



**BYLAWS
OF
Latakomie Shores Beach Club**

Section 1: Location of Corporation

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

Section 2: Membership

The members of this corporation shall be land owners in Latakomie Shores Subdivision. 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: Meetings of the Membership

- a. There shall be a first annual meeting of the membership held during the month of June, 1968, 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 25% 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 10 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 50% 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 no less than 48 hours nor more than 30 days from the time the original meeting was called, at which the quorum requirements shall be at least 25% of the members.

Section 4: Voting

- a. 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.
- b. A majority of the votes, when capitol improvements are in issue, cast either personally or by proxy shall prevail. In voting for directors, the member may cumulate their votes.

Section 5: Board of Directors

- a. The affairs of this corporation shall be managed by a Board of Directors.
- b. The number of directors shall be not less than 3 nor more than 7. The initial Board of Directors shall be 3 and the number of directors may be enlarged by majority vote of the members at any annual meeting.
- c. The directors shall elect from their members a president, vice-president, secretary and treasurer. Any one director may hold any two offices except that no one director shall hold the office of both president and vice president.
- d. The owners may remove any member of the Board of Directors, other than members appointed by the declarant or persons who are ex officio directors, with or without cause, by a majority vote of all owners at which a quorum is present.

Section 6: Meetings of the Board

- 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 other notice than this bylaw. The Board of Directors may provide by resolution the time and place of the holding of additional regular meetings of the Board without other notice than such resolution.
- b. Quarterly meetings of the Board of Directors will be held on the second Monday of the months of MARCH, MAY, AUGUST, and NOVEMBER at a location and time agreed upon by the Board. Membership can call any director or the Administrative Assistant to find out the time and location. It is also expected that persons other than the Board request to have issues put on the Agenda prior to the meeting.
- c. Special meetings of the Board of Directors and the time and the 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 the directors.
- d. Majority approval from the Board of Directors is required for expenditures over \$500 and that said approval may be obtained via phone or email.

Section 7: Voting by the Board of Directors

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 bylaws.

Section 8: Vacancy on the Board

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

Section 9: Budget

- a. The Board of Directors shall not enter into any contract with the owner, sub divider or agent of Latakomie Shores Subdivision which binds the Board of Directors or the members for a period in excess of one year; unless reasonable cancellation provisions are included in said contract. No contract which binds the corporation or the members of the corporation for more than a two-year period shall be entered into by the Board of Directors except upon the affirmative vote of the members of the corporation, which vote may be conducted by mail.
- b. The Board of Directors shall operate within a balanced budget in each fiscal year. No budget may be balanced by incurring any form of debt service.

Section 10: Authority to Conduct Maintenance

The Board of Directors shall manage the private water system owned by the Latakomie Shores Beach Club and shall have the following powers and authority:

- a. To contract for and pay for maintenance material and supplies necessary for the streets and water system, and all costs of operating the system and street maintenance.
- b. To contract for and pay for necessary reconstruction and/or replacement of the water system and streets.
- c. To enter into or upon any unit, lot or parcel for the purpose of inspection, maintenance or reconstruction for which management is responsible.
- d. To set rates or charges for water service in an amount sufficient to cover all costs of operation and the rates, assessments and charges on all unsold units shall be the same as for any other lots or parcel and that such charges, rates or assessments shall be the debt of the sub divider.
- e. To, if necessary, enforce the provisions of these bylaws by initiating lawsuits in the name of said Latakomie Shores Beach Club, Inc.
- f. 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. These assessments shall be used for administration and maintenance of the water, roads and park system.
- g. 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: Fiscal Year

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

Section 12: Amendment to the Bylaws

- a. Bylaws concerning the Internal Government of the Association may be amended by a majority vote of the membership at any meeting of the members provided notice of the proposed amendment has been given in the same manner as required for the notice of the meeting. All other bylaws amendments require a majority vote of the members.
- b. All references within these bylaws 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.

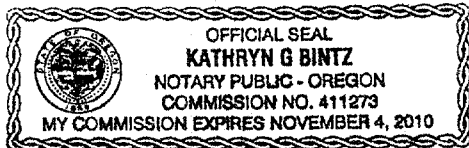
LATAKOMIE SHORES BEACH CLUB, INC.

By: [Signature]
President

STATE OF OREGON, County of Klamath ^{Josephine} ^(VS)

This instrument was acknowledged before me on 12/22/06

By [Signature] Title **PRESIDENT, Latakomie Shores Beach Club, Inc.**
on 12/22/06, 2006
date ^{Jerrold Merchant} ^(VS)



[Signature]
Notary Public for Oregon

My Commission expires 11/04/2010

LATAKOMIE SHORES BEACH CLUB, INC.

By: [Signature]
Secretary/Treasurer

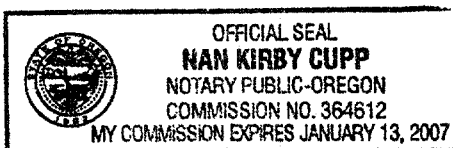
STATE OF OREGON, County of Klamath

This instrument was acknowledged before me on November 16, 2006

By Sandra Girdner

Title **SECRETARY/TREASURER, Latakomie Shores Beach Club, Inc.**

on November 16, 2006
date



[Signature]
Notary Public for Oregon

My Commission expires Jan. 13, 2007