BYLAWS FOR
THE SUNCADIA FUND
FOR
COMMUNITY ENHANCEMENT

AMENDED AND RESTATED
BYLAWS

OF

SUNCADIA FUND
FOR
COMMUNITY ENHANCEMENT

TABLE OF CONTENTS

Page

1. **NAME, PRINCIPAL, OFFICE, AND DEFINITIONS** **1**

    1.1 Name 1
    1.2 Principal Office 1
    1.3 Definitions 1

2. **MISSION OF THE FUND** **1**

    2.1 Suncadia 1
    2.2 Purpose and Function of the Fund 1

3. **ADMINISTRATION OF THE FUND** **2**

4. **BOARD OF TRUSTEES: NUMBER, POWERS, MEETINGS** **2**

    A. Composition, Term and Appointment **2**

    4.1 Governing Body 2
    4.2 Interim Board 2
    4.3 Regular Board 2
    4.4 Term 2
    4.5 Removal of Trustees and Vacancies 3

    B. Meetings **3**

    4.6 Regular Meetings 3
    4.7 Special Meetings 3
    4.8 Waiver of Notice 3
    4.9 Quorum of Board 3
    4.10 Compensation 4
    4.11 Conduct of Meetings 4
    4.12 Open Meetings 4
    4.13 Telephonic Participation 4
    4.14 Action Without a Formal Meeting 5

    C. Powers and Duties **5**

    4.15 Powers 5
    4.16 Duties 6
    4.17 Implied Rights; Board Authority 6
    4.18 Fund Insurance 7

4.19 Management 7
4.20 Accounts and Reports 8
4.21 Borrowing 9
4.22 Right to Contract 9
4.23 Enforcement 9
4.24 Board Standards 9

5. OFFICERS 9

5.1 Officers 9
5.2 Election and Term of Office 10
5.3 Removal and Vacancies 10
5.4 Powers and Duties 10
5.5 Resignation 10
5.6 Agreements, Contracts, Deeds, Leases, Checks, Etc. 10
5.7 Compensation 10

6. COMMITTEES 10

6.1 General 10
6.2 Advisory Committees 11

7. MISCELLANEOUS 11

7.1 Fiscal Year 11
7.2 Parliamentary Rules 11
7.3 Conflicts 11
7.4 Books and Records 11
7.5 Notices 12
7.6 Amendment 13

8. INDEMNIFICATION OF TRUSTEES AND OFFICERS 13

AMENDED AND RESTATED
BYLAWS
OF
THE SUNCADIA FUND
FOR
COMMUNITY ENHANCEMENT

ARTICLE 1.
NAME, PRINCIPAL OFFICE, AND DEFINITIONS

1.1. Name. The name of the corporation shall be The Suncadia Fund for Community Enhancement, formerly known as The MountainStar Resort Fund for Community Enhancement (the "Fund").

1.2. Principal Office. The principal office of the Fund shall be located in Kittitas County, Washington. The Fund may have such other offices, either within or outside Washington, as the Board may determine or as the affairs of the Fund may require.

1.3. Definitions. The words used in these Amended and Restated Bylaws shall have their normal, commonly understood definitions unless otherwise specified. Capitalized terms shall have the same meaning as set forth in the Second Amended and Restated Covenant for Community Enhancement of Suncadia, as it may be amended ("Covenant"), unless the context indicates otherwise.

ARTICLE 2.
PURPOSE AND FUNCTION OF THE FUND

2.1. Suncadia. Suncadia is a planned development located in Kittitas County, Washington. MountainStar Resort Development, LLC, a Delaware limited liability company, doing business as Suncadia Development Company, is the developer of Suncadia and is the Founder as defined in the Covenant.

2.2. Mission of the Fund. The mission of the Fund is to provide a source of funding and organization for activities and investments that will create and enhance a dynamic and vital community experience for the Owners of Suncadia. The Fund will have the ability to participate in a broad range of activities intended to improve the social, cultural, economic and environmental conditions of Suncadia and its immediate environs, including the Town of Roslyn, the City of Cle Elum and the City of South Cle Elum. The nature of the Fund's investments will inevitably change as the community that its supports grows and evolves over time; it will, however, remain focused on enhancing the lives of the members of the community through its potentially far-reaching endeavors.

The Fund shall perform its functions in accordance with these Amended and Restated Bylaws, the Covenant, the Articles of Incorporation and Washington law.

ARTICLE 3.
ADMINISTRATION OF THE FUND

The Fund shall have no members. The affairs of the Fund shall be managed by its Board of Trustees.

ARTICLE 4.
BOARD OF TRUSTEES: NUMBER, POWERS, MEETINGS

A. Composition, Term and Appointment.

4.1. Governing Body. The Fund shall be governed by a Board of Trustees. Each trustee shall have one equal vote. Each trustee shall be a natural person of at least 18 years of age.

4.2. Interim Board. Founder shall have the right to appoint an interim board of five trustees, who shall serve as the Board until replaced by Founder or until their successors take office at the next annual meeting following termination of the Development Period as such term is defined in the Amended and Restated Declaration of Covenants, Conditions, Restrictions and Easements for Suncadia Residential Areas, as amended. At such meeting the interim trustees shall resign and be replaced by their successors, who shall be appointed as provided in Section 4.3 below.

4.3. Regular Board. At the next annual meeting following termination of the Development Period, the interim trustees shall resign and five successor trustees shall be appointed. The Board shall be comprised of three trustees appointed by the Board of Directors of the Suncadia Residential Owners Association and two trustees appointed by the Board of Directors of the Suncadia Commercial Association.

4.4. Term. The interim trustees each shall serve a term which expires upon the appointment of regular trustees in accordance with Section 4.3. Thereafter, except as provided below, each trustee shall serve terms of two years with the beginning and end of each term corresponding with the fiscal year; provided, trustees shall continue to hold office until their successors take office; provided further that the initial term of the five trustees appointed by the residential association and the commercial association shall be such that three trustee positions, as they may determine among themselves, shall terminate after two years and two trustee positions shall terminate after one year, in order to thereafter establish two-year staggered terms. Trustees may serve one or more consecutive terms. At each annual meeting of the Fund, trustees shall be selected, as provided above, to succeed those trustees whose terms are expiring.

4.5. Removal of Trustees and Vacancies. Any trustee may be removed, with or without cause, by a vote of a majority of the other trustees or, for so long as Founder is the owner of any property subject to assessment under the Covenant, by Founder in its sole and absolute discretion. Any trustee whose removal is sought shall be given written notice prior to any action being taken to remove him. Upon removal of a trustee, a successor shall be appointed in the manner provided in Section 4.3 to fill the vacancy for the remainder of such trustee's term.

B. Meetings.

4.6. Regular Meetings. Regular meetings of the Board may be held at such time and place as a majority of the trustees shall determine, but at least two meetings shall be held during each fiscal year. One meeting shall be designated as the annual meeting for selection of trustees. Notice of the time and place of the meeting shall be communicated to trustees not less than four days prior to the meeting; provided, however, notice of a meeting need not be given to any trustee who has signed a waiver of notice or a written consent to holding of the meeting.

4.7. Special Meetings. Special meetings of the Board shall be held when called by written notice signed by the President or Secretary of the Fund or by any two trustees. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each trustee by: (a) personal delivery; (b) first-class mail, postage prepaid; (c) telephone communication, either directly to the trustee or to a person at the trustee's office or home who would reasonably be expected to communicate such notice promptly to the trustee; or (d) facsimile, computer, fiber optics or any such other electronic communication device.

All such notices shall be given at the trustee's telephone number, fax number, or e-mail address, or sent to the trustee's postal address as shown on the records of the Fund. Notices sent by first-class mail shall be deposited into a United States mailbox at least four days before the time set for the meeting. Notices given by personal delivery, telephone, facsimile or other device shall be delivered, telephoned or transmitted at least 72 hours before the time set for the meeting.

4.8. Waiver of Notice. The transactions of any meeting of the Board, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present and (b) either before or after the meeting, each of the trustees not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any trustee who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

4.9. Quorum of Board. At all meetings of the Board, a majority of the trustees shall constitute a quorum for the transaction of business. The vote of a majority of the trustees present at a meeting at which there is a quorum shall constitute the decision of the Board except as otherwise specifically provided in these Amended and Restated Bylaws. The members of the Board present at a meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of trustees, if any action taken is approved by at least a majority of the required quorum for that meeting.

If any meeting of the Board cannot be held because a quorum is not present, a majority of the trustees present at such meeting may adjourn the meeting to a time not less than five nor more than 30 days from the date of the original meeting. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

4.10. Compensation. Unless otherwise approved by a majority of the trustees and set forth in a board resolution, no trustee shall receive any compensation from the Fund for serving as a trustee. A trustee may be reimbursed for expenses incurred on behalf of the Fund upon approval of a majority of the other trustees. Nothing herein shall prohibit the Fund from compensating a trustee or any entity with which a trustee is affiliated for services or supplies furnished to the Fund in a capacity other than as a trustee pursuant to a contract or agreement with the Fund, provided that such trustee's interest was made known to the Board prior to entering into such contract and such contract was approved by a majority of trustees other than the interested trustee.

4.11. Conduct of Meetings. The President shall preside over all meetings of the Board, and the Secretary shall keep a minute book of Board meetings, recording all Board resolutions and all transactions and proceedings occurring at such meetings. The Board is authorized, but not obligated, to utilize computer voting and to employ cable television and other electronic methods for its meetings and other appropriate activities so as to provide the broadest possible, relevant participation or observation of its decision-making processes.

4.12. Open Meetings. Subject to the provisions of Sections 4.13 and 4.14, all meetings of the Board shall be open to all officers and trustees or their authorized representatives. Owners and other residents (residential or commercial) of Suncadia may also attend meetings. An attendee other than a trustee may not participate in any discussion or deliberation unless permission to speak is requested on his or her behalf by a trustee. In such case, the President may limit the time any such individual may speak. Notwithstanding the above, the President may adjourn any meeting of the Board and reconvene in executive session, excluding persons other than trustees, to discuss matters of a sensitive nature, such as pending or threatened litigation, personnel matters, etc.

4.13. Telephonic Participation. One or more trustees may participate in and vote during any regular or special meeting of the Board by telephone conference call, fiber optics, or similar audio or video communication equipment by means of which all persons participating in the meeting can hear each other at the same time. Those trustees so participating shall be deemed to be present at such meeting. Any such meeting at which a quorum participates shall constitute a meeting of the Board.

4.14. Action Without a Formal Meeting. Any action that may be taken at a meeting of the trustees may be taken without a meeting if consent in writing, setting forth the action so taken, is signed by all of the trustees. Such consent shall have the same force and effect as a unanimous vote.

C. Powers and Duties.

4.15. Powers. The Board shall have all the powers provided under Washington law and all the powers necessary for the administration of the Fund's affairs, for furthering the general purposes of the Fund, and for performing all responsibilities and exercising all rights of the Fund as appropriate for maintaining the Fund's Community Property as set forth in the Covenant, the Articles, these Amended and Restated Bylaws, and as provided by law.

The Board may exercise such powers as it determines, in its business judgment, necessary or desirable to accomplish the goals and objectives of the Fund as set forth in the Covenant and in resolutions the Fund may adopt. Specifically, the powers of the Board shall include, without limitation:

(a) owning real and personal property;

(b) operating and maintaining the Fund's Community Property; such property may be owned in fee by the Fund or occupied by easement or lease and may also include land and facilities over which the Fund has operation and control responsibilities;

(c) making or contracting for the making of repairs, additions, and improvements to or alterations of the Fund's Community Property;

(d) entering into contracts and other agreements in furtherance of the Fund's mission;

(e) designating, hiring, and dismissing personnel necessary to carrying out the Fund's rights and responsibilities and, where appropriate, providing for compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;

(f) administering and enforcing the terms and conditions of the Covenant;

(g) providing for the enhancement of the Suncadia community;

(h) taking such action as deemed necessary or appropriate to carry out the duties and obligations of the Fund as set forth in the Covenant;

(i) fixing and levying fees in accordance with the Covenant; and

(j) entering into contractual agreements or covenants to share costs with other property or facilities or for maintaining and/or operating shared or mutually beneficial property or facilities.

4.16. Duties. Duties of the Board shall include, without limitation:

(a) managing, operating, repairing and maintaining the Fund's Community Property;

(b) acquiring or leasing, repairing and replacing fixtures and equipment for the Fund's Community Property;

(c) paying all taxes and fees and other costs and charges affecting or related to the Fund's Community Property and discharging, contesting or protesting liens or charges affecting the Fund's Community Property;

(d) obtaining and paying the cost of electrical and other utility services the Board deems appropriate for the Fund's Community Property;

(e) adopting from time to time and enforcing policies and procedures relating to use and enjoyment of the Fund's Community Property by the Owners and their lessees, family members, guests and invitees, and by the public;

(f) obtaining and paying for the cost of legal and accounting services necessary or appropriate for the management and operation of the Fund;

(g) doing all other acts or things necessary or appropriate to the ordinary and necessary operation and maintenance of the Fund's Community Property and to preserve and protect the same in the event of any emergency;

(h) imposing and collecting fees in accordance with the Covenant; and

(i) entering into joint use agreements with one or more Owners Associations and other entities or persons relating to the joint use of recreational, education, community or other facilities as provided in the Covenant.

4.17. Implied Rights; Board Authority. The Fund may exercise any right or privilege given to it expressly by the Covenant or these Amended and Restated Bylaws, or which may be reasonably implied from, or reasonably necessary to effectuate, any such express right or privilege. Except as otherwise specifically provided in the Covenant, the Articles, these Amended and Restated Bylaws, or by law, all rights and powers of the Fund may be exercised by the Board.

4.18. Fund Insurance. The Fund, acting through the Board or its duly authorized agent, shall obtain and continue in effect the following types of insurance, if reasonably available and affordable and to the extent the Board deems reasonably necessary:

(a) Blanket property insurance covering "risks of direct physical loss" on a "special form" basis (or comparable coverage by whatever name denominated) for all insurable improvements on the property owned by the Fund. If such coverage is not generally available at reasonable cost, then "broad form" coverage may be substituted. All property insurance policies obtained by the Fund shall have policy limits sufficient to cover the full replacement cost of the insured improvements;

(b) Commercial general liability insurance on the property owned or maintained by the Fund insuring the Fund for damage or injury caused by negligence of the Fund or any of its employees, agents, or contractors while acting on its behalf. If generally available at reasonable cost, commercial general liability coverage (including primary and any umbrella coverage) shall have a limit of at least $1,000,000.00 per occurrence with respect to bodily injury, personal injury, and property damage; provided, should additional coverage and higher limits be available at reasonable cost in the judgment of a reasonably prudent person, the Fund shall obtain such additional coverage or limits;

(c) Workers' compensation insurance and employer's liability insurance, if and to the extent required by law;

(d) Trustees' and officers' liability coverage;

(e) Commercial crime insurance, including fidelity insurance covering all persons responsible for handling the assets of Fund in an amount determined in the Board's business judgment but not less than an amount equal to one-sixth of the annual Budget plus reserves on hand. Fidelity insurance policies shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation; and

(f) Such additional insurance as the Board, in the exercise of its business judgment, determines advisable.

4.19. Management. The Board may employ a professional Director for the Fund, at such compensation as the Board may establish, to perform such duties and services as the Board shall authorize. The Board may delegate to the Director, subject to the Board's supervision, such powers as are necessary to perform the Director's assigned duties but shall not delegate policy-making or budget-adoption authority. Founder, or an affiliate of Founder, may be employed as a Director. The Board may delegate to one of its members the authority to act on its behalf on all matters relating to the duties of the Director which might arise between meetings of the Board.

4.20. Accounts and Reports. The following management standards of performance shall be followed unless the Board specifically determines otherwise:

(a) Accrual accounting, as defined by generally accepted accounting principles, shall be employed.

(b) Accounting and controls should conform to generally accepted accounting principles.

(c) Cash accounts of the Fund shall not be commingled with any other accounts.

(d) No remuneration shall be accepted by the Director from vendors, independent contractors, or others providing goods or services to the Fund, whether in the form of commissions, finder's fees, service fees, prizes, gifts or otherwise; any thing of value received shall benefit the Fund.

(e) Any financial or other interest which the Director may have in any firm providing goods or services to the Fund shall be disclosed promptly to the Board.

(f) Commencing at the end of the month following establishment of the initial budget for the Fund, financial reports shall be prepared at least quarterly containing:

(i) an income statement reflecting all income and expense activity for the preceding period on an accrual basis;

(ii) a statement reflecting all cash receipts and disbursements for the preceding period;

(iii) a variance report reflecting the status of all accounts in an "actual" versus "approved" budget format;

(iv) a balance sheet as of the last day of the preceding period; and

(v) a delinquency report listing all those who are delinquent in paying any fees or other revenue due to the Fund at the time of the report and describing the status of any action to collect such fees or revenue which remain delinquent. (Any assessment or installment thereof shall be considered to be delinquent on the 30th day following the due date unless otherwise specified by Board resolution.)

(g) An annual report consisting of at least the following shall be made available to the Owners and Owners Associations, upon request, within 120 days after the close of the fiscal year: (i) a balance sheet; (ii) an operating (income) statement; and (iii) a statement of changes in financial position for the fiscal year. Such report shall be prepared on an audited or reviewed basis, as the Board determines, by an independent public accountant.

4.21. Borrowing. To the fullest extent allowed by the laws of the State of Washington, the Fund and the Board shall have the power to borrow money, contract debts, and issue evidences of indebtedness for any purpose. The Fund and the Board shall have the power to secure such debts, which shall include, without limitation, the power to pledge collateral including property and future assessment income or future income to be generated pursuant to any covenant to share costs or other agreement.

4.22. Right to Contract. The Fund shall have the right to contract with any person or entity for the performance of various duties and functions. This right shall include, without limitation, the right to enter into common management, operational, or other agreements with non-profit entities that are exempt from federal income tax under the Internal Revenue Code (including, but not limited to, Section 501(c)(3) or 501(c)(4)), any trust, condominium, cooperative, and any Owners Association or other owners or residents association within or outside the Suncadia community.

4.23. Enforcement. The Fund shall have the power to enforce the provisions of these Amended and Restated Bylaws as provided herein and the Covenant.

4.24. Board Standards. While conducting the Fund's business affairs, the Board shall be protected by the business judgment rule. The business judgment rule protects a trustee from personal liability so long as the party claiming liability does not prove that the trustee failed to (a) serve in a manner the trustee believes to be in the best interests of the Fund; (b) serve in good faith; or (c) act with such care as an ordinarily prudent person in a like position would use under similar circumstances.

In fulfilling its governance responsibilities the Board's actions shall be governed and tested by the rule of reasonableness. The Board shall exercise its power in a fair and nondiscriminatory manner and shall adhere to the procedures established in the Covenant and these Amended and Restated Bylaws.

ARTICLE 5.
OFFICERS

5.1. Officers. The Fund officers shall be a President, Secretary, and Treasurer. The President shall also act as the Chairperson of the Board. The Board may appoint such other officers, including one or more Vice President, Assistant Secretaries and Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties the Board prescribes. Any two or more offices may be held by the same person, except the offices of President and Secretary.

5.2. Election and Term of Office. The Board shall elect the officers of the Fund at such times as it deems appropriate. Officers may serve terms of such length as may be designated by the Board, not to exceed three years.

5.3. Removal and Vacancies. Whenever, in its judgment, the best interests of the Fund will be served, the Board may remove any officer and may fill any vacancy in any office for the unexpired portion of the term.

5.4. Powers and Duties. Officers of the Fund shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time specifically be conferred or imposed by the Board. The President shall be the chief executive officer of the Fund. The Treasurer shall have primary responsibility for the preparation of the budget for the Fund Expenses and may delegate all or part of the preparation and notification duties to a finance committee, the Director, or both.

5.5. Resignation. Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

5.6. Agreements, Contracts, Deeds, Leases, Checks, Etc. All agreements, contracts, deeds, leases, checks, and other instruments of the Fund shall be executed by at least one officer or by such other person or persons as may be designated by Board resolution.

5.7. Compensation. Compensation of officers shall be subject to the same limitations as compensation of trustees under Section 4.10.

ARTICLE 6.
COMMITTEES

6.1. General. The Board may appoint such committees as it deems appropriate to perform such tasks and to serve for such periods as the Board may designate by resolution. Each committee shall operate in accordance with the terms of such resolution.

No committee may take any of the following actions:

(a) Amend, alter, or repeal the Amended and Restated Bylaws;

(b) Except as provided in Section 6.2, elect, appoint, or remove any member of any such committee or any trustee or officer of the Fund;

(c) Amend or repeal the Articles, adopt a plan of merger or a plan of consolidation with another corporation;

(d) Authorize the sale, lease or exchange of all of the property and assets of the Fund;

(e) Authorize the voluntary dissolution of the Fund or revoke proceedings therefore;

(f) Adopt a plan for the distribution of assets of the Fund (provided, a Committee may devise or recommend such a plan for approval by the Board); or

(g) Amend, alter or repeal any resolution of the Board unless it provides by its terms that it may be amended, altered, or repealed by a committee.

6.2. Advisory Committees. In addition to any other committees appointed as provided above one or more Advisory Committees may be formed in accordance with the Covenant. An Advisory Committee may advise the Board on any issue but, unless such authority specifically is delegated by resolution of the Board, shall not have the authority to bind the Board.

ARTICLE 7.
MISCELLANEOUS

7.1. Fiscal Year. The fiscal year of the Fund shall be set by Board resolution. In the absence of a resolution, the fiscal year shall be the calendar year.

7.2. Parliamentary Rules. Except as may be modified by Board resolution, *Robert's Rules of Order* (the then current edition) shall govern the conduct of the Fund proceedings when not in conflict with Washington law, the Articles or these Amended and Restated Bylaws.

7.3. Conflicts. If there are conflicts among the provisions of Washington law, the Covenant, the Articles, and these Amended and Restated Bylaws, the provisions of Washington law, the Covenant, the Articles and the Amended and Restated Bylaws (in that order) shall prevail.

7.4. Books and Records.

7.4.1. Inspection by Owners and Mortgagees. The Fund shall maintain or cause to be maintained full and accurate books of account with respect to performance of its responsibilities under these Amended and Restated Bylaws and the Covenant. The Board shall make the following available for inspection and copying by any authorized representative of an Owners Association, during normal business hours or at any other reasonable time and for a purpose reasonably related to his or her interest in such matter:

the Covenant, the Articles, these Amended and Restated Bylaws, and rules of the Fund (including any amendments to the foregoing), books of account and the minutes of meetings of the Board and committees. The Fund shall provide for such inspection to take place at the office of the Fund or at such other place within the community as the Board determines.

The Board shall provide for the Fund's records to be reviewed or audited as the Board may determine, on an annual basis. If an Owners Association, or any Owner, desires to have the records audited at any other time, an audit shall be performed by an auditor mutually agreed upon by the requesting party and the Fund. The Fund shall cooperate by making available to the party performing the audit the records, including all supporting materials (e.g., check copies, invoices, etc.), for the year in question. The party requesting such audit shall be responsible for all costs associated with performing the audit.

7.4.2. Rules for Inspection. The Board may establish reasonable rules with respect to:

(i) notice to be given to the custodian of the records;

(ii) hours and days of the week when such an inspection may be made; and

(iii) payment of the cost of reproducing copies of documents requested.

7.4.3. Inspection by Trustees. Every trustee shall have the absolute right at any reasonable time to inspect all books, records and documents of the Fund. The right of inspection by a trustee includes, upon reasonable request, the right to make one copy of relevant documents at the expense of the Fund.

7.5. Notices. Unless otherwise provided in these Amended and Restated Bylaws, all notices, demands, bills, statements, or other communications under these Amended and Restated Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or three days after deposited in the United States Mail, first class postage prepaid:

(a) if to an Owners Association or Owner, at the address which the Owners Association or Owner has designated in writing and filed with the Secretary or, if no such address has been designated, at either the address of the registered office of the Owners Association or Owner or at the address of such Owner's property; and

(b) if to the Fund, the Board, or the managing agent, at the principal office of the Fund or the managing agent, if any, or at such other address as shall be designated by notice in writing to the Owners Association and Owners pursuant to this Section.

7.6. Amendment. The power to alter, amend or repeal these Amended and Restated Bylaws and to adopt new Amended and Restated Bylaws shall be vested in the Board and shall be exercised in accordance with Washington law.

No amendment may remove, revoke or modify any right or privilege of Founder, including the right of Founder to approve the appointment of members of the Board, without the written consent of Founder or the assignee of such right or privilege.

ARTICLE 8.
INDEMNIFICATION OF TRUSTEES AND OFFICERS

The Fund shall indemnify every officer, trustee, and committee member against all damages and expenses, including counsel fees, reasonably incurred in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board) to which he or she may be a party by reason of being or having been an officer, trustee, or committee member, except that such obligation to indemnify shall be limited to those actions for which liability is limited under this Section and Washington law.

Officers, trustees, and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. Officers and trustees shall have no personal liability with respect to any contract or other commitment made or action taken in good faith on behalf of the Fund (except to the extent that such officers or trustees may also be members of an Owners Association). The Fund shall indemnify and forever hold each such officer, trustee and committee member harmless from any and all liability to others on account of any such contract, commitment or action.

This right to indemnification shall not be exclusive of any other rights to which any present or former officer, trustee, or committee member may be entitled. The Fund shall, as a Fund Expense, maintain adequate general liability and officers' and trustees' liability insurance to fund this obligation if such insurance is reasonably available.

* * *

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected Secretary of The Suncadia Fund for Community Enhancement, a Washington nonprofit corporation;

That the foregoing Amended and Restated Bylaws were adopted by a consent in lieu of a meeting of the Board of Trustees dated as of June 28, 2004 pursuant to Section 7.6 of the Original Bylaws of the Fund.

IN WITNESS WHEREOF, I have hereunto subscribed my name as Secretary of said Fund this 14th day of July, 2004.

Jeanne Larsen
Secretary