

BYLAWS
OF
LATITUDE 49 RESORT PARK
ASSOCIATION

ARTICLE I

OBJECT AND DEFINITIONS

1.1 Purpose. The purpose for which this Association is formed is to govern the property which is described in Schedule A attached hereto and by this reference is made a part hereof and all improvements located therein, which property and improvements ("Project") have been submitted to the provisions of the Washington Condominium Act by the Declaration and Covenants, Conditions, Restrictions and Reservations for Latitude 49 Resort Park, A Condominium" (the "Declaration") establishing a plan for condominium ownership of units (defined as "Parcels" in the Declaration) within the above-referenced Project (the "Condominium").

1.2 Assent. All present or future owners, tenants of the Condominium, or any other person using the facilities of the Project in any manner are subject to the regulations set forth in these Bylaws. The mere acquisition or rental of any of the Parcels in the Project or the mere act of occupancy of any of said Parcels shall constitute ratification of these Bylaws.

1.3 Definitions. Unless otherwise specified, all terms shall have the same meaning in these Bylaws as they have in the Declaration. The terms "owners" and "members" as used herein shall be synonymous.

1.4 Membership. The membership meetings and voting shall at all times be in accordance with Article 7 of the Declaration.

ARTICLE II

Member's Meetings

(1) Meeting Place: Meetings of the members shall be held at such place as shall be determined from time to time by the Board of Directors, and the place at which any such meeting shall be held shall be stated in the notice of the meeting.

(2) Annual Meeting Time: The Association shall have an annual meeting each year for election of directors and transaction of such other business as may properly come before the Association. The meeting shall be held each year during the first quarter of said year (or as otherwise determined by the Board of Directors) at a time and day to be determined by the Board of Directors.

(3) Annual Meeting - Order of Business: The order of business at the annual meeting of members shall be as follows:

- (a) Calling the meeting to order.
- (b) Reading of minutes of last annual meeting.
- (c) Reports of officers.
- (d) Reports of committees (if any).
- (e) Election of directors.
- (f) Miscellaneous business.

(4) Special Meetings: Special meetings of the Association for any purpose may be called at any time by the President, a majority of the Board of Directors, or by Parcel owners having twenty percent of the voting power of the Association.

(5) Notice:

(a) Notice of any meeting of owners shall be given by the Secretary of the Association by delivering personally or by first class mail a written or printed notice of the same at least ten (10) days and not more than sixty (60) days prior to the meeting to each Parcel owner at its address in the Condominium or any other mailing address designated by an owner in writing.

(b) The notice of meeting shall state the place, day and hour of such meeting, the purpose or purposes for which it is called, and items on the agenda to be voted on by the members, including the general nature of any proposed amendment to the Declaration of these Bylaws, changes in the previously approved budget that result in a change of assessment obligations and any proposal to remove an officer or director.

(c) Notwithstanding paragraph (a) above, notice of regular meetings other than the annual meeting may be made by providing each Parcel owner with the adopted schedule of regular meetings for the ensuing year at any time after the annual meeting and ten (10) days prior to the next succeeding regular meeting.

(6) Voting: Each Parcel owner shall have the voting power assigned to its Parcel as provided in the Declaration.

(7) Quorum: Except as otherwise required by law:

(a) A quorum is present throughout any meeting of the Association if the owners of Parcel to which 25% of the votes of the Association are allocated are present in person or by proxy at the beginning of the meeting.

(b) The votes of a majority of the voting power of those present, shall be sufficient to transact business unless a greater number is required by applicable law or these Bylaws.

(c) If at any meeting of owners a quorum has not attended, the owners present, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

(8) Voting of Allocated Interest: If only one of the multiple owners of a Parcel is present at a meeting of the Association, that owner is entitled to cast all votes allocated to that Parcel. If more than one of the multiple owners are present, the votes allocated to that Parcel may be cast only in accordance with the agreement of a majority in interest of the multiple owners, unless the Declaration expressly provides otherwise. There is majority agreement if any one of the multiple owners casts the votes allocated to a Parcel without protest being made promptly to the person presiding over the meeting by any of the other owners of the Parcel.

(9) Proxies: A Parcel owner may vote either in person or by proxy executed in writing by the Parcel owner. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

(a) Any owner of a Parcel may vote or register protest to the casting of votes by other owners of the Parcel through a duly executed proxy.

(b) A Parcel owner may revoke a proxy by notifying the person presiding over the meeting in writing of its revocation.

(c) A proxy shall be void if it is undated or purports to be revocable without notice.

ARTICLE III

Board of Directors

(1) Number and Powers: Management of all affairs, property and interest of the Association shall be vested in a Board of Directors. The Board of Directors shall have all powers required for such management and as provided in the Washington Condominium Act, the Articles of incorporation and the Declaration. The initial Board of Directors shall consist of three (3) persons who shall be elected for a term of one (1) year and shall hold office until successors are elected and qualified. Except for during any period of Declarant Control as provided in RCW 64.34.308, a majority of the Board of Directors shall be Parcel owners. The Board of Directors shall act in all instances on behalf of the Association, except as provided by the Declaration, the Articles of Incorporation or these Bylaws.

(2) Change of Number: The number of directors may at any time be increased or decreased by the Parcel owners at any annual or special meeting provided that no decrease shall have the effect of shortening the term of any incumbent director, and provided there shall be at all times the minimum number of directors required by law.

(3) Vacancies: All vacancies in the Board of Directors, whether caused by resignation, death or otherwise, may be filled by the affirmative vote of a majority of the remaining directors. A director elected to fill any vacancy shall hold office for the unexpired term of his predecessor and until his successor is elected and qualified.

(4) Removal of Directors: At a meeting of the Association at which a quorum is present, the Parcel owners by a two-thirds vote of the voting power in the Association present and entitled to vote at the meeting, may remove any member of the Board of Directors with or without cause, other than a member appointed by the Declarant.

(5) 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 Board members, but at least two (2) such meetings shall be held during each fiscal year and one (1) such meeting shall be held immediately following the annual meeting of owners. Regularly scheduled meetings of the Board may be held without notice.

(6) Special Meetings: Special meetings of the Board of Directors may be called at any time by the President or by any director, to be held at the place the Board of Directors or the person calling such meeting may designate. Notice of all special meetings of the Board of Directors shall be given to each director by one (1) day service of the same by telegram, letter, or personally. Such notice need not specify the business to be transacted at nor the purpose of the meeting.

(7) Quorum:

(a) A quorum of the Board of Directors shall be deemed present throughout any meeting of the Board of Directors if persons entitled to cast 51% of the votes on the Board of Directors are present at the beginning of the meeting.

(b) The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

(8) Waiver of Notice: Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where

a director attends for the express purpose of objecting to the transaction of any business because the meeting has not been lawfully called or convened. A waiver of notice signed by the director or directors, whether before or after the time stated for the meeting, shall be equivalent to the giving of notice.

(9) Registering Dissent: A director who is present at a meeting of the Board of Directors at which action on an Association matter is taken shall be presumed to have assented to such action unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting, before the adjournment thereof, or shall forward such dissent by registered mail to the Secretary of the Association immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

(10) Action of Directors by Communications Equipment: Any action required or which may be taken at a meeting of directors or of a committee thereof may be taken by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other at the same time.

ARTICLE IV

Officers

(1) Designations: The officers of the Association shall be a President, one or more Vice Presidents, a Secretary, and a Treasurer, and such Assistant Secretaries and Assistant Treasurers as the Board may designate, all of whom shall be elected annually. Any two or more offices may be held by the same person, except the offices of President and Secretary.

(2) The President: The President shall preside at all meetings of the Association and Board of Directors, shall have general supervision of the affairs of the Association, and shall perform such other duties as are incident to his office or are properly required by the Board of Directors. The President may prepare, execute, certify and record amendments to the Declaration on behalf of the Association.

(3) Vice Presidents: During the absence or disability of the President, the Vice President, shall exercise all the functions of the President. The Vice President shall have such powers and discharge such duties as may be assigned to him from time to time by the Board of Directors.

(4) Secretary and Assistant Secretaries: The Secretary shall issue notices for all meetings, keep minutes of all meetings, have charge of the seal and the corporate books, and make such reports

and perform such other duties as are incidental to the office, or are properly required of the Secretary by the Board of Directors. The Secretary shall certify any amendments to the Declaration on behalf of the Association. The Assistant Secretary, or Assistant Secretaries in the order designated by the Board of Directors, shall perform all duties of the Secretary during the absence or disability of the Secretary, and at other times may perform such duties as are directed by the President or the Board of Directors.

(5) The Treasurer: The Treasurer shall have the custody of all moneys and securities of the Association and shall keep regular books of account. The Treasurer shall disburse the funds of the Association in payment of the just demands against the Association or as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, render to the Board of Directors from time to time as may be required an account of all the transactions as Treasurer and of the financial condition of the Association and shall perform such other duties incident to the office or properly required by the Board of Directors. The Assistant Treasurer, or Assistant Treasurers if any, in the order designated by the Board of Directors, shall perform all of the duties of the Treasurer in the absence or disability of the Treasurer, and at other times may perform such other duties as are directed by the President or the Board of Directors.

(6) Delegation: In the absence or inability to act of any officer of the Association and of any person herein authorized to act in such officer's place, the Board of Directors may from time to time delegate the powers or duties of such officer to an officer, director or other person whom it may select.

(7) Vacancies: Vacancies in any office arising from any cause may be filled by the Board of Directors at any regular or special meeting of the Board.

(8) Other Officers: The Board of Directors may appoint such other officers and agents as it deems necessary or expedient, who shall hold office for such terms, exercise such powers and perform such duties as determined from time to time by the Board of Directors.

(9) Term - Removal: The officers of the Association shall hold office until their successors are appointed and qualify. Any officer or agent elected or appointed by the Board of Directors may be removed at any time with or without cause, by the affirmative vote of a majority of the Board of Directors.

(10) Bonds: The Board of Directors may, by resolution, require any and all officers to provide bonds to the Association with sufficient surety or sureties, conditioned for the faithful performance of the duties of their respective offices and to comply

with such other conditions as may from time to time be required by the Board of Directors.

ARTICLE V

Indemnification of Officers, Directors, Employees and Agents

5.1 Power to Indemnify. The Association shall have the following powers:

5.1.1 Power to Indemnify. The Association may indemnify and hold harmless to the full extent permitted by applicable law each person who was or is made a party to or is threatened to be made a party to or is involved (including, without limitation, as a witness) in any actual or threatened action, suit or other proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she is or was a director, officer, employee or agent of the Association or, being or having been such a director, officer, employee or agent, he or she is or was serving at the request of the Association as a director, officer, employee, agent, trustee, or in any other capacity of another association or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is alleged action or omission in an official capacity or in any other capacity while serving as a director, officer, employee, agent, trustee or in any other capacity, against all expense, liability and loss (including, without limitation, attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts to be paid in settlement) actually and reasonably incurred or suffered by such person in connection therewith. Such indemnification may continue as to a person who has ceased to be a director, officer, employee or agent of the Association and shall inure to the benefit of his or her heirs and personal representatives.

5.1.2 Power to Pay Expenses in Advance of Final Disposition. The Association may pay expenses incurred in defending any such proceeding in advance of the final disposition of any such proceeding; provided, however, that the payment of such expenses in advance of the final disposition of a proceeding shall be made to or on behalf of a director, officer, employee or agent only upon delivery to the Association of an undertaking, by or on behalf of such director, officer, employee or agent, to repay all amounts so advanced, if it shall ultimately be determined that such director, officer, employee or agent is not entitled to be indemnified under this Article or otherwise, which undertaking may be unsecured and may be accepted without reference to financial ability to make repayment.

5.1.3 Power to Enter into Contracts. The Association may enter into contracts with any person who is or was a director, officer, employee or agent of the Association in furtherance of the provisions of this Article and may create a trust fund, grant a security interest in property of the Association, or use other means (including, without limitation, a letter of credit) to ensure the payment of such amounts as may be necessary to effect indemnification as provided in this Article.

5.1.4 Expansion of Powers. If the Washington Business Corporation Act is amended in the future to expand or increase the power of the Association to indemnify, to pay expenses in advance of final disposition, to enter into contracts, or to expand or increase any similar or related power, then, without any further requirement of action by the members or directors of this Association, the powers described in this Article shall be expanded and increased to the fullest extent permitted by the Washington Business Corporation Act, as so amended.

5.1.5 Limitation on Powers. No indemnification shall be provided under this Article to any such person if the Association is prohibited by the nonexclusive provisions of the Washington Business Corporation Act or other applicable law as then in effect from paying such indemnification. For example, no indemnification shall be provided to any director in respect of any proceeding, whether or not involving action in his or her official capacity, in which he or she shall have been finally adjudged to be liable on the basis of intentional misconduct or knowing violation of law by the director, or that the director personally received a benefit in money, property or services to which the director was not legally entitled.

5.2 Indemnification of Directors, Officers, Employees and Agents.

5.2.1 Directors. The Association shall indemnify and hold harmless any person who is or was a director of this Association, and pay expenses in advance of final disposition of a proceeding, to the full extent to which the Association is empowered.

5.2.2 Officers, Employees and Agents. The Association may, by action of the Board of Directors from time to time, indemnify and hold harmless any person who is or was an officer, employee or agent of the Association, and pay expenses in advance of final disposition or a proceeding, to the full extent to which the Association is empowered, or to any lesser extent which the Board of Directors may determine.

5.2.3 Character of Rights. The rights to indemnification and payment of expenses in advance of final disposition of a

proceeding conferred by or pursuant to this Article shall be contract rights.

5.2.4 Enforcement. A director, officer, employee or agent ("claimant") shall be presumed to be entitled to indemnification and/or payment of expenses under this Article upon submission of a written claim (and, in an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition, where the undertaking in subsection 5.1.2 above has been delivered to the Association) and thereafter the Association shall have the burden of proof to overcome the presumption that the claimant is so entitled.

If a claim under this Article is not paid in full by the Association within sixty (60) days after a written claim has been received by the Association, except in the case of a claim for expenses incurred in defending a proceeding in advance of its final disposition, in which case the applicable period shall be twenty (20) days, the claimant may at any time thereafter bring suit against the Association to recover the unpaid amount of the claim and, to the extent successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. Neither the failure of the Association (including its board of directors, its members or independent legal counsel) to have made a determination prior to the commencement of such action that indemnification of or reimbursement or advancement of expenses to the claimant is proper in the circumstances nor an actual determination by the Association (including its board of directors, its members or independent legal counsel) that the claimant is not entitled to indemnification or to the reimbursement or advancement of expenses shall be a defense to the action or create a presumption that the claimant is not so entitled.

5.2.5 Rights Not Exclusive. The right to indemnification and payment of expenses in advance of final disposition of a proceeding conferred in this Article shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of the articles of incorporation, bylaws, agreement, vote of members or disinterested directors or otherwise.

5.3 Insurance. The Association may purchase and maintain insurance, at its expense, to protect itself and any director, officer, employee, agent or trustee of the Association or another Association partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Association would have the power to indemnify such person against such expense, liability or loss under the Washington Business Corporation Act.

5.4 Survival of Benefits. Any repeal or modification of this Article shall not adversely affect any right of any person existing at the time of such repeal or modification.

5.5 Severability. If any provision of this Article or any application thereof shall be invalid, unenforceable or contrary to applicable law, the remainder of this Article, or the application of such provision to persons or circumstances other than those as to which it is held invalid, unenforceable or contrary to applicable law, shall not be affected thereby and shall continue in full force and effect.

5.6 Applicable Law. For purposes of this Article, "applicable law" shall at all times be construed as the applicable law in effect at the date indemnification may be sought, or the law in effect at the date of the action, omission or other event giving rise to the situation for which indemnification may be sought, whichever is selected by the person seeking indemnification. As of the date hereof, applicable law shall include RCW 23B.08.500 through 23B.08.600, as amended.

ARTICLE VI

Books and Records

(1) The Association shall keep correct and complete books and records of account, minutes of the proceedings of its members and Board of Directors, and a record of its members giving the names and addresses of all members. Any books, records and minutes may be in written form or any other form capable of being converted into written form within a reasonable time.

(2) Any person on becoming an owner of a Parcel shall furnish to the Managing agent or Board of Directors a copy of the recorded instrument vesting that person with an interest or ownership, which instrument shall remain in the files of the Association. A member shall not be deemed to be in good standing nor be entitled to vote at any annual or special meeting of members unless this requirements is first met.

ARTICLE VII

Mortgages

(1) Notice to Association. An owner who mortgages his/her Parcel shall notify the Association through the managing agent, if any, or the President of the Board of Directors, giving the name and address of his/her mortgagee. The Association shall maintain such information in a book or list entitled "Mortgagees of Parcels".

(2) Notice of Unpaid Assessments. The Association shall, at the request of a mortgagee of a Parcel report any unpaid assessments due from the owner of such Parcel.

ARTICLE VIII

Amendments

(1) By Owners: These Bylaws may be altered, amended or repealed by the affirmative majority vote of the owners present and entitled to vote at any regular or special meeting at which a quorum is present.

(2) By Directors: The Board of Directors shall have power to make, alter, amend, and repeal the Bylaws of this Association. However, any such Bylaws or any alteration, amendment or repeal of the Bylaws, may be changed or repealed by a majority vote of the owners at any meeting.

ARTICLE IX

Conflict with Declaration or Law

These Bylaws are intended to comply with and supplement the requirements of the Washington Condominium Act and the Declaration. If any of these Bylaws conflict with the provisions of said statute or Declaration, the provisions of the statute and Declaration will control.

ARTICLE X

Nonprofit Association

This Association is not organized for profit. No member, member of the Board of Directors, or person from whom the Association may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operations thereof. No portion of the funds or assets of the Association shall be paid as salary or compensation to, or distributed to, or inure to the benefit of any members of the Board of Directors. The foregoing, however, shall neither prevent nor restrict the following: (1) reasonable compensation to any member or manager while acting as an agent or employee of the Association for services rendered in effecting one or more of the purposes of the Association, and (2) reimbursement of any member of the Board of Directors for actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

ARTICLE XI

Fiscal Year

The fiscal year of the Association shall begin on January 1, and end on December 31.

ARTICLE XII

Subjectivity

These Bylaws are subject to the provisions of the Declaration, including without limitation the provisions regarding Declarant control of the Board of Directors.

Adopted by resolution of the Board of Directors on July
15, 1992.

/s/ Grant T. Osberg
Secretary

Amendment to Bylaws Of Latitude 49 Resort Park Association

THIS AMENDMENT to the Bylaws of Latitude 49 Resort Park Association is made this 10 day of APRIL, 2004 by the Board of Directors of Latitude 49 Resort Park Association acting in its capacity as the Board of Directors for the Association and pursuant to Article VIII (2), said Bylaws being dated July 25, 1992.

At a meeting of the Board of Directors on the date set forth above at which a quorum was present, the majority of the directors then present adopted the following Amendment to Article II, Section (7)(b):

A majority of the votes actually cast shall be sufficient to transact business, including the election of members of the Board of Directors (a "majority"); provided, however that a plurality vote shall be valid in a vote for any position of the Board of Directors or proposition when three or more choices are possible. In those instances, the candidate or proposition receiving the largest number of votes shall have a valid plurality.

Except as amended herein the Bylaws shall remain in full force and effect.

Board of Directors
Latitude 49 Resort Park Association

Ric Ritchie
Ric Ritchie, President

The Amendment set forth above was approved at a meeting of the Board of Directors for which proper notice was provided, or notice was waived, and at which a quorum was present.

Attested:

Ian Edgar
Ian Edgar, Secretary