

**BYLAWS**  
**OF**  
**SNOHOMISH COUNTY APARTMENT OPERATORS ASSOCIATION**  
*(Also known as SCAOA and, herein, the "Association")*

A Washington Nonprofit Association of Landlords

**ARTICLE I**  
**CORPORATION NAME AND PRINCIPAL OFFICE**

- 1.01 Name. The name of the Association is the Snohomish County Apartment Operators Association, a Washington nonprofit corporation. The Association may also adopt additional Doing Business As (DBA).
- 1.02 Principal Office. The Board of Directors (Board) shall determine the location of the principal office of the Association.

**ARTICLE II**  
**PURPOSES, OBJECTIVES AND RESTRICTIONS**

- 2.01 Purpose. The purpose and objectives of the Association is To promote the interests and growth of residential real property owners and operators who rent/lease residential real property to members of the general public, and To represent those interests to state and local legislative bodies, the news media and the general public. The Association will strive to assist Members to maintain ethical business standards and provide appropriate service to the renting public. The Association will provide to its Members educational programs and shared services which enhance their ability to serve residential real property housing consumers.
- 2.02 Restrictions. All policies and activities of the Association shall comply with:
- a. Applicable federal, state and local antitrust and trade regulation laws;
  - b. Applicable tax-exemption requirements; and
  - c. All other legal requirements including the State of Washington Non-Profit Corporation Act under which this Association is incorporated and to which its operations are subject.

**ARTICLE III**  
**MEMBERSHIP**

- 3.01 Regular Membership. Regular voting membership in the Association is extended to individuals, partnerships, companies or corporations owning residential rental real property in the State of Washington.

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- 3.02 Associate Membership. Associate Membership is extended to individuals, partnerships, companies or corporations who commercially provide products and/or services to residential rental real property owners and support the purposes of this Association. Associate Members have no voting rights nor may they be elected to the Board of Directors.
- 3.03 Affiliate Membership. Affiliate Membership is extended to individuals, partnerships or corporations who do not qualify for membership as regular or associate members, but who have an interest in the affairs of this Association and support the purposes of this Association. Affiliate Members have no voting rights nor may they be elected to the Board of Directors.
- 3.04 Emeritus Membership. The Board of Directors, may from time to time vote to honor a member in good standing that has a minimum of twenty years of continuous membership and been a member of the Board for a minimum of six years as an Emeritus Member. The status of Emeritus Membership will have complimentary annual membership without renewal dues, copy of Association communications and voice but no voting rights to the Board of directors.
- 3.05 Transfer of Membership. Memberships are not transferable and may not be transferred by any means. If a property is sold or transferred to a new owner, that new owner must complete a new application for membership along with applicable fees.
- 3.06 Member in Good Standing. A new Member in good standing is one who has filed a complete membership application, has been approved by the Board of Directors and has paid their annual dues. A renewing Member in good standing is one who has provided complete updated information regarding properties owned and has paid current dues and assessments.
- 3.07 Termination. A membership shall be suspended or terminated whenever the Board of Directors, in good faith determines that any of the following events have occurred:
- a. Resignation of member, on reasonable notice to the Association.
  - b. Expiration of the period of membership, unless the membership is renewed on the renewal terms fixed by the Board.
  - c. Failure of a member to pay dues, fees, or assessments in the amount and under the terms set by the Board.
  - d. Occurrence of any event that renders a member ineligible for membership, or failure to satisfy membership qualifications including compliance with the code of conduct, that may exist.
- 3.08 Expulsion of Member. Any member may be expelled from the Association by a two thirds (2/3) vote of the membership. Notice of such proposed expulsion and

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the reasons for the proposed expulsion shall be given in writing to the member sought to be removed two (2) weeks prior to the meeting at which the question is to be voted upon and he/she shall have ample opportunity to be heard and defend against any charges at said meeting.

- 3.09 Member Obligation to Follow Association Rules. These Bylaws constitute a binding legal agreement between the Association and its Members which may be supplemented by amendments and actions of the Board of Directors and the Membership. Each Member of this Association agrees to be bound by these Bylaws and any amendments thereto, and by the lawful actions of the Board of Directors or voting Members of the Association.

### **ARTICLE IV DUES**

- 4.01 Dues. The Board of Directors shall set dues and fees, make assessments and set the terms of payment.
- 4.02 Delinquency. Any member of the Association who is delinquent in dues, fees or assessments by more than 30 days from the due date may be suspended or have their membership terminated as provided above.
- 4.03 Refunds. All Dues are fully earned upon payment and no dues will be refunded.

### **ARTICLE V MEMBERSHIP MEETINGS**

- 5.01 Annual Membership Meeting. The annual meeting of the members for election of Directors to succeed those whose terms expire, and for the election of President and Vice President, and for the transaction of such other business as may properly come before that meeting, shall be held at the place and on the date that the Board of Directors determines; or at 7:00 p.m. on the first Wednesday of May of each year at the principal office of the Association or at such other place as may be directed by the President or the Board of Directors. At the annual meeting, the Nominating Committee shall present the slate from which the directors shall be elected and the Board of Directors shall report the activities of the Association to the members. In addition to the annual meeting, the membership shall also meet a minimum of once in each remaining quarter; such meetings shall be designated as other regular meetings.
- 5.02 Special Meetings. Special meetings of the membership for any purpose or purposes may be called at any time by the President or by a majority of the Board of Directors, at such time and place as the President or such majority of the Board of Directors may prescribe. Special meetings of the members may also be called

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by written petition signed by 10% of the membership of the Association and in the event that such be the case, it shall be the duty of the Secretary, within five (5) days of receipt of such petition, to call such special meeting of the membership consistent with the notice provisions of 5.03. If the Secretary shall neglect or refuse to issue such call within five (5) days of such receipt, the members making the request may issue the call, specifying therein the time and place of the meeting consistent with the provisions of 5.03. Attendance may be restricted to regular members only.

- 5.03 Notice of Members' Meeting. Written notice stating the place, day and hour of the annual meeting, and, in case of a special meeting, the purpose or purposes for which the special meeting is called, shall be personally delivered by a representative of the Association or sent by U.S. Mail, by fax or by electronic means not less than ten (10) nor more than fifty (50) days before the date of such meeting, to each member entitled to vote at such meeting. If mailed, such notice shall be deemed delivered when deposited in the United States Mail addressed to the member as it appears on the records of the Association, with postage thereon prepaid.
- 5.04 Quorum. At any meeting of members, 3% of the voting members rounded up to the next whole person, in person, shall constitute a quorum. Officers and Directors who are members shall be tallied in determining a quorum. A majority of voting members properly casting ballots shall prevail on any question presented at any membership meeting, except as may otherwise be provided in these bylaws or where some other number is required by law.
- 5.05 Voting Rights of Members. Each Regular Member who has paid annual dues and is otherwise in good standing with the Association shall be entitled to one (1) vote, provided such membership was paid ninety (90) days prior to any vote. In the case of corporate, company, partnership, or husband and wife as a member, upon joining, each such member shall designate the individual authorized to vote. If there are any issues to such, designation may be changed in writing at any time. Proxy voting is not permitted. Mail voting is permitted as specified in the Washington Nonprofit Corporation Act. Attendance by conference call is considered attendance at the meeting, but must be provided at the member's expense. At least twenty (20) days prior to the annual membership meeting, the secretary shall promulgate an official election ballot via the Association news letter or other means approved by the Board of Directors, which ballot shall contain the names of each candidate nominated in writing to the Secretary for the offices of President, Vice-president, any other Officers and Directors, together with spaces for write-in candidates of a number equal to the positions to be filled and a designation of the positions to be filled. At the same time, the Secretary shall promulgate a separate ballot (the issues ballot) containing the text of every proposed by-law change submitted to the Secretary by the President, a majority of the Board of Directors, or by a petition signed by 10% of the membership at least twenty-five days before the meeting, and the text of every other question to be

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placed before the membership which has been similarly submitted to the Secretary by the President, a majority of the Board of Directors, or by a petition signed by 10% of the membership at least twenty-five days prior to the meeting. The issues ballot shall contain spaces to vote to accept reject or abstain on each question on the ballot.

Once included on the official issues ballot, the text of the by-laws and questions presented to the membership may not be amended. Notwithstanding the fact that a member was not nominated for office in sufficient time for his or her name to appear on the election ballot, that member may stand for election at the annual meeting.

- 5.06 Absentee Ballots. Any member who believes he or she may be absent from the annual or any other meeting of the membership may request the applicable absentee ballots(s) from the Secretary, which absentee ballots may be obtained in person from the Secretary or by mail, such request for absentee ballot must be made in writing and signed and dated by the Member making the request. In the event of sharing a membership, 5.05 will apply to the absentee ballot. The absentee ballot for the election of officers and directors must be received by the Secretary or his or her delegate prior to the collection of ballots for the first contested election at the annual meeting. The issues ballot must be received by the Secretary prior to the collection of the ballots on the first by-law change or other first question voted on at the meeting. Ballots so received shall be tabulated and the votes cast on the properly returned absentee ballots shall be included in the totals for each election or issue voted on at the meeting.

An absentee ballot shall only be counted and be deemed properly voted if the absentee ballot is returned to the Secretary or his or her delegate in a sealed envelope on the outside of which is contained the signed and printed name of the member. Any member who votes in absentee form shall be permitted to attend the meeting at which he or she has submitted an absentee ballot but shall not be permitted to vote at said membership meeting, unless prior to the vote on the first contested election or first contested issue, he or she notify the Secretary, in writing, of his or her decision to void his or her absentee ballot in which case that absentee ballot shall not be tabulated in the total and said void absentee ballot(s) shall then be destroyed. Any member who votes in person and by absentee whether accidental or intentional shall cause his or her votes in person and by absentee to be void and not tabulated in the election totals. Absentee ballots must be voted upon by the member casting the vote and cannot be voted upon for that member by another member, as proxies are an invalid method of voting. Any form of proxy voting shall be deemed void and proxies shall not be tabulated in the vote totals.

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## **ARTICLE VI** **BOARD OF DIRECTORS**

- 6.01 General. The business affairs of this Association shall be managed by a Board of Directors, who shall have all rights, powers and privileges granted by law, including but not limited to, those powers set forth under RCW 24.03.035. By way of extension and not limitation, the Directors may designate an Executive Director to assist in the management of the affairs of the Association, provided the Board shall retain the responsibility for the actions of such person and further provided that the Board shall in all cases be responsible for the ultimate direction of the Association. The Board is the governing body of the Association and has authority and is responsible for the supervision, control, and direction of the Association. All lawful authority for the general management of the Association is vested in the Board of Directors collectively.
- 6.02 Composition and Election. The Board of Directors shall consist of a no less than eleven (11) members, eight (8) of whom shall be elected from the active membership. Each Director, except the President, Vice President, and past President shall serve a two (2) year term. Four Directors shall form one class, four the other class. One class shall be elected in odd years; the other in even years. Each such Director shall hold office for the term from which he or she is elected and until his or her successor shall have been elected. The President and Vice President, though separately elected under 8.03 shall also be members of the Board. The Ninth Director shall be the immediate past-President of the Association, who shall serve until his or her successor leaves office. Directors shall be limited to no more than three successive terms on the Board of Directors. Except as provided in this section, a term is defined as a full two (2) year period commencing January 1 after the election for that Board position. The limitation on consecutive terms applies to any three (3) consecutive full two year terms whether elected or appointed. An exception to the 3 term limit shall apply to a Director who serves as an Officer for the full third term. Such Director shall be eligible to serve one additional term on the Board of Directors. Each Director shall serve without compensation. Each Director, except the past-President shall have one vote. All members of the Board of Directors shall attend all Board and membership meetings unless previously excused by the President. In the event of failure to hold an election of classified Directors at any annual members' meeting or in the event of failure to hold any annual members' meeting as provided by these Bylaws, election of classified Directors may be held at a special meeting of the members called for that purpose. Once the active membership exceeds 600 members as of March of any fiscal year, the Board of Directors may increase its members by one member for every 100 members of the membership that exceeds 600 members for a maximum of twelve (12). (Example if the active membership is 800 members the Board of Directors may consist of eleven (11) members eight (8) elected from the active membership along with the President and Vice-President and Past President. The Directors will still form two (2) classes as

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describe above in 6.02). If the Board of Directors increase because of an increase to the active membership, it will also decrease in the same manner as described above if the active membership decreases but will always consist of no less than nine as described above in 6.02.

- 6.03 Qualifications. Any person over the age of eighteen (18) who has been a Regular Member in good standing for a minimum of one (1) year preceding the balloting and resides and owns residential real property in the State of Washington shall be eligible for election as a Director, provided that the Board has determined that he/she is the designated voting representative as required by section 5.05.
- 6.04 Vacancies/Expulsion. A Director may be expelled from the Board of Directors by a two-thirds (2/3) vote of the membership at an annual or special meeting of the membership. Notice of the reasons for the proposed expulsion must be given in writing to the Director sought to be removed at least two (2) weeks prior to the meeting at which the question is to be voted upon, and he shall have ample opportunity to be heard and defend against any charges at said meeting; Provided; however, that any board member who has three (3) unexcused absences in a period of one (1) year or any Board member who has a total of four (4) absences, of any kind, in one (1) year shall be automatically removed from the Board, provided that said year shall begin at the close of the annual meeting of the members and shall end at the convening of the following annual meeting of the members.

Any vacancy occurring in the Board of Directors for any reason shall be filled by a majority vote of the Board. A Director elected by the Board of Directors to fill such vacancy shall serve only until the next election by the membership.

- 6.05 Duties of a Director. A Director shall perform the duties of a Director, including the duties of a member of any committee of the Association or of the Board upon which the Director may serve, in good faith in a manner such Director believes to be in the best interests of the Association, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

In performing the duties of a Director, a Director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by:

- (1) One or more officers or employees of the Association whom the Director believes to be reliable and competent in the matter presented;
- (2) Counsel, public accountants, or other persons as to matters which the Director believes to be within such person's professional or expert competence; or
- (3) A committee of the Association or of the Board upon which the Director does not serve, duly designated in accordance with a provision in the Articles of Incorporation or Bylaws, as to matters within its designated authority, which committee the Director believes to merit confidence; so long as, in any such case,

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the Director acts in good faith, after reasonable inquiry when the need thereof is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

### **ARTICLE VII** **MEETINGS OF DIRECTORS**

- 7.01 Meetings. Board of Directors meetings shall be held a minimum of quarterly and shall be open to the general membership and an annual meeting of the Board of Directors shall be held immediately following the adjournment of the annual members meeting. However, only Directors shall be entitled to vote at all such meetings. Notice of the date, time, and place of the Board's quarterly meetings shall be included in the Association newsletter. Attendance of a Director at any meeting shall constitute a waiver of notice of such meeting except where a 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.
- 7.02 Special Meetings. Special meetings of the Board of Directors may be held at any place, at any time, whenever called by the President or by any two (2) or more Directors.
- 7.03 Notice of Meetings. No notice of the annual meeting of the Board of Directors shall be required. The Board may hold regular meetings without notice if the time and place of such meetings is fixed by the Board Notice of special meetings by regular U.S. mail, postage prepaid, postmarked at least ten (10) days in advance, shall be considered proper notice for any special meeting. It is the responsibility of the President to show proof of notification to the Board of Directors. This requirement of notification may be waived for a special Board of Directors meeting with the approval at said meeting of two-thirds (2/3) of the Board of Directors need be specified in the notice or waiver of notice of such meeting except for those matters specified in Section 8.07 hereof. The Board may hold special meetings upon four days notice by first-class mail or 48 hours notice delivered personally or by telephone or facsimile. In all cases the notice shall specify in reasonable detail the business to be transacted.
- 7.04 Quorum. A quorum of at least six (6) members of the Board of Directors then in office shall be necessary for the transaction of any business at any board meeting. Each Director shall have one (1) vote and 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. Once a quorum has been established for a meeting, any and all action at that meeting shall be deemed to be valid. Attendance by conference call is considered attendance at the meeting, but must be provided at the individual director's expense unless it is a general scheduled board conference call.

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A majority of the existing Board of Directors shall constitute a quorum at any meeting of the Board. Each Director shall possess one vote. A simple majority vote of the Board of Directors is necessary and sufficient for any action, decision or issue within the purview of the Board of Directors.

- 7.05 Absence. Any member of the Board who is unable to attend a meeting shall notify the Association offices of his or her reasons for absence. Should a Director expect an extended absence of more than two consecutive Board meetings, he/she may request that the Board grant a leave of absence for up to one year. The Board may grant a leave of absence at its discretion and may also consider the appointment of an interim Director to serve in the place of the Director who has been granted a leave of absence. The interim Director shall serve at the pleasure of the Board and service will cease upon Board action or upon the return of the absentee Director. Should an interim director not be appointed by the Board, the quorum requirement in section 7.04 will be reduced from 6 to 5 during the director's leave of absence.

### **ARTICLE VIII** **OFFICERS**

- 8.01 The officers of the Association shall consist of a President, one or more Vice Presidents, the immediate Past President a Secretary/Treasurer, and such other officers and assistant officers as may be deemed necessary.
- 8.02 Qualifications. Officers must be regular members of the Association and must have at least two years of continuous regular membership status. No person may hold more than one office at the same time. The President and the Treasurer must have been a regular member for at least four years and have served at least one term (two years) as a Director.
- 8.03 Election and Term of Office. The President and Vice President shall be elected by the regular membership at each annual membership meeting and shall hold office for a term of one (1) year or until their successors are elected. In event of failure to hold an election of officers at any annual members' meeting, or in the event of failure to hold any annual members' meeting as provided by these Bylaws, election of officers may be held at a special meeting of the members called for that purpose. The Secretary/Treasurer shall hold office for a term of one (1) year or until his or her successor is elected and shall be elected by the Board of Directors at its annual meeting from the general membership. The Secretary/Treasurer may be, but need not be, a member of the Board of Directors.
- 8.04 Duties of Officers.

President. The President shall supervise all activities of the Association; execute all instruments in its behalf. It shall be the duty of the President to preside at

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meetings of the membership and of the Board, to appoint committees and perform such other duties usually inherent in such office. The President shall have the power to suspend for a period of time, or to terminate a member, for conduct detrimental to the Association. Such suspension or termination shall, however, be subject to review by the Board of Directors at any regularly scheduled or specially called Board meeting and may be revised or modified by a two-thirds (2/3) vote of the Board. The President shall have the power to determine questions arising from emergencies not provided for in the Association Bylaws or rules until such time as they may be acted upon at the next Board meeting. The President shall have the authority to call special meetings of the general membership or of the Board of Directors. The President shall be entitled to vote only for the purpose of breaking or causing a tie vote, or when a paper ballot is the voting method.

Once each year the President shall have prepared a summary of the Association's operation and submit the same to the annual meeting.

Vice President. The Vice President shall assume the duties of the President when the President is absent or unable to serve. He or she shall assume the position of parliamentarian at all Association meetings. Except when presiding at a meeting of the membership and of the Board, the Vice President shall be entitled to vote, whether at meetings of the membership or of the Board.

Immediate Past President. The immediate past-president shall be an ex-officio member of all committees of the Association and the Board, with voice and without vote.

Secretary/Treasurer. The offices of Secretary and Treasurer shall be held by separate persons. The Secretary has the care, custody and control of the records of the Association, and shall perform such other duties as the President or the Majority vote of the Board of Directors may direct. The Secretary or his or her delegate shall maintain the approved minutes of all meetings of the Board of Directors, if any salaried employee is an ex-officio, they must have Board approval on all minutes and correspondence that is given out proofread, all minutes of the meetings of the membership and shall maintain a register of all corporate resolutions. The Secretary may not necessarily be a Regular Member. The Treasurer shall receive and be accountable for all funds of the Association, pay all obligations of the Association when authorized to do so by vote of the Board of Directors. He or she shall maintain a set of books covering the Association's financial operations, bank accounts, and assets and shall render financial reports to each and every Board of Directors meeting unless otherwise required. Both the Secretary and Treasurer shall be non-voting ex-officio members of the Board unless elected from the membership. Any person holding the office of Treasurer shall be bonded or have equivalent insurance paid for by the Association if that person is authorized to handle the funds of the Association.

8.05 Salaries. No elected officers or Directors may be salaried. Salaries for the Secretary, Treasurer, Executive Director and for all subordinate professional

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employees shall be as designated by the Board of Directors and shall be reviewed at least annually.

- 8.06 Vacancies. Vacancies in any office arising from any cause may be filled by the Board of Directors at any regular or special meeting.
- 8.07 Removal of Officers. Any officer elected by the membership may be removed by a two-thirds (2/3) vote of the membership at a regular or special meeting. Any officer elected or appointed by the President or Board of Directors may be removed by a two-thirds (2/3) vote of the Board at any regular or special meeting. The notice of said general membership or Board of Directors meeting shall include a statement that a purpose of the meeting is the matter of the proposed removal. Notice of such reasons for proposed removal must be given in writing to the officer sought to be removed at his or her address shown on the Association records, sent by regular U.S. mail, postage pre-paid, not less than two (2) weeks prior to the meeting at which the question is to be voted upon, and such officer shall have ample opportunity to be heard and defend against any charges at said meeting.

### **ARTICLE IX COMMITTEES**

- 9.01 Standing Committees of the Association. The Committees listed below shall assist the Board in carrying out various functions of the Association. The Committees shall be appointed by the President. At least one Board Member shall be on each Committee:

1. Budget Committee
2. Finance Committee
3. Legislative Committee
4. Marketing Committee
5. Program Committee

Other committees may be formed as the need arises.

Each committee shall immediately organize upon appointment and shall report to the Board and the members as requested by the President.

Committee members must be members in good standing of the Association.

### **ARTICLE X MISCELLANEOUS**

- 10.01 Fiscal Year. The fiscal year of the Association shall end December 31.

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- 10.02 Books and Records of Accounts. This Association shall maintain correct and complete books and records of account and minutes of meetings of the membership and of the Board of Directors, which shall be kept at the registered office of the Association, as well as a record of the names and addresses of its members. The books and records of the Association, other than documents deemed confidential by the Board of Directors, may be inspected and copied by any Regular Member during normal business hours and following reasonable notification of intent to inspect. Reasonable notice will be written and served upon the Association a minimum of five working days before requested inspection date.
- 10.02 Loans to Directors and Officers Prohibited. No loans shall be made by this Association.
- 10.03 Limitation of Liability of Director. A Director shall have no liability to the Association or its members for monetary damages for conduct as a Director, except for acts or omissions that involve intentional misconduct by the Director, or knowing violation of law by the Director or for any transaction from which the Director will personally receive a benefit in money, property or services to which the Director is not legally entitled. If the Washington Nonprofit Corporation Act is hereafter amended to authorize corporate action further eliminating or limiting the personal liability of Directors, then the liability of a Director shall be eliminated or limited to the full extent permitted by the Washington Nonprofit Corporation Act, as so amended. Any repeal or modification of the Article shall not adversely affect any right or protection of a Director of the Association existing at the time of such modification or repeal for or with respect to such modification or repeal.
- 10.04 Indemnification of Directors, Officers and Trustees.
- (1) Right to indemnification. Each person who was or is made a party or threatened to be made a party to or is involved (including, without limitation, as a witness) in any actual or threatened action suit or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that he or she is or was a Trustee, Director, or Officer of the Association or, while a Trustee, Director or Officer he or she is or was serving at the request of the Association as a Director, Trustee, Officer, Employee, or Agent of another corporation or 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 in an official capacity as a Director, Trustee, Officer, Employee, an official capacity as a Director, Trustee, Officer, Employee, Coach, or Agent, or in any other capacity while serving as a Director, Trustee, Officer, Employee, or Agent, shall be indemnified and held harmless by the Association, to the full extent of applicable law as then in effect, against all expense, liability, and loss (including attorney's fees, judgments, fines, ERISA excise taxes, penalties, or amounts to be paid in settlement) actually and reasonable incurred or suffered by such person in

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- connection therewith. Such indemnification shall continue as to a person who has ceased to be a Director, Trustee or Officer and shall inure to the benefit of his or her heirs, executors, and administrators. The right to indemnification conferred in this section shall be a contract right and shall include the right to be paid by the Association the expenses incurred in defending any such proceeding in advance of its final disposition; provided, however, that the payment of such expense in advance of the final disposition of a proceeding shall be made only upon delivery to the Association of an undertaking, by or on behalf of such Director, Trustee or Officer, to repay all amounts so advanced if it shall ultimately be determined that such Director, Trustee or Office 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.
- (2) Not Exclusive. The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition 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, or agreement or vote of disinterested Director, Trustees, Officer or otherwise.
- (3) Insurance. The Association may maintain insurance, at its expense, to protect itself and any Director, Trustee, Officer, Employee, or Agent of the Association or another corporation, 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 Corporations Act, as applied to nonprofit corporations. The Association may enter into contracts with any Director, Trustee or Officer of the Association in furtherance of the provisions of this article and may create a trust fund, grant a security interest, 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.
- (4) Advances. The Association may, by action of the Board of Directors from time to time, provide indemnification and pay expenses in advance of final disposition of a proceeding to employees and agents of the Association with the same scope and effect as the provisions of this article with respect to the Officers of the Association or pursuant to rights granted pursuant to, or provided by the Washington Business Act, as applied to nonprofit corporations, or otherwise.
- 10.05 Conflict of Interest. The Association may enter into, contract and otherwise transact business as vendor-purchaser or otherwise with its Directors, Officers, and Members, and with the Association's associations, firms and entities in which they are or may become interested as Directors, Officers, Members, or otherwise, as freely as if those such adverse interests did not exist, even though the vote, action or presence of such Directors, Officers, or Members may be necessary to obligate the Association upon such contracts or transactions; and in the absence of fraud, no such contracts or transactions shall be avoided, and no such Director, Officer or Member shall be held liable to account to the Association by reason of such adverse interests or by reason of any fiduciary relationship to the Association arising out of such office or membership, for any profit or benefit realized by him

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- or her through any such contract or transaction; provided that in the case of Directors and Officers of the Association, the nature of the interest of such Directors or Officers, the details or extent thereof, shall be disclosed or known to the Board of Directors of the Association at the meeting thereof at which such contract or transaction was authorized or confirmed.
- 10.06 Waiver of Notice. Whenever any notice is required to be given to any member or Director of the Association by the Articles or Bylaws, or by the laws of the State of Washington, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.
- 10.07 Action by Members or Directors without a Meeting. Any action required by these Bylaws to be taken at a meeting of the members or Directors of the Association, or any action which may be taken at a meeting of the members or Directors, may be taken without a meeting if a consent in writing, setting forth the actions so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof or all of the Directors, as the case may be. Such consent shall have the same force and effect as an unanimous vote and may be stated as such in any articles or document filed with the Secretary of State.
- 10.08 Withdrawal or Demise of Member. This Association shall not be terminated by withdrawal or demise of any member.
- 10.09 Members' Claims to Assets. A member shall have no claim to any portion of the Association's assets upon his or her withdrawal or demise.

### **ARTICLE XI** **PARLIAMENTARY AUTHORITY and INTERPRETATION**

- 11.01 Meetings. All meetings of this organization shall be governed by parliamentary law as set forth in the most current version in existence of Robert's Rules of Order, newly revised, unless otherwise set forth in these bylaws.
- 11.02 Interpretation. These Bylaws are subject to the Washington Nonprofit Corporation Law and must be interpreted so as to conform with that Law, as it is interpreted and amended from time to time.

### **ARTICLE XII** **AMENDMENTS**

- 12.01 Amendment. These Bylaws may be amended by a sixty percent (60%) vote of the membership present or voting by absentee ballot at any annual meeting or any special meeting called for that purpose; or a two thirds (2/3) vote of the Board of

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Directors at a meeting occurring between membership meetings. However, amendments made by the Directors shall be subject to approval by a sixty percent (60%) vote of the members voting in person or by absentee ballot at the next regularly scheduled Membership Meeting. No Bylaw amendment shall be made by the Directors or the members, unless written notice of the contents of the proposed amendment shall have been given to each member at his or her address shown in the corporate records, sent by regular U.S. mail, postage prepaid, not less than ten (10) days prior to the meeting at which such amendment is to be presented which notice shall be accompanied by a ballot in the appropriate form. Certain amendments to the Bylaws, including those that materially and adversely affect the rights of members or change the authorized number of Directors, must be approved by the members in accordance with the law.

Approved by the Board of Directors on this 28<sup>th</sup> date of July, 2010

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Bryan D. Mize, Chairman of the Board

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Bill Blatt, Assistant Treasurer

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Patsy Hayes, Corresponding Sec'y

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Bert Johnson, Parliamentarian

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Robert Mize, Treasurer

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Jack Shannon, Programs

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Rob Trickler, Registered Agent, Legal