

# By-Laws of The Preserve Association

## Article 1

### Definitions:

Section 1: "Association" shall mean and refer to The Preserve Association; a nonprofit corporation organized existing under Chapter 317 of the laws of the State of Minnesota.

Section 2: "The Preserve," unless specifically stated otherwise herein, shall mean and refer to all real estate located in the village of Eden Prairie, County of Hennepin, State of Minnesota, which is described in the plat of HIGH POINT on file and of record in the office of Registrar of Titles in and for Hennepin County, Minnesota, as Document No. 1031312 and to all additional real estate which may hereafter be brought within the jurisdictions of this corporation pursuant to the procedures for adding additional land which are provided for in the document entitled "Declaration of Covenants, Conditions and Restrictions" which is recorded in the office of the Registrar of Titles in and for Hennepin County, Minnesota, as Document No. 1031312 (herein referred to as the "Declaration"). All of such additional real estate shall be considered as being specifically described in these By-Laws from and after the time of recording of the Supplementary Declaration of Covenants, Conditions and Restrictions describing it.

Section 3: "Common Properties" shall mean and refer to those areas of land shown on any recorded subdivision plat of real estate located within The preserve and intended to be devoted to the common use and enjoyment of the owners of property located in The Preserve and such other persons as they may delegate this right to pursuant to the Association's By-Laws and to all improvements located thereon and owned or otherwise held by the Association for common use and enjoyment of said persons.

Section 4: "Developer" shall mean and refer to the copartnership comprised of Carter & Gertz, Inc., a Minnesota corporation and the Minneapolis Gas Company, a Delaware corporation, and to any legal entity to which said partnership may specifically assign the rights and interests vested in it pursuant to the terms of any Declaration of Covenants, Conditions and Restrictions applicable to property located in the Preserve.

Section 5: "Lot" shall mean and refer to any plot of land shown on any recorded subdivision plat of real estate located within The Preserve with the exception of Common Properties.

Section 6: "Site" shall mean and refer to any parcel of land conveyed to any one grantee for single family residence purposes whether a single platted lot; or more, or less than a single platted lot.

Section 7: "Living Unit" shall mean and refer to a single family residence or to any portion of a multiple residence building located upon property in The Preserve which is designated and intended for use and occupancy as a residence by a single family unit.

Section 8: "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot located within the Preserve but shall not mean or refer to the mortgagee of any such lot unless and until such mortgagee has acquired title pursuant to foreclosure of said mortgage and the period within which the fee owner may redeem from such foreclosure has terminated. Where any such Lot is being sold by the fee owner to a contract vendee who is entitled to possession of the Lot, the contract vendee shall be considered the "Owner" upon furnishing adequate proof of

this situation to the Association. In the event that any Lot located within The Preserve shall be submitted to the provisions of Laws of Minnesota, 1963, Chapter 457, as supplemented and amended, then each "Apartment Owner" located upon said land submitted to the provisions of said Act, as the term "Apartment Owner" is defined in said Act, shall be considered an Owner hereunder.

Section 9: "Townhouse Lot" shall mean and refer to each Townhouse "Living Unit" constructed upon real estate located within The Preserve.

Section 10: "Condominium Lot". When real property located within The Preserve has been submitted to the provisions of Laws of Minnesota, 1963, Chapter 457, as supplemented and amended, (popularly known as the "Minnesota Condominium Act") the term "Condominium Lot" shall mean and refer to the entire right, title and interest in said real property which is owned by each "Apartment Owner" of a Condominium Unit constructed thereon as that term defined in said Minnesota Condominium Act.

## Article II.

### Location

The principal office of the Association shall be located in the Village of Eden Prairie, County of Hennepin, State of Minnesota.

## Article III.

### Property Rights and Rights of the Enjoyment of Common Properties

Section 1: Each member shall be entitled to the use and enjoyment of the Common Properties subject to compliance with the terms and conditions of the articles and By-Laws of the corporation and of any Declaration of Covenants, Conditions and Restrictions which is filed of record in the office of Hennepin County Registrar of Deeds or Registrar of Titles which is applicable to any of the real estate which is described in these By-Laws.

Section 2: Any member may delegate his rights of enjoyment in the Common Properties to the members of his family who reside in The Preserve or to any of his or its tenants who reside in The Preserve pursuant to the terms of a lease with the owner which is for a term of one year or more. The member delegating this right to others shall notify the Secretary of the Association in writing of the name of each person to whom the right is delegated and of the person's relationship to him or it. The rights and privileges of such persons are subject to suspension under Article XII, Section 4 of the Articles of Incorporation of this corporation to the same extent as those of a member. If a member's rights are suspended pursuant to said Article XII, Section 4, then the Board of Directors may, in its discretion, also suspend the rights of all persons to whom the suspended member has delegated the right to enjoy the Common Property.

## Article IV.

### Board of Directors

Section 1: The management and affairs of this corporation shall be managed by a Board of nine (9) directors. At the first meeting of the members they shall elect a Board comprised of nine (9) directors of whom three (3) shall be elected for a term of one (1) year, three (3) for a term of two (2) years and three (3) for a term of three (3) years. At each annual meeting thereafter the members shall elect one-third (1/3) of the Board of

Directors for a term of three (3) years or until their successors shall be elected and qualify. The Number of Directors may be changed by amendment of the By-Laws of the corporation.

Section 2: Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired tem of his predecessor.

## Article V.

### Election of Directors: Nominating Committee; Election Committee

Section 1: Election to the Board of Directors shall be by the secret written ballot as hereinafter provided. The Persons receiving the largest number of votes shall be elected.

Section 2: At such election, the members or their proxies may cast, in respect of each vacancy, as many votes as they are entitled to exercise pursuant to the provisions of Article XII of the Articles of Incorporation of this corporation. There shall be no cumulative voting for members of the Board of Directors of this corporation.

Section 3: Nominations for election to the board of Directors shall be made by a nominating committee which shall be one of the Standing Committees of the Association. Nominations may also be made from the floor at the annual meeting.

Section 4: The nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each such annual meeting.

Section 5: The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine but not less than the number of vacancies that a re to be filled. Such nominations may be made from among members or non-members as the Committee in its discretion shall determine.

## Article VI

### Powers and Duties of the Board of Directors

Section 1: The Board of Directors shall have power:

- a. To call special meetings of the members whenever it deems necessary and it shall call a meeting at any time upon written request of twenty-five (25%) percent of the voting membership.
- b. To appoint and remove at pleasure, except as otherwise specifically set forth herein, all officers, agents, and employees of the Association, prescribe their duties, fix their compensation, and require of them such security or fidelity bond as it may deem expedient. Nothing contained in these By-Laws shall be constructed to prohibit the employment of any officer, member, or director of the association in any capacity whatsoever, but in the event that a director of the Association in any capacity whatsoever, but in the event that a director of the Association is employed in a capacity other than that of the director, then

said director shall be excluded from the determination of, and from voting upon, the compensation to be received by him for such employment.

- c. To establish, levy, and assess and collect the assessments or charges referred to in Article XII, Section 3 of Articles of Incorporation of the corporation.
- d. To adopt and publish rules and regulations governing the use of the Common Properties and the personal conduct of members and their guests.
- e. To exercise for the Association all powers, duties and authority vested in or delegated to this Association, except those reserved to the members by these By-Laws or by law.

Section 2: It shall be the duty of the Board of Directors:

- a. To cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting.
- b. In connection with all assessments and charges referred to in Article XII, Section 3 of the Articles of Incorporation of this corporation:
  - 1. To fix the amount of the assessment against each Lot for each assessment period at least thirty (30) days in advance of such date or period and, at the same time;
  - 2. To prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any member, and at the same time;
  - 3. To send written notice of each assessment to every owner subject thereto.
- c. To issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether any assessment has been paid. Such certificate shall be conclusive evidence of any assessment therein stated to have been paid.

## Article VII

### Directors' Meetings

Section 1: Regular meetings of the Board of Directors shall be held at such times as shall be deemed necessary by the Board of Directors to conduct the business of the corporation. At least six (6) regular meetings of the Board of Directors shall be held each year.

Section 2: Special meetings of the Board of Directors shall be held when called by an officer of the Association or by any two (2) Directors after not less than three (3) days notice to each Director.

Section 3: Meetings of the Board of Directors may be held at any place within Hennepin County, Minnesota that is agreed upon by a majority of the Directors. Unless otherwise designated meetings shall be held at the corporation's principal office.

## Article VIII

### Officers

Section 1: Enumeration of Offices. The officers of this corporation shall be President and Vice-President, who shall at all times be members of the Board of

Directors, a Secretary, and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2: Election of officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3: Term. The officers of this Corporation shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4: Special Appointments. The Board may elect such other officers as the affairs of the Corporation may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5: Resignation and removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6: Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7: Multiple offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8: The president shall preside at all meetings of the Board of Directors, shall see that orders and resolutions of the Board of Directors are carried out and sign all notes, checks, leases, mortgages, deeds and all other written instruments.

Section 9: The vice president shall perform all the duties of the president in his absence.

Section 10: The secretary shall be ex officio the secretary of the Board of Directors, shall record the votes and keep the minutes of all proceedings in a book to be kept for the purpose. He shall keep the records of the Association. He shall record in a book kept for that purpose the names of all members of the Association together with their addresses as registered by such members (see Article X., Section 3). (Revised 5/9/95)

Section 11: The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors, provided, however, that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board. All checks and notes of the Association shall be signed by two of the three principal officers (President, Vice-President and Treasurer); except for those less than \$150.00 for which only one signature shall be required. (Revised 5/9/95)

Section 12: The treasurer shall keep proper books of account and cause an annual audit of the Association books to be made by a certified public accountant at the completion of each fiscal year. He shall prepare and annual budget and an annual balance

sheet statement and the budget and balance sheet statement shall be presented to the membership at its regular annual meeting.

Article IX  
Committees

Section 1: The Standing Committees of the Association shall be:

- The Nominating Committee
- The Recreation Committee
- The Maintenance Committee
- The Design Review Committee
- The Publicity Committee
- The Audit Committee

Unless otherwise provided herein, each committee shall consist of a Chairman and two or more members and shall include a member of the Board of Directors for board contact. All committees shall be appointed by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the members to serve for the ensuing year. (Revised 5/9/95)

The Board of Directors may appoint such other committees as it deems desirable. Persons who are not members of the Association may be appointed to all committees except the Nominating Committee. The Design Review Committee shall be composed of the Board of Directors of the Association or of three (3) or more representatives appointed by the Board of Directors. Members of the Design Review Committee shall not receive compensation for services rendered to the corporation but may be reimbursed for actual expenses incurred in the performance of their duties. The Design Review Committee is authorized to obtain the advice of an architect, engineer or other professional planner to assist it in the exercise of its duties.

Section 2: The Nominating Committee shall have the duties and function inscribed in Article V.

Section 3: The Recreation Committee shall advise the Board of Directors on all matters pertaining to the recreational program and activities of the Association and shall perform such other functions as the Board, in its discretion, determines.

Section 4: The Maintenance Committee shall advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the Common Properties and facilities of the Association, and shall perform such other functions as the Board, in its discretion, determines.

Section 5: The Design Committee shall have the following duties and functions:

- a. No residence, commercial building, garage, fence, wall, utilities, driveway, landscaping, outbuildings or other structures of any kind which have been constructed pursuant to approval obtained in compliance with Article V, Section 1 of the "Declaration" shall have an exterior addition or alteration or change made to them until the plans, specifications, working drawings and proposals of the same showing the nature, kind, shape, height, materials, and location thereof

shall have been submitted to and approved in writing by the Design Review Committee as to harmony of external design and location in relation to surrounding structures and topography.

- b. Subsequent to January 1, 1990, no residence, commercial building, garage, fence, wall, utilities, driveway, landscaping, outbuildings or other structures of any kind shall be commenced, erected or constructed on any Lot until the plans, specifications, working drawings and proposals of the same showing the nature, kind, shape, height, materials and location thereof shall have been submitted to and approved in writing by the Design Review Committee as to harmony of external design and location in relation to surrounding structures and topography.
- c. The Design Review Committee shall adopt and publish guidelines and procedures which will be followed by it in processing plans, specifications, approval and in approving or disapproving said documents.
- d. To notify the Association's Boars of Directors of any violation brought to its attention of any Declaration of Covenants, Conditions and Restrictions filed in the office of the Hennepin County Registrar of Deeds or Registrar of Titles which is applicable to any of the real estate in The Preserve.
- e. To review plans and proposals of the Association for the construction, alteration or remodeling of Common Properties and to advise the Association in regard to such plans. However, approval of the Design Review Committee shall not be necessary for construction, alteration or remodeling of said Common Properties.
- f. To watch for any proposals, programs or activities which may adversely affect and to advise the residential value of property in The Preserve and to advise the Association's Board of Directors regarding action on such matters.

Section 6: The Publicity Committee shall inform the members of all activities and functions of the Association and shall, after consulting with the Board of Directors, make such public releases and announcements as are in the best interests of the association.

Section 7: The Adult Committee shall supervise the annual audit of the Association's books and approve the annual budget and balance sheet statement to be presented to the membership at its regular annual meeting as provided in Article VIII, Section 12. The treasurer shall be an ex officio member of the Committee.

Section 8: With the exception of the Nominating Committee and the Design Review Committee, each committee shall have power to appoint a subcommittee from among its membership and may delegate to any such subcommittee any of its powers, duties and functions.

Section 9: It shall be the duty of each committee to receive complaints from members or any matter involving Association functions, duties and activities within its field of responsibility. It shall dispose of such complaints as it deems appropriate or refer

them to such other committee, director or officer of the Association as is further concerned with the matter presented.

## Article X.

### Meetings of the Members

Section 1: The regular annual meeting of the members shall be held on the 2<sup>nd</sup> Tues. in May of each year. If the day for the annual meeting of the members shall fall upon a holiday, the meeting shall be held on the first day following which is not a holiday.

Section 2: Special meetings of the members for any purpose may be called at any time by the president, the Board of Directors or by written request of twenty-five (25%) percent of all of the votes of the Class A membership of the Class B membership or the Class C membership or the Class D membership.

Section 3: Notice of any meetings shall be given to the membership by the Secretary. Notice may be given to the member either personally or be sending a copy of the notice through the mail, postage thereon fully prepaid to his address appearing on the books of the corporation. Each member shall register his address with the Secretary, and notices of meetings shall be mailed to him at such address. Notice of any meeting, regular or special, shall be delivered or mailed not less than five (5) nor more than sixty (60) days before the meeting, excluding the day of the meeting, and shall set forth in general the nature of the business to be transacted; except that notice of any meeting called for the purpose of taking any action authorized under Article VI, Section 4 or 5 of the "Declaration" shall be delivered or mailed to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting.

Section 4: Any action of the members governed by any Declaration of Covenants, Conditions and Restrictions as to real property located in The Preserve shall require a quorum and vote as therein provided.

Section 5: Quorum. The presence at the meeting of members entitles to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the "Declaration", or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

## Article XI.

### Proxies

Section 1: At all corporate meetings of members, each member may vote in person or by proxy.

Section 2: All proxies shall be in writing and filed with the secretary. Every proxy shall automatically cease at the time the member granting the proxy ceases to be a member of the Association or at any time said member's membership rights are suspended.

## Article XII.

### Books and Papers



Section 1: The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to the inspection of any members.

#### Article XIII.

##### Corporate Seal

Section 1: The Association shall have a seal which shall be circular in form and shall have inscribed thereon the name of the corporation, the name of the State of Minnesota and the words, "corporate seal".

#### Article XIV.

##### Amendments

These By-Laws may be amended, at a regular or special meeting of the members, by a vote of majority of a quorum of members present in person or by proxy. (Revised 5/9/95)

#### Article XV.

##### Indemnification

Section 1: The corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, wherever brought, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director, officer or agent of the corporation, or is or was serving at the request of the corporation, against expenses, including attorney's fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create presumption that the person did not act in good faith and in a manner which he reasonably believes to be in or not opposed to the best interests of the corporation, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful. Where the suit or action is one brought by or in the right of the corporation to procure a judgment in its favor, then no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the corporation unless, and only to the extent that the court in which such action or suit was brought shall determine upon application that despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnify for such expenses which such court shall deem proper.

Any indemnification under this section of the corporation's By-Laws, unless ordered by a court, shall be made by the corporation only as authorized in the specific case upon a determination that indemnification of the director, officer or agent of the corporation is proper in the circumstances because he has met the applicable standard of conduct set forth herein. Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (2) by the voting members.

Expenses incurred in defending a civil or criminal action, suit, or proceeding may be paid by the corporation in advance of the final disposition of such action, suit, or proceeding as authorized by the Board of Directors in the manner set forth above upon receipt of an undertaking by or on behalf of the director, officer or agent of the corporation to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the corporation as authorized herein. The indemnification provided herein shall continue as to a person who has ceased to be a director, officer or agent of the corporation and shall inure to the benefit of the heirs, executors and administrators of such a person.

The following rights of indemnification shall not be deemed exclusive of any other rights to which any officer, director or agent of the corporation may be entitled by contract or otherwise under law.

#### Article XVI.

##### Additional Associations

Any group of owners who are members of this Association shall have the right to establish a homeowners or civic association or corporation provided that the establishment of such an association shall in no way be derogatory of any rights or obligations established by and through the “Declaration” or any amendments thereof or supplements heretofore or hereafter recorded and provided further:

- a. The property owned by said owners is contiguous and encompasses at least fifty (50) Lots, Living Units or Sites
- b. The association or corporation includes within its boundaries all of the Lots or Sites owned by its members.

The owners of the Lots, Living Units or Sites included within the boundaries of said association or corporation shall continue to be members of this Association and the establishment of such an association or corporation shall not relieve, remove or reduce in any manner whatsoever the obligations of its members to this Association, and any such association or corporation shall be subject to and subordinate to this Association in all respects. Such an association or corporation shall not have the power or rights to exclude any of the members of this Association who are not also members of such association or corporation from, or in any manner interface with their possession and enjoyment of, the Common Properties. The establishment of any said association shall not, in any manner, contravene the rights of the members as expressed in the aforescribed “Declaration”.

### FIRST AMENDMENT TO BYLAWS OF THE PRESERVE ASSOCIATION

The undersigned hereby certifies that at a Special Meeting of the members duly called for the purpose of amending the Bylaws, a vote of a majority of a quorum of the members present in person or by proxy adopted the following amendments to the Bylaws of The Preserve Association, to-wit:

## ARTICLE XVII.

### Insurance

The insurance to be maintained by the Board of Directors on the Common Properties and improvements thereon and in connection with their operation and protection shall include, but shall not be necessarily limited to, the following:

- a. Fire and extended coverage insurance issued by a responsible insurance company authorized to do business in the State of Minnesota in an amount equal to the full replacement value (i.e. 100 per cent of current “replacement cost” exclusive of land, foundation, excavation and other items normally excluded from coverage) on the Common Properties owned by the Association (including all building service equipment and the like) with an “agreed amount endorsement” or its equivalent, a “demolition endorsement” or its equivalent, such insurance to afford protection against loss or damage by fire and other hazards covered by the standard extended coverage endorsement and by sprinkler leakage, debris removal, cost of demolition, vandalism, malicious mischief, wind storm and water damage and such other risks as are customarily covered with respect to common properties owned by associations in Minnesota. In the event that the Association shall fail to pay currently the premiums due with respect to such insurance or shall fail to pay currently taxes or other charges with respect to the Common Properties, then and in such event any First Mortgagee as defined in the recorded Declaration may make payment of such due premiums, taxes or other charges for the benefit of the Association and the Common Properties and such payment so made by any First Mortgagee shall be a sum immediately due and owing by the Association to such First Mortgagee, together with interest at 6 per cent per annum from the date of payment of the money by the First Mortgagee to the date of reimbursement by the Association. Any First Mortgagee shall have the right to sue upon and enforce the foregoing covenant for its benefit in the event that it shall advance money for the benefit of the Association and the Common Properties and it shall not be necessary that any separate agreement exist which is signed by the Association and such First Mortgagee advancing funds.
- b. A comprehensive policy of public liability insurance covering all the Common Properties insuring the Association with limits not less than \$1,000,000.00 for all claims for personal injury and/or property damage arising out of a single occurrence, such coverage to cover protection against water damage liability, liability for non-owned and hired automobiles, liability for property of others and such other risks as are customarily covered with respect to projects similar to that operated by the Association in the State of Minnesota.

- c. Fidelity insurance coverage to protect against dishonest acts on the part of officers, directors, trustees, and employees of the Association and all others who handle or are responsible for handling moneys of the Association. Such fidelity insurance shall (i) name the Association as an obligee, (ii) be written in an amount equal to at least 150 per cent of the estimated annual operating expense of the Association including reserves, (iii) contain waivers of any defense based upon the exclusion of persons who serve without compensation or who volunteer their services for the benefit of the Association and the Common Properties, and (iv) such insurance shall provide that it may not be cancelled or substantially modified without at last 30 days prior written notice to FHA, VA and FNMA.

The Association agrees to notify FHA, VA and FNMA in writing whenever damage to the Common Properties exceeds \$10,000.00 arising out of a single occurrence.

Article VI of the Bylaws is amended by adding the following Subsection d to Section 2, to-wit:

- d. As more fully provided in the Declaration, to:
  - (1) Fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;
  - (2) Send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and
  - (3) Foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the Owner personally obligated to pay the same.

Subparagraphs a and b of Article XVI appearing on page 12 of the bylaws are herewith deleted in their entirety.