

Silver Lake Forest Reserve Association

Inspection of Records Policy

POLICY RESOLUTION 006

Purpose: Purpose of policy is to adopt a uniform timely procedure to be followed when permitting owners to inspect the records of Silver Lake Forest Reserve Association (%Association+).

Policy: Corporate records of the Association, including the names and addresses of Owners and other Occupants of the Lots shall be available for examination by all Owners, Mortgagees, and their respective authorized agents.

Who may Inspect / View / Copy: The inspection and/or copying may be done by an Member (%Owner+) of the Association, or the Owner's designated representative, subject to payment of certain costs by the Owner, as specified below. The Owner shall make this designation in writing.

Request from Owner: The request from the owner must be in writing. The owner must demonstrate a proper purpose reasonably related to his/her membership interest consistent with RCW 24.03.135 (2). The owner must specify the records to be inspected with specificity. (Note Redacted records below.)

Timeline for Association to provide inspection is:

DOCUMENT	TIME TO PROVIDE
Association records for the current fiscal year	within 20 bus. days of written request
Association records for prior two fiscal years	within 30 bus. days of written request
Minutes of Board/Association Meetings - all years available.	per timeline above

Frequency of Request for Inspection: The Association will process and respond to no more than one written inquiry or request in any 30 day period.

No member may submit more than one request for inspection or copying of the same category(ies) of corporate Records in any six-month period.

Interpretation of Record: The extent of the Association's duty is to make the records available for the requestor's inspection. Neither the Association nor its management agents or representatives will be required to interpret any document found within the Records and is not responsible answer questions for an owner during the course of the inspection of the Records.

Inspection Location: The Association shall provide a location approximate to that of the property, or, if deemed appropriate, alternatively one of the Association's agents' offices.

Association Records: RCW 24.03.135, RCW 64.38.045, RCW 64.32.170

- 1) Current articles and bylaws;
- 2) A list of members, including names, addresses, and classes of membership, if any;
- 3) Correct and adequate statements of accounts and finances;
- 4) A list of officers' and directors' names and addresses;
- 5) Minutes of the proceedings of the members, if any, the board, and any minutes which may be maintained by committees of the board. (The requirements of this subsection shall not require the disclosure of information in violation of law or which is otherwise exempt from disclosure. **RCW 64.38.035**)

These Records Include:

- a) Current Policies, Resolutions, Rules and Regulations (if any);
- b) Cancelled checks (if returned by bank), bank statements, invoices, and receipts;
- c) A yearly financial statement;
- d) Other records sufficiently detailed to reflect the true statement of the Association's financial status; disclosures relating to resale certificates (if required).

These Records Exclude:

Note: Washington law does not provide that email or other electronic records regarding association business are identified as association records (records entitled for examination).

- a) emails between directors, officers, agents, and/or other members that do not contain and reflect official Association transaction of business;

- b) Information such as personnel records for employees, emails, and accounting and/or management software databases, e-statements, are not considered association records and are therefore excluded;
- c) Communications between contractors, suppliers, or agents of the board, such as a property manager, and the board or association attorney(s).
- d) Records excluded also include any records connected with or in anticipation of litigation.
- e) Individual owner ledgers.

Records Likely to Require Redaction: (Partial List See Below)

- Bank Records;
- Phone numbers;
- Personal email accounts;
- Certain Invoices;
- Legal Invoices;
- Copies of checks;
- Cancelled checks;
- Litigation documents;
- Tax Information;
- Association Credit / Debit Cards and their purchases;
- Disciplinary actions Records;
- Fine or Violation Records;
- Payment plans of owners other than the requesting owner;
- Records relating to or concerning individual properties other than those of the requesting owner;

Redacted Records / Costs - The association may withhold or redact information from the association records for any of the following reasons:

The release of the information is reasonably likely to lead to identity theft. For the purposes of this section, "identity theft" means the unauthorized use of another person's personal identifying information to obtain credit, goods, services, money, or property.

Examples of information that may be withheld or redacted pursuant to this paragraph include bank account numbers of Owners or vendors, social security or tax identification numbers, and check, stock, and credit card numbers

The release of the information is reasonably likely to lead to fraud in connection with the association.

The information is privileged under law. Examples include documents subject to attorney-client privilege or relating to litigation in which the association is or may become involved, and confidential settlement agreements.

The release of the information is reasonably likely to compromise the privacy of an individual Owner of the association.

Personnel records other than the payroll records required to be provided as clarified below.

Interior architectural plans, including security features, for individual homes.

Agendas, minutes, and other information from regular or executive sessions.

Where the information contains any of the following:

- Records of a-la-carte goods or services provided to individual Owners of the Association for which the Association received monetary consideration other than assessments.
- Records of disciplinary actions, collection activities, or payment plans of Owners other than the Owner requesting the records.

Any person's personal identification information, including, without limitation, social security number, tax identification number, driver's license number, credit card account numbers, bank account number, and bank routing number.

Executed contracts that not are otherwise privileged will not be withheld. Privileged contracts do not include contracts for maintenance, management, or general legal services. Drafts of contracts will not be provided for inspection as they do not reflect a finalized corporate record.

To the extent said contracts contain sensitive information that could lead to identity theft, that information shall be redacted.

Except as provided by the attorney-client privilege, the Association may not withhold or redact information concerning the compensation paid to employees, vendors, or contractors. Compensation information for individual employees shall be set forth by job classification or title, not by the employee's name, social security number, or other personal information.

Redaction Costs: In addition to the direct and actual costs of copying and mailing, the association shall bill the requesting Owner up to ten dollars (\$10) per hour, not to exceed a total of two hundred dollars (\$200) total per written request, for the actual time involved in redacting the association records as provided above. The association shall inform the Owner of the estimated costs, and the *Owner must expressly agree to pay those costs, before retrieving and inspection of the requested documents.*

No Liability for Failure to Redact: No Association officer, director, employee, agent or volunteer of the Association shall be liable for damages to an Owner of

the association, or a third party, as the result of identity theft or other breach of privacy because of the failure to withhold or redact that Owner's information under this subdivision unless the failure to withhold or redact the information was intentional, willful, or negligent.

If requested by the requesting Owner, the Association shall provide a written explanation specifying the legal basis for withholding or redacting the requested records.

Electronic Delivery: A requesting Owner may make a request for specifically identified records by electronic transmission or machine-readable storage media. To the extent the Association can produce the requested records by electronic means and they can be transmitted in a redacted format that does not allow the records to be altered, the Board may, but is not obligated to, satisfy the request via electronic records.

Charges for Assembling, Producing and Copying Records:

Pursuant to RCW 64.38.045, the Association may impose and collect a reasonable charge for copies and reasonable costs incurred by the Association in providing access to records. For electronic records production, in addition to the direct costs, the cost of duplication may include a surcharge to format and create a digital suitable redacted format that does not allow the records to be altered.

The Association may, upon request, provide a good faith estimate of the costs for inspection. The Association may, at its sole discretion, require a deposit equal to that estimate for the inspection.