

COMMON INTEREST COMMUNITY NO. 45
Condominium

AMENDED AND RESTATED BYLAWS

OF

COACHMAN OAKS CONDOMINIUMS ASSOCIATION

These Amended and Restated Bylaws (the “Bylaws”) were approved by the Board of Directors and the Members of Coachman Oaks Condominiums Association, a Minnesota nonprofit corporation (the “Association”), in accordance with the requirements of the Original Bylaws (defined herein) and Minnesota Statutes Chapter 515B, known as the Minnesota Common Interest Ownership Act (the “Act”).

WHEREAS, the Association is an owners association which is contemplated by Section 515B.3-101 of the Act and which governs the existing condominium in Dakota County, Minnesota, known as Coachman Oaks Condominiums, and

WHEREAS, the original Declaration of Condominium Ownership (Condominium) of Coachman Oaks Condominiums, as amended and/or supplemented (the “Existing Declaration”), has been amended and restated in its entirety, and superseded, by the Amended and Restated Declaration of Coachman Oaks Condominiums (the “Declaration”), and

WHEREAS, the Bylaws of the Association were adopted by the Association’s Board of Directors (the “Board”) on October 4, 1982, and recorded in the office of the County Recorder in and for Dakota County, Minnesota, as Exhibit B to the Existing Declaration (the “Original Bylaws”); and

WHEREAS, these Bylaws need not be recorded and need not be an Exhibit to the Existing Declaration; and

WHEREAS, the Association and the Owners constituting the Members of the Association thereof desire to amend and restate the Original Bylaws as set forth herein, with the intent that these Bylaws shall supersede the Original Bylaws, and any amendments thereto, in their entirety.

THEREFORE, the Original Bylaws, as amended, are hereby amended and restated in their entirety as follows:

SECTION 1

GENERAL

The Association is organized pursuant to the Act to act as the owners association governing Coachman Oaks Condominiums, Common Interest Community No. 45, Dakota County, Minnesota, which is a condominium subject to the Act. The terms used in these Bylaws shall have the same meaning assigned to them in the Declaration or the Act, as applicable. References to section numbers in these Bylaws shall refer to sections of these Bylaws, unless otherwise indicated herein.

SECTION 2

MEMBERSHIP

2.1 Owners Defined. All Persons described as Owners in Section 4 of the Declaration shall be the Members. No Person shall be a Member solely by virtue of holding a security interest in a Unit. A Person shall cease to be a Member at such time as that Person is no longer an Owner.

2.2 Registration of Owners and Occupants. Upon request of the Association, each Owner shall register with the Secretary of the Association (the "Secretary"), in writing, (i) the name and address of the Owner and each Occupant of the Owner's Unit; (ii) the nature of such Owner's interest in Owner's Unit; (iii) the address at which the Owner desires to receive notice of any meeting of the Owners, if other than the Unit address; and (iv) the name and address of the secured party holding the first mortgage on the Unit, if any. Each Owner shall have a continuing obligation to advise the Association in writing of any changes in the foregoing information.

2.3 Transfers. The interests, rights, and obligations of an Owner in the Association may be assigned, pledged, encumbered, or transferred, but only along with and as a part of the title to the Owner's Unit or as otherwise specifically authorized by the Governing Documents or by law.

SECTION 3

VOTING

3.1 Entitlement. Votes shall be allocated to each Unit as provided in the Declaration. However, no vote shall be exercised as to a Unit while the Unit is owned by the Association.

3.2 Authority to Cast Vote. At any meeting of the Owners, an Owner included on the voting register presented by the Secretary in accordance with Section 4.6, or the holder of such Owner's proxy, shall be entitled to cast the vote which is allocated to the Unit owned by the Owner. If there is more than one Owner of a Unit, only one of the Owners may cast the vote allocated to the Unit. If the Owners of a Unit fail to agree as to who shall cast the vote, or fail to register pursuant to Section 2.2, the vote shall not be cast.

3.3 Voting by Proxy. An Owner may cast the vote which is allocated to the Owner's Unit and be counted as present at any meeting of the Owners, by executing a written proxy naming another Person entitled to act on that Owner's behalf and delivering the proxy to the

Secretary before the start of any such meeting. A proxy granted by an Owner shall be effective until the occurrence of the earliest of the following events: (i) revocation by the granting Owner by written notice or by personally attending and voting at the meeting for which the proxy is effective, (ii) the date specified in the proxy, if any, or (iii) the time at which the granting Owner is no longer an Owner.

3.4 Voting by Written Ballot. The entire vote on any issue, except the election or removal of directors, may be determined by written ballots, subject to the following requirements:

- a. The notice of the vote shall: (i) clearly state the proposed action, (ii) indicate the number of responses needed to meet the quorum requirements, (iii) state the percentage of approvals necessary to approve each matter, and (iv) specify the time by which the ballot must be received by the Association in order to be counted.
- b. The ballot shall: (i) set forth each proposed action and (ii) provide an opportunity to vote for or against each proposed action.
- c. The Board shall set the date for the return of the ballots, which shall not be less than fifteen nor more than thirty days after the date of mailing of the ballots to the Owners. The Board shall provide notice of the results of the vote to the Owners within ten days after the expiration of the voting period.
- d. Approval by written ballot under this Section is valid only if (i) the number of votes cast by ballot equals or exceeds the quorum that would otherwise be required to be present at a meeting authorizing the action, and (ii) the number of approval votes equals or exceeds the number of votes that would otherwise be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

3.5 Vote Required. A majority of the votes cast at any properly constituted meeting of the Owners, or cast by ballot in accordance with Section 3.4, shall decide all matters properly brought before the Owners, except where a different vote or voting procedure is required by the Governing Documents or the Act. The term “majority,” as used in these Bylaws, shall mean in excess of fifty percent of the votes cast at a meeting, in person or by proxy, or voting by ballot, in accordance with the allocation of voting power set forth in the Declaration. Cumulative voting shall not be permitted.

SECTION 4

MEETINGS OF THE OWNERS

4.1 Place. All meetings of the Owners shall be held at the office of the Association or at such other place in the state of Minnesota reasonably accessible to the Owners as may be designated by the Board in any notice of a meeting of the Owners.

4.2 Annual Meetings. An annual meeting of the Owners shall be held in each fiscal year on a date, and at a reasonable time and place, designated by the Board. At each annual meeting of the Owners, (i) the Persons who are to constitute the Board shall be elected pursuant to Section 6, (ii) a report shall be made to the Owners on the activities and financial condition of

the Association, and (iii) any other matter which is included in the notice of the annual meeting, and is a proper subject for discussion or decision by the Owners, shall be considered and acted upon at the meeting.

4.3 Special Meetings. Special meetings of the Owners may be called by the Association's President (the "President") as a matter of discretion. Special meetings of the Owners shall be called by the President or Secretary within thirty days following receipt of the written request of a majority of the members of the Board or of Owners entitled to cast at least twenty-five percent of all of the votes in the Association. The meeting shall be held within sixty days following the Association's receipt of the request. The request shall state the purpose of the meeting, and the business transacted at the special meeting shall be confined to the purposes stated in the notice. The purpose for which the meeting is requested and held must be lawful and consistent with the Association's purposes and authority under the Governing Documents.

4.4 Notice of Meetings. Not less than twenty-one nor more than thirty days in advance of any annual meeting of the Owners, and not less than seven nor more than thirty days in advance of any special meeting of the Owners, the Secretary shall send notice of the time, place and agenda of the meeting to all persons who are Owners as of the date of sending the notice. The notice shall be sent by United States mail, or by hand delivery, to the Owner's Unit address or to such other address as the Owner may have designated in writing to the Secretary. The notice shall also be sent to each Eligible Mortgagee, upon request, at the address provided by the Eligible Mortgagee. Any Eligible Mortgagee shall, with respect to the Unit, upon its request, be entitled to designate a representative to be present at any meeting of the Owners. Notice of meetings at which a vote is to take place upon amendments to the Association's Articles of Incorporation shall also be given separately to each officer and director of the Association.

4.5 Quorum/Adjournment. The presence of Owners, in person or by proxy, who have the authority to cast in excess of twenty percent of the total votes in the Association shall constitute a quorum at all meetings of the Owners for the transaction of any business, except that of adjourning the meeting to reconvene at a subsequent time. The Association may not be counted in determining a quorum as to any Unit owned by the Association. Any meeting may be adjourned from time to time, but until no longer than fifteen days later than the date of the meeting as initially called, without notice other than announcement at the meeting as initially called. If a quorum is present at the reconvened meeting, any business may be transacted which might have been transacted at the meeting as initially called had a quorum then been present. If a quorum has been established at a meeting or a reconvened meeting, the quorum shall continue to exist for the meeting in question notwithstanding the departure of any Owner originally in attendance in person or by proxy.

4.6 Voting Register. The Secretary shall have available at the meeting a list of the Unit addresses, the names of the Owners, the vote attributable to each Unit, and the name of the Person (in the case of multiple Owners) authorized to cast the vote.

4.7 Agenda. The agenda for meetings of the Owners shall be established by the Board, consistent with the Governing Documents, and shall be sent to all Owners along with the notice of the meeting.

SECTION 5

ANNUAL REPORT

The Board shall prepare an annual report of the Association, a copy of which shall be provided to each Owner at or prior to the annual meeting. The annual report shall contain, at a minimum:

- a. Capital Expenditures. A statement of any capital expenditures in excess of two percent of the Association's current budget or Five Thousand dollars, whichever is greater, approved by the Association for the current year or succeeding two fiscal years;
- b. Reserve Funds. A statement of the balance in any reserve or replacement fund;
- c. Financial Statements. A copy of the statement of revenues and expenses for the Association's last fiscal year, and a balance sheet as of the end of said fiscal year;
- d. Litigation and Judgments. A statement of the status of any pending litigation or judgments to which the Association is a party;
- e. Insurance. A detailed description of the insurance coverage provided by the Association, including a statement as to which, if any, of the items referred to in Section 515B.3-113(b) of the Act are covered; and
- f. Status of Assessments. A statement of the total past due assessments on all Units, current as of not more than sixty days prior to the date of the annual meeting.

SECTION 6

BOARD OF DIRECTORS

6.1 Number and Qualification. The affairs of the Association shall be governed by the Board. The Board shall be composed of five directors, all of whom shall be Owners who are natural persons, or a duly authorized representative of the Owner if the Owner is an entity (other than a natural person) which has the capacity to hold title to real estate.

6.2 Term of Office. The terms of office of the members of the Board in existence on the date that these Bylaws are executed shall expire as set forth in the Original Bylaws. Thereafter, the terms shall be two years. The term of a director shall expire upon the election of a successor director at the appropriate annual meeting of the Owners; provided, that a director shall continue in office until a successor is elected. A number of nominees equal to the number of vacancies, and receiving the greatest numbers of votes, shall be elected, notwithstanding that one or more of them do not receive a majority of the votes cast. A director appointed or elected to fill an uncompleted term shall serve until the natural termination of that term, unless removed in accordance with these Bylaws. There is no cumulative voting for directors.

6.3 Nominations. Nominations for election to the Board at each annual meeting shall be made by a nominating committee appointed by the Board; provided, that Owners may also make nominations at any time at or before the annual meeting. The nominating committee shall consist of Owners who are representative of the general membership of the Association, and

shall establish fair and reasonable procedures for the submission of nominations. All nominations shall be made only with the consent of the nominee.

6.4 Powers. The Board shall have all powers necessary for the administration of the affairs of the Association, and may exercise for the Association all powers and authority vested in or delegated to the Association (and not expressly prohibited or reserved to the Owners) by law or by the Governing Documents. The powers of the Board shall include, without limitation, the power to:

- a. adopt, amend, and revoke Rules and Regulations not inconsistent with the Governing Documents, as follows: (i) regulating the use of the Common Elements; (ii) regulating the use of the Units, and the conduct of Owners and Occupants, which may jeopardize the health, safety, or welfare of other Owners and Occupants, which involves noise or other disturbing activity, or which may damage the Common Elements or other Units; (iii) regulating or prohibiting animals; (iv) regulating changes in the appearance of the Common Elements and conduct which may damage the Property; (v) regulating the exterior appearance of the Property, including, for example, decks, patios, and signs and other displays, regardless of whether inside a Unit; (vi) implementing the Governing Documents, and exercising the powers granted by this Section 6.4; and (vii) otherwise facilitating the operation of the Property;
- b. adopt and amend budgets for revenues, expenditures and reserves, levy and collect assessments for Common Expenses (subject to Section 6 of the Declaration), and foreclose assessment liens incidental to its collection efforts;
- c. establish one or more than one adequate reserve fund for maintenance, repair, and replacement of the Common Elements and any parts of the Units the Association may be obligated to maintain, repair, or replace on a periodic basis. The establishment of such a reserve fund shall not prevent the Association from exercising its authority to levy limited Assessments, or other Assessments, pursuant to Section 6 of the Declaration;
- d. hire and discharge managing agents and other employees, agents, and independent contractors;
- e. institute, defend, or intervene in litigation or administrative proceedings (i) in its own name on behalf of itself or two or more Owners on matters affecting the Common Elements or other matters affecting the Property or the Association, or, (ii) with the consent of the Owners of the affected Units, on matters affecting only those Units;
- f. make contracts and incur liabilities;
- g. regulate the use, maintenance, repair, replacement, improvement, and modification of the Common Elements and the Units;
- h. acquire, hold, encumber, and convey in its own name any right, title, or interest to real estate or personal property, subject to the requirements of the Act for the conveyance or encumbrance of the Common Elements;

- i. grant easements, leases, and licenses through, over, and under the Common Elements, for public roadways, utilities, and other public purposes, and for public and private cable, internet, satellite, and other electronic communications systems; and to grant other easements, leases, and licenses through, over, or under the Common Elements with approval by a majority vote of the Owners;
- j. impose and receive any payments, fees, or charges for services provided to Owners;
- k. impose charges for late payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of the Governing Documents and the Rules and Regulations;
- l. borrow money, and encumber or pledge the assets of the Association as security therefor;
- m. impose reasonable charges for the review, preparation, and recording of amendments to the Declaration or Bylaws, resale disclosure certificates required by Section 515B.4-107 of the Act, statements of unpaid assessments, or furnishing copies of Association records;
- n. provide for the indemnification of its officers, directors, and committee members, and maintain directors' and officers' liability insurance;
- o. provide for reasonable procedures governing the conduct of meetings and the election of directors;
- p. appoint, regulate, and dissolve committees; and
- q. exercise any other powers conferred by law or the Governing Documents, or which are necessary and proper for the governance of the Association.

6.5 Meetings and Notices. An annual meeting of the Board shall be held within ten days of each annual meeting of the Owners. At each annual meeting of the Board, the officers of the Association shall be elected. The following procedures shall govern and apply to Board meetings:

- a. Regular meetings of the Board shall be held at least on a quarterly basis, at such times as may be fixed from time to time by a majority of the voting directors. A schedule, or any amended schedule, of the regular meetings shall be provided to the directors, and posted or published for the information of Owners, as provided in Section 6.5.e.
- b. Special meetings of the Board shall be held when called (i) by the President, or (ii) by the Secretary within ten days following the written request of a majority of the voting directors. Notice of any special meeting shall be given to each director not less than three days in advance thereof, subject to Section 6.5.c. Notice to a director shall be deemed to be given when deposited in the United States mail postage prepaid to the Unit address of such director, or when personally delivered, orally or in writing, by a representative of the Board.

- c. Any director may at any time waive notice of any meeting of the Board orally, in writing, or by attendance at the meeting. If all the directors are present at a meeting of the Board, no notice shall be required, and any business may be transacted at such meeting.
- d. A conference among directors by a means of communication through which all directors may simultaneously hear each other during the conference is a Board meeting, if (i) the same notice is given of the conference as would be required for a meeting, and (ii) the number of directors participating in the conference is a quorum. Participation in a meeting by this means is personal presence at the meeting.
- e. Except as otherwise provided in this Section, meetings of the Board must be open to the Owners. To the extent practicable, the Board shall give reasonable notice to the Owners of the date, time, and place of a Board meeting. If the date, time, and place of meetings are provided for in the Declaration, the Association's Articles of Incorporation, the Bylaws, announced at a previous meeting of the Board, distributed to Members in writing, posted in a location accessible to the Owners and designated by the Board from time to time, or if an emergency requires immediate consideration of a matter by the Board, notice is not required. "Notice" has the meaning given in Section 11.1. Notwithstanding the foregoing, meetings may be closed at the discretion of the Board to discuss the following:
 - (1) personnel matters;
 - (2) pending or potential litigation, arbitration or other potentially adversarial proceedings between Owners, between the Board or Association and Owners, or other matters in which any Owner may have an adversarial interest, if the Board determines that closing the meeting is necessary to discuss strategy or to otherwise protect the position of the Board or Association or the privacy of an Owner or Occupant of a Unit; or
 - (3) criminal activity arising within the Property if the Board determines that closing the meeting is necessary to protect the privacy of the victim or that opening the meeting would jeopardize investigation of the activity.

The minutes of, and the documentation discussed or submitted at, such closed meeting shall not be made available for review or copying pursuant to Section 8.5. Nothing in this Section imposes a duty on the Board to provide special facilities for meetings. The failure to give notice as required by this Section shall not invalidate the Board meeting or any action taken at the meeting, but shall not impair Owners' rights to exercise other remedies against the Directors.

6.6 Quorum and Voting. A majority of the directors constitutes a quorum for the transaction of business at any meeting thereof. A quorum, once established, continues to exist, regardless of the subsequent departure of any directors. Each director has one vote. The vote of a majority of the directors present at any meeting at which a quorum is present is sufficient to adopt any action. Proxies shall not be permitted.

6.7 Action Taken Without a Meeting. The Board shall have the right to take any action in the absence of a meeting which it could take at a meeting when authorized in a writing signed by all the directors; provided, that a copy of the proposed written action is given to all directors for review prior to its signing.

6.8 Vacancies. A vacancy in the Board other than a vacancy under Sections 6.2 and 6.9, shall be filled by a person elected within thirty days following the occurrence of the vacancy by a majority vote of the remaining directors, regardless of their number. Each person so elected shall serve out the term vacated.

6.9 Removal. A director may be removed from the Board, with or without cause, by a majority vote at any annual or special meeting of the Owners; provided, (i) that the notice of the meeting at which removal is to be considered states such purpose, (ii) that the director to be removed has a right to be heard at the meeting, and (iii) that a new director is elected at the meeting by the Owners to fill the vacant position caused by the removal. A director may also be removed by the Board if such director (i) has more than two unexcused absences from Board meetings and/or Owners meetings during any twelve month period or (ii) is more than sixty days past due with respect to the payment of assessments or installments thereof assessed against the director's Unit. Such vacancies shall be filled by the vote of the Owners as previously provided in this Section.

6.10 Compensation. The directors of the Association shall receive no compensation for their services in such capacity. Directors may be reimbursed for out-of-pocket expenses incurred in the performance of their duties. A director or an entity in which the director has an interest may, upon approval by the Board, be reasonably compensated under a contract for goods and services furnished to the Association in a capacity other than as a director; provided (i) that the contract is approved by a majority vote of the Board, excluding the interested director, and (ii) that the director's interest is disclosed to the Board prior to approval.

6.11 Fidelity Bond. Fidelity bonds or insurance coverage for unlawful taking of Association funds shall be obtained and maintained as provided in the Declaration on all voting directors and officers authorized to handle the Association's funds and other monetary assets.

6.12 Standard of Responsibility. A director shall discharge his or her duties in good faith, in a manner the director reasonably believes to be in the best interest of the Association, and with the care an ordinarily prudent person in a like position would exercise under similar circumstances.

SECTION 7

OFFICERS

7.1 Principal Officers. The principal officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected by the directors. The Board may from time to time elect such other officers and designate their duties as in the Board's judgment may be necessary to manage the affairs of the Association. A person may hold more than one office simultaneously, except those of President and Vice President. Only the President and Vice President must be members of the Board. All officers of the Association shall be Members.

7.2 Election. The officers of the Association shall be elected annually by the Board at its annual meeting and shall hold office at the pleasure of the Board.

7.3 Removal. Upon an affirmative vote of a majority of the members of the Board, any officer may be removed, with or without cause, and a successor elected, at any regular meeting of the Board, or at any special meeting of the Board called for that purpose.

7.4 President. The President shall be the chief executive officer of the Association, and shall preside at all meetings of the Board and the Association. The President shall have all of the powers and duties which are customarily vested in the office of president of a corporation, including without limitation the duty to supervise all other officers and to execute all contracts and similar obligations on behalf of the Association. The President shall have such other duties as may from time to time be prescribed by the Board.

7.5 Vice President. The Vice President shall take the place of the President, and perform the duties of the office of the President, whenever the President shall be absent or unable to act. The Vice President shall also perform such other duties as shall from time to time be prescribed by the Board.

7.6 Secretary. The Secretary is responsible for recording the minutes of all meetings of the Board and the Association. The Secretary shall be responsible for keeping the books and records of the Association, and shall give all notices required by the Governing Documents or the Act unless directed otherwise by the Board. The Board may delegate the Secretary's administrative functions to a managing agent; provided, that such delegation shall not relieve the Secretary of the ultimate responsibility for the Secretary's duties.

7.7 Treasurer. The Treasurer is responsible for all financial assets of the Association, and shall be covered by a bond or insurance in such sum and with such companies as the Board may require. The Treasurer shall (i) be responsible for keeping the Association's financial books, assessment rolls, and accounts; (ii) cause an annual financial report to be prepared, subject to review by the Association's accountants; (iii) cause the books of the Association to be kept in accordance with generally accepted accounting practices and shall submit them to the Board for its examination upon request; (iv) cause all moneys and other monetary assets of the Association to be deposited in the name of or to the credit of the Association in depositories designated by the Board; (v) cause the proper obligations of the Association to be paid when due; and (vi) perform all other duties incident to the office of Treasurer. The Board may delegate the Treasurer's administrative functions to a managing agent; provided, that such delegation shall not relieve the Treasurer of the ultimate responsibility for the Treasurer's duties.

7.8 Compensation. The officers of the Association shall receive no compensation for their services in such capacity. Officers may be reimbursed for out-of-pocket expenses incurred in the performance of their duties. An officer or an entity in which the officer has an interest may be reasonably compensated under a contract for goods and services furnished to the Association in a capacity other than as an officer; provided, (i) that the contract is approved by a majority vote of the Board, excluding the interested party, and (ii) that the officer's interest is disclosed to the Board prior to approval.

7.9 Standard of Responsibility. An officer shall discharge his or her duties in good faith, in a manner the officer reasonably believes to be in the best interest of the Association, and with the care an ordinarily prudent person in a like position would exercise under similar circumstances.

SECTION 8

OPERATION OF THE PROPERTY

8.1 Assessment Procedures. The Board shall annually prepare a budget of Common Expenses for the Association and assess such Common Expenses against the Units according to their respective Common Expense obligations as set forth in the Declaration.

- a. Subject to Section 6 of the Declaration, the Board shall fix the amount of the annual Assessment against each Unit, levy the Assessment, and advise the Owners in writing of the Assessment at least thirty days prior to the beginning of the Association's fiscal year when the first Assessment installment shall be due. The failure of the Board to timely levy an annual Assessment shall not relieve the Owners of their obligation to continue paying Assessment installments in the amount currently levied, as well as any increases subsequently levied.
- b. Subject to Section 6 of the Declaration, the Board may amend the budget and Assessments, or levy a special Assessment, at any time. The levy shall be deemed to occur upon the date specified in the resolution which fixes the Assessment.
- c. The Board may levy limited Assessments against only certain Units under Section 6.4 of the Declaration. Such Assessments may be included in the annual Assessments levied against the affected Units or may be levied separately during the year. Such Assessments are not annual or special Assessments within the meaning of the Declaration or of these Bylaws, and are not subject to any limitation contained in Section 6 of the Declaration.
- d. The annual budget shall include an adequate reserve fund for the maintenance, repair, and replacement of those portions of the Property which the Association has the obligation to maintain, repair, and replace on a periodic basis. Notwithstanding the provisions of this Section 8.1d, the Association shall have the authority to levy limited Assessments, and other Assessments, pursuant to Section 6 of the Declaration.
- e. The Association shall furnish copies of each budget on which the assessment is based to an Owner or to any Eligible Mortgagee, upon request of such persons.

8.2 Payment of Assessments. Annual Assessments shall be due and payable in monthly or quarterly installments as determined by the Board at its discretion, in advance, on the first day of each month or quarter, as applicable. Special Assessments and limited Assessments shall be due when designated by the Board. All Owners shall be absolutely and unconditionally obligated to pay the Assessments. No Owner or Occupant shall have any right of withholding, offset, or deduction against the Association with respect to any Assessments, or late charges or costs of collection, regardless of any claims alleged against the Association or its officers or directors. Any rights or claims alleged by an Owner may be pursued only by separate action.

8.3 Default in Payment of Assessments. If any Owner does not make payment on or before the date when any Assessment or installment thereof is due, subject to such grace periods as may be established, the Board may assess, and such Owner shall be obligated to pay, a late charge as provided in the Declaration for each such unpaid Assessment or installment thereof, together with all expenses, including reasonable attorneys' fees, incurred by the Board in collecting any such unpaid Assessment.

- a. If there is a default of more than thirty days in payment of any Assessment, the Board may accelerate any remaining installments of the Assessment upon prior written notice thereof to the Owner, as provided in the Declaration, and the entire unpaid balance of the assessment and late charges shall become due and payable upon the date stated in the notice unless all past due amounts, including late charges, costs of collection, and fines, are paid prior to said date.
- b. The Board shall have the right and duty to attempt to recover all Assessments for Common Expenses, together with any charges, attorneys' fees, or expenses relating to the collection thereof. In addition, the Board shall have the right and duty to attempt to recover any and all collection or contingency fees or costs charged to the Association by a collection agency or other Person acting on behalf of the Association in collecting any delinquent amounts owed to the Association by an Owner or Occupant.
- c. Upon written request of an Owner or an Eligible Mortgagee of such Unit, notice of a default of more than thirty days in payment of any Assessment or installment of an Assessment for Common Expenses or any other default in the performance of obligations by the Owner shall be given in writing to such Owner or Eligible Mortgagee.
- d. The rights and remedies referred to in this Section shall not limit the remedies available to the Association under the Declaration or by law.

8.4 Foreclosure of Liens for Unpaid Assessments. The Association has the right to foreclose a lien against a Unit for Assessments imposed by the Association, as more fully described in the Declaration and the Act.

8.5 Records. The Board shall cause to be kept at the registered office of the Association, and at such other place as the Board may determine, records of the actions of the Board, minutes of the meetings of the Board, minutes of the meetings of the Owners, names of the Owners and Eligible Mortgagees, and detailed and accurate records of the receipts and expenditures of the Association. With the exception of records that may be privileged or confidential information, all Association records, including receipts and expenditures and any vouchers authorizing payments, shall be available for examination by Owners and Eligible Mortgagees for a proper purpose, upon reasonable notice, and during normal business hours. Separate accounts shall be maintained for each Unit setting forth the amount of the Assessments against the Unit, the date when due, the amount paid thereon, and the balance remaining unpaid.

8.6 Financial Audit. The Board shall cause the financial records of the Association to be audited by an independent certified public accountant on an annual basis. The audited financial records shall be delivered to all Members within one hundred eighty days after the end of the Association's fiscal year.

8.7 Enforcement of Obligations. All Owners and Occupants and their guests are obligated and bound to observe the provisions of the Governing Documents, the Rules and Regulations, and the Act. The Association may impose any or all of the charges, sanctions and remedies authorized by the Governing Documents, the Rules and Regulations, or by law to enforce and implement its rights and to otherwise enable it to manage and operate the Association.

SECTION 9

AMENDMENTS

These Bylaws may be amended, and the amendment shall be effective, upon the satisfaction of the following conditions:

9.1 Approval. The amendment must be approved by Owners who have authority to cast in excess of fifty percent of the total votes in the Association, in writing or at a duly held meeting of the Owners; subject to any approval rights of Eligible Mortgagees as provided in the Declaration; and

9.2 Notice. A copy of the proposed amendment and, if a meeting is to be held, notice of such meeting, shall be mailed by U.S. mail, or hand delivered, to all Owners authorized to cast votes; and

9.3 Effective Date; Recording. The amendment shall be effective on the date of approval by the required vote of the Owners and need not be recorded.

SECTION 10

INDEMNIFICATION

The Association shall, to the extent the alleged liability is not covered by insurance, indemnify every individual acting in any official capacity on behalf of the Association, pursuant to the provisions of Minnesota Statutes Section 317A.521.

SECTION 11

MISCELLANEOUS

11.1 Notices. Unless specifically provided otherwise in the Act, the Declaration, or these Bylaws, all notices required to be given by or to the Association, the Board, the Association officers, or the Owners or Occupants shall be in writing and shall be effective upon hand delivery, or upon mailing if properly addressed with postage prepaid and deposited in the United States mail; except that registrations pursuant to Section 2.2 shall be effective upon receipt by the Association.

11.2 Severability. The invalidity or unenforceability, of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability, or effect of the balance of these Bylaws.

11.3 Captions. The captions herein are inserted only as a matter of convenience and for reference and in no way limit or proscribe the scope of these Bylaws or the intent of any provision hereof.

11.4 Conflicts in Documents. In the event of any conflict among the provisions of the Act, the Declaration, these Bylaws, or the Rules and Regulations, the Act shall control unless it permits the documents to control. As among the Declaration, these Bylaws, and Rules and Regulations, the Declaration shall control. As between these Bylaws and the Rules and Regulations, these Bylaws shall control.

11.5 Waiver. No restriction, condition, obligation, or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

11.6 No Corporate Seal. The Association shall have no corporate seal.

11.7 Fiscal Year. The fiscal year of the Association shall be as determined by the Board.

The undersigned, the Secretary of Coachman Oaks Condominiums Association, hereby executes these Bylaws, and certifies that they were adopted by the Board and by the vote of the Owners as required by the Original Bylaws.

Dated: _____

Secretary
Coachman Oaks Condominiums Association

COMMON INTEREST COMMUNITY NO. 45
Condominium

COACHMAN OAKS CONDOMINIUMS ASSOCIATION

AMENDED AND RESTATED BYLAWS

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