

## BYLAWS OF UPLANDS EASEMENT CORPORATION

### ARTICLE I. DEFINITIONS

As used in these "Bylaws," the following terms shall have the meanings given below:

1. "Association" means the Uplands Easement Association, a mutual benefit nonprofit corporation organized and existing under the laws of the State of Oregon.
2. "Lot" means any numerically designated or plated plot of land that is entitled to lake privileges as set forth in that certain deed granting lake easement rights which has been recorded in Book 457, Page 399, Deed Records of Clackamas County, Oregon.
3. "Owner" means the owner (or owners) or purchaser (or purchasers) of record of a Lot, whether one or more persons, including contract sellers or buyers, but excluding those having such interest in a Lot as security for the performance of an obligation, except as otherwise expressly provided.
4. "Member" means any person (or persons) who is an Owner and who is in good standing with the Association or any Owner sponsored lessee (or lessees). A person is not a "Member" if the person does not actually reside in and occupy a Lot. An Owner who is sponsoring a lessee (or lessees) is not a "Member" unless that person (or persons) owns, resides in, and occupies another Lot.
5. "Member's Immediate Family" means (a) a Member's spouse, domestic partner or significant other; (b) parents; (c) children and any child's spouse, domestic partner or significant other; (d) grandchildren; and (e) any relatives actually residing with the Member.
6. "Guest" means anyone other than a Member or a Member's Immediate Family.
7. "Good standing" means that a Member has paid the Association all assessments, dues, and fees required by the Association and does not have any outstanding assessments, dues, or fees owed to the Association.
8. "Director" means any member of the Board of Directors of the Association.
9. "Officer" means the President, the Vice-President, the Secretary, or the Treasurer.
10. "LOC" means the Lake Oswego Corporation.
11. "Articles of Incorporation" means the Articles of Incorporation of the Association and/or any Amended and/or Restated Articles of Incorporation of the Association.
12. "The Board" constitutes the collective of the Association's Directors, made up of the President, Vice-President, Secretary, and Treasurer.

### ARTICLE II. MEMBERSHIP

1. **Membership.** Any person who is an Owner and who actually resides in and occupies a Lot shall be eligible for membership in the Association. Any Owner sponsored lessee who actually resides in and occupies a Lot is also eligible for membership in the Association. An Owner and the Owner's sponsored lessee cannot be Members at the same time unless the Owner of the leased Lot owns, resides in, and occupies another Lot. Membership in the Association is not transferable. Membership may not be separated from ownership of one or more Lots.
2. **Membership List and Reporting.** The Secretary shall maintain a membership list showing the name and address, including the e-mail address, if any, of each Member.
3. **Membership Dues and Fees.** The annual dues of all Members shall be the sum fixed from time to time by the Board of Directors. If the Association does not receive the Member's dues payment by April 1st of

each year, the Member will be subject to a late membership fee. Dues shall not be pro-rated even if membership is for a period of less than a year.

- 3.1. **New Member Initiation Fee.** A new member initiation fee shall be the sum fixed from time to time by the Board of Directors. A new Member, as a condition of membership in the Association, is required to pay the Association the new member initiation fee with the application and annual dues. A Member who, for any reason, ceases being a Member for a year or more is required to pay the new member initiation fee as a condition of reinstating the Member's membership in the Association.
- 3.2. **Late Payment Fee.** A Member is required to pay the Association a late fee fixed from time to time by the Board of Directors, if the Association has not received the Member's annual dues on or before April 1st of each year. Late fees do not apply to a new Member.
4. **Membership Duration.** Membership automatically expires on February 28th of each year, regardless of when the Association receives a Member's annual dues, and is reinstated on March 31st of each year if the Association receives a Member's application and annual dues on or before that date. If the Association does not receive a Member's annual dues on or before April 1st of a given year, membership is reinstated once the Association receives the Member's annual dues unless the Member has ceased to be a Member for a year or more, in which case the Association must receive the Member's annual dues and new member initiation fee to reinstate the Member's membership.
5. **Compliance with Rules and Laws.** Each Member is responsible for requesting and at all times obeying these Bylaws, the Articles of Incorporation, all other applicable rules, policies, and laws, and the LOC's rules including, but not limited to, those rules set forth in the Lake Oswego Corporation Rules and Handbook. Each Member is also responsible for ensuring that the Member's Immediate Family and Guests understand and at all times obey these Bylaws, the Articles of Incorporation, all other applicable rules, policies, and laws, and the LOC's rules including, but not limited to, those rules set forth in the Lake Oswego Corporation Rules and Handbook.
6. **Removal of Members.** Membership in the Association may be revoked by an affirmative vote of 90% of the Members present at any annual meeting of the Members, or at any special meeting of the Members called for that purpose, for conduct prejudicial to the Association, provided that such Member shall have first been served with a written notice of the reasons for the expulsion and the accusations against the Member at least 15 days before such meeting and shall have been given an opportunity to produce witnesses, present evidence, and to be heard at the meeting at which such vote is taken. The Members shall take into consideration all of the relevant facts and circumstances in deciding whether or not the Member should be removed. Any written notice given by mail must be given by first class or certified mail sent to the last address of the Member subject to removal as shown on the Association's records.

### **ARTICLE III. MEETINGS AND VOTING OF MEMBERS**

1. **Annual meeting of members.** The annual meeting of the Members for the election of the Board of Directors and for the transaction of such other business as may properly come before the meeting shall be held in the first week of April of each year, or on such other date as the Board of Directors may designate.
  - 1.1. **Delayed Annual Meeting.** If, for any reason, the annual meeting of the Members is not held as above designated, such meeting may be called and held after 10 days' notice, and the same proceedings may be had at such meeting as at a regular annual meeting.
  - 1.2. **Annual Meeting Order of Business.** The order of business at the annual meeting of the Members shall be:
    - (i) Roll Call;
    - (ii) Approval of the minutes of the last meeting;
    - (iii) Report of the President;
    - (iv) Report of the Vice-President;
    - (v) Report of the Treasurer;

- (vi) Report of the Secretary;
- (vii) Transaction of other business;
- (viii) Election of Officers; and
- (ix) Adjournment;

provided that in the absence of objection of at least three Members, the Officer or other person presiding over the meeting may vary the order of business.

- 1.3. **Place of Annual or Other Meetings.** The annual and other meetings of the Members shall be held within the City of Lake Oswego, Oregon or within 10 miles of the City of Lake Oswego at such place convenient to the Members as may be designated by the Board of Directors in the notice of the meeting.
2. **Quorum of Members.** Presence in person or by proxy of ten Members, exclusive of the Officers, shall constitute a quorum.
3. **Voting.** Each Member, including the Officers and other members of the Board of Directors, is entitled to one vote, either in person or by written proxy, at each meeting of the Members. In any case in which two or more persons share ownership or are lessees of a Lot, they shall have only one vote. Thus, the vote or consent of any one or more of such persons shall constitute the vote or consent of the entire ownership or lessee interest; provided, however, that in the event such persons disagree among themselves as to the manner in which any vote or right of consent held by them shall be exercised with respect to a pending matter, any such person may deliver written notice of such disagreement to the Secretary or announce such disagreement at the meeting where the matter is being considered. Under those circumstances, if there is an equal number for and against the matter, the vote or right of consent involved shall cancel each other's vote or consent and the vote or consent shall be regarded as an abstention in determining the number of votes or consents given with respect to such matter. But, if the Member has an uneven number of persons entitled to vote or consent on the matter, the majority of those individuals will determine how the Member consents or votes, and that vote will be counted.
  - 3.1. **Proxies.** Proxies must be in writing and are valid only for the particular meeting for which they are designated. Proxies must be given to the Secretary or President, or other designated person, before, at, or during such meeting.
  - 3.2. **Majority Vote.** Any matter may be decided by the majority of the votes cast by the Members present in person or by proxy at a properly noticed meeting where a quorum is present, unless a greater number of votes are required by law, the Articles of Incorporation, or these Bylaws.
4. **Notice of Meetings.**
  - 4.1. **Form of Notice.** Notice of a meeting of the Members may be written or printed and may be given separately or included in a newsletter. Such notice shall state the date, time, and place of the meeting and, in the case of a special meeting, the purpose(s) for which the meeting is being called. Notice may be sent via e-mail (in lieu of mailing or personal delivery) to those Members who consent in writing to receive notices, mailings, and the like via e-mail.
  - 4.2. **Delivery of Notice of Annual Meeting.** Notice of an annual meeting of the Members, at the direction of the President, the Secretary, or the person(s) calling the meeting, whether given separately or included in a newsletter, shall be delivered to each Member not less than 10 nor more than 60 days before the date of the meeting. With respect to Members who have consented in writing to receive notices via e-mail, such notices via e-mail shall be transmitted to each such Member not less than 10 nor more than 60 days before the date of the meeting. Notice of an annual or special meeting by mail shall be deemed to be delivered three days after being deposited in the United States mail, with postage fully prepaid thereon, addressed to the Member at the Member's most recent address as it appears on the records of the Association. Similarly, notice of an annual or special meeting of a Member who has consented in writing to receive notices, mailings, and the like via e-mail may be given by electronic transmission when electronically transmitted to a Member at the Member's most recent electronic address as it appears on the records of the Association, and shall be deemed to be delivered when sent, unless the transmission reflects a failure. Should that occur, mailing or personal delivery should occur.
5. **Special Meeting.** A special meeting of the Members may be called at any time by the President, a majority of the Board of Directors, or by 10 Members. At least seven days before the date fixed for the holding of any special meeting of the Members, written and/or electronic transmission notice, as provided in paragraph 4 above, of the date, time, place, and purpose(s) of such meeting shall be sent,

as provided above, to each Member entitled to vote at such meeting. If exceptional circumstances require an immediate meeting, the Notice period can be reduced to three days. Except for exceptional reasons as determined by the Board, no business not mentioned in the notice shall be transacted at such special meeting.

6. **Action by Written Ballot.** Any action that may be taken at any annual or special meeting of the Members, unless prohibited or limited by law, the Articles of Incorporation, or these Bylaws, may be taken without a meeting if the Association delivers a written ballot to each Member entitled to vote on the matter. A written ballot shall set forth each proposed action and shall provide an opportunity to vote for or against each proposed action.
  - 6.1. **Approval of Action by Written Ballot.** Approval of an action by written 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 required to approve the matter.
  - 6.2. **Solicitations for Votes by Written Ballot.** All solicitations for votes by written ballot shall:
    - 6.2.1. **Responses.** Indicate the number of responses needed to meet the quorum requirements;
    - 6.2.2. **Passing approval.** State the percentage of approvals necessary to approve each matter other than election of Officers or Directors; and
    - 6.2.3. **Response time period.** Specify a reasonable time by which a ballot must be received by the Association in order to be counted.

#### ARTICLE IV. OFFICERS

1. **Principal Officers.** The principal officers of the Association shall consist of the President, the Vice-President, and the Treasurer, who shall also be Members of the Board of Directors (the "Officers/Directors").
2. **Other Officers.** Other officers and assistant officers as may be deemed necessary, may be elected or appointed by a majority of the Board of Directors. Any two or more of these other offices may be held by the same Member.
3. **Election of Officers and Term of Office.** The Officers/Directors shall generally be elected at the annual meeting of the Members. Each Officer/Director shall hold office until the Officer/Director's successor has been duly elected or appointed and has accepted office or until the Officer/Director's death or until the Officer/Director resigns or has been removed in the manner hereinafter provided. Any Officer/Director is eligible for reelection or reappointment. Normally, the Officers elected at the annual meeting in February or March, would take their elected office the next April 1st following the meeting.
4. **General Practice of Selecting Officers Who are Also Directors.** The Association's general practice has been to initially elect a Member as the Maintenance Officer. After serving the year with merit as the Maintenance Officer and, upon reelection, the Member then serves one year as Secretary, then one year as Treasurer, and then one year as President. However, this practice is subject to change or modification at any time by either the Board of Directors or the Members. For example, if Member "Smith" is elected in 2008 as the Maintenance Officer he/she will normally stand for election as Secretary in 2009. Then, in 2010, member "Smith" would stand for election as Treasurer. Finally, in 2011, Member "Smith" would normally stand for election as President.
5. **Sharing of Office.** Because a Member frequently includes two persons, such as a husband and wife, a domestic partnership, or a significant other relationship, both such individuals have been and will continue to serve together as a "Team" President, Secretary, Treasurer, and Maintenance Officer (the Officers/Directors), as well as for any other non directorship office or committee of the Association. However, each Team shall have only one vote when acting as a Member of the Board of Directors or on any other committees of the Association. When the "Team" has a conflict on an issue, paragraph 3 of ARTICLE III shall govern how their vote is to be counted.
6. **President.** The President shall be the Chief Executive Officer of the Association. The President shall, subject to the direction of the Board of Directors, have general supervision, direction, and control of the business and affairs of the Association and shall see that all orders and resolutions of the Board of Directors are carried into effect. The President shall have the general powers and management usually vested in the office of president of a nonprofit corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors. The President shall be the presiding Officer at all meetings of the Board of Directors and the Members. The President shall also be an ex officio member

of all committees. The Treasurer shall perform the duties and exercise the powers of the President during the absence or disability of the President, together with such powers as the President may delegate.

7. **Treasurer.** The Treasurer shall be the Chief Financial Officer of the Association. The Treasurer shall keep, or cause to be kept, complete and correct records of account showing the financial condition of the Association and present the Board of Directors with regular statements of the cash flow and financial condition of the Association. The Treasurer shall have custody of all moneys, notes, securities, and other valuables that may come into the possession of the Association. The Treasurer shall deposit, or cause to be deposited, all moneys, notes, securities, and other valuables belonging to the Association in such depositories as may be designated for that purpose by the Board of Directors. The Treasurer shall disburse the Association's funds as may be authorized by the Board of Directors, taking proper receipts or vouchers for such disbursements. The Secretary shall perform the duties and exercise the powers of the Treasurer during the absence or disability of the Treasurer.
8. **Vice-President.** At least one vice president shall be chosen from the membership of the Corporation. The vice president shall perform the duties and exercise the powers of the president during the absence or disability of the president together with such powers as the president shall delegate.
9. **Secretary.** The Secretary shall attend meetings of the Board of Directors and the Members and shall prepare and keep, or cause to be prepared and kept, true minutes of the proceedings of all such meetings in the books and records of the Association. The Secretary shall give, or cause to be given, all notices required by law, the Bylaws, the Articles of Incorporation, or by resolution and shall perform such other duties as may be delegated to the Secretary by the President or the Board of Directors. The Maintenance Officer shall perform the duties and exercise the powers of the Secretary during the absence or disability of the Secretary.

#### **ARTICLE V. BOARD OF DIRECTORS**

1. **General Powers.** Except for the matters that are reserved to the Members, all business and affairs of the Association shall be managed by the Board of Directors, including the creation and enforcement of rules applicable to Members and the enforcement of the Bylaws and the Articles of Incorporation.
2. **Number.** The Board of Directors shall consist of the President, the Vice-President, the Treasurer, and the Secretary (the "Officers/Directors"), and the last three immediate past Presidents (if still active Members) who choose to continue on the Board of Directors (the "Non-Officer Directors"). It is intended that there shall be seven Members on the Board of Directors. Thus, if any of the last three immediate past Presidents are not eligible or do not wish to serve on the Board of Directors, the Members or the Board of Directors will choose a replacement Non-Officer Director.
3. **Nomination and Election.** The Board of Directors shall nominate candidates for the offices of President, Treasurer, and Vice-President Secretary, and the Maintenance Officer, and to replace any Non-Officer Director who cannot or will not serve on the Board of Directors. Other candidates can be nominated by any Member at the meeting where the election is scheduled to take place. Voting for each Officer and such other Non-Officer Directors (if any of the Non-Officer Directors cannot or will not serve as a Non-Officer Director) shall occur at the annual meeting of the Members. Candidates shall be elected by an affirmative vote of the Members present. The Officers so elected, along with the three immediate past Presidents, if still active Members who choose to serve on the Board of Directors, or the other Members elected in their place if a former President is not an active Member or who chooses not to serve on the Board of Directors, shall be members of the Board of Directors.
4. **Resignation.** Any Officer/Director, or Non-Officer Director, may resign at any time by delivering written notice of resignation to an officer. Such resignation shall be effective upon receipt unless specified therein to be effective at a later time. The Board of Directors may reject any postdated resignation by written notice addressed to the resigning Director. The Board of Directors may deem that an Officer/Director or a Non-Officer Director has resigned if the Officer/Director or Non-Officer Director refuses or fails to perform the Officer/Director's or the Non-Officer Director's duties without good cause.
5. **Removal.** The Board of Directors may remove an Officer/Director or a Non-Officer/Director, with or without cause, by the affirmative vote of a majority of the Directors then in office, at any meeting of the Board of Directors.
6. **Vacancies.** Vacancies in the Board of Directors shall be filled by appointment made by the remaining Directors then in office. Any person appointed to fill a vacancy in the Board of

Directors may be eligible for re-election.

7. **Meetings of the Board of Directors.** The Board of Directors shall meet at such time and place as may be set by the President. Any three Directors may call a meeting of the Board of Directors to consider any subject for which those Directors are responsible or are concerned.
  - 7.1. **Notice of Meetings.** Except when there is an emergency or a matter arises that calls for immediate action, the President (or the Directors calling the meeting) shall give seven days written notice to the Directors of the date, time, place, and general business to be transacted at such meeting. Notice of such meeting may be given personally, by mail, or by electronic transmission. Notice by electronic transmission is effective when electronically transmitted to the Director in the manner prescribed by the Director's designated e-mail address as it appears on the records of the Association. Notice by mail is effective when deposited in the United States mail, addressed to a Director at the Director's most recent address as it appears on the records of the Association.
  - 7.2. **Waiver of Notice.** Notice of a meeting of the Board of Directors may be waived in writing, signed by the Director entitled to such notice, or orally, either before or after such meeting. Furthermore, attendance at a meeting of the Board of Directors shall constitute a waiver of notice of such meeting, except when the 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.
  - 7.3. **Meeting by Telephone or Video Conference.** The Board of Directors may hold a meeting by telephone or video conference or similar equipment by means of which all persons participating in the meeting can hear one another. Participation in such meeting shall constitute presence in person at the meeting.
  - 7.4. **Action Without a Meeting.** Any action that the law, the Articles of Incorporation, or these Bylaws permit or require the Directors to take at a meeting of the Board of Directors may be taken without a meeting if all of the Directors entitled to vote on the matter sign a written consent setting forth the action. These signed written consents shall be included in the minutes or filed with the Association's records reflecting the action taken. The action shall be effective on the date when the last signature is placed on the consent, unless the consent specifies an earlier or later effective date. As used in this provision, "sign" includes an electronic signature, which means an electronic sound, symbol or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record, including a statement that says or conveys that this e-mail constitute my signature or vote. As used in this provision, "written" includes a communication that is transmitted or received by electronic means.
  - 7.5. **Quorum of Board of Directors.** One-third of the number of Directors in office immediately before the meeting begins constitutes a quorum for the transaction of business at any meeting of the Board of Directors. The act of a majority of the Directors present at a meeting at which a quorum is present is the act of the Board of Directors, unless the act of a greater number is required by the provisions of the Oregon Nonprofit Corporation Act, the Articles of Incorporation, or as otherwise provided in these Bylaws.
8. **Agents.** The Board of Directors shall have the power to appoint agents reasonably necessary for the transaction of the business of the Association.
9. **Checks and Other Disbursements.** All checks, drafts, and orders for payment of money shall be signed by such Officers/Directors or agents as the Board of Directors shall from time to time designate for that purpose. Any commitment and/or expenditure of funds by the Association in excess of \$1,000 requires the approval of the majority of the current Directors, one of which must be the Treasurer.
10. **Contracts and Conveyances.** No contract or conveyance with a value in excess of \$1,000 shall

be issued in the name or made on behalf of the Association unless authorized by resolution of the Board of Directors. When the execution of any contract, conveyance, or other instrument has been authorized by the Board of Directors, the President, the Vice-President, the Treasurer, or the Secretary, may execute the same in the name and on behalf of the Association. The Board of Directors shall have the power to designate the Officer/Director, the Non-Officer Director, and agents who shall have authority to execute any instrument on behalf of the Association.

11. **Power to Borrow Money.** Except as limited by this section, the Board of Directors shall have the power and authority to borrow money whenever in its discretion the exercise of said power is required in the general interests of the Association, and in such case it may authorize the Officers to make, execute, and deliver in the name and on behalf of the Association such notes, bonds, and other evidence of indebtedness as the Board of Directors deems proper, but the Board of Directors do not have authority to mortgage the property of the Association. Any single or cumulative commitment of indebtedness of the Association in excess of \$1,000 requires the approval of the majority of Directors, one of which must be the Treasurer. Any single or cumulative commitment of indebtedness of the Association in excess of \$25,000 requires a meeting of Members and their approval.
12. **Committees.** Subject to law, the Articles of Incorporation, and these Bylaws, the Board of Directors may establish committees from time to time, consisting of such Members and having such powers as the Board of Directors may specify. Such committees and their Members shall serve at the discretion of the Board of Directors.
  - 12.1. **Standing Committees.** There shall be the following standing committees:
    - 12.1.1. **Financial Committee:**
      - 12.1.1.1. **Purpose:** To consist of the Corporation Vice President who will act as Chairman and three members-at-large, one of which will act as recording Secretary.
      - 12.1.1.2. **Duties:** To assist in apportioning the funds to be spent for improvement of the easement by compiling and preparing costs and designs to be submitted to the Board of Directors for vote and approval. Meetings to be called by the Vice President as required.
    - 12.1.2. **Operational Committee:**
      - 12.1.2.1. **Purpose:** To consist of the Corporation Treasurer who will act as Chairman and three members-at-large, one of which will act as recording Secretary.
      - 12.1.2.2. **Duties:** To handle problems relative to maintenance, life-guarding, etc. of grounds, checking periodically on keyusage, handle member complaints by submission to Board for decisions and the appointment of a Water Front Director and other Specific duties within the group.
    - 12.1.3. **Special Committees.** There shall be the following special committees:
      - 12.1.3.1. Nominating.
      - 12.1.3.2. Such other committees as the Board of Directors shall from time to time set up.
  - 12.2. **Appointments.** Appointments to all committees shall be made by a majority vote of the Board of Directors.
13. **Power to Make Bylaws.** Unless required by law to be decided by the Members, or unless referred to the Members by the Board of Directors, the Board of Directors shall be responsible for any decisions regarding additions or amendments to these Bylaws.

## ARTICLE VI. BOAT MOORAGE, KAYAKS/SUPs, PADS, AND SHED SPACE

1. **Guests.** Guests shall not operate boats moored on the easement property without a licensed operator who is either the Member or the Member's Immediate Family in whose name the slip has been assigned.
2. **Forfeiture.** A Member's boat slip assignment is subject to forfeiture by an affirmative vote of a majority of the Board at a meeting of the Board if any one of the following conditions is found by the Board to exist after Member has had a reasonable opportunity to cure the problem conditions:
  - 2.1. The Member violates a provision of these Bylaws or any other applicable rule;
  - 2.2. The Member does not comply with any term specific to boat moorage such as licensure, boat sharing, or guest operator provisions;
  - 2.3. The Member's boat presents a hazard or unsafe condition; or
  - 2.4. The Member's boat is causing damage or excessive wear and tear on the docks.
  - 2.5. The Member shall first be served with written notice of the reason(s) for the forfeiture at least 10 days before such meeting and shall be given an opportunity to produce witnesses, present evidence, and be heard at the meeting at which such vote is taken. The Board shall take into consideration all of the relevant facts and circumstances in deciding whether or not the Member's boat slip assignment should be forfeited. Any written notice given by mail must be given by first class or certified mail sent to the last address of the Member as shown on the Association's records.
3. **Kayak/SUP Storage.** The assignment to Members of storage space for kayaks/canoes shall be based first come, first serve by addition to the membership list and requesting a kayak/SUP space.
4. **Lilly Pads.** There is only space for three lilly pads / foam mats. All pads/mats spaces are to be paid yearly and waiting lists are managed by the board.
5. **Shed Space.** Paddles, life vests, fishing gear, maintenance equipment, and boating equipment are allowed in the shed. No inflatables are allowed, including inflatable SUPs..

## ARTICLE VII. GENERAL PROVISIONS

1. **Dissolution.** Upon dissolution of the Association, the assets of the Association remaining after payment of or provision for the liabilities and obligations of the Association shall be distributed to one or more qualified charitable institutions or charitable funds as determined by the Board of Directors.
2. **Indemnification.** Subject to a maximum indemnification amount of \$5,000 per Member for all claims with a maximum aggregate for all Members for all claims per each fiscal year (April 1—March 31) of \$25,000, the Association shall indemnify each of its Directors, Officers, and Members to the fullest extent permissible under the Oregon Nonprofit Corporation Act, as the Act exists or may hereafter be amended, against all expense, liability, and loss (including, without limitation, reasonable attorney fees) incurred or suffered by such Director, Officer, or Member as a result of claims asserted against such Director, Officer, or Member by reason of or arising from the fact that such person is or was a Director, Officer, or is or was serving at the request of the Association as a Director, Officer, or representative of the Association, and such indemnification shall continue as to a person who has ceased to be a Director, Officer, or Member and shall inure to the benefit of his or her heirs, executors, and administrators. The indemnification provided in this provision shall not exclude any other rights to which any person may be entitled under any statute, the Bylaws, the Articles of Incorporation, agreement, resolution, or otherwise. Notwithstanding the foregoing, the Association will provide indemnification for a Director, Officer, or Member only if: (a) the individual acted in good



- faith; (b) the individual reasonably believed that his conduct was in the best interests of the Association, or at least not opposed to its best interests; (c) the individual has personally incurred the expenses or costs involved; (d) in the case of any criminal proceeding, the individual had no reasonable cause to believe that his or her conduct was unlawful; and (e) the \$5,000 indemnification amount has not been exhausted.
3. **Also Excluded from Indemnification**. Furthermore, the Association will not indemnify a Director, Officer, or Member: (a) in connection with a proceeding by or in the right of the Association in which the individual was adjudged liable to the Association; or (b) in connection with any proceeding charging improper personal benefit to an individual in which the individual was adjudged liable on the basis that the individual improperly received personal benefit. Moreover, if the Director, Officer or Member has insurance or is provided insurance by the Association or by any other person or entity that provides for all or a portion of the legal defense and/or pays or contributes sums to any settlement or judgment, the aforesaid indemnification provision will not apply except to the extent of a deductible or a required payment made directly by the Director, Officer or Member. The aforesaid indemnification provision shall not benefit any insurance company or other person or entity (other than a member of the Member's Immediate Family), directly or indirectly, who incurred or paid the expenses, settlement or judgment on behalf of the Director, Officer, or Member.
  4. **Examples re Indemnification**. By way of example:
    - 4.1. If a claim is made against a Director, Officer, or Member in 2008 for a matter that arose in 2008 and is finally resolved in 2010, and the Director, Officer, or Member is entitled to indemnity and has personally incurred \$12,000 over the three-year period, the most that the Association will reimburse is \$5,000.
    - 4.2. If a claim is made against six Directors, Officers, or Members in 2008 for a covered matter that arose in 2008, and the matter is finally resolved in 2010, and each of the Directors, Officers, or Members personally incurred \$12,000 over the three-year period, the most that the Association will reimburse is \$25,000, \$4,166.66 to each of the six Directors, Officers, or Members. And, if the claim in example (a) above is separate and apart from this claim, then the seven Directors, Officers, and Members would share the \$25,000 for fiscal year 2008, with \$3,571.42 paid to each of the seven Directors.
    - 4.3. If a covered claim is made against a Director, Officer, or Member in 2009, which is defended by an insurance company and settled in 2010 for \$10,000, with the insurance company paying \$9,500 and the Director, Officer, or Member personally paying \$500, and there were no other claims asserted in 2009, the Association would pay \$500 in reimbursement to the Director, Officer, or Member.
  5. **Conflicts**. These Bylaws are intended to comply with the Oregon Nonprofit Corporation Act (ORS Chapter 65), the Articles of Incorporation, and the LOC Rules. In the case of any irreconcilable conflict, such statutes and the Articles of Incorporation shall control over these Bylaws. The Board of Directors is empowered to resolve any irreconcilable conflict by any reasonable means, including, but not limited to the Association's rules, petitioning the LOC for an exemption, or any other reasonable and appropriate action.

#### **CERTIFICATION**

I, the undersigned, do hereby certify that I am the duly elected and acting Vice-President of the Uplands Easement Association, an Oregon non-profit corporation, that the foregoing Bylaws constitute the Bylaws of said Association, and that they were duly adopted at a meeting of the Board of Directors thereof, held on the 15 day of March, 2021, and also at a meeting of Members held on the 16 day of March, 2021..

IN WITNESS WHEREOF, I have hereunto subscribed my name this 15th day of  
March, 2021.

JOHN KIRK

President

ERIC LIDER

Vice-President

CAITLIN WALKER

Treasurer