

**BY-LAWS
OF
WILDFLOWER/SUNRIVER II ASSOCIATION**

Section 1. The provisions of these Bylaws are applicable to the Association. The term "Association" as used herein shall include the land, all buildings, improvements and structures contained thereon and known as WILDFLOWER/SUNRIVER II CONDOMINIUMS.

Section 2. Acquisition of a unit in this Association shall automatically make the purchaser a member of the Wildflower/Sunriver II Association of Unit Owners (hereafter referred to as "Association") and signify that these By-laws are accepted, ratified and will be complied with. All present or future owners, tenants, future tenants or any other person who might use the facilities of the Association in any manner are subject to the regulations set forth in these By-laws.

Section 3. The Association Office. The office of the Association shall be located at - such places as the Board of Directors has hereinafter defined may designate.

Section 4. Unit Owners.

4.1 Annual Meeting. The annual meeting of the Unit Owners shall be held in October, which date is to be chosen each year by the Board, for the purpose of electing directors and for the transacting of such other business as may come before the meeting. If the election of directors shall not be held on the day designated herein for any annual meeting of Unit Owners, or any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the Unit Owners as soon thereafter as conveniently may be, not more than 60 days after said time, by proper notice designating the meeting as the annual meeting.

4.2 Special Meetings. Special meetings of the Unit Owners, for any purpose or purposes, may be called by the chairman or by the Board of Directors, and shall be called by the chairman at the request of not less than one fifth of the Unit Owners entitled to vote at the meeting.

4.3 Place of Meeting. The place of meeting shall be as the Board of Directors may designate by proper notice.

4.4 Notice of Meeting. Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than 20 nor more than 60 days before the date of the meeting. Notices shall be delivered personally, or by electronic mail, or by mail to each Unit Owner entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the Unit owner at his residence address, with postage thereon prepaid. If notice be given by email, such notice shall be deemed to be delivered when the recipient has electronically acknowledged receipt.

4.5 Quorum of Unit Owners. A majority of Unit Owners entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of unit owners. If less than a majority of the entire number of unit owners entitled to vote are represented at a meeting, a majority of the unit

owners so represented may adjourn the meeting from time to time without further notice. At such adjourned meeting, at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed. The Unit Owners present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough Unit Owners to leave less than a quorum, provided that any meeting called for the purpose of approving amendments to the By-laws, removal of directors, capital improvements or the addition or construction of new facilities, a quorum shall consist of not less than 75 percent of the Unit Owners entitled to vote, represented in person or by proxy.

4.6 Proxies. At all meetings of the Unit Owners, a Unit Owner may vote by proxy executed in writing by the Unit Owner or by his duly authorized attorney in fact. Such proxy shall be filed with the secretary of the Association before or at the time of the meeting. No proxy shall be valid after 11 months from the date of its execution unless otherwise provided in the proxy.

4.7 Voting of Unit Owners. Each Unit Owner shall be entitled to the number of votes equal to his interest in the common elements as set forth in the Wildflower/Sunriver II Declaration of Unit Ownership.

4.8 Informal Action by Unit Owners. Any action required to be taken at a meeting of the Unit Owners, or any other action which may be taken at a meeting of the Unit Owners, may be taken without a meeting by a consent in writing, setting forth the action so taken and signed by all the Unit Owners entitled to vote with respect to the subject matter thereof.

Section 5. Board of Directors.

5.1 General Powers. The business and affairs of the Association shall be managed by its Board of Directors.

5.2 Number and Qualification. The Board of Directors shall be composed of not less than three (3) persons nor more than five (5) persons. All directors, including interim directors, shall be owners or co-owners of units of the condominium. For purposes of this section, the officers of any corporate owner and the partners of any partnership, shall be considered co-owners of any units owned by such corporation or partnership.

5.3 Interim Directors. The Board of Directors shall appoint an interim director, in accordance with paragraph 5.10 of these bylaws and who shall serve until replaced by their successors having been elected by the Unit Owners as hereinafter provided.

5.4 Election and Term of Office. The election of officers by the Unit Owners shall occur at the Annual meeting and at the expiration of the term of office of each director. His successor shall be elected to serve for a term of two years; however, no director shall serve for more than three (3) consecutive terms. The term of not less than one-third of the directors shall expire annually. Directors shall hold office until their respective successors have been elected by the Unit Owners. Election shall be by plurality.

5.5 Regular Meetings. A regular meeting of the Board of Directors shall be held without notice, other than this By-laws, immediately after and at the same place as the annual meeting of Unit

Owners. The Board of Directors may provide by resolution the time and place for the holding of additional regular meetings without notice other than such resolution.

5.6 Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the chairman of the Board of Directors or majority of directors. The person or persons authorized to call special meetings of the Board of Directors may fix the place for holding any special meeting called by them.

5.7 Notice of Special Meeting of Board of Directors. Notice of any special meeting shall be given at least 72 hours previously thereto by written notice delivered personally or mailed to each director at his residence or business address or by email or by telegram; if mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. If notice be given by email, such notice shall be deemed to be delivered when the recipient has electronically acknowledge receipt. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any director may waive notice of the meeting. The attendance of the director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

5.8 Quorum of Directors. A majority of the directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than such majority is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

5.9 Manner of Directors Acting. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

5.10 Vacancies on Board of Directors. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining directors. An interim director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. Any directorship to be filled by reason of an increase in the number of directors or by reason of the removal of one or more directors shall be filled by an election at an annual meeting, mail-in ballot, or at special meeting of the Unit Owners called for that purpose.

5.11 Presumption of Assent. A director who is present at a meeting of the Board of Directors at which action on any matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting, or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof, or shall forward such dissent by registered mail to the secretary within seven working days after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

5.12 Removal of Directors or Interim Directors. All or any number of the directors or interim directors, may be removed with or without cause at a meeting expressly called for that purpose by a vote of 60 percent of the Unit Owners entitled to vote on an election of directors. Furthermore,

any director or interim director, who ceases to become a Unit Owner entitled to vote shall automatically cease to be a director and said position shall be filled as herein provided.

5.13 Compensation of Directors. The directors shall serve without compensation except that any director shall be entitled to compensation for out-of-pocket expenses, not to include meals, and lodging incurred in the performance of his duties, provided that no expenses shall be incurred in a sum in excess of \$100 without being approved in advance by the entire Board of Directors. All reimbursements made and/or authorized by the Board of Directors to any director shall be reported annually to the members.

5.14 Directors to Engage Manager. In accordance with the Wildflower/Sunriver II Declaration of Unit Ownership, the Board of Directors shall engage the services of an individual, firm or one of the Unit Owners to act as manager and may employ or may instruct such manager to employ such other personnel as may be necessary from time to time for the maintenance, upkeep and repair of the common elements. Such manager shall report to the chairman for the accomplishment of his assigned duties. The Board of Directors shall determine the compensation to be paid to such manager and to such other personnel, and such compensation shall constitute a common expense.

5.15 Directors to Adopt Administrative Rules and Regulations. The Board of Directors shall from time to time adopt such administrative rules and regulations, in addition to those set out in Section 7 of these Bylaws, as may be necessary or desirable to govern the details of the operation and use of the common elements, and may, by such administrative rules and regulations, adopt restrictions and requirements with respect to the use and maintenance of the units and the use and maintenance of the common elements as are desirable to prevent unreasonable interference with the use of their respective units and of the common elements by the Unit Owners.

Section 6. Officers.

6.1 Number. The officers of the Association of Unit Owners shall be the Chairman of the Board of Directors, Vice Chairman of the Board of Directors, a secretary and a treasurer, each of whom shall be elected by the Board of Directors.

6.2 Election and Term of Officers. The officers shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of the Unit Owners. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until his successor shall have been duly elected and qualified, or until his earlier death, resignation or removal.

6.3 Removal. Any officer elected or agent designated by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interest of the Association would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

6.4 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, shall be filled by the Board of Directors for the unexpired portion of the term.

6.5 Chairman of the Board of Directors. The chairman of the Board of Directors shall, when present, preside at all meetings of the Unit Owners and of the Board of Directors and shall

perform all duties incident to such office and such other duties as may be prescribed by the Board of Directors from time to time. He shall be the principal executive officer of the Association and, subject to the control of the Board of Directors, shall in general supervise and control all the business and affairs of the Association. He shall sign, with the secretary or any other proper officer of the Association authorized by the Board of Directors, any deeds, mortgages, bonds, contracts or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Association or shall be required by the law to be otherwise signed or executed.

6.6 Vice Chairman of the Board of Directors. The Vice Chairman of the Board of Directors shall, when present, and in the absence of the chairman preside over all meetings of the Unit Owners and of the Board of Directors and shall perform all duties incident to such office and such other duties as may be prescribed by the Board of Directors from time to time.

6.7 Secretary. The secretary shall:

- a. Keep the minutes of the meetings of Unit Owners and the Board of Directors 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. 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 by the chairman or by the Board of Directors.

6.8 Treasurer. If required by the Board of Directors, the treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. He shall:

- a. Have charge and custody of and be responsible for all funds of the Association; receive and give receipts for moneys due and payable to the Association from any source whatsoever; and deposit all such moneys in the name of the Association in such banks, trust companies, or other depositories as shall be selected by the Board of Directors; and
- b. In general perform all the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him by the chairman or by the Board of Directors.

6.9 Salaries. The officers shall serve without compensation, except in the instance when no manager has been engaged for the maintenance, upkeep and repair of the common elements. Under these circumstances any officer, who performs those duties normally delegated according to Section 5.14 shall not be prevented from receiving a salary by reason of the fact that he is either an officer or a director.

Section 7. General Rules and Regulations.

7.1 Use and Maintenance of Common Elements. Each Unit Owner may use the common elements in accordance with the purpose for which they are intended, but may not hinder or encroach upon the lawful rights of the other Unit Owners.

- a. The necessary work to maintain, repair or replace the common elements, and additions or improvements to the common elements, shall be the responsibility of the Board of Directors and shall be carried out as provided in the Bylaws.
- b. The Association of Unit Owners shall have the right, to be exercised by the Board of Directors or the manager employed by the Board of Directors, to have access to each unit as may be necessary for the maintenance, repair or replacement of any of the common elements, or to make such emergency repairs, if necessary, for the public safety or to prevent damage to the common elements or to another unit.
- c. The Board of Directors, or the manager at its direction, is authorized to employ the personnel necessary or convenient for the maintenance, upkeep and repair of the common elements.
- d. The costs of maintenance, upkeep and repair shall be paid by checks drawn on the Association's bank account and signed as provided in Section 8.3 hereof.

7.2 Apportionment of Receipts and Expenses. Receipts of the property shall be distributed among, and the common expenses shall be charged to, the Unit Owners on the basis of the percentage of ownership as set forth in the Wildflower/Sunriver II Declaration of Unit Ownership.

Receipts by Unit owners for rental of their unit shall not constitute common receipts. The Association shall bill each owner quarterly for his share of the common expenses which he shall pay within 10 days of receipt of such billing. If any unit owner becomes delinquent greater than 30 days, a late fee of 5 percent shall be applied to the next quarterly billing and if any unit owner is delinquent greater than two months of such common expenses, the Board of Directors shall proceed to record a lien against his unit pursuant to ORS 91.546. No Unit owner may exempt himself from liability for his contribution towards common expenses by waiver of the use or enjoyment of any of the common elements or by abandonment of his unit.

Section 8. Contracts, Loans, Checks and Deposits.

8.1 Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or to 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.

8.2 Loans. No loans shall be contracted on behalf of the Association, and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors and approved by the affirmative vote of three-fourths of the Unit Owners. Such authority may be general or confined to the specific instances.

8.3 Checks, Drafts, Vouchers, Etc. All checks, drafts, vouchers or other orders for the payment of money, notes or other evidence 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 shall from time to time be determined by the resolution of the Board of Directors.

8.4 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 of Directors may select.

8.5 Billing of Common Expenses. Each Unit Owner shall be entitled to receive from the treasurer at the time of demand for payment of common expenses an itemized statement of common expenses. Such itemized statements shall be prepared in such manner as the Board of Directors shall determine.

Section 9. Adoption and Amendment of Administrative Rules and Regulations. By majority vote the Association shall adopt, and thereafter amend, such rules and regulations governing the details of the operations and use of the common elements as shall not contravene these Bylaws or the Sunriver Plan and Declarations set forth in Section 10 below.

Section 10. Sunriver Plan and Declarations. In addition to these Bylaws and the Wildflower/Sunriver II Declaration of Unit Ownership, all Unit Owners and all persons using the condominium property are subject to the Plan of Sunriver recorded June 20, 1968, in Book 159 at page 198 et seq. of the Records of Deeds of Deschutes County, Oregon; the Supplement to Plan of Sunriver recorded on October 19, 1976, in Book 239 at page 270 et seq. of the Records of Deeds of Deschutes County, Oregon; the Sunriver Declaration Establishing Meadow Village--Area I recorded June 20, 1968 in Book 159 at page 237 et seq. of the Records of Deeds of Deschutes County, Oregon; the Sunriver Declaration Establishing Fairway Island Houses I and Annexing Fairway Island Houses I to Meadow Village recorded on April 23, 1970 in Book 169 at page 75 et seq. of the Records of Deeds of Deschutes County, Oregon; and the Sunriver Declaration Establishing Fairway Condominium and Annexing it to Fairway Island recorded on December 30, 1976 in Book 243 at page 183 et seq. of the Records of Deeds of Deschutes County, Oregon.

Section 11. Indemnification of Directors and Officers. Each director and officer of the Association now or hereafter; in office and his heirs, executors and administrator shall be indemnified by the Association against all costs, expenses and amounts or liability therefore,

including counsel fees reasonably incurred by or imposed upon him in connection with or resulting from any action, suit, proceeding or claim to which he may be made a party, or in which he may be or become involved by reason of his acts or alleged acts of omission or commission as such director or officer, or subject to the provisions hereof, any settlement thereof, whether or not he continues to be such director or officer .at the time of incurring such costs, expenses or amounts. Such indemnification shall not apply, however, with respect to any matter as to which such director or officer shall be finally adjudged in such action, suit or proceeding to have been individually guilty or willful misfeasance or malfeasance in the performance of his duty as such director or officer. Further, the indemnification herein provided shall, with respect to any settlement of any such suit, action, proceeding or claim, include reimbursement of any amounts paid and expenses reasonably incurred in settling of any such suit, action, proceeding or claim when in the judgment of the Board of Directors and settlement and reimbursement appear to be exclusive right of indemnification shall be in addition to and not exclusive of any and all other rights as to which any such director or officer may be entitled under any agreement, vote of Unit Owners, or otherwise.

Section 12. Amendments. Amendments to these Bylaws may be proposed by resolution of the Board of Directors at any time. Amendments to the Bylaws may also be proposed at any meeting of the Unit Owners. No amendments of the Bylaws proposed in either of such ways shall be effective unless approved by 75 percent of the Unit Owners and until a copy of the By-laws, as amended, certified by the chairman and secretary of the Wildflower/Sunriver II Association, is recorded.

Section 13. Captions and So Forth: Singular and Plural: Pronouns. Captions on sections, and paragraphs are for the convenience only, and such captions, and divisions and subdivisions shall not affect the meaning or interpretation of these Bylaws or any part thereof. Personal pronouns, whether expressed in the masculine or feminine, shall be read as applying to all genders wherever applicable.