

After recording return to:
Attn: Garrett Chrostek
Bryant, Lovlien & Jarvis, P.C.
591 SW Mill View Way
Bend, OR 97702

Deschutes County Official Records	2018-35650
D-BYLAWS	
Stn=1 BN	08/31/2018 10:46:00 AM
\$75.00 \$11.00 \$10.00 \$61.00 \$6.00	\$163.00
I, Nancy Blankenship, County Clerk for Deschutes County, Oregon, certify that the instrument identified herein was recorded in the Clerk records.	
Nancy Blankenship - County Clerk	

**BYLAWS
OF
GRAND PEAKS AT SISTERS ASSOCIATION
an Oregon Nonprofit Corporation**

**ARTICLE I.
DEFINITIONS**

1. DEFINED TERMS. Except as defined elsewhere herein, the terms set forth below shall have the following definitions for purposes of these Bylaws.

1.1 Assessments. "Assessments" shall mean assessments levied by the Association in accordance with Article 7 of the Declaration, including, without limitation, Private Alley Assessments.

1.2 Association. "Association" shall mean Grand Peaks at Sisters Association, an Oregon nonprofit corporation established by the Articles.

1.3 Articles. "Articles" shall mean the Articles of Incorporation of Grand Peaks at Sisters Association as the same may be amended from time to time.

1.4 Board. "Board" shall mean the Association's board of directors.

1.5 Bylaws. "Bylaws" shall mean these Bylaws of Grand Peaks at Sisters Association as the same may be amended from time to time.

1.6 Community. "Community" shall mean the real property described in Exhibit A attached hereto and incorporated herein, which has been made subject to the Declaration, and any additional property annexed into the Community as provided for in the Declaration.

1.7 Declarant. "Declarant" shall mean Grand Peaks at Sisters, LLC, an Oregon limited liability company.

1.8 Declaration. "Declaration" shall mean the Declaration of Covenants, Conditions, and Restrictions for Grand Peaks at Sisters recorded as Document No. 2018-35408 in the Deschutes County Official Records as the same may be amended from time to time.

1.9 Member. "Member" shall mean any Owner entitled to membership in the Association pursuant to Article II of the Bylaws.

1.10 President. "President" shall mean the President of the Board.

1.11 Rules and Regulations. "Rules and Regulations" shall mean any rules and regulations adopted by the Board in accordance with the Declaration.

1.12 Secretary. "Secretary" shall mean the Secretary of the Board.

1.13 Treasurer. "Treasurer" shall mean the Treasurer of the Board.

1.14 Turnover Meeting. "Turnover Meeting" shall mean the meeting called by the Declarant to turnover administrative control of the Association to the Members.

1.15 Turnover. "Turnover" shall mean the point in time at which administrative control of the Association passes from the Declarant to the Members.

2. UNDEFINED TERMS. Capitalized terms not defined in Article I, Section 1 shall have the definition assigned to such term in the Declaration.

ARTICLE II. MEMBERSHIP

1. MEMBERS. Each Owner of a Lot shall, immediately upon creation of the Association, and thereafter during the entire period of the Owner's ownership of a Lot, be a Member of the Association. Such membership shall commence, exist, and continue simply by virtue of such ownership, shall expire automatically upon termination of such ownership, and need not be confirmed or evidenced by any certificate or acceptance of membership.

1.1 Voting Membership. The Association shall have one class of voting membership:

(a) **Voting.** The Members shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in any Lot, all such persons shall be Members, but the vote for such Lot shall be exercised as they among themselves determine, and in no event shall more than one (1) vote be cast with respect to any Lot or any fractional vote.

(b) **Annexation.** If any property is annexed into the Community, all Owners within the annexed property will also be Members and entitled to the same voting rights as Members.

2. AUTHORITY OF MEMBERS. Except for the appointment of directors by Declarant prior to the Turnover Meeting, the Members shall be entitled to vote at annual and special meetings of the Members.

2.1 Annual Meetings of the Members. The annual meeting of the Members shall be held on or near June 1st in each year, beginning in the year immediately following recording of these Bylaws at a time and place to be selected by the Board or at such other time on such other day within such month as shall be fixed by the Board for the purpose of electing directors (following Turnover) and for the transaction of such other business as may come before the meeting.

If the election of directors shall not be held within the time designated herein for any annual meeting of the Members, or at any subsequent continuation after adjournment thereof, the Board shall cause the election to be held at a special meeting of the Members as soon

thereafter as convenient.

3. SPECIAL MEMBERS' MEETINGS. Special meetings of the Members, for any purpose or purposes, described in the meeting notice, may be called by the Board, or by the President or the Secretary upon receipt of a written request of thirty percent (30%) of the Members. If notice of the meeting is not given within thirty (30) days after the date of the written request by the Members to the Secretary or President, a Member who signed the request may set the time and place of the meeting and give the required notice. Mortgagees can designate a representative to attend a special meeting.

4. PLACE OF MEMBERS' MEETING. The Board may designate any place within Deschutes County, Oregon as the place of meeting for any annual or special meeting of the Members.

5. NOTICE OF MEMBERS' MEETING.

5.1 Required Notice. Written notice stating the place, date, and hour of any annual or special Members' meeting shall be delivered not less than ten (10) nor more than sixty (60) days before the date of the meeting, either personally, by mail, or by e-mail (unless a Member or director declines to receive notice by e-mail and has provided an address for notice by mail), by or at the direction of the President, the Board, or other persons calling the meeting, to each Member of record entitled to vote at such meeting and to any other person or entity entitled by the Oregon Planned Community Act (ORS 94.550 to 94.783) or the Oregon Nonprofit Corporation Act (ORS Chapter 65) or the Articles to receive notice of the meeting.

5.2 Adjourned Meeting. If any Members' meeting is adjourned to a different date, time, or place, notice need not be given of the new date, time, and place if the new date, time, and place is announced at the meeting before adjournment.

5.3 Waiver of Notice. A Member may at any time waive notice of the meeting (or any notice required by the Oregon Planned Community Act, Oregon Nonprofit Corporation Act, Articles, Declaration, or these Bylaws) by a writing signed by the Member entitled to the notice and delivered to the Association for inclusion in the minutes for filing with the corporate records.

Attendance at a meeting:

(a) Waives objection to lack of notice or defective notice of the meeting, unless the person or entity at the beginning of the meeting objects to holding the meeting or transacting business at the meeting; and

(b) Waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the person or entity objects to considering the matter when it is presented.

5.4 Contents of Notice. The notice of each meeting of the Members shall include a description of the purpose or purposes for which the meeting is called.

6. PROXIES. At all meetings of the Members, a Member may vote in person or by a proxy that is executed in writing by the Member or that is executed by the Member's duly authorized attorney-in-fact. Such proxy shall be filed with the Secretary or other person authorized to tabulate votes before or at the time of the meeting. No proxy shall be valid more than twelve

(12) months from the date of its execution. A copy of a proxy provided by fax, e-mail, or other means of electronic communication is valid. A proxy must be dated and signed by the Member. The Board may not require that the proxy be on a form prescribed by the Board. All proxies and ballots related to an amendment to the Declaration, Bylaws, or other governing documents must be retained for one (1) year from the date the amendment is effective.

7. ABSENTEE BALLOT. An absentee ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. All solicitations for votes by absentee ballot shall include: a) instructions for delivery of the completed absentee ballot, including delivery location; and b) instruction about whether the ballot may be canceled if the ballot has been delivered according to the instructions. An absentee ballot shall be counted as a Member present for the purpose of establishing a quorum.

8. ACTION BY MEMBERS WITHOUT MEETING. Any action required or permitted to be taken at a meeting of the Members may be taken without a meeting if one or more consents in writing, setting forth the action so taken, is signed by all of the Members entitled to vote on the subject matter thereof. Such consents shall be delivered to the Association for inclusion in the minute book. A consent signed under this Article II, Section 8, has the effect of a meeting vote and may be described as such in any document.

9. ACTION BY WRITTEN OR ELECTRONIC BALLOT. Notwithstanding Article II, Section 8, any action which may be taken at any annual, regular, or special meeting of Members may be taken without a meeting if the Association delivers a written or electronic ballot (a ballot by e-mail, fax, posting on an Association website with notice to all Members of the posting and how to access the posting) to all Members entitled to vote on the matter. The ballot shall set forth the proposed action and provide an opportunity to vote for or against such proposed action. Approval by ballot shall be valid only when the number of votes cast by ballot equals or exceeds any quorum required to be present at a meeting authorizing the action and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. All solicitation for votes by ballot shall indicate the number of responses needed to meet the quorum requirements; and specify a reasonable time by which a ballot must be received by the Association in order to be counted. An electronic ballot is effective when it is electronically transmitted to an address, location, or system designated by the Board for that purpose. A vote by electronic ballot cannot be revoked.

10. VOTING FOR DIRECTORS. Unless otherwise provided in the Articles, 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.

11. QUORUM. Members, represented in person or by proxy, with an aggregate of forty percent (40%) of the authorized votes shall constitute a quorum at any meeting of the Members. If a meeting cannot be organized because of a lack of quorum, the quorum for a subsequent meeting is one-half of the quorum required in these Bylaws (20% of the authorized votes). An absentee ballot shall be counted as a Member present for the purpose of establishing a quorum. A quorum cannot be reduced unless a) the meeting is adjourned to a date that is at least forty-eight (48) hours from the time the original meeting was called; or b) the meeting notice specifies: i) that the quorum requirement will be reduced if the meeting cannot be organized because of a lack of a quorum; and ii) the reduced quorum requirement.

**ARTICLE III.
BOARD OF DIRECTORS: NUMBER, POWERS, MEETINGS**

- 1. GOVERNING BODY; COMPOSITION.** The affairs of the Association shall be governed by the Board. Prior to the Turnover Meeting, the directors need not be Owners or Members. Following Turnover, directors shall be Members. The initial directors shall be those indicated in the Articles.
- 2. NUMBER OF DIRECTORS.** The Association will have a variable-range size Board. The minimum number of directors shall be three (3) and the maximum number of directors shall be five (5). The number of directors may be fixed or changed periodically, within the minimum and maximum, by resolution of the majority of the Board. The number of directors shall be initially set at three (3).
- 3. FAILURE TO ESTABLISH A BOARD OF DIRECTORS.** If the Association fails to fill vacancies on the Board sufficient to constitute a quorum in accordance with these Bylaws, a Member or a first mortgagee may request the circuit court of the county in which the Community is located to appoint a receiver under ORCP 80 to manage the affairs of the Association pursuant to ORS 94.642.
- 4. APPOINTMENT OF DIRECTORS.** Directors shall be appointed by the Declarant until the Turnover Meeting. Following Turnover, directors shall be elected by the Members at annual meetings.
- 5. ELECTION AND TERM OF OFFICE.** Notwithstanding any other provision contained herein, at the Turnover Meeting and at each annual meeting thereafter directors shall be elected by the Members. The term of each director shall be two (2) years, but one of the directors elected at the Turnover Meeting shall only serve a term of one year to allow for staggering of the terms of the directors. The directors shall hold office until their respective successors shall have been elected.
- 6. REMOVAL OF DIRECTORS.** Any director who has three (3) consecutive unexcused absences from Board meetings may be removed by a majority vote of the directors at a meeting at which a quorum is present. A meeting by written ballot may not substitute for the required meeting to remove a director.
- 7. VACANCIES.** Vacancies on the Board caused by any reason shall be filled by a vote of the majority of the remaining Board, even though less than a quorum, at any meeting of the Board. Each person so elected shall serve the unexpired portion of the vacated term.
- 8. ORGANIZATION MEETINGS.** The first meeting of the Board shall be at such time and place as shall be fixed by the Board.
- 9. REGULAR MEETINGS.** Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the directors. Notice of the time and place of the meeting shall be communicated to directors by regular mail not less than four (4) days prior to the meeting; provided, however, notice of a meeting need not be given to any director who has signed a waiver of notice or a written consent to the holding of the meeting.
- 10. SPECIAL MEETINGS.** Special meetings of the Board shall be held when called by written notice signed by the President or Secretary of the Association, or by any two (2)

directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director by one of the following methods: (a) by personal delivery; (b) written notice by first class mail, postage prepaid; (c) by telephone communication, including facsimile transmissions, either directly to the director or to a person at the director's office who would reasonably be expected to communicate such notice promptly to the director; (d) by telegram, charges prepaid; or (e) by electronic mail. All such notices shall be given or sent to the director's address or telephone number or e-mail address as shown on the records of the Association. Notices sent by first class mail shall be deposited in the U.S. mail at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, or e-mail shall be delivered or telephoned at least seventy-two (72) hours before the time set for the meeting.

11. WAIVER OF NOTICE. The transactions of any meeting of the Board, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

12. QUORUM OF BOARD. At all meetings of the Board, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If less than a quorum is present at any meeting, the directors present shall adjourn the meeting to such time and place as they may decide within thirty (30) days of the original meeting. At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

13. COMPENSATION. No director shall receive any compensation from the Association for acting as such.

14. CONDUCT OF MEETINGS. The President shall preside over all meetings of the Board. The Secretary shall keep a minute book of the Board and the Association, recording therein all resolutions adopted by the Board and a record of all transactions and proceedings occurring at such meetings. A director present at a meeting of the Board at which action is taken on any Association matter is presumed to have assented to the action unless the director votes against the action or abstains from voting on the action because the director claims a conflict of interest. All votes of abstentions must be recorded in the minutes. Directors cannot vote by proxy or secret ballot at a meeting of the Board (except that officers may be elected by secret ballot).

15. OPEN MEETINGS. All meetings of the Board shall be open to the Members, but the Members may not participate in any discussion or deliberation unless expressly so authorized by a majority of a quorum of the Board. Member participation is limited to the general comment portion of the meeting and not on specific agenda items unless authorized by the Board.

16. EXECUTIVE SESSION. The Board may, with approval of a majority of a quorum of the Board, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, and orders of

business of a similar nature, and any other reason permitted by applicable law. The nature of any and all business to be considered in executive session shall first be announced in open session.

17. ACTION WITHOUT A FORMAL MEETING. Any action to be taken at a meeting of the Board, or any action that may be taken at a meeting of the Board, may be taken without a meeting if consent in writing, setting forth the action so taken, is signed by all the directors.

18. POWERS. The Board shall be responsible for the affairs of the Association and shall have all the powers and duties necessary for the administration of the Association's affairs provided by the Oregon Planned Community Act and the Declaration. Without limiting the foregoing, the Board shall have the power to and be responsible for the following:

(a) Preparation and adoption of an annual budget and reserve study in accordance with ORS 94.645 that includes the moneys to be allocated to the Reserve Account;

(b) Designating, hiring, and dismissing the personnel necessary for the operation of the Association and its property and, where appropriate, providing for the compensation for such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;

(c) Collecting fees, depositing the proceeds thereof in a federally insured bank account which it shall approve and using the proceeds to administer the Association;

(d) Making and amending Rules and Regulations governing conduct of the Members and the use of property subject to the Declaration;

(e) Opening of federally insured bank accounts to hold assessments as required by the Declaration on behalf of the Association and designating the signatories required;

(f) Enforcing by legal means the provisions of the Articles, the Declaration, these Bylaws, and the Rules and Regulations adopted by the Board and bringing any proceedings which may be instituted on behalf of or against the Association;

(g) Obtaining and carrying any required or necessary insurance and paying the premium costs thereof;

(h) Designation and collection of assessments from Members, in accordance with these Bylaws and the Declaration;

(i) Paying the costs of all services rendered to the Association;

(j) Keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the expenses incurred, and keeping copies of documents required by ORS 94.670;

(k) Preparing and annually reviewing the reserve study for major maintenance, repair, or replacement of all items of common property which will normally require major maintenance, repair, or replacement, in whole or in part, in more than one (1) and less than thirty (30) years;

(l) Preparing and annually reviewing the maintenance plan that describes Association maintenance responsibilities for all property for which the Association has maintenance, repair, or replacement responsibility; and

(m) Ensuring compliance with the annual maintenance plan.

ARTICLE IV. ASSOCIATION TRANSITION TO MEMBER CONTROL

1. TURNOVER. For the purposes of turning over control of the Association to the Members, the Declarant shall call the Turnover Meeting not later than ninety (90) days after Declarant voluntarily relinquishes administrative control of the Association. The Declarant shall give notice of the Turnover Meeting to each Owner as provided in these Bylaws. At the Turnover Meeting, the Declarant shall turn over control of the Association to the Members. At the Turnover Meeting, the Owners shall elect a three (3) to five (5) member Board in accordance with these Bylaws. If a quorum of the Owners is present, the Owners shall elect not fewer than the number of directors sufficient to constitute a quorum of the Board. Members may vote by proxy at the Turnover Meeting. At the Turnover Meeting, the Declarant shall deliver to the Association those items and documents required by ORS 94.616 or applicable successor provisions. In order to facilitate an orderly transition, during the three (3) month period following the Turnover Meeting, the Declarant or an informed representative shall be available to meet with the Board on at least three (3) mutually acceptable dates to review the documents delivered pursuant to this Article IV.

ARTICLE V. OFFICERS

1. OFFICERS. The officers of the Association shall be a President, Secretary, and Treasurer. The Board may elect such other officers, including one or more assistant secretaries and one or more assistant treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board. Any two or more offices may be held by the same person, excepting the offices of President and Secretary. The officers shall be elected from among the members of the Board, except that the Treasurer need not be a director or a Member.

2. ELECTION, TERM OF OFFICE AND VACANCIES. Following Turnover, the officers of the Association shall be elected annually by the Board at the annual meeting of the Board. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board for the unexpired portion of the term.

3. SALARIES. Officers shall be uncompensated for acting as such unless approved by a majority vote of the Board.

4. REMOVAL. Any officer may be removed by the Board whenever, in its judgment, the best interests of the Association will be served thereby. Any removal shall only occur at a meeting of the Board at which a quorum is present.

5. POWERS AND DUTIES. The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time be specifically conferred or imposed by the Board. The President shall be the chairman of the Board and preside over meetings of the Board and meetings of the

Members. The President shall appoint such committees as he or she may desire or are required by the Bylaws. The Secretary shall substitute for the President when the President is unable to perform presidential duties. While assuming the office of President, the Secretary shall have the same authority as the President. The Secretary shall keep an accurate record of the proceedings of all meetings, and perform such other duties as may be required in keeping with the office. The Treasurer shall have primary responsibility for the preparation of the budget as provided for in these Bylaws and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

6. 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, the acceptance of such resignation shall not be necessary to make it effective.

7. AGREEMENTS, CONTRACTS, DEEDS, LEASES, CHECKS. All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least two (2) directors or, in the absence of two (2) directors, one (1) director and an officer of the Association who is not a director or by such other person or persons as may be designated by resolution of the Board. The directors and officers of the Association may be interested directly or indirectly in any contract relating to or incidental to the operations conducted by the Association, and may freely make contracts, enter transactions, or otherwise act for and on behalf of the Association so long as all interests are disclosed as described in Article VIII, Section 2. No contract, transaction, or act shall be taken on behalf of the Association if such contract, transaction, or act would result in denial of the tax exemption under Section 503 or Section 507 of the Internal Revenue Code and its regulations as they now exist or as they may hereafter be amended. The Board shall have full authority to invest any property of the Association at its discretion; however, no action shall be taken by or on behalf of the Association if such action is a prohibited transaction or would result in the denial of tax exemption under IRC Section 503 or Section 504 and its regulations as they now exist or as they may hereafter be amended.

ARTICLE VI. MAINTENANCE, UPKEEP, REPAIR & REPLACEMENT OF COMMON AREAS

1. OWNER & ASSOCIATION RESPONSIBILITIES. Owners are responsible for maintenance, upkeep, repair, and replacement of their Lots and all structures and Improvements located thereon. Common Areas, and the Private Alley, will be maintained by the Association with the use of Assessments collected as described below. Payments for the maintenance of Common Areas, the Private Alley, and other common expenses will be made from the accounts kept by the Association in accordance with the Declaration. The Board may approve payment vouchers for the maintenance, upkeep, repair, and replacement of the Common Areas, the Private Alley, and other common expenses at a regular Board meeting with a majority vote of the Board. The Board may employ or contract with personnel necessary to perform any maintenance, upkeep, repair, or replacement obligations of the Board.

2. OWNER DAMAGE. Nothing in this Article VI shall relieve the Owner from the responsibility to repair or replace any damage or destruction to Common Areas, the Private Alley, or any Lots or Improvements within the Community caused by the negligent or willful acts of an Owner or the Owner Parties of such Owner.

**ARTICLE VII.
ASSESSMENTS, RECORDS, AND REPORTS**

1. STATEMENTS. Annually the Association shall provide a written statement of the Assessments due for each Lot. The Association shall also provide a statement within ten (10) business days of receipt of a written request from a Member. The statement shall provide the amount of Assessments due from the Owner and unpaid at the time the request was received, including:

- (a) regular and special assessments;
- (b) fines and other charges;
- (c) accrued interest; and
- (d) late payment charges.

2. RECALCUATION OF ASSESSMENTS DUE TO ANNEXATION/LAND DIVISION. Additional property is to be annexed into the Community pursuant to ORS 94.580(3) and the Declaration. New Lots added during the fiscal year, whether by annexation or land division, will be responsible for paying a pro rata share of the assessments based on the number of months left when the new Lots were added.

3. REPORTS AND AUDITS. An annual financial statement consisting of a balance sheet and an income and expense statement for the preceding year shall be rendered by the Board to all Owners and to all mortgagees who have requested the same within ninety (90) days after the end of each fiscal year. If the annual assessments exceed \$75,000.00 for the year, then the Board shall cause such financial statements to be reviewed within one hundred eighty (180) days after the end of the fiscal year by an independent certified public accountant licensed in Oregon in accordance with the Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants, or if the annual assessments are \$75,000.00 or less, shall cause such review within one hundred eighty (180) days after receipt of a petition requesting such review signed by at least a majority of the Members. The Board need not cause such a review to be performed if so directed by an affirmative vote of at least sixty percent (60%) of the Owners, not including votes of Declarant with respect to Lots owned by Declarant. From time to time, the Board, at the expense of the Association, may obtain an audit of the books and records pertaining to the Association and furnish copies thereof to the Members. At any time, any Owner or mortgagee may, at their own expense, cause an audit or inspection to be made of the books and records of the Association.

4. RECORDS. The Association shall produce correct and complete financial records sufficiently detailed for proper accounting purposes; minutes of the proceedings of its Members, the Board, and committees having any of the authority of the Board; and retain all documents, information and records turned over to the Association by Declarant. All documents, information, and records delivered to the Association by Declarant pursuant to ORS 94.616 and other records of the Association shall be kept within the State of Oregon for the time periods specified in ORS 94.670.

5. INSPECTION OF RECORDS. Except as otherwise provided in ORS 94.670(9)(b), during normal business hours or under other reasonable circumstances, the Association shall make reasonably available for examination and, upon written request, available for duplication, by Owners, lenders, and holders of any mortgage of a Lot that make the request in good faith and for a proper purpose, current copies of the Declaration, Articles, Bylaws, Rules and

Regulations, amendments or supplements to such documents, and the books, records, financial statements, and current operating budget of the Association. The Association shall maintain a copy, suitable for purposes of duplication, of each of the following: (a) the Declaration, these Bylaws, the Rules and Regulations, the Plat, and any amendments or supplements to them; (b) the most recent financial statement of the Association; (c) the current operating budget of the Association; and (d) the ARC Rules and Guidelines, if any. The Association, within ten (10) business days after receipt of a written request by an Owner, shall furnish copies of such documents to the requesting party. Upon written request, the Association shall make such documents, information, and records available to such persons for duplication during reasonable hours. The Board, by resolution, may adopt reasonable rules governing the frequency, time, location, notice, and manner of examination and duplication of Association records and the imposition of a reasonable fee for furnishing copies of such documents, information, or records. The fee may include reasonable personnel costs for furnishing the documents, information, or records, as well as costs for supplies.

6. EXECUTION OF DOCUMENTS. The Board may, except as otherwise provided in the Declaration, Articles, or these Bylaws, authorize any officer or agent to enter into any contract or execute any instrument in the name of and on behalf of the Association. Such authority may be general or confined to specific instances. Unless so authorized by the Board, no officer, agent, or employee shall have any power or authority to bind the Association by any contract or engagement, to pledge its credit, or to render it liable for any purpose or for any amount.

ARTICLE VIII. INDEMNIFICATION: INTERESTED PARTIES

1. INDEMNIFICATION. The Association shall indemnify to the fullest extent permitted by the Oregon Planned Community Act and the Oregon Nonprofit Corporation Act any person who has been made, or is threatened to be made a party to an action, suit, or proceeding, whether civil, criminal, administrative, investigative, or otherwise (including an action, suit, or proceeding by or in the right of the Association) by reason of the fact that the person is or was a director or officer of the Association. The right to and the amount of indemnification shall be determined in accordance with the provisions of the Oregon Planned Community Act and the Oregon Nonprofit Corporation Act in effect at the time of determination.

2. INTERESTED PARTIES. A director of the Association shall not be disqualified by the director's office from contracting with the Association as vendor, purchaser, or otherwise; nor shall any contract or arrangement entered into by or on behalf of the Association in which any director is in any way interested be avoided on that account; provided that such contract or arrangement shall have been approved or ratified by a majority of the Board without counting the interested director, although such director may be counted toward a quorum, and the interest shall have been disclosed or known to the approving or ratifying directors.

ARTICLE IX. COMMITTEES

1. GENERAL. Committees to perform such tasks and to serve for such periods as may be designated by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present are hereby authorized. Such committees shall perform such duties and have such powers as may be provided in the resolution. Each committee shall be composed as required by law and shall operate in accordance with the terms of the resolution of the Board designating the committee or with rules adopted by the Board.

ARTICLE X. AMENDMENTS

- 1. AMENDMENT PROPOSALS.** Amendments to these Bylaws shall be proposed by either a majority of the Board or by Members holding at least thirty percent (30%) of the voting rights entitled to be cast for such amendment. The proposed amendment must be reduced to writing and shall be included in the notice of any meeting at which action is to be taken thereon or be attached to any request for consent to the amendment.
- 2. PRIOR TO TURNOVER.** Any amendment prior to Turnover shall require the approval of a majority of the Members and shall require the consent of the Declarant.
- 3. FOLLOWING TURNOVER.** Following Turnover, as defined below, these Bylaws may be altered, amended, or repealed and new Bylaws may be adopted by the approval of a majority of the Members.
- 4. ADOPTION.** A proposal to amend the Bylaws may be voted on at any regular or special meeting of the Members or may be adopted by written ballot in lieu of a special meeting.
- 5. PERFECTION.** An amendment to these Bylaws shall not be effective until: (i) certified by the President and Secretary of the Association as being adopted in accordance with these Bylaws and ORS 94.625, and (ii) acknowledged and recorded in the Deschutes County Official Records.

ARTICLE XI. MISCELLANEOUS

- 1. FISCAL YEAR.** The Board may determine the fiscal year of the Association by resolution.
- 2. PARLIAMENTARY RULES.** Except as may be modified by Board resolution establishing modified procedures, Robert's Rules of Order (current edition) shall govern the conduct of Association proceedings when not in conflict with Oregon law, the Articles, the Declaration, or these Bylaws.
- 3. NEUTRALITY.** The Association shall be nonpartisan and nonsectarian.
- 4. COMPLIANCE WITH THE PLANNED COMMUNITY ACT; SEVERABILITY.** These Bylaws are intended to comply with the provisions of the Oregon Planned Community Act, ORS 94.550 – 94.783. In case of any conflict among the provisions of the Planned Community Act, the Articles, the Declaration, or these Bylaws, the provisions of the Planned Community Act, Articles, Declaration, and Bylaws (in that order) shall prevail. If any provision of these Bylaws is deemed unenforceable in any respect by a court of competent jurisdiction, such unenforceability shall not affect the enforceability of such provision in any other respect or that of the remaining provisions of these Bylaws.

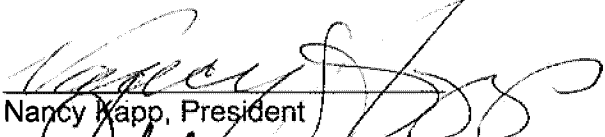
5. NOTICES. Any notices required or permitted by these Bylaws shall be delivered in accordance with this Article XI, Section 5. All notices to the Association or to the Board shall be sent care of the manager of the Association, or if there is no manager, to the registered agent of the Association then on file with the Secretary of State. All notices to any Owner shall be sent to such address as may have been designated by such Owner from time to time, in writing, to the Board, or, if no address has been designated, then to then current address of record for the particular Lot on file with the Deschutes County Assessor's Office. All notices to any mortgagee or other person or entity entitled to notice shall be sent to such address as may have been designated by such person or entity from time to time, in writing, to the Board. All notices may be sent by: (i) messenger service (or hand delivery); (ii) overnight courier service; or (iii) regular U.S. mail. Notwithstanding the foregoing, in the discretion of the Board, any notice, information, or other written material required to be given to an Owner or director under this Declaration or the Bylaws or pursuant to the Act may be given by electronic mail, facsimile or other form of electronic communication acceptable to the Board; provided that electronic mail, facsimile, or other form of electronic communication may not be used to notify an Owner of: (i) the failure to pay an assessment; (ii) the foreclosure of an Association lien under ORS 94.709; or (iii) an action the Association may take against the Owner. Additionally, an Owner or director may decline to receive notice by electronic mail, facsimile, or other form of electronic communication and may direct the Board in writing to provide notice in any other manner permitted under this Declaration or the Act. Notices shall be deemed delivered on the date the notices are sent in accordance with the procedures outlined herein except that notices delivered by regular U.S. mail shall be deemed delivered two (2) business days after the postmark date.

6. DISPUTES. Any dispute regarding enforcement, interpretation, or the validity of these Bylaws shall be resolved in the manner prescribed in Article 8 of the Declaration.

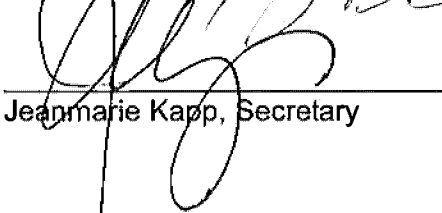
[Signatures and notaries follow]

NOW THEREFORE, the undersigned, being directors and officers of the Grand Peaks at Sisters Association, do hereby certify that these Bylaws have been duly adopted in accordance with the Articles, the Declaration, and the Oregon Planned Community Act.

GRAND PEAKS AT SISTERS ASSOCIATION



Nancy Kapp, President

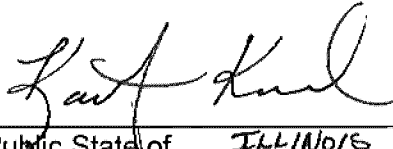


Jeanmarie Kapp, Secretary

State of ILLINOIS, County of COOK) ss.

This instrument was acknowledged before me this 22nd day of AUGUST, 2018, by Nancy Kapp as President of Grand Peaks at Sisters Association.

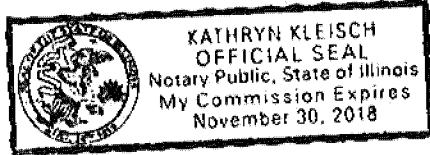


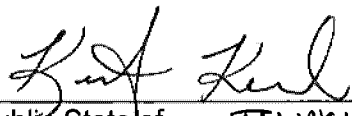


Notary Public State of ILLINOIS

State of ILLINOIS, County of COOK) ss.

This instrument was acknowledged before me this 22nd day of AUGUST, 2018, by Jeanmarie Kapp as Secretary of Grand Peaks at Sisters Association.





Notary Public State of ILLINOIS

EXHIBIT A
LEGAL DESCRIPTION OF THE COMMUNITY

Lots 1-31, Tracts A, B, F, GRAND PEAKS AT SISTERS, Sisters, Deschutes County, Oregon duly recorded on February 14, 2018 as Document No. 2018-05999 in the Deschutes County Official Records.

Lots 32-38, Tracts G-H, GRAND PEAKS AT SISTERS, PHASE 2, Deschutes County, Oregon duly recorded on July 10, 2018 as Document No. 2018-28207 in the Deschutes County Official Records.