

**OREGON SHORES RECREATIONAL CLUB, INC.
AMENDED BY-LAWS**

M06-13240

Klamath County, Oregon

06/29/2006 08:20:42 AM

Pages 4 Fee: \$36.00

Section 1

The business office of this corporation shall be located in Klamath Falls, State of Oregon, or at such other location in Klamath County as shall be determined by a majority vote of the members.

Section 2

The members of this corporation shall be landowners in Oregon Shores Subdivision, Unit 2, Tracts 1113 and 1184.

A landowner shall be considered to be the record owner of land or the grantee of an enforceable contract of sale of such land.

Section 3

- a. There shall be a first annual meeting of the membership held during the month of June, 1978, and thereafter there shall be an annual membership meeting during the month of each June thereafter.
- b. Special meetings of the membership may be called by order of the President of the Board of Directors of the corporation, by the Board of Directors, or by petition of 10% of the members.
- c. Notice of all meetings of the membership shall be given to each member by the secretary in writing mailed to their last known address not less than 14 nor more than 60 days before any such meeting, and said notice shall specify a reasonable place, date and hour and, in case of a special meeting, the general nature of the business to be transacted.
- d. A quorum shall be the presence in person or by proxy of at least 35% of the members. If any meeting cannot be held because a quorum is not present, the members present, either in person or by proxy, may, as otherwise provided by law, adjourn the meeting to a time and place not less than 24 hours nor more than 30 days from the time the original meeting was called, at which meeting the quorum requirements shall be at least 25% of the members.

Section 4

Votes may be cast in person or by proxy. A majority of the votes cast either personally or by proxy shall prevail. Proxy votes held by the Board of Directors will be apportioned equally to each board member attending the meeting at which such votes are to be cast. In voting for directors, the members' votes and the proxy votes may be cumulated.

Section 5

- a. The affairs of the corporation shall be managed by a Board of Directors elected at each annual membership meeting. Candidates for the board may only be nominated from the floor of the annual members meeting. Each candidate must stand for election individually and voting for a slate of candidates is specifically prohibited.
- b. The number of Directors shall be not less than three (3) nor more than seven (7). The Board of Directors may be increased from three (3) or decreased from seven (7) by majority vote of the members at any annual meeting.

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36

- c. A seven (7) member Board of Directors shall be elected at the June 1990 members meeting. Three (3) of these positions shall be for a one (1) year term, two (2) shall be for a two (2) year term, and two (2) shall be for a three (3) year term. Thereafter, those terms expiring will be filled by three (3) year terms voted upon at each annual members meeting. No Director may serve more than one (1) consecutive three (3) year term.
- d. The Directors shall elect from their members a President, Vice President, Secretary and Treasurer. Any one Director may hold any two (2) offices except no Director shall hold the office of both President and Vice President.
- e. No Director may be party to a transaction with the corporation in which that Director has a direct or indirect interest.
- f. A board member may be removed from office via an election held at a meeting called under the provisions stated in Section 3, paragraphs b and c.

Section 6

- a. The regular annual meeting of the Board of Directors shall be held immediately after and at the same place as the annual meeting of members and shall not require notice other than this bylaw. Monthly meetings of the Board of Directors shall be held on the last Monday of each month, other than June, at the cookhouse/gazebo located at the seventeen (17) acre park, weather permitting. All meetings shall be open to any members who wish to attend.
- b. The approved minutes of any board meeting shall be available to any member, on demand, with the cost of providing such documents to be born by the requester.
- c. Special meetings of the Board of Directors and the time and place for such meetings may be called by or at the request of the President or any two Directors. Notice of any special meetings of the Board of Directors shall be given either personally or by mail at least 24 hours prior to the time of the meeting, except that such notice may be waived by all of the Directors. Special meetings may be called by 10% of the resident members by petition.

Section 7

The majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board. The act of the majority of the Directors present at the meeting at which a quorum is present shall be the act of the Board of Directors unless the act of a greater number is required by law or by these by-laws.

Section 8

Any vacancy occurring in the Board of Directors or its officers may be filled by the Board of Directors.

Section 9

- a. No contract which binds the Club or the members of the Club for more than a one (1) year period shall be entered into by the Board of Directors except upon the affirmative vote of the majority of the voting members of the Club, which vote may be conducted by mail. All members shall be notified and given the opportunity to vote on such contract at a meeting or by mail.
- b. The board shall operate within a balanced budget in each fiscal year. No budget may be balanced by incurring any form of debt service.

Section 10

The Board of Directors shall manage the private water system owned by the Oregon Shores Recreational Club and shall have the following powers, authority and obligations:

- a. To contract for and pay for materials and supplies necessary for the maintenance of the streets and water and other systems, and all costs of operation of the systems and street maintenance, including, but not limited to, a certified water operator.
- b. To contract for and pay for necessary construction, reconstruction, and/or replacement of the water system, streets, and any other services that may become necessary.
- c. To establish a specific contingency fund only to be used in the event of a major emergency in the water system and roads.
- d. To establish a contingency fund specifically identified for use in the event of major improvements.
- e. To enter into or upon any unit, lot or parcel for the purpose of inspection, maintenance or construction for which management is responsible.
- f. To, if necessary, enforce the provisions of these by-laws by initiating law suits in the name of said Oregon Shores Recreational Club, Inc.
- g. To levy assessments against members to defray the expenses of the Club, but said individual assessment shall not exceed One Hundred Dollars (\$100.00) per year; however, the Board may increase the individual assessment by twenty-five (\$25) for four consecutive years beginning the assessment for the fiscal year beginning July 1, 2007. These assessments shall be used for maintenance of water and roads.
- h. In case of unforeseen circumstances requiring major repairs to water, roads and park, and if the repairs will not be covered by the annual assessment and contingency fund, to levy a special assessment not to exceed One Hundred Dollars (\$100.00) per lot.

Section 11

The fiscal year of the Club shall begin on the first day of July and end on the last day of June in each year. Within sixty (60) days thereafter an annual report and budget will be compiled and a copy shall be sent to each member.

Section 12

- a. By-laws concerning the government of this association may be amended by a majority vote of the membership at any meeting of the members provided notice of proposed amendment has been given in the same manner as required for notice of the meeting.
- b. All references within these by-laws to a majority vote of the members of the corporation shall be interpreted to mean a majority of those attending a meeting in person or by proxy or those responding to a vote conducted by mail.

AMENDED BY-LAWS ADOPTED AT THE ANNUAL MEETING OF MEMBERS HELD JUNE 24, 2006.

Wynn B. Hescok
President

Phil MacArthur
Vice President

Charles G. Brumble
Secretary

Ronald J. Schaffer
Treasurer

STATE OF OREGON, County of Klamath

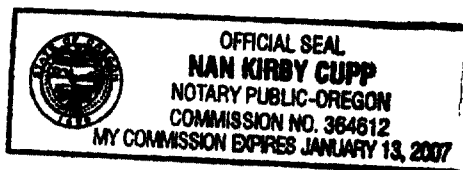
This instrument was acknowledged before me BY:

By Wynn B. Hescok Title PRESIDENT, Oregon Shores Recreational Club, Inc. on June 26, 2006

By Phil MacArthur Title VICE PRESIDENT, Oregon Shores Recreational Club, Inc. on June 26, 2006

By Charles G. Brumble Title SECRETARY, Oregon Shores Recreational Club, Inc. on June 26, 2006

By Ronald J. Schaffer Title TREASURER, Oregon Shores Recreational Club, Inc. on June 26, 2006



Nan Kirby Cupp
Notary Public for Oregon
My commission expires JANUARY 13, 2007

Oregon Shores Recreational Club, Inc.
Amended By-Laws