



Electronic Notice and Voting (Policy No. 18)

Snoqualmie Ridge is a master planned development located in King County, Washington. The Snoqualmie Ridge Residential Owners Association (“Association”), a Washington Nonprofit Corporation, is the entity responsible for the management, maintenance, operation, and control of the Areas of Common Responsibility and enforcement of the governing Documents. The Board of Directors (“Board”) is responsible for the administration of the Association.

Each owner of a Unit within Snoqualmie Ridge is a Member of the Association. The Members of the Association are subject to certain covenants, Conditions, and Restrictions in the Declaration for Snoqualmie Ridge, recorded under King county No. 199704250998, as amended (“Declaration”). At the time of its creation, the Declarant adopted a governance structure for the Association that permitted the Members to use mail-in ballots and proxies.

In 2004, the State Legislature amended the Washington Nonprofit Corporation Act, RCW 24.03 (“Nonprofit Act”), to allow Members of Nonprofit Corporation to receive Notice and to Vote by electronic transmission, if so authorized by the corporation’s By-Laws.

The Association and its Members would benefit from the adoption of a policy that allows Members to receive Notice and to Vote by electronic transmission. Amending the By-Laws to permit electronic Notice and Voting would benefit all the Members because the amendment will encourage greater Member participation and will increase the likelihood that a Quorum will be obtained at Member meetings.

To obtain the benefit, the 1997 By-Laws have been amended and recorded to bring the governance structure into compliance with the Nonprofit Act.

NOW THEREFORE BE IT RESOLVED, that the Board adopts the following Electronic Notice and Voting Policy (“Policy”), to ensure that individual Members and Directors may, upon their consent, receive Notice and Vote by electronic transmission.

POLICY

ARTICLE 1. Definitions.

In addition to their natural, commonly accepted definitions, and to supplement definitions and usage as they may appear throughout the Association's governing documents, the Association adopts the following definitions:

Section 1.1. "Deliver" includes electronic transmission, in accordance with the Member's consent for purposes of delivering a demand, consent, vote, notice or waiver to the Association or one of its Officers, Directors, or Members.

Section 1.2. "Electronic transmission" means an electronic communication (a) not directly involving the physical transfer of a record in a tangible medium and (b) that may be retained, retrieved, and reviewed by the sender and the recipient thereof, and that may be directly reproduced in a tangible medium by a sender and recipient.

Section 1.3. "Electronically transmitted" means the initiation of an electronic transmission.

Section 1.4. "Execute", "executes", or "executed" includes, with respect to an electronic transmission, electronically transmitted along with sufficient information to determine the sender's identity.

Section 1.5. "Record" means information inscribed on a tangible medium or contained in an electronic transmission.

Section 1.6. "Tangible medium" means a writing, copy of a writing, facsimile, or a physical reproduction, on paper or on other tangible material.

ARTICLE 2. Notice; Member Consent

Section 2.1. Notice to Members in an electronic transmission that otherwise complies with the requirements of this Policy is effective only with respect to Members who have consented either in writing or by electronic transmission to receive electronically transmitted notices.

2.1.1. A Member who provides consent, in the form of a record, to receipt of electronically transmitted notices shall designate in the consent the message format accessible to the recipient, and the address, location, or system to which these notices may be electronically transmitted.

2.1.2. A Member who has consented to receipt of electronically transmitted notices may revoke the consent by delivering a revocation to the Association in the form of a record.

2.1.3. The consent of any Member is revoked if the Association is unable to electronically transmit two consecutive notices given by the Association in accordance with the consent, and this inability becomes known to the secretary of the Association or other person responsible for giving

notice. The inadvertent failure by the Association to treat this inability as a revocation does not invalidate any meeting or other action.

Section 2.2. Notice to Members who have consented to receipt of electronically transmitted notices may be provided by posting the notice on an electronic network and delivering to the Member a separate record of the posting, together with comprehensible instructions regarding how to obtain access to this posting on the electronic network.

Section 2.3. Notice provided in an electronic transmission is effective when it: (a) is electronically transmitted to an address, location, or system designated by the recipient for that purpose, and is made pursuant to the consent provided by the recipient; or (b) has been posted on an electronic network and a separate record of the posting has been delivered to the recipient together with comprehensible instructions regarding how to obtain access to the posting on the electronic network.

ARTICLE 3. Notice of Members' Meetings

Notice in an electronic transmission, stating the place, day, and hour of the annual meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than fourteen (14) nor more than fifty days (50) before the date of the meeting, by or at the direction of the President, or the Secretary, or the Officers or persons calling the meeting, to each Member entitled to vote at such meeting.

ARTICLE 4. Member Voting

Section 4.1. A Member may vote by electronic transmission.

Section 4.2. The Association may conduct an election by electronic transmission if the Association has designated an address, location, or system to which the ballot may be electronically transmitted and the ballot is electronically transmitted to the designated address, location, or system, in an executed electronically transmitted record.

Section 4.3. Members voting by electronic transmission are present for all purposes of quorum, count of votes, and percentages of total voting power present.

Section 4.4. Whenever Directors or proposals are to be elected by Members, the vote may be taken by electronic transmission if the name of each candidate and the text of each proposal to be voted upon are set forth in a record accompanying or contained in the notice of meeting. The electronically transmitted solicitation for votes shall indicate the number of responses needed to meet the quorum requirements, state the percentage of affirmative votes required to approve each matter, and, specify the date and time by which vote must be received by the Association to be counted. An electronically transmitted vote may be revoked by a Member at any time before the response deadline.

ARTICLE 5. Member Proxies

Section 5.1. A Member may appoint a proxy by electronic transmission.

Section 5.2. An appointment of a proxy by electronic transmission is effective when it is received by the inspectors of an election or the Officer or agent of the Association authorized to tabulate votes.

Section 5.3. Acceptable forms of transmission of an authorization to act for the Member as proxy include:

5.3.1. Recorded telephone calls;

5.3.2. Voice mail;

5.3.3. Other electronic transmissions.

Section 5.4. Any person acting in the capacity of an inspector of election (“Inspector”) must verify that the Member authorized the transmission. To verify Member authorization:

5.4.1. the transmission must contain or be accompanied by information, including any security or validation controls, from which it can be reasonable determined that the transmission was authorized by the Member;

5.4.2. the Inspector shall specify the information the Inspector relied on in determining that a transmission was valid; and

5.4.3. the holder of a proxy received by transmission shall provide the Association a copy of the transmission.

Section 5.5. the Association shall retain a copy of the transmission for sixty (60) days following the announcement of a vote.

ARTICLE 6. Applicability to Directors

A Director may give consent either in writing or by electronic transmission to receive electronically transmitted notices. Director consent to receive electronically transmitted notices may be revoked in the same manner that Member consent is revoked. A Director may not appoint a proxy.

Unanimously adopted by the Board of Directors
April 19, 2007
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