

**PER COVENANTS
ARTICLE IX AMENDMENT
CORRECTING TECHNICAL ERRORS OF DOCUMENTS**

The above article states in part; "An addition or amendment to the documents shall not be considered material if it is for the purpose of correcting technical errors or for verification only." Therefore the following corrections will be made to the bylaws for technical and verification purposes only;

Article V, Section 10. A Member must be in good standing and must have paid all assessments due in order ~~for him~~ to participate in membership voting.

Article VII, Section 1. The fiscal year of the Association shall ~~begin on the first day of January~~ ~~end December 31st~~ each year, unless changed by the Board of Directors.

Article IX, Section 4.(E). After voting, ballots shall be returned in a sealed envelope marked "Ballot" but not marked in any other way. Each such "Ballot" envelope shall contain only one (1) ballot, and each voting member shall be advised that because of the verification procedures hereinafter set forth, the inclusion of more than one (1) ballot in any one "Ballot" envelope shall disqualify the return. Such "Ballot" envelope shall be placed in another sealed envelope which shall bear on its face the name and signature of the Member, ~~their~~ lot number, and such other information as the Board may determine will serve to establish his/~~her~~ right to cast the vote or votes presented in the ballot or ballots contained therein. The ballots shall be returned to the Secretary of the Association by mail at such address as the Board may from time to time determine so as to be received no later than three (3) days prior to the annual meeting or by personal delivery to the Secretary at the annual meeting.

Article IX, Section 17. . A Director may be removed by three-fourths (¾ths) vote of the Board of Directors for "just cause". "Just cause" shall include self-dealing, conflict of interest and negligence in performing the responsibilities of a Director. If a motion to remove a Director is made ~~at~~ a Board meeting, the motion shall not be acted upon until the next Board meeting. Notice of the motion shall be mailed to the Director whose removal is sought not less than twenty-one (21) days prior to the meeting when the motion is to be acted upon.

**ARTICLE III, VI, IX, XV
Delete References to Developer**

-1-

WHEREAS, through-out the Bylaws there is reference to the Developer and,
WHEREAS, the Developer no longer exists and has not for several years,
WHEREAS, these references do not serve any purpose for today's implementation of the Bylaws, Therefore be it Resolved that the following Articles/Sections with reference to Developer will be omitted,

~~Article III, Section 1, (B) Developer Member~~

~~Article III, Section 2. "except the Developer"~~

~~Article III, Section 3. Developer Member (eliminate this section).~~

~~Article VI, Section 8. Exempt Property (D). (eliminate this sentence.)~~

~~Article VI, Section 3. Eliminate reference to Developer after first sentence up through the word Developer in last sentence.~~

~~Article IX, Board of Directors, Section 3. (eliminate this section).~~

~~Article IX Board of Directors, Section 4. (H) (eliminate this section).~~

~~Article XV, Interim Membership of Board of Directors. Eliminate all Sections other than Section 4. Which current amendment # to incorporate language elsewhere in the By-laws as it relates to an event where there would be an election of an entirely new board and how the terms of office would be decided, all other sections would be eliminated, therefore eliminate Article XV in its entirety.)~~

Adopted _____ Failed _____ Referred _____ Amendment _____

**BYLAWS
TABLE OF CONTENTS**

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WHEREAS, currently there is no table of contents and,
WHEREAS, it makes it difficult to locate the specific site and,
WHEREAS, a table of contents will provide the reader with the information contained in the document and provide ease of location of such information, therefore be it
Resolved that a table of contents will be inserted after the cover page of the Bylaws which will list the Articles and Sections of said Articles along with the identified page number.

Adopted _____ **Failed** _____ **Referred** _____ **Amendment** _____

ARTICLE I Definitions (I)

Definition of Owner

-3-

WHEREAS, Article 1, Letter (I) provides limited language to the definition of Owner and,
WHEREAS, the Covenants, Article 1, (F) provides for a more complete definition of Owner,
Therefore be it
Resolved that Article 1, letter (I) will read the same as the Covenants Article 1,(F) as it relates to Owners, which reads;

“Owner” means the record Owner, whether one or more persons or entities, of the fee simple title to any Lot that is part of the Subject Property. Owner shall also mean and refer to a contract for deed vendee (purchaser) of a Lot that is part of the Subject Property, who is entitled to possession of such Lot pursuant to said contract. “Owner” shall not include a mortgagee or a contract for deed vendor (seller) whose vendee is entitled to possession, unless and until such mortgage or contract for deed vendor has acquired both legal and equitable title pursuant to foreclosure (in the case of a mortgage) or cancellation proceedings (the case of a contract for deed) or proceedings in lieu thereof.

Adopted _____ **Failed** _____ **Referred** _____ **Amendment** _____

ARTICLE III, Section 4

Domestic Partner

-4-

WHEREAS, there is currently no language to include “Domestic Partner” and,
WHEREAS, a domestic partnership is an interpersonal relationship between two individuals who live together and share a common domestic life but are not married (to each other or to anyone else) and,
WHEREAS, the definition would be the same as other Associate Members, and
WHEREAS, to clarify the voting rights of Associate Member
Therefore be it

Resolved that “domestic partner” and “Except for voting rights” will be added to Article II, Section 4 to read;
Section 4. Associate Member. If not otherwise a General Member, each of the following shall be entitled to Associate Membership in the Association; the spouse, *domestic partner*, children and/or legal wards of a General Member or Honorary Member, who have the same principal residence as the General Member or Honorary Member. Associate Members shall have no vote or right to notice of any regular or special meetings of Members. *Except for voting rights*, the privileges and duties of Associate Members shall be the same as those of General Members, unless changed by resolution of the Board.

Adopted _____ **Failed** _____ **Referred** _____ **Amendment** _____

**ARTICLE III Section 8
Suspension of Membership Privileges**

-5-

WHEREAS, currently there is a 30 day limit to a suspension and,
WHEREAS, there are owners who are continuously in violation of the Covenants and,
WHEREAS, due process needs to be part of the requirement prior to any adverse action, which would require written notice, therefore be it

Resolved that Article III, Section 8, (B) will be amended to read as follows;

- (B) Membership may also be suspended by action of the Board for infraction of the Restrictive Covenants, or for infraction of the published regulations of the Association, *only after a 30 day written notice has been given.* ~~which suspension may be for a period not to exceed thirty (30) days.~~

Adopted _____ **Failed** _____ **Referred** _____ **Amendment** _____

**ARTICLE V, Section 2
Date of Annual Meeting**

-6-

WHEREAS, currently the annual meeting as directed by the above Article is to be held on the Saturday next preceding the first Monday of September, and
WHEREAS, based on the survey conducted in 2015 -2016, the majority of those who responded preferred that the Annual Meeting be held the first Saturday of May, therefore be it

Resolved that Article V, Section 2 will be amended to read as follows;

Section 2. Annual Meetings. There shall be an annual meeting of the Association to be held on the *first Saturday in May beginning 2017* ~~next preceding the first Monday of September~~, and at such time and place as the Board of Directors shall prescribe. Written notice of the annual meeting shall be mailed at least ten (10) days prior to the meeting to each Member entitled to notice of and to vote thereat, in the United States Mail, first class, postage prepaid, to the last known address of such Member as his name appears upon the books of the Association. Notice shall be deemed to be delivered when deposited in the mail.

Adopted _____ **Failed** _____ **Referred** _____ **Amendment** _____

ARTICLE V, Section 7

Voting Member

-7-

WHEREAS, the meaning of "equitable ownership" could mean fee or contract for deed and

WHEREAS, the Covenants, Art 1, (F) & (G) define Owner and member as;

Art 1, (F) "Owner" means the record Owner, whether one or more persons or entities, of the fee simple title to any Lot that is part of the Subject Property. Owner shall also mean and refer to a contract for deed vendee (purchaser) of a Lot that is part of the Subject Property, who is entitled to possession of such Lot pursuant to said contract. "Owner" shall not include a mortgagee or a contract for deed vendor (seller) whose vendee is entitled to possession, unless and until such mortgage or contract for deed vendor has acquired both legal and equitable title pursuant to foreclosure (in the case of a mortgage) or cancellation proceedings (the case of a contract for deed) or proceedings in lieu thereof.

Art 1, (G) "Member" shall mean and refer to all those Owners who are members of the Association as provided in Article III, Section 1, hereof. Therefore be it

Resolved that Article V, Section 7 will be amended to read as follows;

Section 7. Voting. Voting at membership meetings shall be by majority of the votes present as represented by persons and/or absentee ballots, unless a greater proportion is required by law or by the Restrictive Covenants. Each member in good standing entitled by these By-Laws to vote on matters properly coming before the membership shall be entitled to cast one vote for each lot in which *the member holds an ownership interest. ~~he holds the equitable ownership.~~*

Adopted _____ **Failed** _____ **Referred** _____ **Amendment** _____

ARTICLE VII Section 6

Signing of Checks

-8-

WHEREAS, currently all checks shall be signed by the Treasurer and either the President or Vice President and,

WHEREAS, it can be difficult to have these officers available to timely sign and counter sign such checks and

WHEREAS, there needs to be internal controls in check signing so at least one person is completing the check and another signing, therefore be it

Resolved that Article VII, Section will be amended to read as follows'

Section 6. All checks shall be signed *and counter-signed* by *any one of the following officers,* the Treasurer, ~~and counter-signed by the~~ President or ~~any~~ Vice President, in the absence of the President *and/or any agent approved by the Board of Directors. Generally Accepted Accounting Principles (GAAP) will be followed.*

Adopted _____ **Failed** _____ **Referred** _____ **Amendment** _____

**ARTICLE IX, Section 1 (A) and
ARTICLE X, Section 4.
Corporate Seal**

-9-

WHEREAS, the Association does not have a corporate seal, and
WHEREAS, per MN Statute 317A.163 there is no requirement to have a Corporate Seal, therefore be it
Resolved to strike from Article IX, Section 1, item (A). and re-letter and

(A) ~~Adopt a corporate seal as the seal of the Association.~~

Resolved to strike from Article X, Section 4. "corporate seal and"

Section 4. Secretary. The Secretary of the Association shall keep the minutes of the business and other matters transacted at the meetings of the Members and of the Board. The Secretary shall mail, or cause to be mailed, all notices required under the By-Laws. The Secretary shall have the custody of the ~~corporate seal and~~ records and maintain a list of the Members and their addresses and perform all other duties incident to the office of Secretary. In the absence of the Secretary, or in the event of inability of the Secretary to act, the Assistant Secretary is empowered to act and shall thereupon be vested the powers and duties of the Secretary. The Assistant Secretary shall also perform other duties as the Board may decide. The Secretary may appoint Recording and Correspondence Assistants.

Adopted _____ Failed _____ Referred _____ Amendment _____

**ARTICLE IX, Section 2
Number of Directors**

-10-

WHEREAS, only those members who are in good standing should be able to represent the Association and,

WHEREAS, those who are Directors should be setting an example for the rest of the members of the Association and,

WHEREAS, if Article XV is deleted that portion of Section 4, Terms of Directors, would need to be incorporated elsewhere in the Bylaws, therefore be it

Resolved that Article IX, Section 2, will be amended to read as follows:

Section 2. Number of Directors. Directors shall be elected at the annual meeting of Members as provided for in Section 4 of this Article. The number of Directors shall be seven (7). The Board of Directors may, however, by resolution increase the number of Directors to not more than twelve (12). Directors must be Members *in good standing and must remain a Member in good standing during their term in office and if not will be removed from the Board of Directors.* ~~except as provided for in Article XV of these ByLaws.~~ No Director shall receive a salary for services performed unless he is also an employee of the Association. Directors and Officers may be compensated for reasonable expenses incurred while so acting.

Adopted _____ Failed _____ Referred _____ Amendment _____

**ARTICLE IX, Section 4
Election of Directors**

-11-

WHEREAS, there is no benefit for the term; "commencing with the year 1977" and "first" as it relates to annual meeting to remain in this section and,

WHEREAS, there are times when it has been difficult to find volunteers to run for the Board of Directors and

WHEREAS, soliciting for signatures can be challenging because the members of the association, the majority of which do not live in Sylvan Shores are widely scattered and,

WHEREAS, the Association should create an environment that allows and encourages members to volunteer for the Board of Directors and,

WHEREAS, it is beneficial to the Association to have a diverse group of members to serve on the Board of Directors and,

WHEREAS, the process to run for the Board of Directors should be without obstacles,

Therefore be it

Resolved that Article IX, Section 4, (B) will be amended to read as follows;

- (B) Between the first and fifteenth day of ~~March~~ ~~July, commencing with the year 1977,~~ any Member in good standing may file with the Secretary of the Association a statement of his or her candidacy for election as a Director of the Association for the term beginning immediately following the ~~first~~ annual meeting of the Association held after the filing of such statement ~~together with endorsements of his or her their candidacy by signature or email sent to the association's email address from signed by 25 Members in good standing.~~ The Secretary of the Association shall cause notice of each candidacy and a brief biographical statement of each candidate to be included in the notice of such annual meeting.

Adopted _____ Failed _____ Referred _____ Amendment _____

**ARTICLE IX BOARD OF DIRECTORS
ELECTION PROTESTS AND APPEALS**

-12-

WHEREAS, There is no current language that allows for a member to aggrieve or dispute the election process, and

WHEREAS, any member should have the right to have their dispute heard and acted on, therefore be it

Resolved, that a new Section will be added to the above article to state as follows;

Election Protests and Appeals

(A). The Election Committee shall be responsible for the conduct of elections and shall decide all controversies arising out of the election process. Any Member who feels aggrieved in connection with the conduct of the election shall file their grievance with the Election Committee within seventy two (72) hours after an event that caused the Member to feel aggrieved. If the Election Committee finds merit in a grievance, it shall have the authority to direct and impose such remedy it deems necessary or proper.

(C) Appeals from the decision of the Election Committee shall be to the Election Appeals Committee described in Item (D) of this Article; shall be in writing; shall set forth all the relevant facts on which the appeal is based; and shall be filed with the Election Appeals Committee within five (5) days from receipt of the decision of the Election Committee.

(D) The President, with the approval of the Board of Directors, shall appoint an Election Appeals Committee which shall consist of the President and four (4) additional General Members. This Committee shall have final authority to decide disputes, controversies and appeals arising out of elections. The Election Appeals Committee shall have authority to adopt rules and regulations as it deems desirable to promptly accomplish the objective of this Article. Where the Election Appeals Committee finds merit in an appeal, it shall have full authority to direct and impose such a remedy as it considers necessary or proper.

(E) Directors declared elected through applicable procedures shall assume and hold office pending final determination under the appeals procedures provided in this Article.

Adopted _____ Failed _____ Referred _____ Amendment _____

ARTICLE IX, Section 7

Special Meetings

-13-

WHEREAS, a meeting notice for the Board of Directors does not necessarily need to address a specific means in which communication of such meeting will be given and,

WHEREAS, there are times when not all Board Members can be physically present and

WHEREAS, as time moves forward there are always new ways of communicating, therefore be it

Resolved that Article IX, Section 7 will be amended to state the following.

Section 7. Special Meetings. Special meetings of the Board of Directors may be called at any time by the President and shall be called by the President or the Secretary whenever requested to do so in writing by a majority of the Board. Notice of special meeting ~~may~~ *shall* be given to each Director ~~orally, or by mail or telegram~~ at least twenty-four (24) hours prior to the meeting. A special meeting may be convened without notice if all Directors are personally present and all agree to holding of the meeting thereof at such time and place and waive all rights to notice thereof.

Adopted _____ **Failed** _____ **Referred** _____ **Amendment** _____

**ARTICLE IX BOARD OF DIRECTORS
ELECTRONIC MEETINGS**

-14-

WHEREAS, Minnesota Statute, 371A.231, Board Meetings, allows for meetings to take place via remote communication, and

WHEREAS, Roberts Rules of Order, Newly Revised, 11th Edition, Chapter IV, Section 9, advise that Electronic Meetings should be authorized and stated in the Bylaws, and

WHEREAS, with the ability of remote communication, and the distance that there can be between Board Members, electronic meetings can be of great benefit to conduct the business of the association when need be,

Whereas these type of meetings are not meant to replace the conduct of meetings as described in Article V Meetings of Members, this is specifically as it relates to Article IX Board of Directors, therefore be it

Resolved that a new section in the above stated Article will be added as follows;

Electronic Meetings.

A. NOTICE OF MEETING

A notice given by any Director can be by electronic communication. The notice is deemed given if by;

- (1.) Facsimile communication, when directed to a telephone number at which the Director has consented to receive notice;
- (2.) Electronic mail, when directed to an electronic mail address at which the Director has consented to receive notice;
- (3.) Any other form of electronic communication by which the Director has consented to receive notice.

B. PARTICIPATION IN MEETINGS BY MEANS OF REMOTE COMMUNICATION.

A Director may participate in a Board meeting by means of conference telephone or, if authorized by the Board, by such other means of remote communication, in each case through which that Director, other Directors so participating, and all Directors physically present at the meeting may participate with each other during the meeting. Meeting must allow for simultaneous aural communication among all participating members equivalent to those meetings held in one room or area. Participation in a meeting by that means constitutes presence at the meeting. The Board of Directors shall establish rules for such meetings.

Adopted _____ **Failed** _____ **Referred** _____ **Amendment** _____

ARTICLE IX BOARD OF DIRECTORS
ELECTION TERMS FOR DIRECTORS

-15-

WHEREAS, currently all Directors serve a two (2) year term and when Directors resign this allows the possibility of the election of an entire new Board, and
WHEREAS, this could then create a Board with no experience as it relates to the workings of SSPOA.

Therefore be it resolved, that to maintain some consistency of experience on the Board, Article IX, Section 10, will be amended to state;

*“All Directors shall serve until their successors are elected. **If the election would result in a completely new Board, the Directors with the top four highest votes will serve a two year term. The Directors receiving the fifth, sixth and seventh highest votes shall be elected to one year terms. As provided for in Article IX, Section 2; if by resolution the Board of Directors increase the number of Directors, the highest number of votes for the top two thirds (2/3) will serve two year terms the remaining will serve one year terms. Thereafter, Directors shall be elected to terms of two years. No Director can serve more than two (2) consecutive terms.**”*

(NOTE: If this is adopted there would be no need for Section 4 of Article XV)

Adopted _____ Failed _____ Referred _____ Amendment _____

ARTICLE IX BOARD OF DIRECTORS
RESIGNATION OF DIRECTORS

-16-

WHEREAS, currently there is no language in the Bylaws that provide for resignations of Directors and,
WHEREAS, it has been unclear on what, if any, requirements there are in submitting and accepting a resignation and,

WHEREAS, Roberts Rules of Order, 11th Addition, Chapter VIII, Section 32 provides direction on the submission of a resignation with the assumption that the resignation be accepted,

Therefore be it

Resolved, that a new section will be added to the above stated article to state as follows;

Resignations. *A Director of the Association may resign at any time by giving written notice to the Board of Directors, such resignation to take effect at the time of receipt of such notice or at any later date or time specified therein. Unless otherwise specified therein, acceptance of a resignation shall not be necessary to make it effective. Once a Director/Officer resigns their eligibility to become a Director and/or Officer will not be until after their original term would have ended.*

Adopted _____ Failed _____ Referred _____ Amendment _____

**ARTICLE IX BOARD OF DIRECTORS, Section 11
VACANCIES**

-17-

WHEREAS, Article IX, Section 11 is not clear on best practices to fill vacancies and,
WHEREAS, there are times where there have been more candidates than open vacancies and,
WHEREAS, the most democratic way to fill a vacancy is through the will of the members via an election and,
WHEREAS, Roberts Rules of Order, 11th Edition, Chapter XV, Section 47, allows for a provision which states; “an Officer who has served more than half a term in an office is considered to have served a full term.” And is also stated in Chapter XVIII, Section 56, therefore be it

Resolved, that Section 11. Vacancies will be amended to state;

“If the office of any Director becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, the Directors then in office, although less than a quorum, by a majority vote, shall choose a successor who shall hold office *for the remainder of the term of the vacancy. until the next annual election. If the vacancy occurs for a Director who has served more than half a term in office, the vacancy will be filled by appointment of the Board. If half or less of the term has been served, the Board will first contact the nominee from the last election with the next highest votes and continue until all previous non-elected nominees has been exhausted prior to the Board making an appointment.*

Adopted _____ **Failed** _____ **Referred** _____ **Amendment** _____

**ARTICLE IX, Section 12.
Selection of Officers**

-18-

WHEREAS, currently Article X, Section 1, Defines Officers and,
WHEREAS, adding this language helps to clarify why the Board of Directors is selecting such positions,
Therefore be it

Resolved Article IX, Section 12 will be amended to state as follows;

Section 12. After each annual meeting, the Board of Directors shall select from the Board, *Officers, per Article X, Section 1, consisting of* a President, a Vice President, a Secretary and a Treasurer.

Adopted _____ **Failed** _____ **Referred** _____ **Amendment** _____

**ARTICLE IX, Section 13
Succession of Terms**

-19-

WHEREAS, to clarify the definition of “Succession of Officers or Directors” as it relates to terms of office for Officer Positions and,

WHEREAS, to make the term of office more generic, therefore be it

Resolved that Article IX, Section 13, will be amended to read as follows;

Section 13. Succession. No Officer or Director except the Secretary and Treasurer shall be eligible to *serve consecutive terms in the same office succeed himself* more than once.

Adopted _____ **Failed** _____ **Referred** _____ **Amendment** _____

**ARTICLE IX, Section 16
Authorization of Committees
(opening paragraph)**

-20-

WHEREAS, to better clarify the terminology of committees that serve the Board of Directors and, WHEREAS, who should authorize the appointment of such committees, and WHEREAS, to stay consistent with language throughout the documents as to “The President, with approval from the Board.” Therefore be it

Resolved that Article IX, Section 16, opening paragraph will be amended to read as follows;

Section 16. The Board of Directors may authorize the President to appoint such committees as the Board deems necessary to carry on the affairs of the Association, and it shall define the powers and duties thereof. The Committee so appointed shall hold office *at the will* ~~during the pleasure~~ of the Board of Directors. *The President, with the approval of the Board shall* ~~The Board shall, however, authorize the President to~~ appoint the following Committees, comprised of General Members who need not be Directors:

Adopted _____ **Failed** _____ **Referred** _____ **Amendment** _____

**ARTICLE IX, Section 16 (B) and (C)
Committees**

-21-

WHEREAS, currently there is and has not been a Security and Safety Committee since 1996 and WHEREAS, the duties of the Security and Safety Committee still exist and, WHEREAS, the committee may recommend denial of up to 30 days of use of Common Properties due to infraction and

WHEREAS, if accepted and to stay consistent with Article III, Section 8, (B), on language as it relates to a 30 day period

Resolved that Article IX, Section 16, (C) will be deleted and those duties will be incorporated into the duties of Article IX, Section 16 (B) Association Properties Committee which will read as follows;

~~(C) Security and Safety Committee which shall, subject to Board approval, establish such rules as may be considered necessary and desirable to assure reasonable conduct and activities of Members, their families, tenants and guests within the Development.~~

(B) An Association Properties Committee which shall be responsible, subject to Board approval, for operation, use and maintenance of the Common Properties, as defined in the Restrictive Covenants, including establishing such rules as may be necessary, *to assure reasonable conduct and activities of Members, their families, tenants and guests within the development* and to determine reasonable admission and other fees for the use of Common Properties as may be required for their operation by the Association.

The Committee may also recommend to the Board denial of use of the Common Properties to anyone ~~for up to thirty (30) days~~ due to the infraction by such person of rules adopted by the Committee. ~~or by the Security and Safety Committee.~~

Adopted _____ **Failed** _____ **Referred** _____ **Amendment** _____

**ARTICLE IX, Section 16 (D)
ELECTION COMMITTEE**

-22-

(IF ARTICLE IX, SEC 4, #1 WOULD PASS)

WHEREAS, the Association has not established or used a nominating committee in any recent years and, WHEREAS, it is difficult to find enough volunteers for the committees and, WHEREAS, if Article IX, Section 4, would be amended to allow for candidates to volunteer themselves without any required nomination or signature of members for endorsement, then there would be no need for a nominating committee, therefore be it

Resolved that Article IX, Section 16 (D) will be amended to read as follows;

(D)A ~~Nominating~~ Election Committee. *The President, with approval of the Board of Directors shall establish an Election Committee* comprised of Members other than Director's. *The Committee* shall prior to the annual meeting of the Association ~~identify from among all Members provide a list of candidates those individuals who, in the Committee Members opinion, might best~~ *who have volunteered to* serve the Association as Directors. The ~~Nominating Election~~ Committee shall also assist the Board ~~as the latter may direct~~ in the conduct of Association elections including dissemination of information regarding candidates for Director ~~(whether proposed by the Committee or otherwise nominated in writing by any Member)~~, preparation of ballots, arrangements for voting by proxy and other related matters. ~~The Nominating Committee may, at the direction of the Board, serve as the Election Committee.~~

Adopted _____ Failed _____ Referred _____ Amendment _____

ARTICLE X, Section 1.

Officers

-23-

WHEREAS, to clarify who the Officers shall be and, WHEREAS, there is no history of an Assistant Secretary and, WHEREAS, if need be this section does allow for other "Officers" and "Assistant Officers", therefore be it *Resolved that Article X, Section 1 will be amended to read as follows;*

Section 1. Officers. The Officers of the Association ~~shall be the President~~, who shall be a members of the Board of Directors, ~~one or more shall be the President~~, Vice Presidents, ~~the~~ Secretary, ~~Assistant Secretary~~ and ~~the~~ Treasurer and such other Officers and Assistant Officers as the Board may from time to time elect. Officers shall serve at the will of the Board. Any two or more offices may be held by the same person except the offices of President and Vice President or the offices of President and Secretary.

Adopted _____ Failed _____ Referred _____ Amendment _____

ARTICLE X, Section 2

President

-24-

WHEREAS, to update the current language as to the duties of the President as it relates to meetings and, WHEREAS, it is normally understood that the President is the Chair of meetings, Therefore be it

Resolved that the President shall server as the Chair of the Board of Directors and Article X, Section 2 will be amended to read as follows:

Section 2. President. The President shall be the Executive Officer of the Association, and shall *serve as the chair of* ~~reside over all meetings of the Association and the~~ Board of Directors. The President shall be ex officio a member of all committees ~~except the Nominating Committee.~~ The President shall conduct the affairs of the Association in accordance with these By-Laws and those policies promulgated by the Board of Directors. The President shall be responsible for the preparation of a full and true report as to the prior year to be submitted to the annual meeting and shall file said report with the Secretary where it shall be available for inspection by the membership.

Adopted _____ Failed _____ Referred _____ Amendment _____

If Resolution 22 is adopted will need to correct this Article as seen above as it relates to Nominating Committee.

ARTICLE XI GENERAL PROVISIONS, Section 3

UPDATING THE IRC OF 1954

-25-

WHEREAS, section 3 of the above article cites language to Minnesota Statute IRC, 1954, Section 401 (c) (3) which has been revised to IRC 1986, 501, therefore be it

Resolved that Section 3 of the above article will be amended as follows;

In the event of dissolution or other termination of this Association, all of its assets shall be assigned to an institution that qualifies for tax exemption under the Internal Revenue Code of ~~1954-1986~~ as provided in Section ~~401(c)(3)~~ **501(c) (3)** or any amendments thereto or to any unit of State or local government as selected by the Board of Directors.

Adopted _____ Failed _____ Referred _____ Amendment _____

**ARTICLE XIII
INDENIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES
UPDATING MN STATUTE SECTION 317.16(2) (14)**

-26-

WHEREAS, Minnesota Statute Section 317.16 of the Minnesota Non-Profit Corporation Act is obsolete, therefore be it

Resolved that the above Article will be amended to state;

Any person who is involved without his/*her* consent in any legal action due to the fact that he/*she* is or was a Director, Officer *or of* employee of the Association shall be indemnified by the Association against all expenses reasonably incurred by him/*her* in connection with or resulting from such legal action in the manner and to the full extent as allowed by the Laws of the State of Minnesota.

Such expenses shall also include amounts paid by him/*her* with the consent of the Association acting through its Board of Directors in reasonable settlement of such actions except for those matters as to which it shall be determined that such person was derelict in his/*her* performance of his duties to the Association. This right of indemnification shall apply to matters arising both before and after the time of adoption of these Bylaws and shall not exclude any other legal right of indemnification to which such person may be allowed under ~~Section 317.16(2) (14)~~ 317A.521 of the Minnesota Non-Profit Corporation Act, or other applicable law.

Adopted _____ **Failed** _____ **Referred** _____ **Amendment** _____

**ARTICLE XV
INTERIM MEMBERSHIP OF BOARD OF DIRECTORS**

-27-

WHEREAS, Article XV of the Bylaws is in reference to the initial period of Development by the Developer and, WHEREAS, the Developer has not existed for decades and, WHEREAS, this Article no longer serves any purpose, therefore be it Resolved that Article XV will be deleted in its entirety, although Section 4 of this Article as it relates to terms of the Board of Directors will be incorporated into Article IX, Section 10 of these Bylaws,

Section 1. This Article is intended to provide for composition of the Board of Directors during the initial Development Period of the Development, as such term defined in Section 2 of this Article. Should inconsistencies exist between this Article XV and Article IX, the provisions of this Article XV shall control until the end of the Initial Development Period, or until the earlier resignation, at the request of the Developer, of the Developer-Directors.

Section 2. Upon adoption of these By-Laws, the Board of Directors shall be increased to a total of seven (7) Members. Four (4) Members shall consist of four (4) Developer-Directors, who shall be appointed by the Developer. The remaining three (3) Directors shall be elected from the membership of the Association at its first annual meeting. Date, time and place of the first annual meeting shall be established by the Board of Directors.

The Directors representing the Developer shall serve during the period of time (which is herein called the "Initial Development Period") commencing on the date of the adoption of these By-Laws and ending at such time as the Developer has sold ninety percent (90%) of the lots in the Development, provided that in no event shall the Initial Development Period extend beyond the day before the annual membership meeting of 1984. At the end of the Initial Development Period, or at such earlier date as the Developer shall in its discretion so determine, all Developer-Directors shall resign. Directors elected by the Association shall serve the following terms: The Director receiving the highest number of votes shall serve a term to terminate at the annual meeting in 1979; the Director receiving the next highest number of votes shall serve a term to terminate at the annual meeting in 1978; and the Director receiving the third highest number of votes shall serve a term to terminate at the annual meeting in 1977.

Section 3. Thereafter, until the end of the Initial Development Period, one Member-Director shall be elected by the Association at each annual meeting for a three-year term.

Section 4. *At the first annual meeting of the Association to be held after the end of the Initial Development Period, five Directors shall be elected from the membership of the Association. The three Directors receiving the highest number of votes shall be elected to two-year terms. The Directors receiving the fourth and fifth highest totals of votes shall be elected to one-year terms. Thereafter, Directors shall be elected to terms of two years.*

Section 5. Nominations for interim Directors to be elected by the Association from its Members shall be made pursuant to Section 4 and Section 15 of Article IX. To the extent that provisions of Article IX do not conflict with this Article XV, said Article IX shall govern the duties of the Secretary and the manner in which Member-Directors are elected.

Section 6. Directors shall serve until their successors are elected. From the date of adoption of these By-Laws to the annual meeting following the end of the Initial Development Period, all vacancies created by death, disability or resignation shall be filled by the remaining Directors, provided that the Developer-Directors shall be replaced (at the Developer's option) by the Developer, and member-Directors shall be replaced by Members of the Association.

Section 7. Notwithstanding the above, the Developer-Directors may by their unanimous consent agree to replacement of any Developer-Director with a Member-Director at any time prior to the end of the Initial Development Period, providing that said Member-Director shall be appointed to a term to terminate at the next annual meeting.

Adopted _____ Failed _____ Referred _____ Amendment _____

