

## ALYESKA SOUTH CONDOMINIUM ASSOCIATION

ARTICLE I - SEAL AND FISCAL YEAR

Section 1. Seal. The seal of this corporation shall have inscribed on it the name of this corporation and the words "Corporate Seal".

Section 2. Fiscal Year. The fiscal year of this corporation shall begin on January 1 and end on December 31 of the following year.

ARTICLE II - MEMBERSHIPS

Section 1. Memberships. There shall be one membership in the association for each condominium unit owner. A Unit Owner shall mean a person or persons owning a unit, absent or qualified, together with an undivided interest in the common areas and facilities appertaining to each apartment and the percentage as set forth in the Declaration. Where there is more than one record owner of the condominium, any or all of such persons may attend any meeting of the association, but it shall be necessary for those owners present to act unanimously in casting the vote to which the condominium membership is entitled. The total number of memberships shall not exceed the number of condominium units and in no event shall exceed sixty-eight (68). The owner or owners of a condominium shall hold and share the membership relating to that condominium in the same proportionate interest and by the same tenancy in which the title to the condominium is held, provided always that there shall be only one membership per condominium unit. No person or entity other than the owner of a condominium may be a member of the corporation.

Section 2. Transfer of Membership. Membership in the corporation and the share of a member in the assets of the corporation shall not be assigned, encumbered, or transferred in any manner except as an appurtenance to transfer of title to the condominium unit to which the membership pertains; provided, however, that the rights of membership may be assigned to the holder of a mortgage, deed of trust, or other security instrument on the condominium unit as further security for a loan secured by a lien on such condominium unit. The transfer of ownership shall occur automatically upon the transfer of title to the condominium unit to which the membership pertained, but the corporation shall be entitled to treat the person or persons in whose name or names the membership is recorded on the books and records of the corporation as the member for all purposes until such time as evidence of transfer of title, satisfactory to the corporation, has been submitted to the secretary. A transfer of membership shall not release the transferor from liability for obligations accrued incident to such membership prior to such transfer. In the event of a dispute as to ownership appurtenant thereto, title to the condominium unit, as shown in the records of the Anchorage Recording District, Third Judicial District, State of Alaska shall be determinative.

Section 3. Voting Rights. Where the vote of the members is required or permitted by the statutes of the State of Alaska, the Declaration, the Articles of Incorporation, or these Bylaws, the voting shall be on a percentage basis. The percentage of the total vote to which the owner of any apartment is entitled shall be the percentage assigned to such apartment in the Declaration. The specified percentage of the apartment owners means the owners of apartments to which are appurtenant such percentage of the common interest as established by the Declaration.

Where there are co-owners of a condominium unit, the co-owners must act unanimously in order to cast the voting percentage to which the condominium unit is entitled. Any one of the such co-owners present or represented by proxy shall be automatically accepted by the corporation as the agent and attorney-in-fact for other co-owners not present or represented by proxy, for the purpose of casting the one vote of that membership. Voting by proxy shall be permitted. Proxies may be executed in writing by the owner or co-owner of his duly authorized attorney-in-fact and must be filed with the secretary before the appointed time of each meeting. No proxy shall be valid after eleven (11) months from the date of this execution unless otherwise provided in the proxy. The corporation may suspend the voting rights of a member for failure to comply with the rules and regulations of the corporation or the failure to comply with any other obligations of the owners of the condominium unit under the Declaration and Bylaws.

Section 4. Voting By Mail. The Board of Directors may decide if voting of the members shall be by mail in respect to any particular election of Directors or with respect to the adoption of any proposed amendment to the Articles of Incorporation or adoption of proposed plan of merger, consolidation or dissolution.

In case of election of directors by mail, the existing Board of Directors shall advise the secretary in writing of the names and proposed directors sufficient to constitute a full Board of Directors and of a date at least fifty (50) days after such advise is given by which all votes are to be received. The secretary within five (5) days after such advice is given shall give written notice of the number of directors to be elected and of names of the nominees to all owners or co-owners of each membership. Notice shall state that any such owner or co-owner may nominate an additional candidate or candidates, not to exceed the number of directors to be elected, by notice in writing to the Secretary at the specified address of the principal office of the corporation, to be received on or before the specified date fifteen (15) days from the date notice is given by the Secretary. Within five (5) days from said specified date the Secretary shall give final written notice to all owners or co-owners of the membership, stating the number of directors to be elected, stating the names of all persons nominated by the Board of Directors or by members on or before said specified date, stating that each owner or co-owner may cast their vote by mail and shall have a right to emulate his votes by giving one candidate as many votes as the number of directors to be elected multiplied by the number of votes which he has a right to cast shall equal, or by distributing such votes on the same principal among any number of said candidates, and stating the date established by the Board of Directors by which such votes must be received by the Secretary at the address of the principal office of the corporation, which shall be specified in the notice.

Votes received after that date shall not be effective. All persons elected as directors pursuant to Section 11 by mail or receive the number of votes required by applicable law shall take office effective on the date specified in the notice upon receipt of said notice.

In the case of a vote by mail relating to any proposed amendment to the Articles of Incorporation, or adoption of a proposed plan of merger, consolidation, or dissolution, the Secretary shall give written notice to all owners or co-owners of each membership which notice shall include a proposed written resolution setting forth the description of the proposed action, shall state that such persons are entitled to vote by mail for or against such proposal, stating a date not less than twenty (20) days after the date such notice shall have been given or before which all votes must be received and stating that they must be sent to the specified address of the principal office of the corporation. Votes received after that date shall not be effective. Any such proposal shall be adopted if approved by the affirmative vote of not less than two-thirds of the votes entitled to be cast on such question.

Delivery of a vote in writing to the principal office of the corporation shall be equivalent to a receipt of a vote by mail at such address for the purposes of this section.

Section 5. Annual Meeting. The annual meeting of the members for the purpose of voting on such matters as property may come before the meeting shall be held on the last Monday in October of each year at a convenient location in Anchorage, Alaska as selected by the Board of Directors. Directors shall be elected at such annual meeting unless elected by mail as herein provided.

Section 6. Special Meetings. Special meetings of the members may be called at any time by the President, by the Board of Directors, or by written request of owners or co-owners of memberships holding more than twenty-five percent (25%) of the votes entitled to be cast on any matter, and shall be held at a convenient location in Anchorage, Alaska to be selected by the persons calling the meeting.

Section 7. Notices - Waiver. Notices of annual and special meetings to members must be given in writing and must state the place, day and hour of the meeting and must indicate each matter to be voted on at the meeting which is known to the corporation at the time the notice of the meeting is given. This notice shall be delivered not less than ten (10) nor more than (50) days before the date of the meeting, either personally or by mail, by or at the direction of the President, or the Secretary, or the officers or persons calling the meeting, each member entitled to vote at the meeting. If mailed, the notice shall be considered to be delivered when deposited in United States mail addressed to the member at his address as it appears on the records of the corporation with postage prepaid.

Written waiver of notice 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.

Section 8. Quorum; Vote Required; Adjournment. A quorum shall be defined as the presence at any meeting in person or by proxy of owners of apartments having voting interest percentages of twenty-five percent (25%). If a quorum exists, the action of a majority of the votes present or represented by proxy,

shall be the act of the members, except as otherwise specifically required by law, the Articles of Incorporation, these Bylaws, or the Declaration. If a quorum does not exist, a majority of the votes present by person or by proxy may adjourn the meeting from time to time without further notice other than announcement.

Section 9. Action of Members Without Meeting. Any action required to be taken, or any action which may be taken at a meeting of the members, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all the owners or co-owners of memberships entitled to vote with respect to the subject matter thereof.

Section 10. Order of Business. The order of business at all meetings of the Association shall be as follows:

- (a) Roll Call
- (b) Proof of notice of meeting.
- (c) Reading of minutes of preceding meeting.
- (d) Report of Officers.
- (e) Report of Committees
- (f) Election of Directors.
- (g) Unfinished Business.
- (h) New Business.

### ARTICLE III - BOARD OF DIRECTORS

Section 1. Number, Terms, Qualification and Election. This corporation shall be governed and managed by a Board of Directors who shall have and be invested with all of the powers, duties, rights, and responsibilities normally devolved upon members of a non-profit corporation under the laws of the State of Alaska, the Articles of Incorporation, these Bylaws, or the Declaration.

A. The Board of Directors shall be made up of five (5) directors all of whom shall be natural persons and except as provided herein, shall be members of the corporation. One of the five directors shall be classified a junior director unless there are no persons who are nominated and elected within the definition of a junior director. A junior director shall be a natural person between the age of eighteen and twenty-five who shall be the son or daughter of a member of the association.

B. Except for the initial Board of Directors, all the directors shall serve for a term of two (2) years and/or until such time as their successor shall be duly elected. Of the members of the initial board of directors, three of these members shall serve until October 31, 1982 and two members shall serve until October 31, 1983 or until such time as their successors shall be duly elected.

C. Each director is entitled to one vote on all matters before the Board.

Section 2. Removal. Any director may be removed from office with or without a cause by a majority vote of the other members then entitled to vote at the election of directors. The entire Board of Directors or any lesser number may be removed with or without cause, by a vote of a majority of the members then entitled to vote at the election of directors. The notice of any meeting of which the subject of the removal of a director shall come before the Board shall specify such fact. If less than the entire Board is to be removed, no one of the directors may be removed if the votes of a sufficient number of members are cast against his removal, which, if then cumulatively voted at an election of an entire Board of Directors, would be sufficient to elect him. Any director may resign who has submitted a written notice to the Board stating the effective date of his resignation, and acceptance of the resignation shall not be necessary to make the resignation effective.

Section 3. Vacancies. Vacancies on the Board of Directors shall be filled by a majority of the remaining members of the Board of Directors whether or not the remaining members are sufficient to form a quorum of directors for a meeting; provided, however, that the notice of said meeting of the Board of Directors shall have specified that an election of directors is to be held. A person elected by the Board of Directors to fill a vacancy shall serve until the expiration of the term of the directorship whose vacancy is being filled. A majority of the directors may declare vacant the office of a director who is declared unsound of mind by an order of the Court, or who is otherwise disqualified. In the event a director fails to attend two or more consecutive meetings of the Board of Directors, irrespective of whether said meetings are regular or special, said director may thereafter be disqualified by the Board of Directors from holding his office and a vacancy declared in his directorship.

Section 4. Compensation. Members of the Board of Directors shall serve without compensation except that by resolution of the Board, the Board may fix a sum as and for the expenses of attendance at each meeting of the Board of Directors. A director may serve the corporation in a capacity other than that of director and receive reasonable compensation for the services rendered in that other capacity.

Section 5. Place of Meeting. Meetings of the Board of Directors shall be held at the registered office of the corporation or at any place within the State of Alaska that a majority of the Board of Directors may from time to time by resolution appoint.

Section 6. Annual Meeting. The annual meeting of the Board of Directors shall be held immediately following the annual meeting of the corporation for the purpose of electing directors and officers.

Section 7. Regular Meetings. Regular meetings shall be held as may be established by the Board as they may determine from time to time. The Board shall determine the place as well as the time for such regular meetings. After the establishment of the time and place for such regular meetings, no further notice thereof need be given. Special meetings of the Board may be called by the President, or by upon request delivered to the Secretary of the corporation, by any two directors.

Section 8. Notice of Meetings. Written notice of each meeting of the Board of Directors setting forth the time and place of the meeting shall be given to each director at least three days before such meeting either personally or by mail. A director may waive in writing notice of a special meeting of the Board of Directors either before or after the meeting and his waiver shall be deemed the equivalent of giving notice. Attendance of a director at a meeting shall constitute a waiver of notice of that meeting unless he attends for the express purpose of objecting to transaction of business because the meeting has not been lawfully called or convened.

Section 9. Election of Officers. Officers of the corporation shall be elected after the election of directors at the annual meeting of the corporation.

Section 10. Quorum. At any meeting of the Board of Directors a simple majority of the directors in office shall be necessary to constitute a quorum for the transaction of business, except the transaction of such business as the Articles of Incorporation or these Bylaws or Declaration may require to be taken by a greater vote. Once a meeting of the Board of Directors is commenced with a quorum present, the acts of the majority of directors in attendance thereafter shall be the acts of the Board of Directors.

Section 11. Presiding Officers. At each meeting of the Board of Directors, the President, and in his absence, the Vice-President, shall preside at the meeting of the Board of Directors. The Secretary or in his absence, an assistant secretary, of the Board of Directors shall keep minutes and record the transaction of business at said meeting.

Section 12. Adjournment. A meeting of the Board of Directors may be adjourned and notice of the adjourned meeting or of the business to be transacted there other than by announcement at the meeting at which the adjournment is taken shall not be necessary. At the continuation of an adjourned meeting any business may be transacted which could have been transacted at the meeting originally called.

Section 13. Action of Directors Without a Meeting. If all of the directors separately or collectively consent in writing to any action taken or to be taken by the corporation, and the writing or writings evidencing their consent are filed with the Secretary of the corporation, the action shall be as valid as though it had been authorized at a meeting of the Board of Directors.

Section 14. Authority and Responsibility. The business, property, and affairs of the corporation shall be governed, managed, and controlled by the Board of Directors and, subject to the restrictions of these Bylaws, the Articles of Incorporation, the Declaration, and the laws of the State of Alaska, the Board of Directors may exercise all of the powers of the corporation with respect thereto. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association. In addition to powers and duties conferred by these Bylaws, the Declaration or resolutions of the Association, the Board shall be responsible for but not limited to, the following:

- (a) Management and operation of the project and maintenance, repair and rebuilding of the common elements thereof;
- (b) Establishment and collection of monthly assessments against the apartment owners for common expenses;
- (c) Appointment and dismissal of any personnel necessary for such operation and maintenance functions; and
- (d) The purchase of adjacent lands on the leaseholds, or condominium units as may be determined to be in the best interests of the Association with the full authority to assess the membership for the purchase price thereof.

Section 15. Executive Committee of Board of Directors. The Board of Directors, by resolution adopted by a majority of the directors in office, may designate and appoint an Executive Committee of the Board. The number of members of the Executive Committee and the persons who shall be members thereof shall be determined by the Board, but the number of such persons shall not be fewer than three. Unless limited by resolution of the Board, the Executive Committee shall have and exercise all the authority of the Board of Directors, except that such Committee shall not have the authority of the Board of Directors with reference to amending, altering, or repealing the Bylaws; electing or appointing or removing any member of such Committee or any officer or director of the corporation; authorizing the sale, lease, or mortgage of substantially all the property and assets of the corporation; authorizing the voluntary dissolution of the corporation or revoking proceedings thereto; adopting the plan for the distribution of assets of the corporation; or amending or altering or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered or repealed by such Committee. All of the provisions in these bylaws with respect to notice of meeting of Directors, quorum at such meetings, voting at such meetings, and waivers of notice at such meetings, shall be applicable to the meetings of the Executive Committee.

#### ARTICLE IV - OFFICERS, AGENTS AND EMPLOYEES

Section 1. Number, Titles and Terms of Office. The officers of the corporation shall be chosen by the Board of Directors, shall serve at the pleasure of the Board, and shall consist of a President, Vice-President, Secretary and Treasurer. Other officers, assistant officers, agents and employees that the Board of Directors may from time to time deem necessary may be elected or selected by the Board or be appointed in the manner prescribed by the Board of Directors, such officers shall hold office until their successors are chosen and have qualified unless they are sooner removed from office as provided in these Bylaws. Two or more offices may be held by the same person except that one person may not hold simultaneously the office of President and Vice-President or President and Secretary.

Section 2. Salaries. The Board of Directors shall fix salaries, if any, of the officers of the corporation. Salaries of other agents or employees of the corporation shall be fixed by the Board of Directors or by such person as the Board of Directors may appoint. All compensation paid

an officer or employee must be commensurate with the amount and kind of services rendered the corporation and similar to compensation generally paid for like services by other businesses of like nature.

Section 3. Removal of Officers and Agents. An officer or agent of the corporation may be removed by the Board of Directors whenever in their judgment the best interest of the corporation shall be served thereby. Such removal shall be without prejudice to the contract rights of any person so removed. Election or appointment of an officer or agent shall not of itself establish contract rights.

Section 4. Powers and Duties of the President. The President shall be subject to the control of the Board of Directors, shall have general supervision of the business of the corporation with such powers with respect thereto as may be reasonably incident and necessary to carry out such responsibilities and as conferred by the Board of Directors. He shall preside at all meetings of the directors and discharge the duties of the presiding officer. He shall present at each annual meeting of the directors a report of the business of the corporation for the preceding year and shall perform whatever other duties the Board of Directors may from time to time prescribe. In such manner and upon such terms and with such delegation of authority as the Board of Directors may from time to time approve, the President may agree upon and execute all bonds, contracts and other obligations in the name of the corporation.

Section 5. Vice-President. The Vice-President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President. He also shall perform whatever other duties herein designated and have whatever other powers the Board of Directors and the President may from time to time delegate and assign to him.

Section 6. Treasurer. The Treasurer shall have custody of the funds and securities which come into his hands subject to the control of the Board of Directors. He shall be responsible for keeping full and accurate account of receipts and disbursements and shall deposit all corporate monies and other valuable effects in the name and to the credit of the corporation in a depository or depositories designated by the Board of Directors. Subject to the direction of the Board of Directors, he shall disburse the funds of the corporation, shall render to the President or the Board of Directors whenever they may require it an account of his transactions as the Treasurer and of the financial condition of the corporation. Subject to the prior authorization by the Board of Directors by resolution duly passed and entered on the records of the corporation, the Treasurer may endorse on behalf of the corporation for collection checks, notes and other obligations and shall deposit the same to the credit of the corporation in such bank or banks and in the manner prescribed by the Board of Directors and may sign all receipts and vouchers for payment made to the corporation either alone or jointly or with such other officer as may be designated by the Board of Directors.

Section 7. Secretary. The Secretary shall attend all meetings of the Board of Directors and shall keep or cause to be kept a true and complete record of the proceedings of those meetings. He shall keep the corporate seal of the corporation and when directed by the Board of Directors or the President shall affix it to any instrument requiring it. He shall give, or cause to be given, notice of all meetings of the directors and shall perform whatever addi-

tional duties the Board of Directors and the President may from time to time prescribe. He may sign with the President in the name of the corporation all contracts of the corporation and affix the seal of the corporation thereto. He shall have charge of such records, books and papers of the corporation as the Board of Directors may direct, all of which records shall at all reasonable time be opened to the inspection by any director upon the application therefor at the office of the corporation during business hours. The Secretary shall perform all duties incident to the office of the Secretary subject to control of the Board of Directors and the President.

Section 8. Delegation of Duties. Whenever an officer is absent or whenever for any reason the Board of Directors may deem it desirable, the Board may delegate the powers and duties of an officer to any other officer or officers or any director or directors.

#### ARTICLE V - INDEMNIFICATION OF OFFICERS AND DIRECTORS

Any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that he is or was a director, officer, employee or agent of the corporation or is or was serving at the request of the corporation as a director, officer or agent of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by this corporation to the full extent permitted under the Alaska Non-Profit Corporation Act, except for intentional torts or other willful acts, and any amendments thereto. Any determination required by said Act to be made as to the propriety of any indemnification shall, whenever appropriate and permitted by the Act, be made by a vote of a quorum consisting of disinterested directors, or by any other person which such directors may by law appoint. Any indemnification under this Article shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any Bylaw, agreement, vote of disinterested directors, provisions of law or otherwise, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such person.

The corporation shall have power to the extent permitted by the Alaska Non-Profit Corporation Act to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the corporation would have the power to indemnify him against such liability under the provisions of this Article.

#### ARTICLE VI - FIDELITY BONDS

Any person or entity authorized to in any way control, dispense, deposit, receive or pay funds of the Association, including all employees, professional managers of the Association, shall be required to obtain appropriate bond coverage in the amount as set forth by the Board of Directors.

## ARTICLE VII - SPECIAL CORPORATE ACTS

Section 1. Contracts, Deeds, Documents and Instruments. Contracts, deeds, documents and instruments shall be executed by the President, or in his absence, the Vice-President, under seal of the corporation affixed and attested to by the Secretary unless the Board of Directors in a particular situation designate another procedure for the execution of the said documents.

Section 2. Signing of Checks and Notes. Checks, notes, and drafts and demands for money shall be signed by the officer or officers from time to time designated by the Board of Directors.

## ARTICLE VIII - WAIVER OF NOTICE

Whenever notice is required to be given to a director of this corporation, under the provisions of these Bylaws or under the Articles of Incorporation or pursuant to Alaska Statutes governing non-profit corporations, a waiver of the notice in writing signed by the person entitled to notice, whether before or after the time stated for the notice, is equivalent to the giving of the notice itself.

## ARTICLE IX - AMENDMENTS

These Bylaws may be amended by a vote of three-quarters (3/4) of the whole Board of Directors at a meeting the notice of which has specified the proposed amendment to be made. No amendment of the Articles of Incorporation or these Bylaws shall be contrary to or inconsistent with any provision of the Declaration.

## ARTICLE X - DECLARATION

All provisions concerning the rights, obligations, organization and conduct of the corporation or association contained in the Declaration are hereby expressly adopted in these Bylaws and if any conflict exists between any provision in the Declaration and these Bylaws, the provisions in the Declaration and these Bylaws, the provisions in the Declaration shall prevail.

## ARTICLE XI - ADMINISTRATION

Section 1. Management. The Board of Directors shall at all times manage and control the project and shall be responsible for such duties and services as may be necessary and proper including, but not limited to, the following:

- (a) Direct management and operation of the project;
- (b) Maintenance, repair and rebuilding of the common elements, as established within the yearly budget;
- (c) Purchase, maintenance and replacement of any equipment and provisions of all water and utility services required for the common elements, as may be established within the yearly budget.

- (d) Employment, supervision and dismissal of such personnel as may be necessary for the maintenance and operation of the project;
- (e) Preparation at least sixty (60) days before each fiscal year of a proposed budget and schedule of assessments for such year. The budget and assessments shall be submitted in writing to the membership twenty-one (21) days prior to the annual meeting along with the ballot of the officers and shall be voted upon and returned with the ballot to the Secretary prior to the annual meeting.
- (f) Collection of all installments of assessments authorized and levied by the Board for common expenses and payment of all common expenses authorized by the membership or the Board of Directors.
- (g) Purchase and maintain in effect at all times all policies of fire and liability insurance with respect to the project required by the Declaration and such other insurance and bonds as may be provided by the Declaration or authorized by the membership or Board of Directors;
- (h) Custody of all funds of the Association, maintenance of full and accurate books of account and records of said funds, and preparation of regular financial reports thereof;
- (i) Notification of all persons having any interest in any apartment, as shown in the Association's record of ownership, of delinquency exceeding sixty (60) days in the payment of any assessments against such apartment.

Section 2. Managing Agent. The Board of Directors shall employ either a responsible Alaska corporation as managing agent, or a resident manager, or both, to manage and control the project at such compensation and with such administrative powers and duties as the Board may establish and delegate, subject to prior approval of every such employment contract by a majority of apartment owners.

Section 3. Representation. The President or in his absence one of the officers of the Board, subject to the direction of the Board of Directors, shall represent the Association in any action, suit, hearing or other proceeding concerning the Association, the common elements and on its behalf may institute, defend, intervene in, prosecute and settle any such actions, suits and proceedings without prejudice to the rights of any apartment owners individually to appear, sue or be sued.

#### ARTICLE XII - ASSESSMENTS AND OTHER CHARGES

1. Levy and Payment. All unit owners shall pay all common assessments for common expenses and all applicable special assessments, reconstruction assessments and capital improvement assessments imposed by the Board of Directors. The common assessments and applicable reconstruction, capital improvement and special assessments, together with interest, costs, and rea-

sonable attorney's fees, shall be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. This personal obligation cannot be avoided by abandonment of the condominium or by an offer to waive use of the common areas. The assessment shall include payments to a general operating reserve fund for replacement as deemed necessary by the Board of Directors. The assessments levied by the Board of Directors shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the condominiums and for the improvement, operation, replacement and maintenance of the project. Not later than thirty (30) days prior to the beginning of each fiscal year, the Board of Directors shall estimate the total charges to be assessed against each condominium. Written notice of the annual assessments shall be sent to every unit owner subject thereto. Each owner thereof shall thereafter pay to the Association his assessment in installments as established by the Board of Directors. In the event the Board of Directors shall determine that the estimate of total charges for the current year is, or will become, inadequate to meet all expenses of the property for any reason, it shall immediately determine the approximate amount of such inadequacy and issue a supplemental estimate of the total charges to be assessed against each condominium.

\* as set by the  
Board of Directors

Amended  
9/29/87

2. Delinquencies. There shall accrue with each delinquent assessment, a late charge \_\_\_\_\_ together with interest at the maximum rate permitted by law on such delinquent sums, \*calculated from the date of delinquency to and including the date full payment is received by the Association. The Association may cause to be recorded in Office of the Recorder, Anchorage Recording District, a notice of any delinquent sums due the Association from any condominium owner. Such notice shall state the amount of such delinquent sums and other authorized charges and interest, collection in connection with the delinquent sums, reasonable attorneys' fees, a sufficient description of the condominium against which the same has been assessed, the name and address of the Association and the name of the record owner thereof. Such notice shall be signed by an authorized representative of the Association. Any payment of any nature whatsoever due the Association by a member shall be deemed to be delinquent if not received by the Association thirty (30) days after said payment is due. Any payment not received sixty (60) days after said payment is due shall entitle the Association to take any legal remedy which it may have available against the unit owner or respective condominium interest as set forth by these Bylaws, the Declaration, or by Alaska law.

Upon payment to the Association of such delinquent sums and charges in connection therewith, or other satisfaction thereof, the Association shall cause to be recorded a further notice stating the satisfaction and release of such delinquent sums and charges. The Association may demand and receive the cost of recordation of such release before recording the same. Any purchaser or encumbrancer, acting in good faith and for value may rely upon such notice of satisfaction and release as conclusive evidence of the full satisfaction of the sums stated in the notice of the delinquent sums. In the event of default by any unit owner in the payment of any assessment, the Association shall notify all persons and firms holding a mortgage or deed of trust by any unit owner on any condominium on the project.

3. Liens, Enforcement. All sums assessed in accordance with the provisions of these Bylaws shall constitute a lien on the respective condominium prior and superior to all other liens except (1) all taxes, bonds, assessments, and other liens which, by law, would be superior thereto, and (2) the lien or charge of any mortgage of record (meaning any recorded mortgage or deed of trust) made in good faith and for value and recorded prior to the date on which the lien became effective. This lien may be foreclosed by private sale as provided herein as an alternative means of relief afforded by these Bylaws. Such lien, when delinquent may be enforced by sale by the Association, its attorney or other person authorized to make the sale, after failure of the owner to pay an assessment in accordance with its terms, such sale to be conducted in accordance with the provisions of the Alaska Statutes applicable to the exercise of powers of sale in mortgages and deeds of trust, or in any manner permitted by law. In any such foreclosure, the condominium owner shall be required to pay reasonable rental for the condominium to the plaintiff. The plaintiff may acquire, hold, lease, mortgage and convey the condominium. Suit to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing the same, and this provision or any institution of suit to recover a money judgment shall not constitute an election of remedies. Any recovery resulting from a suit in law or equity initiated pursuant to this section may include reasonable attorneys' fees and costs as fixed by the court.

4. Common Assessment. Common assessment shall mean the portions of the cost of maintaining, improving, repairing, and managing Alyeska South Condominium Association and all other common expenses, including operational costs of common areas which are to be paid by each unit owner to the Association for the common expenses and charged to his condominium.

5. Special Assessments. Special assessments shall mean a charge against a particular unit owner or his condominium, directly attributable to the unit owner, equal to the cost incurred by the Association for corrective action performed pursuant to the provisions of these Bylaws, plus interest thereon as provided for in the Bylaws.

6. Reconstruction Assessment. Reconstruction assessment shall mean a charge against each unit owner and his condominium, representing a portion of the cost to the Association for reconstruction of any portion or portions of the project pursuant to these Bylaws.

7. Capital Improvement Assessment. Capital improvement assessments shall mean a charge against each unit owner and his condominium, representing a portion of the cost to the Association for installation or construction of any capital improvements on any of the common areas or the limited common areas which the Association may from time to time authorize.

8. Common Expenses. Common expenses shall mean the actual and estimated costs of maintenance, management, operation, repair and replacement of the common areas and limited common areas (to the extent not paid by the unit owner responsible for payment), including unpaid special reconstruction and capital improvement assessments; costs of management and administration of the Association, including but not limited to compensation paid by the Association to managers, accountants, attorneys and other employees; the costs of utilities, gardening and other services benefiting the common areas and limited common areas; the costs of fire, casualty, liability, workmen's compensation, and other insurance covering the project; the costs of bonding of the members of

the management body; taxes paid by the Association; amounts paid by the Association for discharge of any lien or encumbrance levied against the entire project or portions thereof; and the costs of any other item or items designated by, or in accordance with other expenses incurred by the Association for any reason whatsoever.

#### ARTICLE XIII - RESIDENCE AND USE RESTRICTIONS

The Association by and through its Board of Directors is hereby given the express authority by each apartment owner for access to the unit to make any repairs required by these Bylaws which repairs would affect any common elements or other apartments.

##### 1. Repair and Maintenance.

(a) Every apartment owner shall from time to time and at all times well and substantially repair, maintain, amend and keep his apartment with all necessary reparations and amendments whatsoever in good order and condition, except as otherwise provided by law or the Declaration, and without limitation shall perform promptly all such work within his apartment the omission of which would affect any common elements or other apartments and shall be responsible for all loss and damage caused by his failure to do so.

(b) All repairs of internal installations within each apartment such as water, light, gas, power, sewage, telephones, air conditioning, sanitation, doors, windows, lamps and all other fixtures and accessories belonging to such apartment, including interior walls and partitions and the inner decorated or finished surfaces of the perimeter walls, floors and ceilings of such apartment and the interior surfaces of any adjacent limited common elements appurtenant to such apartment, shall be at the apartment owner's expense.

(c) Every apartment owner shall reimburse the Association for any expenditures incurred in repairing or replacing any common elements or furniture, furnishings and equipment thereof damaged or lost through the fault of such apartment owner or any person using the project under him and shall give prompt notice to the Managing Agent of any such damage, loss or other defect when discovered.

##### 2. Use of Project.

(a) All apartments of the project shall be used only as private dwellings, except as set forth in the Declaration.

(b) All common elements of the project shall be used only for their respective purposes as designed.

(c) No apartment owners or occupants shall place, store or maintain in the halls, lobbies, stairways, grounds or other common elements of similar nature any furniture, garbage packages or objects of any kind or otherwise obstruct transit through such common elements.

(d) Every apartment owner and occupant shall at all times keep his apartment in a strictly clean and sanitary condition, and shall observe and perform all laws, ordinances, rules and regulations now or hereafter made by

any governmental authority and all Bylaws, rules, regulations, agreements, decisions and determinations duly made by the Association for the time being applicable to the project or the use thereof and all restrictions, covenants, conditions and provisions of the Declaration and amendments thereof duly made affecting the project.

(e) No apartment owner or occupant shall make or suffer waste or unlawful, improper or offensive use of his apartment or the project or alter or remove any furniture, furnishing or equipment of the common elements.

### 3. Construction of Improvements.

(a) No apartment owner or occupant shall erect or place on the project any building or structure including fences and walls, nor make any additions or structural alterations to or exterior changes of any common elements of the project, nor place or maintain thereon any signs or bills visible outside of the project, except in accordance with plans and specifications including detailed plot plan, prepared by a licensed architect if so required by the Board of Directors, first approved in writing by the Board of Directors and also approved by a majority of the apartment owners including all owners of apartments thereby directly affected.

(b) No apartment owner shall decorate or landscape any entrance, hallway, planting area or balcony appurtenant to his apartment except in accordance with standards therefore established by the Board of Directors or specified plans approved in writing by the Board.

### 4. Right of Entry.

(a) The Managing Agent and any other person authorized by the Board of Directors shall have the right to enter each apartment in case of any emergency originating in or threatening such apartment whether or not the owner or occupant is present at the time.

(b) Every apartment owner and occupant, when so required shall permit other apartment owners or their representatives to enter his apartment at reasonable times for the purpose of performing authorized installations, alterations, or repairs to the common elements therein for central services, provided that requests are made twenty-four (24) hours in advance for entry.

(c) The Managing Agent and any other person authorized by the Board of Directors shall have the rights to enter each apartment for the purpose of checking the heat of such apartment and for checking the security of the building. Such right of entry shall be made at any time without notice whether or not the owner or occupant is present at the time.

### 5. Rules of Conduct.

(a) No owner or occupant shall post any advertisement, bill, poster or other sign on or about the project, although not visible outside of the project, except as authorized by the Board of Directors.

(b) All occupants shall exercise extreme care about making noises or in the use of musical instruments, radios, televisions and amplifiers that may disturb other occupants. A nightly curfew for building activity which will disturb others shall be set at 10:00 p.m. until 7 a.m.

(c) No garments, rugs or other objects shall be hung from the windows or facades of the project.

(d) No rugs or other objects shall be dusted or shaken from the windows of the project or cleaned by beating or sweeping on any exterior part of the project.

(e) No garbage, refuse, or trash of any kind shall be thrown, placed or kept on any common elements of the project outside of the disposal facilities provided for such purposes.

(f) No livestock, poultry, rabbits or other animals whatsoever shall be allowed or kept in any part of the project, except that dogs and cats and other household pets in reasonable number may be kept by the apartment owners and occupants in their respective apartments, but shall not be kept, bred or used therein for any commercial purpose nor allowed on any common elements in transit when carried or on leash, provided that any such pet causing a nuisance or unreasonable disturbance to any other occupant of the project shall be permanently removed therefrom promptly upon notice given by the Managing Agent or Board of Directors.

(g) No apartment owner or occupant shall, without the written approval of the Board of Directors, install any wiring for electrical or telephone installations, television antenna, machines or airconditioning units, or other equipment or appurtenances whatsoever on the exterior of the project or protruding through the walls, windows or roof thereof.

(h) Nothing shall be allowed, done or kept in any apartments or common elements of the project which would overload or impair the floors, walls, or roofs thereof, or cause any increase in the ordinary premium rates or the cancellation or invalidation of any insurance thereon maintained by or for the Association, nor shall any noxious or offensive activity or nuisance be made or suffered thereon.

(i) Parking identification cards with name and apartment number shall be issued one to each apartment owner for parking within the designated "Owner's Parking Area." All cars found in the Parking Areas without a permit may be towed away at the owner's expense. No parking of any nature whatsoever will be allowed in any driveway to block any emergency exit or emergency vehicle or other traffic from access to the parking lot or access to the building. The Managing Agent or any other person authorized by the Board of Directors shall have the express authority to tow away any vehicle at the owner's expense.

(j) Each apartment owner shall be solely responsible to supply all keys to the Managing Agent to external doors. The failure of any apartment owner to provide such keys shall result in a special assessment against said apartment owner for the cost of purchasing such keys, including the cost of making such keys to allow entry to the unit.

(k) Placement of all real estate signs, for rent signs or any signs advertising the sale or renting of any unit shall be expressly prohibited except as set forth in these Bylaws. Any apartment owner shall be allowed to place one real estate sign, for sale sign or for rent sign on the inside

of the apartment window. No real estate sign, for rent sign, for lease sign or for sale sign of any nature whatsoever shall be placed or hung from the balconies of any unit or on the interior doors of any unit.

6. Foreclosure of Lien or Legal Action. In any suit to foreclose the lien against an apartment owner for delinquent assessments or legal action due to violation of the Association Bylaws as voted by the majority of the Board of Directors, such owner shall be required to pay to the Association a reasonable rent for such apartment until sale on foreclosure together with all costs and reasonable attorney's fees.

7. House Rules. The Board of Directors, upon notice to all apartment owners in the same manner as herein provided for notice of meetings of the Association and opportunity to be heard thereon, may adopt or amend any supplemental rules and regulations called House Rules, governing details of the operation and use of the common elements not inconsistent with any provisions of law, these Bylaws or the Declaration. Every apartment owner shall provide a copy of the House Rules for use by guests, renters or lessees and shall be responsible for instruction of same regarding the operations of the building. All damages or legal action resulting from use of the owner's apartment shall be the same as if the owner were responsible.

8. Condominium Subleases. All proportionate sums due the State of Alaska pursuant to the Leasehold Estate under Lease dated May 11, 1962, executed by the State of Alaska, Lessor, to Alyeska Ski Corporation, Lessee, for a term commencing May 11, 1962 and ending May 10, 2017, recorded February 19, 1964, in Book 81, at page 89, and Amendments thereto recorded August 3, 1972 in Book 210, at page 192. And Assignment to Alaska Airlines, Inc., by assignment dated February 14, 1976 and recorded September 7, 1976, in Book 129, at page 259. And Assignment to Alaska Northwest Properties, Inc., by Assignment recorded November 16, 1978 in Book 355, at page 321, and re-recorded December 11, 1978 in Book 362, at page 447, which sums are created by a Partial Assignment of Sublease to each unit owner, shall, for the purposes of these Bylaws be construed to be an assessment. The Association, other unit owners, and any mortgagee shall have the rights created pursuant to these bylaws for the collection of said assessment in the same manner as any other assessments. The Association, in addition to collecting said lease payments, shall, by and through the Board of Directors, make the payments to any prior leaseholder, namely C. Bruce Ficke, C. Bruce Ficke Investments, Inc., the State of Alaska, Alyeska Ski Corporation, as the case may be.

9. Fire Protection System. All charges of any nature whatsoever related to the installation, maintenance, tariff or expenses of a fire protection system, or other fire protection of any nature whatsoever is hereby defined as a common assessment. The Board of Directors is given the authority by these Bylaws to construct a smoke detection system or comparable fire protection owned by the Association and thereby to assess the members of the Association as a special assessment for the cost of said construction, improvement, installation or repair of said existing system.

#### ARTICLE XIV - INSURANCE

1. Types. The Association shall obtain and continue in effect adequate blanket public liability insurance for the common areas, and fire insurance

with extended coverage for the full insurable value of the project. Such insurance shall be maintained by the Association for the benefit of the Association, the unit owners, and the encumbrances upon the property or any part thereof as their interest may appear with underlying coverage on the individual units. The Association may purchase such other insurance as it may deem necessary, including but not limited to, plate glass insurance, fidelity bonds and workmen's compensation. Each owner shall provide insurance on his personal property. Nothing herein shall preclude any individual owner from carrying any public liability insurance as he may deem advisable to cover his individual liability for damages to person or property occurring inside his individual unit or elsewhere upon the premises.

2. Premiums and Proceeds. Insurance premiums for any such blanket insurance coverage obtained by the Association and any other insurance deemed necessary by the Association shall become a common expense to be included in the regular assessment of the property for which the insurance was carried or otherwise disposed of as provided in these Bylaws. The Association is hereby granted the authority to negotiate loss settlements with the appropriate insurance carriers. Any two directors of the Association may sign a loss claim form and release form in connection with the settlement of a loss claim, and such signature shall be binding on all the unit owners.

3. Reappraisal. The corporation shall reappraise each unit, common areas, and facilities thirty years after the date of submission of the property to the Horizontal Property Regimes Act by the Declaration. Upon such appraisal, the corporation and each member shall then cause the amendments required, if any, to the percentage of undivided interest of each unit owner in the common areas and facilities based upon the appraised value. Thereafter, the reappraisal shall be made on a ten year basis.

#### ARTICLE XV - COMPLIANCE

Section 1. Subordination. These Bylaws are subordinant and subject to the provisions of the Declaration and all amendments thereto, and said Horizontal Property Regimes Act, and in case of any conflict the latter shall control. All terms herein (except where clearly repugnant to the context) shall have the same meaning as in the Declaration or said Act.

Section 2. Interpretation. In case any provision of these Bylaws shall be held invalid, such invalidity shall not render invalid any other provision hereof which can be given effect. Nothing in these Bylaws shall be deemed or construed to authorize the Association or the Board of Directors to conduct or engage in any active business for profit on behalf of any or all of the owners.

#### ARTICLE XVI - MORTGAGES

Section 1. Notice to Association. Any apartment owner who mortgages his interest in an apartment shall notify the Board of Directors of the name and address of his mortgagee, and the Secretary shall maintain such

information in the record of ownership of the Association.

Section 2. Notice of Unpaid Assessments. The Board of Directors at the request of any mortgagee or prospective purchaser of any apartment or interest therein will report to such person the amount of any unpaid assessments due from the owner of such apartment.

ARTICLE XVII - AMENDMENT OF PRIOR BYLAWS

These Bylaws, adopted at a duly called meeting of the Association, shall constitute the amended Bylaws of the Alyeska South Condominium Association. These Bylaws shall in all respects replace and supercede from and after the date of their adoption any and all prior Bylaws of the Association.

APPROVED AND ADOPTED this 11th day of December, 1982 by the undersigned as the Board of Directors of the corporation.

Tom R. Telling

James J. Galbraith

Cherity B. Kaban

James R. Drake

William H. Slipp

STATE OF ALASKA )  
 ) ss  
THIRD JUDICIAL DISTRICT )

THIS IS TO CERTIFY that on this 23<sup>rd</sup> day of Feb, 1984 before me, the undersigned Notary Public in and for the State of Alaska, duly commissioned and sworn as such, personally came Sandra Jackson to me known to be the person described in and who executed the foregoing document and acknowledged that they signed and sealed the same freely and voluntarily for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

Leo Preston  
Notary Public in and for Alaska  
My commission expires: 4/2/86

STATE OF ALASKA )  
 ) ss  
THIRD JUDICIAL DISTRICT )

THIS IS TO CERTIFY that on this 26<sup>th</sup> day of Feb, 1984 before me, the undersigned Notary Public in and for the State of Alaska, duly commissioned and sworn as such, personally came Ward Hurlburt to me known to be the person described in and who executed the foregoing document and acknowledged that they signed and sealed the same freely and voluntarily for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

Nancy Williams  
Notary Public in and for Alaska  
My commission expires: 3/20/86