

Policy # 1130.7 CRCC Director, Board, and Officer Structure

Note 1: Section A is a matter of legal fact that stands independent of this policy being in place.

Note 2: Please refer to copy of CRCC Bylaws, Article VI and VII, attached.

Section A. Basic Structure of Board of Directors and Officers.

Cascade River Community Club is an incorporated association. A standard feature of corporate structure is that the “shareholders”—in this case the lot owner/members—elect (volunteer members) as directors, which together make up a Board of Directors. It is a matter of ‘public trust’ that the board, as a whole, represents the “shareholders” (lot owner/members) as they vote on various motions, etc. Another standard feature of corporate structure is the fact that it is the board that chooses the various officers who carry out the will of the board. The CRCC Bylaws (relevant Articles VI and VII attached) demonstrate this same principle.

The above referenced articles of the CRCC Bylaws clearly grant the board—the collective of directors—with “powers” as well as duties. This clearly states that the membership bestows certain authority to the board (at large) to conduct various business on behalf of the Association. Article VII clearly assigns “Duties” to the officers, but no independent authority. This is reflective of the normal operation of a board of directors in any corporation; the officers have only the authority granted by the board (at large) to carry out various duties.

Section B. Board Interaction with CRCC Consultants (Including Attorneys and CPA’s)

In order for the CRCC Board to function as a whole, allowing equal access to each Director (as a representative of the membership), Directors (Board Members) will insure open access to CRCC Consultants. For example: Communication with CRCC ‘Consultants’ will be, to the extent possible under circumstances, transparent, and invite board members to contribute questions and comments. This provision is to prevent any one Board Member (or small faction) to skew, interpret, or misinterpret advice from such a consultant and help insure the best outcome.

Section C. CRCC Employee Access to CRCC Board (Universal Board Access)

Although any one Director (Board Member) and/or Officer may be assigned to interact with and/or manage CRCC Employees, in order to insure transparency and to avoid factions and/or power struggles within the Board, no employee shall be dissuaded from

having full access to any or all of the other Board members to voice concerns, questions, or complaints.

Adopted September 2020

Referenced CRCC Bylaws, Articles VI and VII.

ARTICLE VI

Powers and Duties of Directors

Section 1. Subject to limitation in the Articles of Incorporation and the BYLAWS and the laws of the State of Washington, all powers of the corporation shall be exercised by or under the authority of, and the business and affairs of the corporation shall be controlled by, the board of directors. Without prejudice to such general powers, and subject to the same limitations, it is hereby expressly declared that the directors shall have the following powers:

Section 2 To select and remove all the other officer, agents and employees of the corporation, prescribe such powers and duties for them as may not be inconsistent with law, with the Articles of Incorporation or the BYLAWS, fix their compensation and require from them security for faithful service.

Section 3. To conduct, manage and control the affairs and business of the corporation, and to make such rules and regulations therefor not inconsistent with law, with the Articles of Incorporation or the BYLAWS, as they may deem best.

Section 4. To issue certificates of membership only to the owners or purchasers of tracts hereinbefore described, subject to such conditions or terms as provided in the Articles of Incorporation and the BYLAWS.

Section 5. To charge and/or assess the several parcels of land and the owners thereof as hereinbefore more particularly set forth.

Section 6. To cause to be kept a complete record of all minutes and acts and to present a full statement to the regular annual meeting of members showing in detail the condition of the affairs of the corporation.

ARTICLE VII

Duties of Officers

Section 1. President. The President shall preside at all meetings of the directors and members; he shall sign as President all certificates of membership and all contracts or other instruments in writing authorized by the board of directors; he shall call special meetings of the directors or of the members whenever he deems it necessary; he shall have and exercise under the direction of the board of directors the general supervision of the affairs of the corporation.

Section 2. Vice – President. The Vice-President shall preside at all meetings in the absence of the President, and in case of the absence or disability of the President shall perform all other duties of the President which are incidental to his office.

Section 3. Secretary. The Secretary shall issue all notices and shall attend and keep the minutes of all meetings; he shall have charge of all corporate books, records and paper; he shall be custodian of the corporate seal, shall attest his signature and impress with the corporate seal all written contracts of the corporation, and shall perform all such other duties as are incidental to his office.

Adopted September 2020