

**RESOLUTION OF THE BOARD OF DIRECTORS OF
HMC MANAGEMENT
ESTABLISHING A COMMITTEE REGARDING COLLECTION OF DELINQUENT
ASSESSMENTS AGAINST LOT 7, BLOCK 2, DIVISION 1 OF HERRON ISLAND**

COME NOW the undersigned members of the Board of Directors of HMC Management (the "Association"), and certify that the following resolution was duly adopted by the Board of Directors of the Association (the "Board") at a meeting properly noticed to all Board Members on the 15th day of OCTOBER, 2010:

WHEREAS, Director Mark Anderson is a duly elected member of the Board and acting Vice-President; and

WHEREAS, the Association, through its attorneys, Law Offices of James L. Strichartz, is pursuing a collection action against Lot 7, Block 2, Division 1 of Herron Island via judicial foreclosure filed in Pierce County Superior Court under cause number 10-2-06482-1; and

WHEREAS, it has come to the Board's attention that a named Defendant in the aforementioned judicial foreclosure lawsuit ~~is~~ a current and/or former client of Mark Anderson, a Washington-licensed attorney ; and **MAY BE**

WHEREAS, the Board needs to have representatives, who are members of the Board and who can be involved in discussion of and make decision on behalf of the Board regarding the aforesaid matter and negotiations, if any, and who possess no conflict of interest in this matter; and

WHEREAS, such representatives would form a Lot 7, Block 2, Division 1 Collection Committee, which Committee would be available to confer with the Association's Manager and/or its attorneys without further participation from the remainder of the Board and to periodically report to the Board as a whole solely whether this collection matter is still pending, without further details thereof, or has been finally resolved without further details thereof other than disclosure of the amount of any monies actually collected; and

WHEREAS, the Board believes that it is in the best interests of the Association to appoint present Board members Fred Fath, Janet Podell, Gary Wanzong, and Judy Greinke as the members of the Lot 7, Block 2, Division 1 Collection Committee and authorize them to represent the Association and the Board in that form; NOW, THEREFORE,

BE IT FURTHER RESOLVED, that the Board authorizes the Law Offices of James L. Strichartz to act on behalf of the Association in the collection of monies due the Association by Lot 7, Block 2, Division 1 ; and

BE IT RESOLVED, that the Board appoints Fred Fath, Janet Podell, Gary Wanzong, and Judy Greinke to serve as the members of the Lot 7, Block 2, Division 1 Collection Committee described above and authorizes said Committee to represent the Association and the Board, to confer with the Association's Manager and/or its attorneys without further participation from the remainder of the Board, and to periodically report to the Board as a whole solely whether this collection matter is still pending, without further details thereof, or has been finally resolved, without further details thereof other than disclosure of the amount of any monies actually collected; and

BE IT FURTHER RESOLVED, that the aforementioned Lot 7, Block 2, Division 1 Collection Committee is authorized and directed to do all things and execute all documents within the power of the board which they believe to be necessary or appropriate for the best interests of the

Association in accomplishing the purposes of this resolution. All decisions of the Lot 7, Block 2, Division 1 Collection Committee regarding the collection of monies due the Association by Lot 7, Block 2, Division 1 shall be decided upon by simple majority vote of the members of said Committee.

IN WITNESS HEREOF, we have executed this resolution this 15th day of OCTOBER, 2010.

James B. Powell
Deany M. Wanzon
Judy Greinke

G. Paul Fath

BE IT FURTHER RESOLVED that a copy of this resolution shall be sent to all homeowners at their last known addresses.

This resolution was adopted by the Board of Directors on OCTOBER 15, 2010, and shall be effective on OCTOBER 15, 2010.

G. Paul Fath
President

ATTEST:

James B. Powell
(Secretary)