Master Plan of Sunrise that has not yet been constructed.

3.5 TRANSFER OF MEMBERSHIP. Except as provided herein, the Association Membership of each Owner (including Declarant) shall not be assigned, transferred, pledged, hypothecated, conveyed or alienated in any way except upon the transfer of title to the Unit to which it is appurtenant. Any attempt to make a prohibited transfer shall be void. Any transfer of title to a Unit shall operate automatically to transfer the Membership in the Association appurtenant thereto to the new Owner thereof.

3.6 PLEDGED VOTES. If an Owner is in default under a First Mortgage on a Unit for ninety (90) consecutive days or more, the Mortgagee thereunder may declare at any time thereafter that the Owner has pledged the Owner’s vote on all issues to such Mortgagee during the continuance of the default. If the Board has been notified of any such pledge to a Mortgagee, such Mortgagee shall be entitled to vote on all issues as to which the Owners are entitled to vote during the continuance of default. If the Owner of a Unit has pledged the Owner’s vote regarding special matters to a First Mortgagee only the vote of such Mortgagee will be recognized in regard to the matters for which the vote is pledged, if a copy of the pledge has been filed with the Board.

ARTICLE IV MEETINGS OF MEMBERS AND NOTICE

4.1 ANNUAL MEETING. The annual meeting of the Members shall be held the third Wednesday of March of each year, or upon such other date and at such time as the Board of Directors may determine to be advisable for the purpose of electing Directors and transacting such other business as may come before the meeting. If the election of Directors is not held on the date designated for the annual meeting of the Members or any adjournment thereof, the election shall be held at a special meeting of the Members as soon thereafter as is practicable.

4.2 SPECIAL MEETINGS. The President or a majority of the Board of Directors may call a special meeting of the Members for any purpose. A special meeting of the Members may also be called by Members that own at least twenty percent (20%) of the Units.

4.3 PLACE OF MEETING. All meetings shall be held at the principal office of the Association or such other place within Pierce County, Washington, designated by the Board of Directors, with first preference given to a convenient place within Sunrise.

4.4 NOTICE OF MEETINGS. Notice of any meeting of the Members shall state the time and place of the meeting and the business to be placed on the agenda by the Board for a vote by the Members. Not less than fourteen (14) nor more than sixty (60) days before the date of the meeting (per RCW 64.38), the Secretary or an officer of the Association shall provide notice to each Member entitled to vote at such meeting. Notice shall be given as follows: (a) delivered personally, (b) mailed first-class postage prepaid, or (c) electronically transmitted in accordance with Section 4.5. Notices that are mailed shall be deemed given when deposited in the mail addressed to the Member at the Member's address as it appears in the records of the Association with postage thereon paid. Notices that are personally delivered shall be deemed given on the date of actual receipt by the Member. Electronically transmitted notices shall be deemed given when electronically transmitted to an address, location, or system designated by the Member for that purpose or when the notice has been posted on an electronic network and a separate record of the posting has been delivered to the Member pursuant to Section 4.5.4 below.

4.5 ELECTRONIC NOTICE. Notice to Members in an electronic transmission that otherwise complies with the requirements of this section and Section 4.4 is effective only with respect to Members who have delivered to the Secretary of the Association a written record consenting to receive electronically transmitted notices.

4.5.1 A Member who provides consent, in the form of a record, to receipt of electronically transmitted notices shall designate in the consent the message format accessible to the recipient, and the address, location, or system to which these notices may be electronically transmitted.

4.5.2 A Member who has consented to receipt of electronically transmitted notices may revoke the consent at any time by delivering a written record of the revocation to the Secretary of the Association.

4.5.3 The consent of any Member is deemed revoked if the Secretary of the Association is unable to electronically transmit two consecutive notices given in accordance with the consent, and this inability becomes known to the Secretary of the Association or other person responsible for giving the notice. The inadvertent failure by the Association to treat this inability as a revocation does not invalidate any meeting or other action.

4.5.4 Notice to Members who have consented to receipt of electronically transmitted notices may be provided notice by posting the notice on an electronic network and delivering to the Member a separate record of the posting, together with comprehensible instructions regarding how to obtain access to this posting on the electronic network.

4.6 QUORUM.

4.6.1 “Quorum” means the representation by presence or proxy of Members holding fifteen percent (15%) of the outstanding votes of each voting Class. If a particular Class is incapable of exercising its vote for any reason, including but not limited to the fact that there are no Members yet in that particular Class or that the Members’ voting rights have been suspended for nonpayment of Assessments, then such Class shall not be considered for purposes of requiring a Quorum or other affirmative vote of that Class.

4.6.2 The vote of a majority (i.e., more than fifty percent [50%]) of the votes entitled to be cast in each voting Class by the Members present and represented by proxy at a meeting at which a Quorum is present shall be necessary for the adoption of any matter voted upon by the Members, except as otherwise stated in the Declaration, Articles, or these Bylaws. The Members present at a duly organized meeting may continue to transact non-voting business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a Quorum.

4.7 PROXIES.

4.7.1 At all Members meetings, a Member may vote by proxy, executed in writing by the Member or by the Member’s attorney in fact or by the Member’s legal representative duly appointed by a Superior Court of the State of Washington.

4.7.2 Such proxies must be filed with or received by the Secretary of the Association before or at the time of the meeting. Unless otherwise provided in the proxy, a proxy shall be invalid after eleven (11) months from the date of its execution.

4.7.3 A Member may also appoint a proxy by electronic transmission, including recorded telephone calls, voice mail, and e-mail, provided that the transmission contains or is accompanied by sufficient information to determine the sender’s identity. The Association shall retain a copy of the transmission for sixty (60) days following the announcement of a vote.

4.8 VOTING BY MAIL OR ELECTRONIC TRANSMISSION.

4.8.1 Any vote that may be taken at any meeting of the Members may be taken without a meeting if the Board determines that the matter or matters shall be decided by written mail ballots or electronic ballots and if the name of any candidate and/or the text of any proposal to be voted upon are set forth in a record accompanying or contained in the Notice of the meeting.

4.8.2 If the Board determines that the matter or matters shall be decided by written mail ballots, it shall deliver a written mail ballot to each Member (provided that only one ballot shall be cast by Units with multiple Owners) at the registered address of such Member for receiving notices. The written mail ballot shall set forth each proposed action and provide an opportunity for the Member to vote for, against, or abstain on each matter.

4.8.3 If the Board determines that the matter or matters shall be decided by electronic ballots, it shall make the ballots available to Members electronically (provided that only one ballot shall be cast by Units with multiple Owners); provided, however, that any Member may request a written mail ballot in lieu of an electronic ballot for any specific matter or for all matters by written record to the Secretary. The method by which Members may vote by electronic transmission shall be subject to such procedures as may be adopted by the Board from time to time. The electronic ballot shall set forth each proposed action and provide an opportunity for the Member to vote for, against, or abstain on each matter.

4.8.4 All solicitations for votes by written mail ballot or electronic ballot shall indicate that a unanimous vote is required to approve each matter, and specify the date and time by which the written mail ballot or electronic ballot must be received by the Association to be counted. A written mail ballot or electronic ballot may be revoked by a Member at any time before the response deadline.

4.8.5 Approval of action by written mail ballot or electronic ballot shall be valid only with a unanimous vote of all Members. The results of each action taken by written mail ballot or electronic ballot shall be certified by the Secretary and shall be included in the minutes of meetings of the Members in the permanent records of the Association. Such action shall have the same force and effect as a vote of the Members at a meeting. Within 10 days after receiving authorization for any action by written mail ballot or electronic ballot, the Secretary shall publish the results in a manner which fairly summarizes the material features of the authorized action.

4.8.6 The Board will adopt procedures from time to time for nominating Directors for election and for proposing other matters for vote by Members.

4.9 **SUSPENSION.** The Association, through its Board of Directors, has the right to suspend voting rights and rights to the use of Common Areas by any Owner: (a) for a period during which any Assessment against his or her Unit remains unpaid/ and or (b) and for any period in which there the Owner is in violation of the Association's published rules and regulations.

ARTICLE V BOARD OF DIRECTORS

5.1 **POWERS AND QUALIFICATIONS.** The affairs of the Association shall be managed by a Board of Directors who need not be Members of the Association.

5.2 NUMBER. The number of Directors of the Association shall not be fewer than three (3) or more than seven (7), with the exact number as more fully set forth in the Declaration.

5.3 ELECTION AND TERM. No Director elected by Classes A or B may serve in one office for more than two (2) consecutive two-year terms. Directors elected by Class C may serve in one office for any number of consecutive two-year terms.

5.4 VACANCY. The Board of Directors shall have the power to fill by appointment any vacancy occurring in the Board and any directorship to be filled by any reason of any increase in the number of Directors as a result of amendment of these Bylaws. A Director appointed to fill a vacancy shall be appointed for the unexpired term of the Director's predecessor in office. Additional terms governing the filling of vacancies occurring in the Board are provided in the Declaration.

5.5 REMOVAL. Any Director may be removed from the Board, with or without cause, by a majority (i.e., more than fifty percent [50%]) of the Class of votes that elected such Director.

5.6 COMPENSATION. No Director shall receive compensation from the Association for any service rendered to the Association as a Director. However, any Director may be reimbursed for the Director's actual expenses incurred in the performance of the Director's duties.

ARTICLE VI MEETINGS OF BOARD OF DIRECTORS AND NOTICE

6.1 ANNUAL MEETINGS. The annual meeting of the Board of Directors shall be held immediately after the annual Membership meeting. Said meeting shall be held at the same place as the Membership meeting unless some otherwise determined under Section 6.2 below.

6.2 REGULAR MEETINGS. Regular meetings of the Board of Directors may be held at such time and place within Pierce County, Washington, as shall be determined from time to time by a majority of Directors.

6.3 SPECIAL MEETINGS. Special meetings of the Board of Directors may be held at such time and place within Pierce County, Washington, specified by the President or Secretary or a majority of the Board calling such special meeting.

6.4 NOTICE OF MEETINGS. No notice of annual meetings of the Board of Directors is required. Notice of the time and place of regular Board meetings and any special Board meetings, including Board working sessions in which no vote is scheduled to take place, shall be given to the Directors by the Secretary or by the person or persons calling the meeting by mail, electronic transmission, or by personal communication over the telephone or otherwise, at least three (3) days prior to the date on which the meeting is to be held. Notice provided by electronic transmission to a Director is subject to the same requirements and restrictions as those applicable to Members as set forth in

Section 4.5, including the manner that consent to receive electronically transmitted notices may be revoked. Attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except when a Director attends the meeting for the purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted nor the purpose of any meeting of the Board of Directors need be specified in the notice or any waiver of notice of any special meeting.

6.5 TELEPHONIC PARTICIPATION; NO PROXY. A Director may participate in a meeting of the Board or a committee by means of conference telephone or similar communications equipment, by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this Section shall constitute presence in person at such meeting. A Director may not participate in a meeting, cast the Director's vote or perform the Director's duties by proxy.

6.6 QUORUM. A majority of the Board of Directors shall constitute a quorum for the transaction of business. The act of a majority (i.e., more than fifty percent [50%]) of the Directors present at a meeting in which a quorum is present shall be the act of the Board of Directors. At any meeting of the Board of Directors at which a quorum is present, any business may be transacted, and the Board may exercise all of its powers. The Directors present at a duly organized meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough Directors to leave less than a quorum.

6.7 CONDUCT OF MEETINGS. The President (or in the absence of the President, the Vice President) shall preside over all meetings of the Board, and the Secretary shall keep a minute book of Board meetings, recording all Board resolutions and all transactions and proceedings occurring at such meetings.

6.8 OPEN MEETINGS. Subject to the provisions of Section 6.9, all Board meetings shall be open to all Owners; but no attendee other than a Director may participate in any discussion or deliberation unless permission to speak is requested on behalf of the attendee by a Director. In such case, the President may limit the time any such individual may speak. Notwithstanding the above, the President may adjourn any meeting of the Board and reconvene in executive session, and may exclude persons other than Directors, to discuss matters of a sensitive nature, such as pending or threatened litigation, personnel matters, matters involving possible violations of the Governing Documents, or matters involving the possible liability of an Owner to the Association. The motion shall state specifically the purpose for the executive session. No motion, or other action adopted, passed, or agreed to in the executive session may become effective unless the Board, following the executive session, reconvenes in an open meeting and votes in the open meeting on such motion, or other action which is reasonably identified. Notwithstanding the foregoing, the Board shall not be required to disclose any information in violation of applicable law or which is otherwise exempt from disclosure.

**ARTICLE VII
OWNERSHIP**

No Member shall have any right, title or interest in or to the whole or any part of the property or assets of the Association, and no Member shall be entitled to either the whole or any part thereof in the event of termination of the Member's membership in the Association.

**ARTICLE VIII
ACTION BY WRITTEN CONSENT**

Any action required or permitted by the Articles of Incorporation, the Bylaws, the Declaration, or under the laws of the State of Washington, to be taken at a meeting of the Board of Directors may be taken without a meeting if consent in writing, setting forth the action so taken, shall be signed by all of the Board of Directors entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote and may be described as such.

**ARTICLE IX
WAIVER OF NOTICE**

Whenever any notice is required to be given to any Director of the Association by the Articles of Incorporation, Bylaws, or Declaration, or by the laws of the State of Washington, a waiver thereof in writing signed by the person or persons entitled to such notice, either before or after the time stated therein, shall be equivalent to giving of such notice.

**ARTICLE X
NOMINATION AND ELECTION OF DIRECTORS**

10.1 NOMINATION. The Board of Directors may adopt procedures for nominating candidates for election to the Board of Directors.

10.2 ELECTION. Election to the Board of Directors shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE XI
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

11.1 The Board of Directors shall have the power and duties necessary for the administration of the affairs of the Association consistent with the purpose and objectives set forth in the Articles of Incorporation, Declaration, and Bylaws, and pursuant to the laws of the State of Washington. Without limitation, the Board of Directors shall have the power and duty:

11.1.1 To adopt and publish rules and regulations consistent with the Article of Incorporation, Declaration, and Bylaws governing Sunrise, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof, provided that such rules and regulations shall not be inconsistent with the Declaration.

11.1.2 To exercise for the Association all powers, duties, and authority vested in or delegated to the Association not reserved to the Members by other provisions of these Bylaws or the Declaration or Articles of Incorporation.

11.1.3 To declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors, with the exception of Directors elected or appointed to represent Class C.

11.1.4 To employ and remove at its pleasure all officers, agents, employees, independent contractors, or such other persons as are deemed necessary, prescribe their duties, and fix their compensation.

11.1.5 To cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meetings of the Members or at any special meeting thereof.

11.1.6 To supervise all officers, agents, and employees of this Association, and to see that their duties are properly performed.

11.1.7 As more fully provided in the Declaration, to set the operating budget and allocate the Assessment rate; provided, however, the Assessment rate and procedure are subject to all terms and conditions of the Declaration.

11.1.8 To procure and maintain adequate liability insurance, adequate hazard insurance, and other insurance deemed necessary or advisable, as more fully provided in the Declaration on property owned by the Association.

11.1.9 To cause all officers or employees having fiscal responsibilities to be bonded or insured, as it may deem appropriate.

11.1.10 To make such expenditures as the Board deems expedient; provided, however, that the Members of the Association, by resolution adopted by a two-thirds (2/3) vote at any meeting of the Members, may restrict the amount of expenditures which can be made by the Board without prior approval of the Members. The Board of Directors shall not have power to borrow money on behalf of the Association in excess of ten percent (10%) of the asset value of the Association unless authorized by a majority vote of the Members at a meeting of the Members.

11.1.11 To acquire by conveyance, contract, lease, or otherwise, property and rights of occupancy of property for the common benefit of the Members of the Association; and to improve said property by the erection of structures and facilities, all upon such terms and subject to such rules and regulations as the Directors may determine.

11.1.12 In the name of the Association, to enforce and foreclose the lien of Assessments of the Association as may be necessary for collection thereof.

11.1.13 To designate representatives to serve on the Architectural Review Committee, to adopt and enforce guidelines, criteria, and procedures governing the Architectural Review Committee and the Owners' compliance with the provisions of Section 4.2 of the Declaration, and to enforce the provisions of the Declaration, by the institution of litigation or otherwise.

11.1.14 To employ an Association manager who may exercise the authority of the Board between formal meetings of the Board, provided that all such authority so exercised shall be reported to the next meeting of the Board and submitted for approval by the Board; failing such approval, such actions of the manager shall not be effective after the meeting of the Board of Directors at which considered except to the extent that continuing undertaking may have been made on behalf of the Association that are enforceable as a matter of law.

11.1.15 The Board of Directors shall not make political or charitable donations of the Association fund or property.

11.1.16 The Board of Directors is not authorized to, nor shall it adopt or enforce discriminatory rules or regulations or restrictions, nor take any action based on race, religion, national origin, or sex.

11.2 ENFORCEMENT. The Association shall have the power, as provided in the Declaration, to impose sanctions for any violation of any duty imposed under the Governing Documents. In the event that any occupant, tenant, employee, guest, or invitee of a Member violates any of the Governing Documents and a fine is imposed, the fine shall first be assessed against the violator; provided, if the fine is not paid by the violator within the time period set by the Board, the Owner shall pay the fine upon notice from the Association. The Board's failure to enforce any provision of the Governing Documents shall not be deemed a waiver of the Board's right to do so thereafter.

11.2.1 Notice. Prior to imposition of any sanction hereunder or under the Declaration which requires prior notice and an opportunity to be heard, the Board or its delegate shall serve the alleged violator with written notice describing (i) the nature of the alleged violation, (ii) the proposed sanction to be imposed, (iii) a period of not less than 10 days within which the alleged violator may present a written request for a hearing to the Board or to the responsible Board committee, if one has been appointed pursuant to Article 5; and (iv) a statement that the proposed sanction shall be imposed as contained in the notice unless a challenge is begun within 10 days of the notice. If a timely request for a hearing is not made, the sanction stated in the notice shall be imposed; provided the Board may, but shall not be obligated to, suspend any proposed sanction if the violation is cured within the 10 day period. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Person.

11.2.2 Hearing. If a hearing is requested within the allotted 10-day period, the hearing shall be held before the Board. The alleged violator shall be afforded a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, director, or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator or its representative appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

11.2.3 Additional Enforcement Rights. Notwithstanding anything to the contrary in this Article, the Board may elect to enforce any provision of the Governing Documents by self-help or by suit at law or in equity to enjoin any violation or to recover monetary damages or both, without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the Owner or occupant responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorney's fees actually incurred. Any entry onto a Unit for purposes of exercising this power of self-help shall not be deemed as trespass.

11.3 **BOARD STANDARDS**. While conducting the Association's business affairs, the Board shall be protected by the business judgment rule. The business judgment rule protects a Director from personal liability so long as the party claiming liability does not prove that the Director failed to: (a) serve in a manner the Director believes to be in the best interests of the Association and the Members; (b) serve in good faith; or (c) act with such care as required under Washington law governing homeowners associations.

In fulfilling its governance responsibilities, the Board's actions shall be governed and tested by the rule of reasonableness. The Board shall exercise its power in a fair and nondiscriminatory manner and shall adhere to the procedures established in the Governing Documents.

ARTICLE XII COMMITTEES

The Board of Directors may create committees by resolution or resolutions passed by a majority of the Board, which, to the extent provided in said resolution or resolutions or in other provisions of these Bylaws, shall have and may exercise the powers of the Board of Directors, or may perform advisory services as designated, regarding the management of the business and affairs of the Association. Such committees shall have names as may be determined from time to time by resolution adopted by the Board of Directors, including but not limited to the following management areas: Budget & Finance; Building & Improvements; Common Area Maintenance; Utilities Maintenance; Security & Transportation; Insurance & Accounting; Legal & Bylaws; Regulations & Enforcement; Annual & Special Meetings; Personnel & Administration; Community & County Relations; State & Federal Regulations.

ARTICLE XIII OFFICERS AND THEIR DUTIES

13.1 **PRESIDENT.** The President shall be the principal executive officer of the Association and, subject to the Board's control, shall supervise and control all of the business and affairs of the Association. When present, the President shall preside over all Member meetings and Board meetings. With the Secretary or other officers of the Association authorized by the Board, the President may sign deeds, mortgages, bonds, contracts, or other instruments that the Board has authorized to be executed, except when the signing and execution thereof has been expressly delegated by the Board or by these Bylaws to some other officer or in some other manner. In general, the President shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board from time to time.

13.2 **VICE PRESIDENT.** In the absence of the President or in the event of his death, inability, or refusal to act, the Vice President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall perform such duties as from time to time may be assigned to him or her by the President or by the Board. The Vice President may simultaneously serve as treasurer.

13.3 **SECRETARY.** The Secretary shall: (a) keep the minutes of the Members and Board meetings in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the Association records and of the seal of the Association and see that the seal of the Association is affixed to all documents, the execution of which on behalf of the Association under its seal is duly authorized; (d) keep a register of the post office address of each Member as furnished to the Secretary by each Member; (e) and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President or by the Board.

13.4 **TREASURER.** If required by the Board, the Treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board shall determine. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Association; receive and give receipts for monies due and payable to the Association from any source whatsoever, and deposit all such monies in the name of the Association in such banks, trust companies, or other depositories as shall be selected in accordance with provisions of these Bylaws; prepare an annual budget and statement of income and expenditures to be presented to the Members at their regular annual meeting; and in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the President or by the Board.

13.5 **ELECTION AND TERM OF OFFICE.** The Board shall elect the Association's officers at the first Board meeting following each annual meeting of the Members, to serve until their successors are elected.

13.6 **REMOVAL AND VACANCIES.** The Board may remove any officer whenever in its judgment the best interests of the Association will be served, and may fill any vacancy in any office arising because of death, resignation, removal, or otherwise, for the unexpired portion of the term.

13.7 **RESIGNATION.** Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, acceptance of such resignation shall not be necessary to make it effective.

13.8 **COMPENSATION.** Compensation of officers shall be subject to the same limitations as compensation of directors under Article XVII.

13.9 **OTHER OFFICERS; ASSISTANT OFFICERS; AGENTS.** The Board may appoint such other officers and assistant officers or agents as the Board may deem necessary to assist any officer of the Board in carrying out his or her duties, or to otherwise assist the Board.

ARTICLE XIV LOANS PROHIBITED

No loans shall be made by the Association to any officer or to the Board of Directors.

ARTICLE XV CONTRACTS, CHECKS, AND DEPOSITS

15.1 **CONTRACTS.** The Board may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

15.2 CHECKS, DRAFTS, ETC. All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Association, shall be signed by such officer or officers, agent or agents, of the Association and in such manner as are from time to time determined by the Board.

15.3 DEPOSITS. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the Board may select.

ARTICLE XVI FISCAL YEAR

The fiscal year of the Association shall end December 31st.

ARTICLE XVII NONPROFIT ASSOCIATION

This Association is not organized and incorporated for profit. No Member, Director of the Board, or person from whom the Association may receive any property or funds shall be lawfully entitled to receive any pecuniary profit from the operations thereof, and in no event shall any part of the funds or assets of the Association be paid as salary or compensation to, or distributed to, or inure to the benefit of any Directors of the Board. The foregoing, however, shall neither prevent nor restrict the following: (1) reasonable compensation may be paid to any Member or manager while acting as an agent or employee of the Association for services rendered in effecting one or more of the purposes of the Association, and (2) any Member or Director may, from time to time, be reimbursed for actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

ARTICLE XVIII LIMITATION ON DIRECTOR LIABILITY AND INDEMNIFICATION

To the fullest extent that the Washington Nonprofit Corporation Act, as it exists on this date or as it may be amended, permits the limitation or elimination of the liability of directors, no Director of the Association shall be personally liable to the Association or its Members for monetary damages for breach of duty of care or other duty as a director. No amendment to or repeal of this Article shall apply to or have any effect on the liability or alleged liability of any director of the Association for or with respect to any acts or omissions of such director occurring prior to such amendment or repeal.

To the full, extent permitted by law, the Association shall indemnify any person who was or is a party or is threatened to be made a party to any civil, criminal, administrative, or investigative action, suit, or proceeding (whether brought by or in the right of the Association or otherwise) by reason of the fact that he or she is or was a Director or officer of the Association, or is or was serving at the request of the Association as a Director or officer of another association, against expenses (including attorneys fees), judgments, fines, and amounts paid in settlement actually and reasonably

incurred by him or her in connection with such action, suit, or proceeding; and the Board may, at any time, approve indemnification of any other person which the Association has the power to indemnify under the law. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which a person may be entitled as a matter of law or by contract.

ARTICLE XIX AMENDMENTS

These Bylaws may be altered, amended, or repealed, and new Bylaws may be adopted by the Board at any regular or special meeting of the Board, provided there has been at least fifteen (15) days prior notice of the meeting, which notice shall include the proposed amendment to the Bylaws.

Notwithstanding the foregoing, the written notice of opposition to the proposed Bylaw change by at least 25% of the Owners received by the Board within the said fifteen day notice period shall constitute an irrevocable prohibition to the greater consideration of adoption of the proposed Bylaw change.

ARTICLE XX BOOKS AND RECORDS

The Association shall keep current and complete books and records of accounts and shall keep minutes of the proceedings of its Board and the committees having any authority of the Board. At least annually the Association shall cause its books to be independently reviewed by a certified public accountant.

ARTICLE XXI RULES AND REGULATIONS

21.1 ADOPTION. The Board of Directors may from time to time and subject to the provisions of the Declaration, Articles of Incorporation, and these Bylaws, adopt, amend, and repeal rules and regulations in order to preserve the benefit of Sunrise for all Owners, their families, invitees, licensees and lessees, and for guests.

21.2 PROMULGATION. The Secretary shall given notice in accordance with Section 4.4 above of all rules and regulations or amendments thereto adopted by the Board of Directors..

21.3 EFFECTIVE DATE. Any such rule or regulation or amendment thereto adopted by the Board of Directors shall be effective commencing at 12:01 a. m. on the fifth (5th) day following the date notice is given to the Members, unless the Board of Directors in adopting the same shall specify some other effective date.

**ARTICLE XXII
RULES OF PROCEDURE**

The rules of procedure at any meeting of the Board of Directors of the Association shall be the latest revised edition of *Robert's Rules of Order of Parliamentary Procedure*, so far as applicable and when not inconsistent with these Bylaws, the Articles of Incorporation, the Declaration, or any resolution of the Board of Directors.

**ARTICLE XXIII
CONFLICTS**

In case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control. In case of any conflict between the Declaration and these Bylaws and the Articles, the Declaration shall control.

* * *


CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of SUNRISE MASTER ASSOCIATION, a Washington nonprofit corporation; and

That the foregoing Bylaws constitute the amended and restated Bylaws of said Association, as duly adopted [by consent of the Board of Directors thereof] [at the meeting of the Board of Directors thereof held on the 18 day of October, 2016].

DATED, this 18 day of October, 2016.


Secretary