

EXHIBIT A
BY-LAWS
OF
MILLER BAY YACHT & BEACH CLUB

ARTICLE I
Purposes

Section 1. This corporation shall be conducted as a non-profit corporation for the purposes set forth in Articles of Incorporation.

Section 2. The purposes for which this corporation was created may be altered, modified, enlarged, or diminished by a vote of a majority of the membership at a meeting duly called for such purpose, notice of which meeting shall be given as herein provided.

ARTICLE II
Membership

Section 1. The membership of the corporation shall consist of and be limited to the incorporator and the owners or purchasers of lots in the area described as follows:

Plat of Miller Bay Yacht & Beach Club and any additions or areas adjacent thereto which hereafter may be developed as division of Miller Bay Yacht & Beach Club, in the County of Kitsap, State of Washington.

The privileges and facilities of the corporation shall be extended to the spouse and children of a member and may be extended to guests under such rules and regulations as the Board of Directors may prescribe.

Section 2. The membership shall be inseparably appurtenant to the lot or lots owned or being purchased by the members and upon the transfer of ownership or the making of a contract for the sale therefore, the membership appurtenant thereto shall be deemed to be transferred to the contract purchaser or grantee. No membership may be conveyed or transferred in any other way inter vivo. In the event of the death of the member, his membership shall pass in the same manner and to the same persons as does the lot or lots.

Section 3. Lot owners or purchasers shall have one membership regardless of the number of lots so owned or purchased. Such membership shall be entitled to cast one vote for each lot owned. The purchaser under a contract of purchase shall be deemed to be an owner for membership purposes. If any lot is held by two or more persons the several owners of the lot shall be entitled collectively to cast one vote, or if more than one lot is held by two or more persons, the several owners shall be entitled collectively to cast one vote for each lot so owned. The vote of any membership owned by a single marital community may be cast by either spouse without presentation of authority from the other, but if both are present, it shall be cast by the husband.

Section 4. No membership shall be forfeited nor any member expelled except for the non-payment of dues, then only subject to the discretion of the trustees upon a majority vote of the

trustees, and no member may withdraw except upon the transfer of title to or contracting for the sale of the lot to which his membership is appurtenant. No compensation shall be paid by the corporation upon transfer of membership and no member whose membership is transferred shall be entitled to share or participate in any of the property or assets of the corporation.

ARTICLE III

Section 1. Annual meetings of the corporation shall be held at the principal place of business of the corporation or at such other place as the Board of Directors may elect on the second Sunday in September of each year at the hour of 12:01 o'clock P.M. Written or printed notice stating the place, day and hour of the meeting shall be delivered not less than ten (10) nor more than fifteen (15) days prior to the date of the meeting, either personally or by mail, by or at the direction of the president, or secretary, or the officers or persons calling the meeting, to each member entitled to vote at such meeting. At such meeting, the members shall elect the Board of Directors as herein provided and transact such other business as may properly come before them.

Section 2. Special meetings of the members may be called by the President or by the Board of Directors. Special meetings may also be called by members having 1/20th of the votes entitled to be cast at any such special meeting. Notice of any special meeting shall be given in the manner provided for notice of annual meetings and in addition thereto shall state therein the purpose or purposes for which the meeting is called.

Section 3. At the annual and special meetings of the members of the corporation, a majority of members present in person or by written proxy filed with the secretary at or before the meeting, shall constitute a quorum for the transaction of any business appropriate to a members' meeting, except as provided in Article VIII, Section 1. A majority of the votes of the members constituting a quorum shall be sufficient to transact business unless a greater number of votes is required by law, the Articles of Incorporation, or these By-Laws, with respect to some specified action.

ARTICLE IV Board of Directors

Section 1. The corporate powers of this corporation shall be vested in and exercised by or under authority of a Board of Directors. The number of directors who shall manage the affairs of this corporation shall be not less than three (3), the exact number thereof to be fixed by the members of the corporation from time to time at any annual or special meeting called for that purpose.

Section 2. The directors selected by the members at the first annual meeting to succeed the then existing directors named in the Articles of Incorporation shall be elected for a term of one year, or until their successors are duly elected and qualified, each trustee shall be a member in good standing.

Section 3. In the event a director other than an incorporator can no longer qualify as an owner or purchaser of a lot and ceases to be a member, he shall thereupon also automatically cease to be a director and his office shall become vacant without the necessity of any action the board, which shall, nonetheless, spread that fact upon the minutes of its next meeting. Any vacancy occurring in the Board of Directors filled by appointment by a majority of the remaining directors. A director appointed to fill a vacancy shall hold office until the next annual meeting of the members at which time they shall elect a director to fill the unexpired balance of the term, if any, or the office in which the vacancy occurred.

Section 4. The Board of Directors shall meet annually after and immediately following the annual meeting of the members . The Board of Directors may hold special meetings , either quarterly or otherwise, which shall be called by the secretary, the president, or a majority of the board. The secretary shall give each director notice personally, verbally, or by mail, or telephone, or wire, of all regular and special meetings sufficient to enable such director to attend, and in any case, at least five days' notice in advance. The written waiver of notice signed by the directors, whether before or after the time fixed in the required notice, or the presence of the director at the meeting without formal objection on the ground of want of notice shall be deemed the equivalent of the required notice for all purposes.

Section 5. A majority of the directors shall constitute a quorum for the transaction of any business.

ARTICLE V
Duties of Directors

Section 1. Subject to any limitation in the Articles of Incorporation and these By-Laws, and the laws of the State of Washington, all the business and affairs of the corporation shall be controlled and conducted by the Board of Directors. Without prejudice to such general powers, and subject to the same limitations, it is hereby expressly agreed that the directors shall have the following duties:

- (a) To elect and remove all the officers, agents and employees of the corporation, prescribe such powers and duties for them as may be consistent with the laws of the State of Washington, the Articles of Incorporation, and these By-Laws, fix their compensation, if any, and require from them security for faithful performance.
- (b) To cause to be kept a complete record of all minutes and acts and to present a full statement to the regular annual meeting of the members, showing in detail the condition of the affairs of the corporation: to cause to be kept a complete membership list of all members.
- (c) To fix and establish the annual dues and any other special assessments in accordance with these By-Laws.

Section 2. Members of the Board of Directors shall receive no compensation for their services to the corporation, but shall be reimbursed by it for such reasonable expenses as they may necessarily incur in pursuance of the business of the corporation.

ARTICLE VI
Officers

Section 1. The Board of Directors at its annual meeting immediately following the annual meeting of the members shall elect a president, vice-president, secretary and treasurer, each of whom shall be members of the corporation. The board may, in its discretion, combine any two offices except that of president and secretary. Officers shall serve for a term of one year from the time of their election and/or their successors are duly elected and qualified. The Board may also at any time appoint and executive secretary or an assistant secretary and/or assistant treasurer who need not have membership in the corporation and whose term of office shall coincide with those of the officers who they assist.

Section 2. Any officer may be suspended or removed by a majority vote of all the directors. Any vacancy occurring in an elective office shall, and any vacancy occurring in an appointed office may, be filled by the Board of Directors upon a majority vote thereof.

Section 3. Officers shall be reimbursed by the corporation for such reasonable expenses as may necessarily incur in pursuance of the business of the corporation. The Board of Directors may authorize compensation for any officer.

ARTICLE VII Duties of Officers

Section 1. The president shall act as chairman at all meetings of the members and preside at all meetings of the Board of Directors. He shall sign as president all contracts or instruments for the corporation and perform such other duties as may be required of him by the Board of Directors.

Section 2. The vice-president shall preside at all meetings in case of the absence or disability and shall perform such other duties as the Board of Directors may require.

Section 3. The secretary shall issue all notices and shall attend and keep the minutes of all meetings of the members and of the board. He shall have charge of all corporate books, records, papers and the corporate seal. He shall attest with his signature and impress with the corporate seal all instruments executed for the corporation. He shall perform all such other duties as are incidental to his office or as may be required by the Board of Directors.

Section 4. The treasurer shall receive, keep safely and deposit in such bank or banks as may be designated by the Board of Directors, all funds, securities and liquid assets of the corporation, in its name, and for its account. He shall disburse the funds of the corporation only under the direction of the Board of Directors on checks signed by himself and one other officer of the corporation. He shall keep full and accurate books of account and shall make such reports of the finances and transactions of the corporation as may be required by the Board of Directors and shall prepare and present to the annual meeting of the members a full statement showing in detail the financial conditions of the affairs of the corporation.

ARTICLE VIII Dues and Assessments

Section 1. For purpose of financing the activities of the corporation, it is hereby declared that all the lots within the jurisdiction of the corporation shall charged and/or assessed dues at the rate of \$100.00 per lot per year, with the exception that any lots retained in ownership by the developers of the property, as hereinabove set out, and as being within the jurisdiction of the corporation, shall not be assessed until such time as the developers shall perfect a sale thereof, which ordinary annual dues and/or charges shall be the member's dues, fixed by the affirmative vote of the majority the members of the Board of Directors for each year after the initial year at a meeting of the Board of Directors & held immediately following the annual meeting of the members. The dues may be changed by affirmative vote of a majority of the Board at any special or annual meeting .

Section 2. The annual dues shall be due and payable January 1st of each and every year; in the event any sale is made by the developers of the subject property subsequent to January 1st of any year

then the annual dues shall be prorated on a monthly basis commencing at the first of the month following date of sale. Thereafter, dues shall be on an annual basis as above provided

Section 3. Any dues herein set forth and/or authorized shall be and become a lien upon the property of the membership if not paid when due, provided that said lien shall be inferior to wit mortgage liens heretofore existing or hereafter placed upon any lot or lots.

ARTICLE IX
Amendments

Section 1. These By-Laws may be amended at any time by a vote of a majority of the membership of the corporation.

ARTICLE X
Corporate Seal

Section 1. The seal of the corporation shall be in circular form and shall contain the words

MILLER BAY YACHT & BEACH CLUB
Corporate Seal
Washington
1983

in the form and style as affixed in these By-Laws by the impression of said corporate seal.