

Washington
Secretary of State



*Home Owner's
Associations*

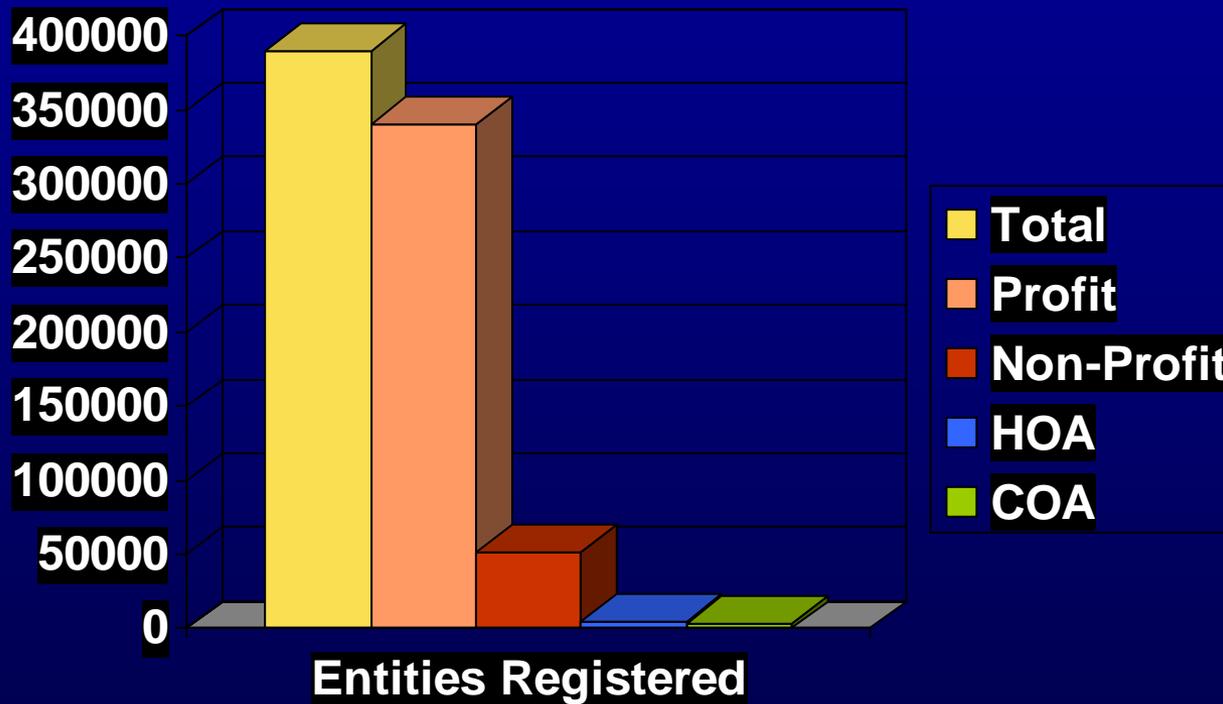
Presented November 13, 2007

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What Will We Cover?

- **Corporate Filings**
- **Corporate Good Standing**
 - Registered Agent/Registered Office
 - Annual Reports
 - Dissolution
 - Reinstatement
- **Homeowner's Association Act**
- **Governance Issues**
 - Reducing the Risk of Trouble

Corporate Filings



Maintaining Your Corporation

Registered Office/Registered Agent

RCW 24.03.050

- **Purpose**
 - Serving legal process on a corporate entity
 - Personal service – Placing the papers in the agent's hands
 - Mailing Notices – e.g. Annual Reports
- **Registered Office Requirement**
 - Physical address
 - No P.O. Box or Private Mail Box but may have a mailing address AS WELL AS a physical address
 - Doesn't have to be associated with your development

Maintaining Your Corporation

Registered Office/Registered Agent

RCW 24.03.050

- **Registered Agent Requirement**
 - **Must generally be available at the registered office to receive service of process**
 - Agent address must be identical with registered agent office address
 - **Doesn't have to be a member, officer or director**
 - **Must**
 - Agree in writing to serve as agent
 - Be authorized by the corporation to receive legal process on behalf of the corporation.

Maintaining Your Corporation

Registered Office/Registered Agent

RCW 24.03.050

- **Changing your Registered Office or Registered Agent**
 - Statement of Change
 - Download the form at:
http://www.secstate.wa.gov/corps/forms/statement_of_change.pdf
 - Annual Report
- **Administrative Dissolution for failure to maintain an agent.**

Maintaining Your Corporation

Annual Report

RCW 24.03.395

- **Verifies Registered Office and Registered Agent**
 - Agent or address may be changed on the report
- **Reports Officers and Directors**
 - May not appoint officers and directors with this form
- **Nature of Business**
 - Must be present or will cause rejection of document
- **Signed by officer**
 - President, vice pres., secretary or treasurer
- **\$10 fee**

Maintaining Your Corporation

Administrative Dissolution

RCW 24.03.302

- **Grounds**
 - Failure to maintain a registered office, or registered agent.
 - Failure to file an annual report
- **Notice**
 - 60 day letter re agent
 - We send this when we receive a complaint that the agent has not been available for service, or that the registered office address is not valid
 - Delinquency notice re Annual report
 - Followed by a certificate of dissolution

Maintaining Your Corporation

Reinstatement

RCW 24.03.302

- **Easy Reinstatement**
 - Administratively dissolved corporation can reinstate within three years of dissolution by:
 - Correcting the condition that caused the dissolution and
 - Paying the reinstatement fees.
- **Difficult Reinstatement**
 - Showing of exigent or mitigating circumstances
 - RCW 24.03.303
 - Several step process

Homeowners' Association Act

Chapter 64.38 RCW

- **Application:**
 - Association membership based on ownership of residential real property
 - By virtue of membership, members must pay for costs associated with property that is not owned by the member.
 - No state office filing is needed to bring an HOA under chapter 64.38
 - Both chapter 64.38 and chapter 24.03 may apply if an HOA is incorporated.
- **Secretary of State has no authority under chapter 64.38**

Governance Issues

- **Where are the rules:**
 - **State Law**
 - **Chapter 24.03 and/or 64.38**
 - **Covenants, conditions and restrictions**
 - **Articles of Incorporation**
 - **Bylaws**
 - **Robert's rules?**

Governance Issues

Resolving Disputes

- **OSOS Authority Re Disputes**
 - No fact finding authority
 - Can't give legal advice
 - Ministerial functions as registrar
- **Participation**
- **Election**
- **Negotiation**
- **Litigation**

Governance Issues

Reducing the Risk of Dispute

- **Know and follow your rules**
- **Be open and transparent**
- **Make sure people get notice**