
RULES AND REGULATIONS HANDBOOK



*Updated Legal Requirements
Effective 2011*

Lake Oswego Corporation

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LOC MISSION STATEMENT

THE MISSION OF THE LAKE OSWEGO CORPORATION IS TO MAINTAIN AND IMPROVE OSWEGO LAKE AND TO PROTECT ITS VALUE AND QUALITY OF LIFE FOR ITS SHAREHOLDERS.



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LOC RULES & REGULATIONS QUICK REFERENCE

Sections 2 and 3 - LICENSES

- 2.a.** No Boat shall be permitted on Oswego Lake unless it has a current Boat license issued by LOC attached to each side of the aft part of the hull and plainly visible from each side of the Boat.
- 3.a.** No Motorboat shall be operated on the waters of Oswego Lake except by:
- A.** A **licensed operator** carrying his or her current, valid and applicable operator's license issued by the LOC in accordance with these rules. This includes a **standard operator's license, limited operators' license, learner's operator's license** or a **temporary operator's license**.
 - B.** A **learner** who has satisfactorily passed the LOC written exam and is preparing for the practical boating exam administered by the LOC for an operator's license, and who, while at all times operating the Motorboat, is **supervised and accompanied** by a **licensed operator**.

Section 5 - BOATS - GENERAL

- 5.a.** Length and Weight limits
- 1. Pontoon Boats shall not exceed **22 feet 6 inches** in length overall.
 - 2. Other Boats shall not exceed **22 feet 0 inches** in hull length overall, including pickle-fork bows and excluding removable swim platforms.
 - 3. No Boat shall exceed **3500 lbs** dry unit weight as described by the manufacturer or weighed by certified scale.

Section 6 - SWIMMERS, SWIM DEVICES & UNDERWATER OPERATORS

- 6.a.** No person shall swim more than 100 feet from the shore or a dock unless accompanied closely by a Boat with a swimmer lookout.

Section 7 - BOAT SPEED

No boat shall exceed the following speeds on Oswego Lake:

7.a. In restricted areas:

- 1. Within 100 feet of a **swimmer**: NO WAKE
- 2. Within 100 feet of a **non-motorized craft**: NO WAKE
- 3. Within areas marked by **buoys**: NO WAKE
- 4. At all times through **channels** and **canals** or under **bridges**: NO WAKE

7.b. In unrestricted areas:

- 1. **One half hour after sunset until sunrise**: 8 MPH
- 2. **Sunrise to one half hour after sunset**: 40 MPH

Section 8 – RECKLESS BOATING

- 8.a.** The Motorboat operators, passengers and/or water riders must not operate or ride:
- 1. In a manner endangering the safety of other persons or property.
 - 2. Under the influence of any intoxicating liquor or controlled substance.

Section 9 – OPERATING RULES

- 9.b.** Except under extraordinary circumstances, all Motorboats are required to travel at all times in a counter-clockwise pattern around the Lake.
- 9.e.** Inside the orange buoy line is a designated swim zone. Motorboat cruising inside the orange buoy line as a thoroughfare is prohibited even at NO WAKE speed. Motorboats may operate under power inside the buoy line only for the purpose of going to and from the shore or a dock, or for the purpose of accessing canals, West Bay, Half Moon Bay and the north side of Waluga Island.
- 9.n.** Any Motorboat towing a Rider must have a competent observer seven years of age or older on board in addition to the licensed operator.
- 9.o.** An orange flag must be held high in the air by the observer to warn others of a person or object (including tow ropes) that are in the water.

Section 10 - REQUIRED EQUIPMENT AND LIGHTS

- 10.a.** All Boats shall carry at least one United States Coast Guard-approved personal flotation device (PFD), in good and serviceable condition, for each person on board. PFDs must be worn by children 12 years of age and under and/or by non-swimmers while in a Boat.
- 10.b.** All Motorboats shall carry one U.S. Coast Guard-approved portable marine fire extinguisher, fully charged and in serviceable condition.
- 10.d.** Only Boats with illuminated navigation lights may be out on the Lake before sunrise and after sunset. Boats in motion must have both bow and stern lights illuminated. Boats not in motion must at minimum have their stern anchor light illuminated.

GENERAL

1. BACKGROUND

a. The Lake Oswego Corporation (LOC), which owns and operates the Lake, was formed in 1942 when the Oregon Iron and Steel Company, then owner of the Lake, deeded to the LOC the bed of the Lake and the rim around the Lake (a strip of land between your property and the shore line) with restrictions that the LOC shall have the authority to maintain and police the Lake and preserve for all time this beautiful body of water so everyone with lake access privileges can enjoy all its benefits subject to reasonable rules and regulations.

The LOC, its shareholders, and directors were granted rights and privileges set forth in instruments of record in Clackamas County by virtue of a master conveyance recorded July 27, 1942, from the Oregon Iron & Steel Co. (OIS Co.). OIS Co., transferred to LOC, its right, title, and interest in and to the bed of Oswego Lake and in and to certain lots bordering on the Lake. LOC was given the right to, and assumed the obligation of, regulating the use of Oswego Lake, limiting its use to those with valid lake access privileges, and issuing boat permits to those parties legally entitled to use the Lake through lake access privileges.

The LOC filed articles of incorporation and bylaws. A second instrument, a declaration of intent, was executed December 20, 1945. These documents enabled LOC to carry out its obligations, enforce regulations, and supervise the use of the corporate properties by shareholders and others legally privileged to use those properties on the Lake. They also empowered LOC: to adopt bylaws, rules, and regulations limiting and specifying the manner in which the Lake may be used and accessed; to impose fines and other sanctions; and to enter into contracts and take other actions.

The LOC has issued rules from time to time, including those described later in this booklet.

Although it is not generally known, recreational use of the Lake (including bays and canals) is incidental to the fact that the Lake is part of a hydroelectric project that includes the powerhouse and three dams. Water coming into the Lake through the dam that separates the main canal from the Tualatin River is under the LOC water right for hydroelectric purposes. Preservation of the hydroelectric based water right is therefore a principal priority of LOC and its shareholders. The Lake, which actually is a reservoir, is created above former swampland by the main dam on Sucker Creek at the east end of the Lake near the Corporation's Patrol House and marina, all of which is financed by and maintained for the use of shareholders. A third low dam, on the Tualatin River about two miles downstream from the main canal's headgate dam, has the capacity when needed to raise the Tualatin River sufficiently to permit water to flow through the canal dam, which has a headgate to control flow. The main canal was dug through solid rock to provide water power in pioneer days and for much of its length is not usable for boats. Its narrow and turbulent upper reaches, cut by hand through an iron ore strata, acts as a natural water-purification system.

The LOC's small power plant provides only a minor fraction of funds required to comprehensively manage and preserve the Lake, including maintaining the necessary police safety patrol on the reservoir, water-quality management, participation in silt removal, purchase of water, and maintenance of the dams, and other equipment necessary to operate the Lake. As a result, shareholders of LOC and members of the easement associations must contribute annually through assessments, license fees, and launching ramp fees to maintain the Lake.

b. Each property owner is entitled to one share of the stock for each 10 feet or major fraction thereof of the property facing the waterfront. An annual assessment for maintaining and operating the Lake is levied each year. A base charge is assessed for the first 60 feet or less of contiguous lake frontage owned by the shareholder, plus an incremental charge for each additional contiguous 10 feet or major portion thereof. The incremental charge for each additional contiguous 10 feet or major portion thereof is not to be more than 6.5 percent of the base charge, and the total of all incremental charges plus the base charge which will be assessed for any one lot or easement will not exceed 2 times the base charge.

c. Access to Oswego Lake by the general public is prohibited by the 1942 covenants. Access is limited to certain property owners. Eligibility for Lake Access Privileges by property owners is determined by the LOC's review of historical documents for which the LOC may charge a fee to cover its costs.

2. RESIDENTIAL WATERFRONT CONSTRUCTION

a. The Lake Oswego Corporation (hereinafter the "Corporation") has the power to regulate construction and alteration of new as well as existing structures and improvements of any kind (hereinafter "Facilities") in, over and adjacent to the bed and banks of Oswego Lake (hereinafter the "Lake"). The Corporation has a number of policies that it takes into consideration in exercising this authority for the mutual benefit of all Lake residents and shareholders. The following is a list of those policies that most commonly affect Facilities around our Lake. They are presented as an aid to those contemplating new Facilities or a change in Facilities, and are not meant to be exclusive or to necessarily apply to all Facilities without due regard to particular circumstances:

1. Negative impact to the Lake from erosion and other causes during and after work on Facilities must be minimized.
2. Facilities must not create a safety hazard or interfere with safe navigation. No detached or floating Facilities (docks or structures) are permitted, except in designated areas.
3. Facilities must not create a significant negative impact the "sight-line" of adjacent properties.
4. In-fill is not allowed where the Corporation has jurisdiction.
5. Only docks, boathouses and boat lifts may extend beyond the shoreline or approved seawall. Except as authorized by the Board of Directors, no other structures may extend into or over the water for the benefit of a particular Shareholder.
6. Facilities located on Corporation property cannot be removed or altered without Corporation approval.
7. Facilities must be perceived by the Corporation to be tasteful and complementary to existing development.
8. Boathouses are considered a privilege and are not compatible with certain locations on the Lake. If allowed, a boathouse must be cut into the owner's property where feasible and not extend out into the Lake beyond the "sea wall". Peaked boathouse roofs are favored.

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9. The regulation of activity by the Corporation will be carried out by the Building Permits and Property Development Committee (hereinafter "Committee"). The Committee may from time to time publish and revise its policies, rules and procedures as may be approved by the Corporation Board of Directors to aid residents in formulating plans for their Facilities.

In summary, any decision regarding Facilities made by the Committee will take into account the overall impact on the Lake environs, will be consistent with the foregoing nonexclusive list of policies, and will protect the integrity of adjacent properties (safety, view, appearance, etc.).

2. Residential Waterfront Construction Approval Procedures.

A. Approval Required. Most of the Lakebed, portions of waterfront lots, and all of the waters of the Lake are owned or controlled by the Corporation and therefore subject to Corporation jurisdiction. The creation, maintenance or improvement of Facilities adjacent to or in or over portions of the Lakebed of the Lake is therefore subject to regulation by the Corporation. No person or entity may temporarily or permanently construct, install, attach, alter, or place adjacent to, under, on or over the Lake (including the Lakebed, the waters of the Lake, and the waterfront related to such waters), any structure or other improvement of any kind including, without limitation, sea walls, boathouses, boat docks, decks, patios, piers, signs, cabanas or any other thing ("Facilities" further defined), or change or alter any such Facilities, without the prior express written approval of the Committee. A form for application for such approval (hereinafter "Request for Approval" or "Request") of Facilities may be obtained from the Corporation office. No permit will be issued unless assessments are paid current with respect to the property for which the Request for Approval is made.

B. The Application Process.

- a. The Applicant shall meet with the Committee or its designee (Committee member or Corporation employee) to verbally discuss the circumstances surrounding the desire to submit a Request for Approval. At this time the Committee or designee will give the applicant the required forms and advise and guide the Applicant regarding the Corporation's policies impacting the envisioned Facilities.
- b. The Request for Approval shall be submitted in writing and be accompanied by plans showing the nature, kind, dimension, colors, materials, structural details, location (including surveyed property lines if requested by the Committee), and other pertinent information relating to the Facilities (hereinafter "Plans").
- c. Once the Request for Approval has been formally accepted by the Committee, the Applicant is responsible for notifying the owners of adjoining waterfront properties on both sides and any additional shareholders deemed by the Corporation to be impacted by the Plans (i.e. shareholders across a canal) (collectively "Impacted Shareholders"). This is accomplished by forwarding to Impacted Shareholders a complete copy of the Request for Approval including the Plans and any other information submitted to the Committee relating to the Facilities. The applicant may verify satisfaction of this requirement by returning to the Committee the signatures of Impacted Shareholders acknowledging receipt of a copy of the

Request for Approval and Plans or a Certified Return Receipt from the US Postal Service for Impacted Shareholders demonstrating the receipt of same by mail.

- d. In the event the Plans are changed, the Committee in its discretion may require Step 3 (see previous section) to be repeated with respect to the changed Plans.

3. Review of the Request for Approval and Committee Decisions. The Committee shall have the responsibility to review a Request for Approval and to exercise its discretion (see following section) in formulating a decision regarding approval, additional conditions, disapproval or any other response to the Plans deemed by it to be appropriate. The Committee will render its decision with respect to a Request for Approval in timely fashion after it has received all material required by it. ***Approval by the Committee does not waive any additional requirements that may be imposed by the City of Lake Oswego and any applicable building or safety codes nor does such approval imply compliance with such requirements. The Applicant must independently comply with such rules and regulations.*** The Committee will charge a reasonable fee for its review.

A. General Building Guidelines

- 1) Boat houses, docks and decks are the only structures allowed on water side of sea wall.
- 2) **Boat house with ridge roof:** Ridge should be no higher than 13'6" above average water level of 98'6" above sea level.
- 3) **Boat house with deck top roof:** Top of deck should be no higher than 10' above average water level 98'6" above sea level. Railing must be see thru (i.e.: wrought iron, not Plexiglas) and 36" in height.
- 4) Boat house area should be no larger than 550 square feet.
- 5) **Docks & Decks** cannot exceed 16' beyond the sea wall.

4. Committee Discretion. In addition to any specific guidelines set forth herein, the Committee may publish additional or replacement guidelines and policies from time to time in the Handbook, a separate document or otherwise. The decision-making discretion of the Committee will not be limited to such published policies, guidelines or regulations alone and may address any other factors or circumstances deemed by the Committee to be relevant in the particular instance. The Committee will withhold consent to any proposed work envisioned by the Plans if the Committee finds in its discretion that the proposed Facilities are inappropriate for the particular location or incompatible with other improvements, operations or uses of the Lake. Of special importance to the Committee will be navigation and related safety issues, impacts on the Lake itself, sight lines (to protect the views of other property owners), as well and the mass, scale and compatibility (including shape, size, color, design, height, and other factors) of the Facilities. See Policies above.

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5. **Liability.** Any person or entity submitting a Request will be deemed to have waived, relinquished and released any and all claims and causes of action for any loss, cost, expense or damage of any kind or nature, including actual, incidental, consequential and punitive damage, arising out of any action or inaction by the Corporation or the Committee.
 6. **Nonwaiver.** Consent by the Committee to any matter proposed to it or within its jurisdiction shall not be deemed to constitute a precedent or waiver impairing its right to withhold approval as to any similar matter thereafter proposed or submitted for review.
 7. **Effective Period of Consent.** Work approved by the Committee must be commenced within six months and completed not later than one year from approval of the Request. The Committee may provide that an approval is valid until the conclusion of the next Lake draw down.
 8. **Completion of Facilities.** The Applicant will notify the Committee and Impacted Shareholders when the work is completed. Facilities may not be occupied or used prior to completion. With exceptional circumstances, the Committee may approve early use.
 9. **Specific Rules, Regulations and Guidelines.** The following specific rules and regulations are in addition to others set forth in the Handbook (including the Restrictions described in Section 29) and augment the policies set forth above:
 - a. To further minimize erosion during shoreline construction, the area exposed, disturbed or de-vegetated will be limited and require construction to be staged as the Committee deems appropriate. Exposure of construction spoil must be minimized and will be limited.
 - b. All Applicants shall be responsible for establishing and maintaining silt fences, barricades and other methods of controlling erosion, storm-water runoff and prevention of any pollutants and sediments from entering the Lake at any time during or after the completion of the Facilities. The Plans shall include details of such fences, barrier cloth, straw and plantings used to prevent any erosion or siltations. It shall be the sole responsibility of Applicant to pay for all costs of removal and cleanup or resulting damages.
 - c. To protect the Lake's sensitive ecosystem, native plants near the Lake are encouraged, such as Common Waterweed, White or Yellow Pondlily, Cattails, and native sedges, reeds and rushes. Those specifically not allowed include Purple Loosestrife, Yellow Iris, English Ivy, Brazilian Elodea (Anacharis), Eurasian Watermilfoil, and any other non-native water and wetland plant.
 - d. To further protect the Lake's sensitive ecosystem, gutter runoff, French drains and any other runoff must not be piped to the Lake. No water resulting from construction or operation of Facilities may enter the Lake without being properly filtered to remove silt.
 - e. Applicant shall be responsible for controlling and preventing any hazardous material such as paints, stains, sealers, solvents, fuels, oils or other such hazardous materials from entering the Lake at any time during construction or after completion of the Facilities. In the event of a discharge of a hazardous or pollutant material, it

shall be the sole responsibility of the Applicant to pay for all cleanup costs or resulting damages.

- f. Prior to any activity on Facilities under Corporation jurisdiction, homeowners and their contractors and subcontractors must provide a certificate of proof of insurance coverage (including workers' compensation coverage), with the Corporation named as an additional insured party.
- g. Applicant shall shield any lighting on proposed Facilities so as to protect the privacy of adjacent properties, water surfaces abutting Applicant's property, annoying reflections on the Lake and fogging the night sky. Sensible lighting does not include exposed floodlights or lamps with shaded tops, for example. Lighting should utilize motion detectors, be as low to the ground as possible and of appropriate wattage.
- h. Facilities that extend beyond the seawall are considered a privilege and not compatible with certain locations on the Lake. If allowed, the Committee will be particularly sensitive to the impacts likely to result from such Facilities.
- i. If the Applicant lives adjacent to a surface sewer access hole or vent, the Applicant is encouraged to develop a plan that camouflages the sewer feature above the waterline without hindering the City of Lake Oswego or the Corporation from maintenance.
- j. At construction sites, Lakebed elevations must not be altered without the approval of the Committee. No material or objects of any kind may be dumped in the Lake.
- k. Use of barges, work-boats, or construction equipment on the Lakebed or on the Lake surface are subject to review and approval by the Corporation, including the status of required insurance.
- l. The waterfront "cabana lots" located in Lakewood Bay are essentially covered by the waters of the Lake. Upon approval by the Committee, these lots may be improved with residential improvements provided that building, deck and other setback lines approved by the Committee to preserve navigation, navigational safety, swimming, water skiing safety, and lines of sight are observed. The Lake Oswego Cabana Covenants recorded at Fee No. 92 37392, records of Clackamas County, Oregon, are representative of the types and scope of requirements the Committee may elect to impose.

3. EASEMENTS

- A. The management and upkeep of several of the easement lots is under the control of associations formed by property owners having deeded rights to use the easement lots. These associations shall work closely with the LOC, maintain the easement lots in first-class condition, and add improvements as needed and allowable for the enjoyment of all concerned. It is the policy of the LOC to encourage this type of operation on all easement lots.
- B. The use of each easement lot, and associated upland and in-water improvements, is restricted permanently by deed to certain off-Lake and waterfront properties. Fee title to the easement lots has been deeded to the LOC at various times in the same

manner as the bed and the rim of the Lake was transferred to the LOC. The LOC regulates development, improvement and uses of the easement lots, and associated upland and in-water improvements.

C. Easement lots generally are surrounded by residences. Easement associations and their members, therefore, must strive to be a “good neighbor”. To assist in achieving this goal, easement lots and associated improvements are subject to reasonable rules and regulations governing their use for activities such as swimming, boating, barbecuing, picnicking, and other recreational purposes. The governing documents include rules and regulations of the easement association, rules and regulations of the LOC, and include the LOC’s Covenants and Restrictions described in the rule booklet. If there is a conflict between easement association rules and LOC rules, LOC rules and bylaws supersede all other rules. These regulations also include all of the rules printed in this manual, and those adopted by the LOC as set forth herein:

1. Each easement lot shall be operated by an incorporated easement association approved by the LOC Board of Directors.
2. The easement association will be required to operate within and enforce the policies, rules, and regulations established by the LOC as set forth herein, as well as the policies, rules, and regulations established by the easement association.
3. Annually, by the end of May, each easement association shall ensure that each member has been given, and has acknowledged the receipt of, the current set of their individual easement association’s rules and of the LOC policies, rules, and regulations. In addition, prior to being given access to the easement lot, each new member shall be given, and shall acknowledge receipt of, the current set of their individual easement association’s rules and of the LOC policies, rules and regulations prior to being given access to the easement lot.
4. Each easement association shall be required to establish a permanent mailing address and to maintain a designated individual to whom all communications can be addressed.
5. Each easement association shall inform the LOC in writing, on or before the end of May of each year, of the names and addresses of the officers, the registered agent, the permanent mailing address, the membership count, the names and addresses of members, and a current set of the easement association’s bylaws, rules, policies, and marina regulations, including the easement fee structure.
6. Each easement association shall send updated easement officer contact information directly to adjacent property owners on or before the end of May of each year.

D. From time to time conflicts may arise between easement associations and their neighbors. It is the expectation of the LOC that all parties are following the LOC rules and that the parties shall communicate directly with each other in order to reach a mutually agreeable resolution of all such conflicts. Complaints will be handled by the LOC in this manner:

1. The parties will be required to talk directly to each other in an attempt to resolve the issue before proceeding with a more formal conflict resolution process.
2. If direct talks between the parties do not fully resolve the conflict, one or both of the parties should contact the Lake Manager.
 - i. The Lake Manager shall log the complaint and gather any necessary additional information;
 - ii. The Lake Manager shall review the issue to determine if he or she can resolve the issue or if he or she must refer the complaint for further action. The Lake Manager shall keep a summary of all such actions and provide the summary to the LOC Board Member who heads the LOC Easement Committee.
 - iii. If the Lake Manager, working with the parties, cannot resolve the issue, the issue shall be forwarded to the LOC Easement Committee for its review. If, in conjunction with the parties, the LOC Easement Committee cannot resolve the issue, the issue must be forwarded to the LOC Board of Directors.
 - iv. The LOC Board of Directors has the option to review the issue. The LOC Board of Directors' decision is the final word. The LOC Board of Directors may take whatever reasonable steps it deems necessary to enforce its decision and to implement its disposition of the complaint.

E. The following definitions and rules are important highlights of the obligations of easement associations and easement members, but are not all inclusive:

1. The following definitions shall be used in construing the rules and regulations applicable to easements:
 - i. **“Easement member”** shall be the resident of the easement eligible property. Easement rights are only granted to a standalone, detached, single family residence, as more fully set forth in the rules and regulations of LOC. The easement member exercising a Lake privilege must actually reside in and occupy a deeded premises that is entitled to lake privileges through an easement. If a single family residence has been divided or a portion subleased, easement rights remain only with the primary resident. The easement member exercising a Lake privilege also must be in good standing with the easement association.

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- ii. **“Easement member’s immediate family”** shall be limited to the easement member’s husband or wife, parents, children, grandchildren, or any relatives living with the easement member.
 - iii. **“Guest”** shall be defined as anyone other than a member of the easement member’s immediate family.
 2. All easement lots must be surrounded with adequate protective fencing that meets LOC security and design standards.
 3. Gate(s) must be kept closed and locked at all times except during active ingress and egress to the easement.
 4. Easement associations shall be responsible for seeing that no unauthorized persons have keys or access to the easement lot or associated improvements. Easement associations shall demonstrate each year that only current members have access to the easement lot and associated improvements.
 5. Only two keys per an easement member’s household are allowed, unless the easement association has an LOC approved alternate access control plan.
 6. The conduct of any member of an easement member’s immediate family or his or her guests shall be the responsibility of the easement member. The conduct of any member of an easement association or his or her immediate family or guests also shall be the responsibility of the easement association.
 7. All guests must be accompanied at all times by an easement member.
 8. No children under 16 years of age shall be entitled to use the easement lot and associated improvements unless accompanied by an adult easement member, or other qualified, responsible adult supervision. “Qualified, responsible adult supervision” includes an adult, a nanny or au pair. Guests with the child under 16 years of age are only allowed when accompanied by an adult easement member or a member of the easement member’s immediate family who is an adult.
 9. No open pit fires shall be permitted.
 10. All docks, floats, or other facilities must be maintained in a safe manner and in good condition, or else must be removed.
 11. All easement grounds at all times shall be landscaped and maintained in an attractive and safe manner that is consistent with the surrounding properties as determined by the LOC.
 12. Floatation devices, water toys, and similar devices shall be stored in a neat and orderly manner and, when possible, stored in a manner so they are not visible offsite unless in use.

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- 13.** Permits must be obtained to make any upland or in-water improvements associated with easement lots, as described in Section 2 (Waterfront Construction). Such improvements shall include any retaining walls, cutting of trees, grading, building of walls or fences, docks, or any structure of any nature.
- 14.** All easement associations are required to provide the following:
- i.** LOC-approved sanitary and operational facilities;
 - ii.** One USCG-approved safety ring buoy with 100 feet of nylon line; and
 - iii.** The LOC water safety rules and a copy of the LOC Easement regulations posted in a conspicuous place behind a waterproof, transparent cover.
- 15.** The following are prohibited and not allowed on any easement lot or associated improvements:
- i.** Picnics, parties, or group activities of a size or character that would and/or does result in loud and raucous noise which is offensive to the ordinary sensibilities of easement neighbors, or that unreasonably interferes with public peace and comfort.
 - ii.** Excessive use of alcoholic beverages on the easement lot or associated improvements. No use of alcoholic beverages by minors is allowed.
 - iii.** Operating or maneuvering unlicensed floating devices outside the buoy line or beyond the extensions of the sidelines of such easement lot, except when pulled behind a licensed boat.
 - iv.** Exercise or “Lap” swimming outside and/or beyond the extensions of the sidelines of such easement lot is allowed as long as the swimming originates from the easement lot, fully complies with LOC safety rules and is done in a manner that does not result in loud and raucous noise which is offensive to the ordinary sensibilities of easement neighbors, or that unreasonably interferes with public peace and comfort. All swimming other than exercise swimming must be done within the extensions of the sidelines of such easement lot and comply with LOC safety rules.
- 16.** The easement curfew rules (10 PM to 6 AM) are applicable to the use or occupancy of easement lots and associated improvements, other than for quiet access to and from boats moored at the easement.
- 17.** Use of the easement lots and associated improvements shall comply with the City Of Lake Oswego’s ordinances concerning specific noise prohibitions and regarding loud, disturbing or unnecessary noise.

18. Fireworks, Firecrackers, or Explosives. No person shall use fireworks, firecrackers or explosives of any kind in, on, or in connection with any easement lot or associated improvements. This includes the refueling of boats with flammable liquids on or in the vicinity of easement lots or associated improvements.

4. *PROPERTY IDENTIFICATION*

- a.** To enable the Lake Patrol to promptly locate a given property when responding to the owner's call, all waterfront property owners, including easements, are urged to identify plainly their property from the Lake side. This may take the form of lettering similar to that used on mailboxes, preferably larger, or may be ornamental artwork, or any legible form. It may contain name and address, or just the address.
- b.** To avoid serious injury, the LOC encourages all waterfront owners and easement and swim-park areas to prominently and visibly mark their own water depths and any known hazards.

OSWEGO LAKE RULES & REGULATIONS

In addition to the following rules and regulations, all Oregon State Marine Board rules and statues are enforced on Oswego Lake by the Lake Patrol and/or the Clackamas County Sheriff Patrol.

1. DEFINITIONS

- a. **“Boat”** means every description of water craft used or capable of being used as a means of transportation on the water, but does not include aircraft equipped to land on water, boat houses, floating homes, air mattresses, beach and water toys, skis, surfboards, wakeboards, or inner tubes.
- b. **“Motorboat”** means any boat propelled in whole or in part by machinery, including boats temporarily equipped with detachable motors, and includes any type of boat (i.e., canoe, raft, rowboat, etc.) with any type of engine or motor (gasoline, diesel, electric).
- c. **“Lake”** shall mean Oswego Lake, its canals and bays.
- d. **“Lake Patrol”** shall mean any person designated by LOC to act as Lake Patrol.
- e. **“Lake Privileges”** means the opportunity to be upon or use any part of Oswego Lake or certain real property of the LOC.
- f. **“NO WAKE”** means the slowest speed at which a watercraft will move through the water while being able to maintain course. Note: some boats may require throttling in and out of gear to achieve a NO WAKE speed, also referred to as ‘idle speed.’
- g. **“Corporation”** or **“LOC”** shall mean the Lake Oswego Corporation.
- h. **“Operate”** means to navigate or otherwise use or drive a boat.
- i. **“Operator’s License”** shall mean a valid and current Oswego Lake Marine Operator’s License, issued by the LOC and a valid Oregon Boater Registration Card as required.
- j. **“Person on board”** means every person being carried on a Boat or being towed by a Boat.
- k. **“Users of Oswego Lake”** means shareholders, family members of shareholders, easement holders, family members of easement holders, tenants sponsored by shareholders and licensees sponsored by shareholders or easement holders.

2. BOAT LICENSES

- a. No Boat shall be permitted on Oswego Lake unless it has a current Boat license issued by LOC attached to each side of the aft part of the hull and plainly visible from each side of the Boat. LOC Boat licenses are numbered plates which are valid from April 1st to March 31st of the following year.

b. LOC Boat licenses will be issued only for:

1. Boats owned solely by LOC shareholders with rights to have access to Oswego Lake.
2. Boats owned solely by easement holders with rights to have access to Oswego Lake.
3. Boats owned solely by tenants of such shareholders or easement holders who are residing in the shareholders' or easement holders' property.
4. Boat licenses may issued to the shareholder or easement holder, or to the tenant, but not both at the same time.

The shareholder, tenant, or easement holder who applies for and uses the Boat license must actually reside in and occupy real property with rights to have access to Oswego Lake, and must be the titled and actual owner of the Boat being licensed. Application for a Boat License by a tenant must be signed by the shareholder who owns the property in which the tenant resides.

- c. Falsifying information as to occupation of the qualifying property, the status of title and ownership of a Boat, or Oregon State Marine Board registration by a shareholder, easement holder or tenant may result in suspension of Lake Privileges of the persons and property involved for a period of up to two (2) years.
- d. No Boat License shall be issued to any shareholder, easement holder, or tenant if any LOC assessment is in arrears regarding the shareholder or easement holder. No Boat License shall be issued to any Easement member who **(i)** is not in good standing in the Easement association to which the member is entitled to belong, or **(ii)** whose Easement association has not paid its LOC assessments.
- e. Title to the LOC Boat License is the property of the LOC and may not be transferred to another Boat or owner. Upon sale of a Boat, the LOC license attached to the Boat shall be removed and returned to the LOC.
- f. All Motorboats of any length and sailboats 12 feet in length and longer must be titled and registered with the Oregon State Marine Board. In addition to the LOC boat licenses, current registration decals and OR numbers must be displayed on each Boat as required by Oregon State Marine Board guidelines.
- g. Wind sailboards, sailboats, canoes, kayaks, sculls, pedal boats or like watercraft must have LOC Boat Licenses displayed so visible when craft is in the water.

3. OPERATORS' LICENSES

- a. All applicants for an LOC Motorboat operator's license must be in compliance with Oregon law pertaining to Oregon State Marine Board Boater Education Cards. Failure to comply or any falsification of information submitted to the LOC is grounds for immediate revocation of an LOC operator's license.
- b. Suspension, revocation or probationary status of an Oregon Motor Vehicle Driver's License shall automatically suspend an LOC operator's license without notice.

c. Operator's Licenses may be issued to Shareholders and Easement Holders in good standing with LOC and sponsored tenants, family members and friends of Shareholders and Easement Holders whose sponsors are in good standing.

d. No Motorboat shall be operated on the waters of Oswego Lake except by:

1. A **licensed operator** carrying his or her current, valid and applicable operator's license issued by the LOC in accordance with these rules

6) A **standard operator's license** may only be issued to any person the age of 16 years or older. Standard operator's licenses are only issued after successful completion of the LOC written exam, the successful completion of a practical boating exam, and the issuance to the applicant of an Oregon State Marine Board Boater Education Card (if required).

7) A **limited operators' license** may be issued to qualified persons age 12 through 15 years old. No person of ages 12 through 15 shall operate a Motorboat with an engine larger than **10 h.p. unless supervised by a duly licensed adult**. Limited operator's licenses are only issued after the successful completion of the LOC written exam, the successful completion of the LOC practical boating exam and the issuance to the applicant of an Oregon State Marine Board Boater Education Card.

8) A **learner's operator's license** may be issued upon the successful completion of the LOC written exam to holders of an Oregon State Marine Board Boater Education Card (if required.) The learner's license provides a 60 day period within which the applicant must successfully complete the LOC practical boating exam. Should the examinee fail to complete the practical boating exam within that specified period, he/she will be required to repeat the LOC written exam and the LOC practical boating exam before licensing.

9) A **temporary operator's license** may be issued for up to 30 days at the discretion of the LOC.

2. A **learner** who has satisfactorily passed the LOC written exam and is preparing for the practical boating exam administered by the LOC may only operate a Motorboat while being **supervised and accompanied** by a person in the Motorboat who satisfies the requirements of **(1)** above as a licensed operator.

Supervision of the learner is intended primarily for a Boat owner to teach his or her child, another family member or a sponsored friend how to safely operate a Motorboat on Oswego Lake. It is required that the learner has previously passed the LOC written exam and is in the process of preparing for the LOC practical boating exam for the LOC operator's license.

a. An LOC Operator's license is a non-transferable privilege (not a right) and such license may be issued, suspended or revoked by the LOC at any time.

b. Applications for an LOC operator's license shall be in writing and endorsed by an owner of a Motorboat currently licensed by the LOC. No LOC operator's license shall

be issued to shareholder whose LOC assessment is in arrears or to any sponsored tenant, friend, or family member of that shareholder, or to any easement holder who **(i)** is not in good standing in the easement association to which he is entitled to belong, or **(ii)** whose easement association has not paid its LOC assessments. Applicants will be examined as prescribed by the LOC, and a license may be issued upon successful completion of such examination.

- c. Each LOC operator's **license must be renewed each year** in order to remain valid. Except for limited operator licenses, re-testing is not required for renewal unless an operator has allowed his or her operator's license to lapse without renewal for a period of two years or the operator's license has been suspended or revoked within the previous two years. Holders of limited operator licenses (ages 12 to 15) are required to successfully complete the LOC written exam prior to renewal of their license.

4. MOORED OBJECTS

- a. No moored floats or rafts, Boats, floating docks or other objects shall be permitted on Oswego Lake without first obtaining written revocable permission from the LOC.
- b. No Boat shall be moored overnight other than secured to a dock.
- c. No person shall moor a Boat or other object to any LOC buoy or marker.

5. BOATS - GENERAL

- a. Length and Weight limits
 - 1. Pontoon Boats shall not exceed **22 feet 6 inches** in length overall.
 - 2. Other Boats shall not exceed **22 feet 0 inches** in hull length overall, including pickle-fork bows and excluding removable swim platforms.
 - 3. No Boat shall exceed **3500 lbs** dry unit weight as described by the manufacturer or weighed by certified scale.

All Boats exceeding these limits licensed on Oswego Lake prior to June 2006 are considered grand-fathered and may remain on the lake until sold. Grand-fathered boat licenses are not transferable.

- b. The LOC prohibits Boats on Oswego Lake with operational wake-enhancing devices of any kind (such as bladders, wedges, engineered shape, sea anchors, etc.) whether factory installed or installed as an aftermarket device.
- c. No Boat of any kind on Oswego Lake shall contain a head capable of being discharged into the Lake or an operable galley.
- d. No person shall anchor a boat for fishing or other purposes in such a position as to obstruct a passageway ordinarily used by other boats.

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- e. No boat shall be tied or connected to a private dock without the express permission of the property owner or lessee tenant.
 - f. In the event of an agent, director or employee of the LOC giving assistance to any person or craft, including, but not restricted to, towing of a Boat, no liability shall attach to the LOC, its agents, shareholders, officers, directors, servants, or employees.
 - g. Curfew laws of the City of Lake Oswego shall be enforced on the Lake.
 - h. No person shall deface, remove or destroy any buoy or other navigational marker maintained in the waters of the Lake.
 - i. No personal water craft such as "Jetskis," "Wave Runners," or like craft or Motorboats over 10 h.p. but less than 10 feet in length are permitted on Oswego Lake.
 - j. Kiteboarding, parasailing, kite skiing or other similar activities are not permitted at any time except in connection with an exhibition approved by the LOC.
 - k. Canoes and other rowing and non-motorized Boats shall be kept near the shore between the shore and the 100 ft. or orange buoy line except when directly crossing to the other side of the Lake.
 - l. Excessive noise emitted from the stereo system of a Boat is strictly prohibited. Specifically, systems with tower speakers must not be used so that the towed rider can hear the stereo.
 - m. High powered spotlights (including tower lights) are to be only used for safe ingress and egress to shore or in emergency situations.
 - n. Teak surfing and hanging onto the swim platform of any Motorboat while the Motorboat is in motion is prohibited at all times.
 - o. No persons shall enter into or exit from Oswego Lake except using their own property, using property with permission of the owner, using property leased to them by the owner, their authorized easement area, or other areas authorized by LOC from time to time.

6. SWIMMERS, SWIM DEVICES & UNDERWATER OPERATORS

- a. No person shall swim more than 100 feet from the shore or a dock unless accompanied closely by a Boat with a swimmer lookout.
- b. No person shall swim, float or walk under water, with the aid of any artificial device such as a "snorkel" or "aqua-lung," at any time without prior consent of the LOC.
- c. All swimmers at an easement area must remain entirely within the water area bounded by the extended property lines of the easement.

7. BOAT SPEED

No boat shall exceed the following speeds on Oswego Lake:

a. In restricted areas:

1. Within 100 feet of a **swimmer**: NO WAKE
2. Within 100 feet of a **non-motorized craft**: NO WAKE
3. Within areas marked by **buoys**: NO WAKE
4. At all times through **channels** and **canals** or under **bridges**: NO WAKE

b. In unrestricted areas:

1. **One half hour after sunset until sunrise**: 8 MPH
2. **Sunrise to one half hour after sunset**: 40 MPH

8. RECKLESS BOATING

- a. The Motorboat operators, passengers and/or water riders must not operate or ride:
 1. In a manner endangering the safety of other persons or property.
 2. Under the influence of any intoxicating liquor or controlled substance.
- b. No owner of a Boat or person in charge of or in control of a Boat shall knowingly authorize or permit the Boat to be operated by any person who is under the influence of an intoxicating liquor or a controlled substance or who does not have a valid LOC operator's license.
- c. No person operating a Motorboat shall allow any person to ride or sit on gunwales or on the decking over the bow or the transom while under way except while docking.
- d. No Boat shall be loaded with passengers or cargo beyond its stated load capacity taking into consideration weather and other normal operating conditions.
- e. A person being towed may not intentionally spray another craft and/or its occupants.

9. OPERATING RULES

- a. No Boat may be operated on Oswego Lake without a licensed, qualified and authorized shareholder, shareholder sponsored tenant, easement holder or member of the immediate family of such shareholder, easement holder or tenant being present on the boat.
- b. No person shall operate a Boat with a suspended or revoked Operator's license or Boat License.

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- c. Except under extraordinary circumstances, all Motorboats are required to travel at all times in a counter-clockwise pattern around the Lake.
 - d. No person shall operate any Boat within a water area which is clearly marked by LOC approved buoys designating a non-boating area.
 - e. Inside the orange buoy line is a designated swim zone. Motorboat cruising inside the orange buoy line as a thoroughfare is prohibited even at NO WAKE speed. Motorboats may operate under power inside the buoy line only for the purpose of going to and from the shore or a dock, or for the purpose of accessing canals, West Bay, Half Moon Bay and the north side of Waluga Island.
 - f. No person shall ride any water skis, wake board, or towed device in a reckless or negligent manner.
 - g. No person shall operate a Boat or tow a water skier, wake boarder or other towed rider in a reckless or negligent manner.
 - h. No person shall tow a rider on an inflatable device from a Motorboat less than 12 feet in length.
 - i. No person shall tow a rider on an inflatable device from a tower or extended pylon.
 - j. A Boat may not tow more than one water skier, wake boarder or device at any time except in connection with an exhibition approved by LOC.
 - k. No Boat shall overload a towed device by exceeding the maximum capacity as stated by the manufacturer.
 - l. No Boat shall follow behind a water skier, wake boarder or other towed rider closer than 300 feet.
 - m. No Boat shall cross in front of bow of a Motorboat which is towing any device, person, or boat within 200 feet, nor shall it get within 100 feet of the person or item being towed.
 - n. Any Motorboat towing a Rider must have a competent observer seven years of age or older on board in addition to the licensed operator.
 - o. An orange flag must be held high in the air by the observer to warn others of a person or object (including tow ropes) that are in the water.
 - p. Every person being towed by a Motorboat shall properly wear a personal floatation device.
 - q. All drivers and passengers on boats operated by drivers under 16 years of age shall properly wear a personal flotation device.
 - r. Tow lines shall not be dragged or left strung out behind the Motorboat unless a person is going to continue to be towed.
 - s. Tow ropes may not exceed 75 feet in length.
 - t. No person shall be towed in no wake zones.
 - u. No person shall operate a Motorboat for the purpose of towing a person, and no person shall be towed by a Motorboat, at any time before sunrise or after sunset, except in connection with an exhibition approved by the LOC.

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- v. To ensure the safety of other boaters, **ski drop-offs** shall be accomplished by dropping skis along the buoy line.
 - w. No person shall operate a Boat with a suspended or revoked Operator's license or Boat License.
 - x. When in the presence of an authorized patrol boat utilizing a siren, flashing light, or otherwise signifying the existence of an emergency or a violation of Lake rules:
 - 1. Boats being approached shall stop.
 - 2. Boats in the vicinity of the patrol boat shall keep a safe distance and operate at a safe speed.

10. **REQUIRED EQUIPMENT & LIGHTS**

No person shall operate or permit another to operate a Boat (including canoes, kayaks, and pedal boats) without the following equipment:

- a. All Boats shall carry at least one United States Coast Guard-approved **personal flotation device** (PFD), in good and serviceable condition, for each person on board. PFDs must be worn by children 12 years of age and under and/or by non-swimmers while in a Boat.
- b. All Motorboats shall carry one U.S. Coast Guard-approved portable marine fire extinguisher, fully charged and in serviceable condition.
- c. A boat must carry an efficient sound producing device (such as a horn, whistle or bell), with the requirement of producing a blast of 2 or more seconds in duration, audible for at least one half mile.
- d. Only Boats with illuminated navigation lights may be out on the Lake before sunrise and after sunset. Boats in motion must have both bow and stern lights illuminated. Boats not in motion must at minimum have their stern anchor light illuminated.
- e. Mufflers Required:

The exhaust of every internal combustion engine used on any Motorboat shall be effectively muffled at all times. The equipment must be so constructed and so used to muffle or suppress the noise of the exhaust in a manner to meet noise control requirements for Oswego Lake, not to exceed a maximum of 80 dBA at 50 feet. The use of cut-outs or open-exhaust stacks is prohibited.

11. **ACCIDENTS: DUTIES & REPORTS**

Duties of operators or witnesses at accidents:

- a. The operator of any Boat involved in an accident which results in injury or death to any person or causes damage to property shall immediately stop his/her boat at the

scene of the accident, or as close thereto as possible, and shall remain at the scene of the accident until he/she has fulfilled the requirements of this section.

- b. The operator of any Boat involved in an accident resulting in injury or death to any person or damage to property shall:
 - 1. Render assistance and call for medical care as necessary for any person injured in the accident.
 - 2. Give the other boat occupants or property owner his/her name, address and the identifying number of the Boat which he/she was operating and the name and address of any other occupants of the Boat. In the event a property owner is unavailable, the operator must leave his/her contact information prior to leaving the scene.
- c. Any witness to an accident shall furnish to the operator, occupant or injured person his/her name and address.

An accident report is required when:

- d. The operator of any Boat involved in an accident resulting in injury or death to any person or damage to property shall, within 48 hours, forward a complete written report of the accident to the Oregon State Marine Board (OSMB) and the LOC.
- e. Whenever a report is insufficient in the opinion of the OSMB or LOC, the operator may be required to file a supplemental report. A witness to an accident may also be required to render a report to the OSMB or LOC.
- f. Whenever the operator of the Boat is physically incapable of making a required accident report, and whenever there was another occupant in the Boat at the time of the accident who is capable of making a report, then the occupant shall make or cause the report to be made.

12. THROWING REFUSE INTO OR POLLUTING LAKE

- a. No persons shall permit sewage or waste water to flow into Oswego Lake unless it is passed through a system of sewage purification approved by the Oregon Department of Environmental Quality.
- b. No debris or refuse of any type, including but not limited to garbage, prunings, yard debris or animal waste, may be dumped into or deposited into the waters of Oswego Lake.

13. ENFORCEMENT

- a. All **Users of Oswego Lake** shall comply with the LOC rules and regulations.
- b. The LOC may delegate to members of the Lake Patrol the authority to issue citations for violations and to impose sanctions.

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- c. LOC may designate a Safety Committee of three or more persons which may impose sanctions for violations, establish rules or guidelines for the imposition of sanctions, and review citations or sanctions which are imposed and are appealed by the recipients of such citations or sanctions.
 - d. Shareholders and easement holders shall be responsible for all actions taken, and failed to be taken, by their family members, tenants and guests.
 - e. Enforcement of the LOC rules and regulations shall be the responsibility of the Lake Patrol. All users of Oswego Lake shall follow reasonable instructions from the Lake Patrol.
 - f. No person shall address any Lake Patrol person using abusive language or threatening physical harm. No person shall cause physical harm or damage to any Lake Patrol person or LOC property.
 - g. Failure to comply with orders or directions from the Lake Patrol, the Safety Committee or the LOC shall constitute a violation of the LOC rules and regulations and may result in additional sanctions.
 - 1. If the recipient of a citation wishes to appeal they may file a request for appeal to the Safety Committee. Appeal forms will be available at the LOC office and must be filed within 14 days of the issuance of a citation.
 - 2. An appeal hearing before the Safety Committee shall be informal. The Lake Patrolman, and witnesses, if any, shall be heard first, followed by the affected parties.

14. SANCTIONS

In the event that any **User of the Lake** violates any of the LOC's Bylaws, rules, regulations, or directives, the LOC shall be authorized to take any or all of the following actions in its sole discretion:

- 1. Permanently or temporarily suspend an LOC operator's license, an LOC Boat license, or both. If an operator's license or boat license is suspended or terminated, no refund of fees paid to LOC shall be provided.
- 2. Assess a fine in an amount up to \$5,000.
- 3. Permanently or temporarily suspend or revoke other Lake Privileges.

People with limited operator licenses (ages 12 to 15) shall be allowed only half of the number of violations allowed for people with standard operator licenses.

If a fine is not paid as required, or if a party receiving other sanctions described above does not comply with directions from the LOC regarding such sanctions, the LOC may impose additional sanctions with regard to that party.

Citations, sanctions, and suspensions applicable to a licensee shall apply to the Boat license as well. For example, if a child of a shareholder receives a citation, that citation will apply to the Boat on which the violation occurred.

The LOC may grant broad discretion to the Lake Patrol and the Safety Committee to make determinations and exercise their judgment. The decisions of the Safety Committee are final. There shall not be a right of appeal of disputed citations or sanctions to the Board of Directors of LOC.

15. SAFETY RECOMMENDATIONS

In addition to the compliance to the LOC rules and regulations, the following recommendations should be carried out to the fullest extent possible:

- a. Motors should be stopped while picking up a rider and taking in tow lines whenever a Motorboat is stopped.
- b. When a person being towed falls, that person immediately should signal the Motorboat operator that he/she is okay and warn off other boats by raising a ski tip or arm into the air until he/she has been picked up.
- c. A tow line should never be wrapped around any part of the body.
- d. Every Motorboat towing a person or object should have a mirror providing the driver with the ability to view the person and/or object without turning away from the direction of travel. Riders of inflatable devices should wear appropriate safety helmets.
- e. When boating in cold water, life jackets should be worn at all times. Cold water can numb extremities and limit reflexes quickly, making it difficult to put on a life jacket.
- f. All persons riding in a Boat should remain seated during operation.
- g. Canoes, kayaks and pedal boats should fly a red flag at least five (5) feet above the water at all times.

COVENANTS AFFECTING USE

- a.** The use and enjoyment of Oswego Lake and the rights and privileges to be exercised by property owners are governed by the following covenants, rules, and regulations:
- (i)** Warranty Deed with Covenants from Oregon Iron and Steel Company to LOC, dated July 15, 1942, recorded July 27, 1942 at Book 296, page 240, Records of Clackamas County, Oregon;
 - (ii)** Declaration of Intent from Oregon Iron and Steel Company to LOC, dated December 20, 1945, recorded at Book 358, page 675, Records of Clackamas County, Oregon;
 - (iii)** LOC Declaration of Protective Covenants, Conditions and Restrictions, dated February, 1984, recorded December, 1986 at Fee Number 8650165, Records of Clackamas County, Oregon;
 - (iv)** Amended and Restated LOC Declaration of Protective Covenants, Conditions and Restrictions, dated August 23, 1991 and recorded August 23, 1991 at Fee Number 9142675, Records of Clackamas County, Oregon;
 - (v)** Other rules, regulations, guidelines, and covenants, adopted or changed from time to time by LOC.
- b.** Eligibility for lake access privileges to use Oswego Lake are determined by references to historical documents, including the express granting of lake access privileges by Oregon Iron and Steel Company in recorded, real property instruments. LOC may charge a fee for reviews of eligibility. No property owner has the right or power to create additional lake access privileges. No access to Oswego Lake may be created or exercised by third persons over or across easements or uses of a property owner's property.
- c.** The Amended and Restated LOC Declaration of Protective Covenants Conditions and Restrictions, dated August 13, 1991, is reprinted below:

**AMENDED AND RESTATED
LAKE OSWEGO CORPORATION
DECLARATION OF PROTECTIVE COVENANTS,
CONDITIONS AND RESTRICTIONS**

LOC owns fee title to substantial portions of the rim of Oswego Lake, the lake bed of Oswego Lake, and certain properties abutting Oswego Lake, located in Clackamas County, Oregon. Persons who by recorded instruments hold privileges or access rights to use Oswego Lake and LOC property hold and exercise their privileges and rights subject to the restrictions and limitations from time to time placed on those privileges and rights by the grantors of those privileges and rights, and by LOC. In addition to the limitations placed upon those privileges and rights by the recorded deeds and restrictions, LOC has from time to time executed and published unrecorded rules and regulations relating to the health, safety and welfare of all authorized users of Oswego Lake.

LOC desires to declare the following additional rules, regulations and restrictions relating to lake privileges and access rights for the benefit of authorized users of Oswego Lake. This Declaration amends and restates that Declaration recorded in the records of Clackamas County, Oregon, at File No. 8650165, but does not revoke that prior Declaration. A person who fails to observe the following rules, regulations and restrictions, which may be amended from time to time, may be denied the privilege of exercising his or her privileges and rights.

Now, therefore, LOC hereby declares that LOC Property, as hereafter described, and Oswego Lake are held and shall be used by authorized users subject to the following rules, regulations and restrictions of this Declaration, in addition to those which may have been previously recorded or adopted.

1. ARTICLE I - DEFINITIONS

1.1 “Declarant” shall refer to the Lake Oswego Corporation as the owner of the Lake bed of Oswego Lake, the Lake Oswego Rim Property and the Easement Areas, who by separated agreement have delegated to LOC authority to deal with their property with respect to lake privileges and access rights.

1.2 “Declaration” means this Declaration of rules, regulations and restrictions, recorded in 1986 at File No. 8650165, Records of Clackamas County, Oregon, as the same may be amended from time to time by the Declarant, acting by and through its Board of Directors.

1.3 “Easement Areas” shall mean that real property owned by the Declarant which is subject to access rights, lake privileges or other permits, which is more particularly described in Schedule A, Paragraph II of the Master Conveyance together with other areas subject to easements for lake privileges which Declarant areas owns or elects to recognize with recorded covenants.

1.4 “Holder” means the person or persons vested with legal title to real property which is benefited by a Lake Privilege, or if such real property is sold by contract, then the contract purchaser.

1.5 “LOC Property” means Lake Oswego Rim Property, Easement Areas and Lake Oswego Swim Areas and any other property now or hereafter owned by LOC and includes without limitation the property described in Schedule A of the Master Conveyance.

1.6 “Lake Oswego Rim Property” means those parcels of land located under or surrounding Oswego Lake which are now or hereafter owned by LOC, but excluding the Easement Areas.

1.7 “Lake Oswego Swim Areas” means the City of Lake Oswego Swim Area, located at the eastern end of the East Arm of Oswego Lake, which is designated for use for swimming by all holders of Lake privileges and residents of the City of Lake Oswego; and the Lake Grove Swim Park, designated for use only by owners whose property lies within the boundaries of the Old Lake Grove School District.

1.8 “Lake Privileges” means those privileges and access or easement rights to use LOC Property or Oswego Lake granted by previously recorded instruments exclusively to occupants of the principal residence on **(i)** each lot surrounding Oswego Lake or **(ii)** on lots in certain upland subdivisions.

1.9 “Lot” means a legally platted lot now existing or hereafter created by partition, subdivision, planned unit development or by any other means, and which is benefited by a Lake Privilege.

1.10 “Master Conveyance” shall mean that Warranty Deed with covenants from Oregon Iron and Steel Company to LOC, recorded at July 27, 1942 at Book 296, Page 240, Records of Clackamas County, Oregon, as further amplified by Declaration of Intent from Oregon Iron and Steel Company to LOC dated December 20, 1945, recorded at Book 358, Page 675, Records of Clackamas County, Oregon.

2. ARTICLE II - LAKE PRIVILEGES

2.1 Lots. For Lots existing on January 1, 1986 and for Lots created after the date of this Declaration by partition, subdivision, planned unit development or by any other means, one Lake Privilege shall be recognized and exercisable only if the Lot:

(i) abuts LOC Property or privately held rim property, and has at least 60 feet of frontage on the common property line with LOC Property or other privately held rim property, or abuts Oswego Lake and has at least 60 feet of shoreline on Oswego Lake; and

(ii) the Lot is either **(i)** unoccupied but of sufficient size to legally construct a single-family dwelling, or **(ii)** used for only one single-family dwelling for residential purposes; and

(iii) for purposes of this Section 2.1, if a lot with an existing Lake privilege is divided into portions by subdivision, partition or lot-line adjustment, or other legal process or conveyance, then each divided portion, including any remainder of the preexisting lot remaining after a division, must comply with the limitations of this Section 2 before a Lake Privilege will be recognized or exercised by that portion.

If a Lot is divided, created or remaining portion does not satisfy the provisions of Section 2.1 (i), 2.1 (ii), 2.1 (iii), then that Lot and any portion thereof will have no right to launch a boat onto, or moor a boat on, or operate a boat on Oswego Lake or exercise any other Lake Privilege, including any right to use an Easement Area. This provision is not intended to deny the exercise of a Lake Privilege by a Lot which satisfies each and every one of the following criteria **(i)** in January of 1986 existed with less than 60 feet of frontage, **and (ii)** in January of 1986 was improved with one single-family residence, **and (iii)** in 1986 was paying assessments to LOC validly held stock in Oswego Lake, and was exercising a Lake Privilege recognized by LOC **and (iv)** which was not and is not since January 1986 hereafter subdivided, partitioned or otherwise adjusted or divided.

2.2 Restriction. Property improved with zero lot-line subdivisions, condominiums, apartments, townhouses, attached dwellings or other multi-family complex or attached housing projects, shall not have Lake Privileges nor shall Lake Privileges continue to be exercised or recognized with respect to such property during the period of such status, improvements or use.

2.3 Easement Areas. If a Lot's Lake Privileges may be exercised solely through an Easement Area (see Section 3.2b), and if that Lot, including any portion thereof created by or remaining from subdivision, partition or lot-line adjustment or otherwise, does not satisfy the criteria of Section 2.1 (ii) above, then at the discretion of the Board of Directors of LOC, the Lake Privilege or other access to Oswego Lake claimed by persons benefited by such creation, or of the owners of the existing Lot from which a non-complying lot was created, shall not be recognized and the Lake Privilege or other claimed access to Oswego Lake may not be exercised for as long as such noncompliance continues.

2.4 Other Access. Except for access to Easement Areas validly created by deed pursuant to the Master Conveyance subject to the limitations of Section 2.3, and except as permitted by Section 2.1, no conveyance, easement, license, lease or similar privilege across any lot or other property abutting Oswego Lake, LOC Property or privately held property shall be recognized for bathing, boating or other aquatic purposes, or for visual or other shoreline recreational purposes, or for any other use of Oswego Lake, even if it was to be exercised by the holder of an otherwise valid Lake Privilege exercisable only through an Easement Area. Any attempt to create such an access shall in the discretion of the Board of Directors of LOC, in addition to any other remedy, result in non-recognition and no right to exercise, for as long as such separate conveyance or access to Oswego Lake of both **(i)** the persons benefited by such conveyance, easement, license, lease or privilege, and **(ii)** the owners of the Lot or other property from which the conveyance was created or across which the easement, license, lease or similar privilege purports to run.

3. ARTICLE III

3.1 Authorized Users. Lake Oswego Property and Lake Oswego Rim Property may only be used by (i) a Holder of a Lake Privilege, subject to limitations of the respective Lake Privilege, or (ii) the occupying lessee of the Holder's lot subject to limitations of the applicable Lake Privilege, provided however and only so long as (a) such Holder is a shareholder in good standing in LOC, or (b) if applicable, the Holder or occupying lessee exercising a Lake Privilege is a member in good standing in the applicable Easement

Association. If a lot is occupied by a lessee, only that lessee, and not the Holder, may exercise the Lake Privilege. The immediate family and short-term guests of the Holder, or of the occupying lessee, as applicable, may also use the Lake subject to the limitations of the respective Lake Privilege; the Holder and occupying lessee are responsible **for supervising** the use of such persons.

3.2 Access and Authorized Uses. Subject to the limitations of Section 2, actual access to and use of LOC Property and Oswego Lake is further limited as follows:

- (a) Holders whose Lots abut the shoreline of Oswego Lake or Oswego Rim Property are permitted to fish and swim and launch small, hand-carried and properly licensed recreational boats, such as canoes and inflatables, from their Lots over Lake Oswego Rim Property or the shore of their Lot, and to use the property described in 3.2(c), below.
- (b) Holders whose Lake Privileges are limited to use of Easement Areas may use such Easement Areas for swimming, boating, barbecuing, and picnicking uses pursuant to rules and regulations promulgated by the Easement Association and pursuant to this Declaration, and to use the property described in 3.2(c), below provided their respective Easement Areas have operational and approved sanitary facilities.
- (c) All other holders of Lake Privileges are limited to use of Lake Oswego Swim Areas (except as to Oswego Lake Swim Park, which is reserved for residents whose Lots are within the boundaries of the Old Lake Grove School District) and the boating ramp maintained by LOC for all holders of Lake Privileges provided boating will only be permitted if such holders can demonstrate that he or she has access to operational and approved sanitary facilities on terms satisfactory to LOC in its sole discretion.
- (d) All users of LOC Property and Oswego Lake are further limited by the rules and regulations promulgated from time to time hereafter by LOC, including measures to control or limit the number of boats actually using Oswego Lake during any particular period or periods.

3.3 Structures. No person may construct, install, attach or permanently float on LOC Property or Oswego Lake any structure or other improvement of any kind, including without limitation boat houses, boat docks or piers, signs or any other thing, or change or alter any such structure without the prior, express written approval of the LOC Board of Directors or any committee delegated such responsibilities by the Board. Any application or request for such approval shall be in writing and shall be accompanied by plans and specifications showing the nature, kind, dimension, colors, materials and location of the structures, improvements, changes and alterations.

3.4 Utilities. No electric power line, telephone line, gas line, storm sewer, pole, antenna, television dish, tower or other utility, communication, or service line or equipment shall be erected, placed or maintained on LOC Property without the express, prior written approval of the LOC Board of Directors.

3.5 Pollution. Owners of Lots benefited by Lake Privileges shall be responsible for any pollution of Oswego Lake or LOC Property arising from their use of their Lots, Oswego Lake or LOC Property. The term “**pollution**” shall include without limitation the accumulation, dumping or discharge of yard rakings, dirt, gravel, other fill or siltation whether resulting from construction, landscaping work, rubbish, trash, garbage, animal waste or any other waste, or other sources or activities, and the growth of pestilent plant life such as aquatic weeds and Eurasian water milfoil. Owners of Lots shall not use lighting offensive to boaters or other owners of Lots bordering Oswego Lake, and shall restrict lighting visible from Oswego Lake or from other Lots to shielded lighting directed at such owner’s own Lot.

3.6 Liens. No owner of a Lot or other authorized use of Oswego Lake or holder of Lake Privileges shall permit or cause any lien, such as a construction lien, materialman’s lien, or any other lien or encumbrance, to attach to LOC Property or Oswego Lake. In connection with granting approval for the construction of any structure or other improvement on LOC Property, LOC may require any disclosure and security that it, in its sole discretion, deems desirable to assure that no such lien shall attach, and may impose liability, workmen’s compensation and other insurance requirements in connection with construction in any particular instance.

3.7 Maintenance. Improvements or other structures of any kind erected on LOC Property shall be maintained in good repair so as not to create a hazard, potential hazard, or a condition which with time will ripen into a hazard or potential hazard.

3.8 Completion of Construction. The construction of any improvement or structure on LOC Property shall be completed within nine (9) months following the issuance by LOC of any permit authorizing such construction so as to present a finished appearance when viewed from any angle.

4. ARTICLE IV - ASSESSMENTS

By previously recorded instruments, stock subscription agreements and bylaws of LOC, as well as rules and regulations promulgated from time to time by LOC, LOC has the power to assess the holders of Lake Privileges for the benefit of all persons using Oswego Lake in an amount set from time to time by the Board of Directors of LOC. Such assessments include regular, annual assessments, and special assessments to be used exclusively to promote and protect the LOC’s water rights and power generation capacity, and the aesthetics, recreation, health, safety and welfare of Oswego Lake and those with Lake Privileges in Oswego Lake. Holders of Lake Privileges failing to pay assessments to LOC when due may, in addition to other remedies such as suits for money or suits for the injunction, be denied the right to exercise their Lake Privileges in Oswego Lake or in LOC Property by agents of LOC.

5. ARTICLE V - ENFORCEMENT

5.1 General. LOC has the right to enforce this Declaration, including with limitation, the right to bring claims, actions and suits for damages, injunctions or other remedies. In addition to the foregoing remedies, in the event of failure to comply with (i) the terms of this Declaration, (ii) the Master Conveyance and the recorded deeds and restrictions affecting

Oswego Lake, or (iii) the rules, regulations and restrictions of LOC promulgated from time to time, or the failure to pay assessments when due, or the encumbering of or claim against the property of LOC, LOC shall have the right to terminate, limit or deny the exercise of Lake Privileges or access rights, and impose such other penalties, fines or remedies as the Board of Directors of LOC shall deem appropriate, including without limitation restricting access to LOC Property by fence or barrier.

5.2 Access. LOC may at any time enter upon LOC Property or abutting property and remove any improvement or structure, or repair the same, which is in violation, or to remedy any other violation of any provision of this Declaration, any recorded deed or restriction or any other rule and regulation promulgated by LOC, without being deemed to have trespassed or otherwise violated any right of the holder of the Lake Privilege. The cost of any maintenance, repair or removal may, at the election of the Board of Directors of LOC, be added to and become a part of any assessment levied by LOC on the holder of such Lake Privilege, or be generally assessed among all members of LOC.

6. ARTICLE VI - MISCELLANEOUS PROVISIONS

6.1 Term. These rules, regulations and covenants shall be binding upon all owners and users of Lots of Lake Privileges or any persons claiming under them, until amended, modified or revoked by the LOC.

6.2 Severability. Each provision of this Declaration shall be deemed independent and severable, and invalidity or partial invalidity of any provision shall not affect the validity or enforceability of the remaining part of that or any other provision.

6.3 Limitation of Liability. LOC, any officer of LOC, its Board of Directors or any member thereof, any member of any committee of LOC, and any agent of LOC shall not be liable to any holder of Lake Privileges or any other person, for any damage, loss or prejudice suffered or claimed on account of any action or failure to act by LOC, its officers, its Board of Directors or any member thereof, a member of such committees, or such corporation's agents, unless the claimant can establish clearly convincing evidence that such persons and entities have acted in bad faith based upon the actual knowledge possessed by them.

6.4 Recovery of Expenses. In its enforcement of this Declaration, LOC may recover all its costs in connection with such enforcement from the offender, including without limitation a reasonable attorney's fee whether or not suit is filed, and on any appeals if appeals are filed.

6.5 Waiver. Failure of LOC to impose any requirement or enforce any provision of this Declaration in any particular instance shall not be deemed or constitute a waiver of LOC's right to impose such requirements or enforce any provisions in that instance or any other instance.

This Declaration was adopted by the Board of Directors of LOC in April, 1991.