

**INDEPENDENCE NORTH PARK ANNEX ADDITION  
HOMEOWNERS ASSOCIATION, INC.**

**AMENDED AND RESTATED BYLAWS OF THE PLANNED  
COMMUNITY INDEPENDENCE NORTH PARK ANNEX ADDITION**

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**SECTION 1**

**DEFINITIONS**

**Amending Bylaws B311P1622**

As used in these Bylaws, the term

- (a) “Association” means the Independence North Park Annex Addition Homeowners Association, Inc., an Oregon nonprofit corporation registered with the Oregon Secretary of State formed to serve as a homeowners association.
- (b) “Block” shall mean any plat of land designated by the term “block” on any recorded subdivision plat of Independence North Park Annex Addition subdivision.
- (c) “Common Properties” shall mean those taxiways, streets, sidewalks, and other areas of real property shown or declared as such in any recorded subdivision plat of the properties and intended to be devoted to the common use and enjoyment of the owners of the properties.
- (d) "Expenses" include attorney fees.
- (e) "Liability" means the obligation to pay a judgment, settlement, penalty, fine, or reasonable expenses actually incurred with respect to a proceeding.
- (f) “Lot or Parcel” shall mean the number of plots or parcels of land to be sold and used by owners as residential building sites as shown upon any recorded subdivision plat of the properties, except those that are otherwise designated as common properties or as a block and any additional plots or parcels of land that may be annexed to the properties by the Association in the future.
- (g) “Member” means any individual meeting the membership criteria as provided in Article II, Section 1 of the Declaration of Covenants, Conditions, and Restrictions of the Independence North Park Annex Addition Subdivision.
- (h) “Owner” shall mean the record owner, whether one or more persons or entities, of fee simple title to a lot or parcel of the properties.
- (i) "Party" includes an individual who was, is, or is threatened to be made a named defendant or respondent in a proceeding.
- (j) "Proceeding" means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, and whether formal or informal.
- (k) “Reserve Account” shall mean the reserve account for replacing the common properties as provided by ORS 94.595 and funded by the Association’s annual and reserve assessments.
- (l) “Taxiway” shall mean a paved strip for use by aircraft to gain ingress and egress from the properties to Independence State Airport.

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- (m) “The Properties” shall mean all of the real property of Independence North Park Annex Addition subdivision as provided in the Amended and Restated Declaration of Covenants, Conditions, and Restrictions of the Planned Community Independence North Park Annex Addition, and any additions thereto subject to the Declaration or any supplemental declaration as provided in Article II in the Declaration.

**SECTION 2        PURPOSES AND POWERS**

- 2.1     Purposes.** Independence North Park Annex Addition Homeowners Association, Inc. (the “**Association**”) may engage in any lawful activity unless a more limited purpose is set forth in the Articles of Incorporation.
- 2.2     General Powers.** Unless the Articles of Incorporation provide otherwise, the Association has perpetual duration and succession in its corporate name and has the same powers as an individual to do all things necessary or convenient to carry out its affairs.
- 2.3     Association Powers.** The Association shall have all power conferred to it by the Oregon Planned Communities Act.

**SECTION 3        MEMBERS’ RIGHTS AND OBLIGATIONS**

- 3.1     Differences in Rights and Obligations of Members.** All members will have the same rights and obligations with respect to voting and transfer, unless the Articles of Incorporation or these Bylaws establish classes of membership with different rights or obligations. All members will have the same rights and obligations with respect to any other matters, except as set forth in or authorized by the Articles of Incorporation or these Bylaws.
- 3.2     Transfers.**
  - (a) Except as provided in Section 5.2 pertaining to proxies or as set forth in or authorized by the Articles of Incorporation or these Bylaws, no member may transfer a membership or any right arising therefrom unless 80 percent (80%) or more of the votes of the Association cast in favor of that action.
  - (b) Where transfer rights have been provided, no restriction on them will be binding with respect to a member holding a membership interest issued prior to the adoption of the restriction unless the restriction is approved by the members and the affected member.
- 3.3     Member’s Liability for Dues, Assessments, and Fees.** A member may become liable to the Association for dues, assessments, or fees. The Association shall have the power to impose charges for late payments of assessments and attorney fees for collection of any assessment.

**SECTION 4 MEMBERSHIP MEETINGS AND ACTION WITHOUT MEETINGS**

**4.1 Annual and Regular Meetings.**

- (a) The Association will hold a membership meeting annually on the third Sunday of October at 3:00 p.m., or at another time fixed by the board of directors.
- (b) The Association may hold regular membership meetings at the times fixed by the board of directors.
- (c) Annual and regular membership meetings shall be held in Independence, Oregon, at the Association's principal office.
- (d) At the annual meeting:
  - (1) the president, and any other officer the board of directors or the president may designate, will report on the activities and financial condition of the Association; and
  - (2) the members will consider and act upon such other matters as may be raised consistent with the notice requirements of Section 4.4.
- (e) At regular meetings, the members will consider and act upon such matters as may be raised consistent with the notice requirements of Section 4.4.

**4.2 Special Meeting.**

- (a) The Association will hold a special meeting of members:
  - (1) on call by the president, a majority of the board of directors, or the person or persons authorized to do so by the Articles of Incorporation or these Bylaws; or
  - (2) except as provided in the Articles of Incorporation or these Bylaws, if the holders of at least ten percent (10%) of the voting power of the Association sign, date, and deliver to the Association's secretary one or more written demands for the meeting describing the purpose or purposes for which it is to be held.
- (b) Special meetings of members shall be held in Independence, Oregon, at the Association's principal office.
- (c) Only matters within the purpose or purposes described in the meeting notice required by Section 4.4 may be conducted at a special meeting of members.

**4.3 Action without a Meeting.** Any action required to be taken at a meeting of the members, or any other action that may be taken at a meeting of the members, may be taken without a meeting if a consent in writing or via facsimile or email setting forth

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actions taken, shall be signed or electronically sent by all the members entitled to vote with respect to subject matter thereof.

**4.4 Notice of Meeting.** Written, printed, facsimile, or email notice stating the place, day, and hour of the meeting and the purpose or purposes for which the meeting is called, shall be delivered not less than thirty (30) days nor more than fifty (50) days before the date of the meeting, either personally or by mail or email, by or at the direction of the president, or a majority of the board of directors, to each member. In case of a special meeting, written or email notice shall be delivered not less than ten (10) days, nor more than fifty (50) days prior to the date of such special meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his or her residence address, with postage thereon prepaid. If notice is given by either facsimile or email mail, such notice shall be deemed to be delivered when the transmission is sent by the transmitting party and upon deposit of the mailing of such notice. All notices of member meetings shall include a proposed meeting agenda as well as a copy of the minutes of the last meeting of members.

**4.5 Waiver of Notice.**

- (a) A member may at any time waive any notice required by the Oregon Planned Community Act, the Articles of Incorporation, or these Bylaws. The waiver must be in writing, signed by the member entitled to the notice, and delivered to the Association for inclusion in the minutes or filing with the association records.
- (b) A member's attendance at a meeting waives objection to lack of notice or defective notice of the meeting, unless the member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting.

**4.6 Organization of Meeting.** At each annual, regular, and special membership meeting:

- (a) the president, or if the president is absent, then the chairperson of the board of directors, or if no chairperson of the board of directors has been appointed or is present, then any vice president, or if no vice president has been appointed or is present, then any individual chosen by members having a majority of votes present at the meeting, will act as chairperson of the meeting; and
- (b) the secretary, or if the secretary is absent then any assistant secretary, or if no assistant secretary has been appointed or is present, then any individual chosen by members having a majority of votes present at the meeting, will act as secretary of the meeting.

**SECTION 5 MEMBERS' VOTING**

**5.1 Voting Entitlement of Members.** Unless the Articles of Incorporation or these Bylaws provide otherwise, each member is entitled to one vote per lot on each matter voted on by the members, including each matter on which a member is entitled to

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vote under the Oregon Planned Community Act, the Articles of Incorporation, or these Bylaws. Any co-owners of a member's interest must be determined among such co-owners how that vote shall be cast.

- 5.2 Proxies.** At all meetings of the members, a member may vote by proxy executed in writing by the member or by his or her duly authorized attorney in fact. Such proxy shall be filed with the secretary of the Association before or at the time of the meeting. A new proxy is required for each member meeting.
- 5.3 Association's Acceptance of Votes.** If the name signed on a vote, consent, waiver, or proxy appointment corresponds to the name of a member, the Association, if acting in good faith, is entitled to accept the vote, consent, waiver, or proxy appointment and give it effect as the act of the member.
- 5.4 Quorum Requirements.** A quorum for any meeting of the Association shall consist of the number of persons who are entitled to cast twenty percent (20%) of the votes, on the basis of one vote per lot, and who are present in person or by proxy at the beginning of the meeting. If less than a majority of the entire number of members entitled to vote are represented at a meeting, a majority of the members so represented may adjourn the meeting to a time not less than five (5) days nor more than thirty (30) days from the time the original meeting was called. Any meeting of members at which a quorum is present may be adjourned for any reason to a time not less than one (1) day nor more than thirty (30) days from the time of such meeting by members representing a majority of the votes present either in person or by proxy.
- 5.5 Voting Requirements.**
- (a) Unless the Oregon Planned Community Act, the Articles of Incorporation, or these Bylaws require a greater vote or voting by class, if a quorum is present, the affirmative vote of a majority of the votes represented and voting is the act of the members.
  - (b) An amendment to the Articles of Incorporation or these Bylaws to add to, change, or delete the vote required for any member action must be approved by the members.
- 5.6 Voting for Directors.** Unless otherwise provided in the Articles of Incorporation, directors are elected by a plurality of the votes cast by the members entitled to vote in the election at a meeting at which a quorum is present.

**SECTION 6 BOARD OF DIRECTORS**

**6.1 Duties of Board.**

- (a) All corporate powers will be exercised by or under the authority of, and the affairs of the Association managed under the direction of, the board of directors, subject to any limitation set forth in the Articles of Incorporation and except as provided in Section 6.1(b).



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- (b) The Articles of Incorporation may authorize a person or persons, or the manner of designating a person or persons, authorized to exercise some or all of the powers that would otherwise be exercised by a board. To the extent so authorized, any such person or persons will have the duties and responsibilities of the directors, and the directors will be relieved to that extent from such duties and responsibilities.

**6.2 Qualifications of Directors.** All directors must be individuals. The Articles of Incorporation or these Bylaws may prescribe other qualifications for directors.

**6.3 Number of Directors.** The number of directors is fixed at a minimum of three (3) and a maximum of seven (7).

**6.4 Election and Appointment of Directors.** All the directors will be elected by a majority vote of lot owners at the first annual meeting of members, and at each annual meeting thereafter, unless the Articles of Incorporation or these Bylaws provide some other time or method of election, or provide that some of the directors are appointed by some other person.

**6.5 Terms of Directors Generally.**

- (a) The term of each director will be two (2) years. The terms of directors may not exceed five (5) years. Directors may be elected for successive terms.
- (b) A decrease in the number of directors or term of office does not shorten an incumbent director's term.
- (c) Except as provided in the Articles of Incorporation or these Bylaws:
  - (1) the term of a director filling a vacancy in the office of an elected director expires at the next election of directors; and
  - (2) the term of a director filling any other vacancy expires at the end of the unexpired term such director is filling.
- (d) Despite the expiration of a director's term, the director continues to serve until the director's successor is elected or appointed and qualifies, or until there is a decrease in the number of directors.

**6.6 Staggered Terms for Directors.** The Articles of Incorporation or these Bylaws may provide for staggering the terms of directors by dividing the total number of directors into groups. The terms of office of the several groups need not be uniform.

**6.7 Resignation of Directors.**

- (a) A director may resign at any time by delivering written notice to the board of directors, its presiding officer, or to the president or secretary.

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- (b) Resignation shall take effect on the date of receipt of such notice or at any later time specified in the notice and, unless otherwise required in the notice, the acceptance of the resignation shall not be necessary to make it effective.
- 6.8 Removal of Directors Elected by Members or Directors.** All or any number of the directors may be removed with or without cause at a meeting expressly called for that purpose by a vote of a majority of the members then entitled to vote at an election of directors. Any director who ceases to be a member shall cease to be a director.
- 6.9 Vacancy on Board.** Any vacancy occurring in the board of directors may be filled by the affirmative vote of a majority of the remaining directors even if less than a quorum of the board of directors. A director elected to fill a vacancy shall be elected for the unexpired term of his or her 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 election at an annual meeting or at a special meeting of the members called for that purpose.
- 6.10 Compensation of Directors.** Unless the Articles of Incorporation or these Bylaws provide otherwise, the board of directors serve without compensation, other than reimbursement for reasonable expenses incurred.

**SECTION 7 MEETINGS AND ACTION OF BOARD**

- 7.1 Regular and Special Meetings.**
  - (a) If the time and place of a director's meeting is fixed by these Bylaws or is regularly scheduled by the board of directors, the meeting is a regular meeting. All other meetings are special meetings.
  - (b) The board of directors shall hold regular or special meetings in Independence, Oregon, at the Association's principal office.
- 7.2 Action Taken without a Meeting.** Subject to the Oregon Revised Statutes, the directors may take any action in the absence of a meeting that they could take in a meeting by obtaining the written approval of all directors, subject to the notice requirements of Section 4.4. Any action so approved shall have the same effect as though taken at a meeting of the board.
- 7.3 Notice of Special Meeting of Board of Directors.** Notice of a special meeting shall be given at least seventy-two (72) hours beforehand by written notice delivered personally or mailed to each director at his or her residence or business address or by facsimile or email. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage prepaid. If notice is given by either facsimile or email, such notice shall be deemed to be delivered when the transmission is sent from the transmitting party or upon deposit of the mailing of such notice.

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- 7.4 **Waiver of Notice.** Any director may waive notice of any meeting. The attendance of a 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.
- 7.5 **Quorum and Voting.** A majority of the directors constitutes a quorum for the transaction of business at a meeting of the board. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the board.
- 7.6 **Architectural Review Committee.** Annually, the board of directors shall appoint an Architectural Review Committee with the responsibility to enforce the provisions of the Declaration of Covenants, Conditions, and Restrictions of the Independence North Park Annex Addition Subdivision, and lot owners shall be required to submit their residence, hangar, and outbuilding construction plans to said committee for approval prior to applying for building permits and beginning construction of the same.
- 7.7 **Budget.** The board of directors annually shall adopt a budget for the association. Within thirty (30) days after adoption of the annual budget, the board of directors shall provide a summary of the budget to all members. If the board of directors fails to adopt a budget, the last adopted budget shall continue in effect.

**SECTION 8 STANDARDS OF CONDUCT**

**8.1 General Standards for Directors.**

- (a) A director must discharge the duties of a director, including the director's duties as a member of a committee:
- (1) in good faith;
  - (2) with the care an ordinarily prudent person in a like position would exercise under similar circumstances; and
  - (3) in a manner the director reasonably believes to be in the best interests of the Association.
- (b) In discharging the duties of a director, a director is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by:
- (1) one or more officers or employees of the Association whom the director reasonably believes to be reliable and competent in the matters presented;

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- (2) legal counsel, public accountants, or other persons as to matters the director reasonably believes are within the person's professional or expert competence; or
  - (3) a committee of the board of which the director is not a member, as to matters within its jurisdiction, if the director reasonably believes the committee merits confidence.
- (c) A director is not acting in good faith if the director has knowledge concerning the matter in question that makes reliance otherwise permitted by Section 8.1(b) unwarranted.
- (d) A director is not liable to the Association, any member, or any other person for any action taken or not taken as a director, if the director acted in compliance with this Section 8.1.

**8.2 Director Conflict of Interest.**

- (a) A conflict of interest transaction is a transaction with the Association in which a director of the Association has a direct or indirect interest.
- (b) A transaction in which a director has a conflict of interest may be approved:
- (1) in advance by the vote of the board of directors if the material facts of the transaction and the director's interest were disclosed or known to the board of directors or a committee of the board of directors; or
  - (2) if the material facts of the transactions and the director's interest were disclosed or known to the members and they authorized, approved, or ratified the transaction.
- (c) For purposes of this Section 8.2, a director of the Association has an indirect interest in a transaction if:
- (1) another entity in which the director has a material interest or in which the director is a general partner is a party to the transaction; or
  - (2) another entity of which the director is a director, officer, or trustee is a party to the transaction, and the transaction is or should be considered by the board of directors of the Association.
- (d) For purposes of Section 8.2(b), a conflict of interest transaction is authorized, approved, or ratified if it receives the affirmative vote of a majority of the directors on the board of directors who have no direct or indirect interest in the transaction. A transaction may not be authorized, approved, or ratified under this Section 8.2 by a single director. If a majority of the directors who have no direct or indirect interest in the transaction votes to authorize, approve, or ratify the transaction, a quorum is present for the purpose of taking action under this

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Section 8.2. The presence of, or a vote cast by, a director with a direct or indirect interest in the transaction does not affect the validity of any action taken under Section 8.2(b)(1) if the transaction is otherwise approved as provided in Section 8.2(b).

- (e) For purposes of Section 8.2(b)(2), a conflict of interest transaction is authorized, approved, or ratified by the members if it receives a majority of the votes entitled to be counted under this Section 8.2(e). Votes cast by or voted under the control of a director who has a direct or indirect interest in the transaction, and votes cast by or voted under the control of an entity described in Section 8.2(c) may be counted in a vote of members to determine whether to authorize, approve, or ratify a conflict of interest transaction under Section 8.2(b)(2). A majority of the members, whether or not present, who are entitled to be counted in a vote on the transaction under this Section 8.2(e) constitutes a quorum for the purpose of taking action under this Section 8.2.

**SECTION 9      OFFICERS**

**9.1      Required Officers.** The Association must have a president, a vice-president, a secretary, a treasurer, and a maintenance director and will have such other officers as are elected or appointed by the board or by any other person as may be authorized in the Articles of Incorporation or these Bylaws.

**9.2      Duties and Authority of Officers.** Each officer has the authority and will perform the duties set forth in these Bylaws or, to the extent consistent with these Bylaws, the duties and authority prescribed by the board of directors or by direction of an officer authorized by the board of directors to prescribe the duties of other officers.

**9.3      Standards of Conduct for Officers.**

- (a) An officer must discharge the officer's duties:
- (1) in good faith;
  - (2) with the care an ordinarily prudent person in a like position would exercise under similar circumstances; and
  - (3) in a manner the officer reasonably believes to be in the best interests of the Association.
- (b) In discharging the duties of an officer, an officer is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by:
- (1) one or more officers or employees of the Association whom the officer reasonably believes to be reliable and competent in the matters presented;
- or

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- (2) legal counsel, public accountants or other persons as to matters the officer reasonably believes are within the person's professional or expert competence.
  - (c) An officer is not acting in good faith if the officer has knowledge concerning the matter in question that makes reliance otherwise permitted by Section 9.3(b) unwarranted.
  - (d) An officer is not liable to the Association, any member, or other person for any action taken or not taken as an officer if the officer acted in compliance with this Section 9.3.
- 9.4 Resignation and Removal of Officers.** Any officer may be removed from office by a quorum of the board of directors if it determines such removal is in the best interests of the Association. Any officer may resign at any time by giving written notice to the board, the president, or the secretary. Resignation shall take effect on the date of receipt of such notice or at any later time specified in the notice and, unless otherwise required in the notice, the acceptance of the resignation shall not be necessary to make it effective.
- 9.5 President.** The president of the board of directors shall, when present, preside at all meetings of the members 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. The president 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. The president shall sign, with the secretary or any other proper officer of the Association thereunto authorized by the board of directors, any deeds, mortgages, bonds, contracts, or other instruments that 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 law to be otherwise signed or executed.
- 9.6 Vice Presidents.** The vice president will perform the duties of the president if the president dies or becomes incapacitated. Each vice president also will perform all duties commonly incident to the office of vice president and other duties prescribed by the board of directors or an authorized officer.
- 9.7 Treasurer.** The treasurer will:
- (a) have general charge of and be responsible for all funds and securities of the Association;
  - (b) receive and give receipts for monies due and payable to the Association from any source and deposit the monies in the name of the Association in banks, trust companies, or other depositories selected by the board of directors or an authorized officer; and

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- (c) perform all duties commonly incident to the office of treasurer and other duties prescribed by the board of directors or an authorized officer.

**9.8 Secretary.** The secretary will:

- (a) prepare minutes of the directors' and members' meetings and authenticate records of the Association;
- (b) ensure that all notices by the Association under the Oregon Nonprofit Corporation Act, the Articles of Incorporation, or these Bylaws are given;
- (c) keep and maintain the records of the Association specified in Section 11(a); and
- (d) perform all duties commonly incident to the office of secretary and other duties prescribed by the board of directors or an authorized officer.

**9.9 Maintenance Director.** The maintenance director will:

- (a) ensure common properties are maintained in compliance with regard to taxiway surfaces and landscaping priorities;
- (b) utilize members to help assist in completion of tasks when needed;
- (c) perform all duties commonly incident to the office of maintenance director and other duties prescribed by the board of directors or an authorized officer.

**SECTION 10 INDEMNIFICATION**

**10.1 Indemnification of Directors and Officers.** Each director and officer of the Association now or hereafter in office, and his or her heirs, executors, and administrators, shall be indemnified by the Association against all cost, expenses, and amounts or liability therefore, including counsel fees reasonably incurred by or imposed upon him or her in connection with or resulting from any action, suit, proceeding, or claim to which he or she may be made a party, or in which he or she may be or become involved by reason of his or her acts or alleged acts of omission or commission as such director or officer, or, subject to the provision hereof, any settlement thereof, whether or not he or she continues to be such directors or officer at the time of incurring such cost, 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 of willful misfeasance or malfeasance in the performance of his or her 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 any such suit, action, proceeding, or claim when in the judgment of the board of directors the settlement and reimbursement appear to be for the best interests of the Association.

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- 10.2 Advance for Expenses.** Expenses incurred by an indemnified director or officer in defending an action, suit, proceeding, or claim may be paid by the Association in advance of the final disposition of such action, suit, or proceeding upon receipt of an undertaking by or on behalf of the indemnified director or officer to repay such amount if it is ultimately determined that the indemnified director or officer is not entitled to be indemnified by the Association as authorized in this Section 10.
- 10.3 Non-Exclusivity of Rights.** The right of indemnification provided in this Section 10 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 members, or otherwise.

**SECTION 11 RECORDS**

- (a) The Association will keep as permanent records minutes of all meetings of its members and board of directors, a record of all corporate action taken by the members or directors without a meeting, and a record of all actions taken by committees of the board of directors in place of the board of directors on behalf of the Association.
- (b) The Association will maintain appropriate accounting records.

**SECTION 12 CONTRACTS, INSURANCE, LOANS, & LIENS**

- 12.1 Association Insurance and Tax Returns.** The board of directors shall obtain and maintain property insurance and public liability insurance covering the common properties as provided by ORS 94.675, and may obtain blanket all-risk insurance as provided by ORS 94.680. The board of directors shall also file any federal or state tax returns required of the Association.
- 12.2 Contracts.** The board of directors may authorize any officers or agents to enter into any contract or execute and deliver and instrument in the name of or on behalf of the Association, and such authority may be general or confined to specific instances.
- 12.3 Lot Owners' Insurance.** The board of directors shall require lot owners to obtain and maintain insurance policies for their individual lots as provided by ORS 94.685.
- 12.4 Assessments for Payment of Common Expenses.** The board of directors shall make annual assessments of individual lot owners or mortgages to pay all common expenses of the Association as provided in ORS 94.704, which assessment shall be due and payable on January first each year. The board of directors may also establish a reserve account for future replacement of items of the common properties and special assessments for capital improvement, and until changed by a vote of the Association membership, the maximum annual assessment against any lot or parcel as platted shall be \$100.00 per year, plus additional special assessments as are required for capital improvement and to be paid into the reserve account.



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- 12.5 Loans.** No loans shall be contracted on behalf of the Association and no evidences 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-fifths (3/5) of the members. Such authority may be general or confined to specific instances.
- 12.6 Liens against Lots.** The Association has a lien on any and all individual lot or lots for unpaid assessments or fines and may foreclose such liens as provided by ORS 94.709 and ORS 94.716.
- 12.7 Liability of Mortgagee for Assessments and Liens.** First mortgagees and subsequent purchasers of a lot are responsible for assessments and liens only as provided by ORS 94.723.

**SECTION 13 COMMON PROPERTY: TAXATION, EASEMENTS, & RULES**

- 13.1 Taxation of Lots and Common Property.** Individual lots and the common property may be assessed and taxed by any state or local taxing body only as provided by ORS 94.728.
- 13.2 Easements in Common Property and Maintenance.** Every lot owner has an easement on and through the Association's common property for the quiet enjoyment and use of said property as provided by ORS 94.733 and the use regulations hereafter adopted by a three-fifths (3/5) majority vote of the board of directors.
- 13.3 Rules and Regulations Regarding Common Property.** The board of directors shall from time-to-time adopt reasonable rules and regulations governing the operation and safe use of the common properties by at least a three-fifths (3/5) majority vote of said board of directors.

**SECTION 14 AMENDMENT OF BYLAWS**

Amendments to the Bylaws may be proposed by a majority of the board of directors or by at least 30 percent (30%) of the members. An amendment to the Bylaws is not effective unless the amendment is approved by a majority of the members, as required by ORS 94.625(4).

These Bylaws were adopted by the board of directors of INDEPENDENCE NORTH PARK ANNEX ADDITION HOMEOWNERS ASSOCIATION, INC. on October 24, 2014

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Judi West, Secretary