

Common Interest Community Number 391

A Condominium

LIBERTY PARK CONDOMINIUM ASSOCIATION

BYLAWS

GENERAL

These Bylaws serve a dual role. They are the Bylaws of Liberty Park Condominium Association, a Minnesota non-profit corporation (the "Association") organized under Minnesota Statutes, Chapter 317A, the Minnesota Non-profit Corporation Act, and they are also the Bylaws of the common interest community described as Common Interest Community No. 391, Liberty Park Condominium, Dakota County, Minnesota (the "CIC") under Minnesota Statutes, Chapter 515B, the Minnesota Common Interest Ownership Act (the "Act").

SECTION 1

DEFINITIONS

Definitions. Any words or terms used in these Bylaws which are defined in the Act shall have the meaning there ascribed to them. Any words or terms used in these Bylaws which are defined in the Declaration Creating CIC No. 391, Liberty Park Condominium, filed for record in the office of the County Recorder for Dakota County, Minnesota, as Document No. 2093937 ("Declaration") shall have the meaning there ascribed to them.

SECTION 2

MEMBERSHIP

2.1 **Membership.** Each owner of a unit in Liberty Park Condominium shall be a member of the Association, and no other person or entity shall be entitled to membership. The Declarant, or its successors in interest or assigns, shall be entitled to membership in the Association only so long as the same is the owner of one or more units in the CIC. 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.** Each owner shall register with the Secretary of the Association, in writing, within 30 days after taking title to a unit, (i) the name and address of the owners and any occupants of the unit; (ii) the nature of such owner's interest or estate in each unit owned; (iii) the address at which the owner desires to receive notice of any meeting of the owners, if other than the unit address; (iv) the name and address of the secured party holding the first mortgage on the unit, if any; and (v) the name of the owner, if there are multiple owners of the unit, who shall be authorized to cast the vote with respect to the unit. The owner shall have a

continuing obligation to advise the Association in writing of any changes in the foregoing information.

2.3 **Multiple Owners.** When more than one person holds an ownership interest in a unit, the vote for such unit shall be exercised as they between or among themselves determine and jointly signify in writing to the Secretary of the Association, but in no event shall more than the assigned voting power be cast with respect to any unit nor shall the voting power allocated to a unit be split or otherwise cast separately by the several unit owners. In the event multiple owners of a unit cannot agree on the exercise of voting power for such unit, any one of the owners may apply to the Board of Directors of the Association, which, after hearing all parties at a special meeting, shall determine the manner of exercise of the voting power for said unit by a majority vote of the Directors voting at the special meeting. A Director shall not vote upon such determination with respect to a unit of which said Director is one of the multiple owners.

2.4 **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.

SECTION 3

VOTING

3.1 **Entitlement.** Each unit shall be entitled to the voting power set forth in the Declaration. Cumulative voting shall not be permitted. A majority of those voting shall govern all determinations of the unit owners, except where a greater vote is required by the Act, the Declaration, or these Bylaws. No vote shall be cast with respect to any unit while it is owned by the Association. During any period when the assessments against a unit are unpaid for more than sixty (60) days after due and payable, the unit's voting rights may be suspended.

3.2 **Quorum.** Except as otherwise provided in these Bylaws, the presence in person or by proxy of owners representing 20% of the voting power of the Association shall constitute a quorum. If the voting power of a unit is suspended by reason of delinquency in payment of assessments, such voting power shall be deducted from the quorum requirement.

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 same to the Secretary before the commencement of any such meeting. Unless otherwise expressly stated in the proxy, a proxy granted by an owner shall terminate upon 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 given, (ii) the adjournment of the meeting for which the proxy is given, (iii) the time at which the granting owner is no longer an owner, or (iv) any other applicable event specified in Minnesota Statutes Section 317A.453.

3.4 **Voting by Mail Ballot.** The entire vote on any issue, except the removal of Directors, may be determined by mailed ballots, subject to the following requirements:

- 3.4.1 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 other than election of Directors, and (iv) specify the time by which a ballot must be received by the Association in order to be counted.
- 3.4.2 The ballot shall: (i) set forth each proposed action and (ii) provide an opportunity to vote for or against each proposed action.
- 3.4.3 The Board of Directors shall set the time for the return of ballots, which shall not be less than 15 days nor more than 30 days after the date of mailing of the ballots to the owners. The Board of Directors shall provide notice of the results of the vote to the owners within 10 days after the expiration of the voting period.
- 3.4.4 Approval by written ballot under this Section is valid only (i) if the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and (ii) the number of approvals equals or exceeds the number of votes that would 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.

SECTION 4

MEETINGS OF OWNERS

4.1 **Place of Meetings.** Meetings of the Association shall be held at the CIC or such other suitable place within Dakota or Rice County, Minnesota, and convenient to the unit owners as may be designated by the Board of Directors.

4.2 **Annual Meetings.** The first meeting of the members following the termination of the "period of declarant control" (as described in the Declaration under the authority of Section 515B.3-103 of the Act) shall be deemed to be the "first annual meeting" of the Association. The exact date of such first annual meeting shall be set by the Board of Directors, but such date shall conform to the requirements of Section 515B.3-103 of the Act. At such first annual meeting of the members, the members may designate a regular date for successive annual meetings. If the members fail to designate a regular date, the Board of Directors may continue to designate the date of the next annual meeting until such a designation is made by the members. If any designated date falls upon a legal holiday, it shall be understood that the actual date of the meeting shall be the next business day succeeding such designated date. At such meetings in accordance with the requirements of Bylaw 5.4 of these Bylaws, Directors shall be elected by ballot of the unit owners. The unit owners also may transact such other business of the Association as properly may come before them. In all events, a meeting of the members shall be held at least once each year. If a regular meeting of the members has not been held during the preceding 15 months, ten percent or

more of the members with voting rights may demand a meeting in accordance with Minnesota Statutes, Section 317A.431, Subdivision 2.

4.3 **Special Meetings.** It shall be the duty of the President to call a special meeting of the members as directed by resolution of the Board of Directors or upon the presentation to the Secretary of a petition therefor signed by owners entitled to cast at least 20% of all of the votes in the Association, or by three directors. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless all of the members with voting rights have waived notice of the meeting under Minnesota Statutes, Section 317A.435. One or more special meetings may be held before there has been a "first annual meeting."

4.4 **Notice of Meetings.** It shall be the duty of the Secretary to send to each unit owner, at least twenty-one days, and not more than thirty days, in advance of an annual meeting of the unit owners, and not less than seven days and not more than thirty days in advance of any other meetings, notice of the date, time, place, and complete agenda of the meeting and the procedures for appointing proxies. The notice shall be hand-delivered or sent by United States mail, postage prepaid, to all unit owners of record at the address of their respective units or to such other address or addresses as any of them may have designated in writing to the Secretary.

4.5 **Adjourned Meetings.** If any meeting of unit owners cannot be organized because a quorum is not present, the unit owners who are present, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours nor more than sixty (60) days from the time the original meeting was called, with no further notice than that given at such adjourned meeting, and the quorum at such adjourned meeting shall be one-half of the ordinary quorum.

4.6 **Order of Business.** The order of business at all annual meetings of the unit owners shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading of minutes of preceding meeting.
- (d) Report of officers.
- (e) Report of committees.
- (f) Designation of regular date for annual meetings (if necessary).
- (g) Election of Board of Directors.
- (h) Unfinished business.
- (i) New business.

- (j) Open forum.
- (k) Announcement of date, time and place of organizational meeting of new Board of Directors.
- (l) Adjournment.

4.7 **Fair Voting Procedures.** The following shall be considered minimum standards to assure fair voting procedures:

- a) All proxies should be available for inspection prior to and during a members meeting, so that a reasonable opportunity is afforded to challenge and count proxies.
- b) All mail ballots and all proxies cast at a meeting should be first opened at the time the votes on an election or issue are counted and tallied.
- c) In the case of an election of a director, every candidate or designee of a candidate may observe the counting and tallying of votes; and on any other issue, a reasonable number of observers from both sides of each issue shall observe the counting and tallying of votes.
- d) The vote count on each election and issue shall be announced before adjournment of the meeting, and shall be available to all members in written form, signed by the secretary of the Association, within seven days of the meeting.
- e) A member who is delinquent in the payment of assessments may reinstate voting rights for a meeting by payment of the delinquency by delivering a check to the secretary, treasurer or president of the Association before the meeting is called to order, unless a different requirement is adopted by the Board and the delinquent member is given written notice thereof at least 15 days before the meeting.

SECTION 5

BOARD OF DIRECTORS

5.1 **First Board of Directors.** The first Board of Directors shall consist of four persons designated in the Articles of Incorporation, who need not be unit owners, and who shall serve until the "first annual meeting" of the members or until their successors are elected and qualified. Should any vacancy occur in the First Board of Directors it shall be filled by Declarant. The first Board of Directors shall have the power to adopt the Bylaws of the Association, to elect officers, to establish a schedule of assessments which shall be effective until December 31st of the year in which occurs the "first annual meeting" of the Association, and shall have generally the powers and duties as set forth in Bylaw 5.5. Notwithstanding the foregoing, not later than sixty (60) days after conveyance of fifty (50%) percent of the units that may be created to unit owners other than the Declarant or an affiliate of the Declarant, a meeting of the unit owners shall be held at which one

(1) of the members of the first Board of Directors shall be elected by unit owners other than the Declarant or an affiliate of the Declarant.

5.2 Number and Qualification. The number of Directors constituting the Board of Directors after the first Board of Directors shall be five (5). All Directors elected by the unit owners shall themselves be unit owners, officers or employees of a corporate unit owner, or partners or employees of a partnership unit owner.

5.3 Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations also may be made by any two members in a written nomination to the Secretary or by motion and second from the floor at the annual meeting. 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 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 annual meeting. 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 are to be filled.

5.4 Terms and Election. Directors shall be elected by plurality, subject however to Declarant's rights during the "Period of Declarant Control" as specified in the Declaration. At the first annual meeting of the Association, following the termination of the "Period of Declarant Control", the members shall elect two directors for a term of one (1) year, two directors for a term of two (2) years, and one director for a term of three (3) years. At the expiration of the initial term of office of each director, his successor shall be elected for a three (3) year term. At the first annual meeting, the one candidate receiving the greatest number of votes shall serve a three (3) year term; the two candidates receiving the second and third greatest number of votes shall serve two (2) year terms; and the two candidates receiving the fourth and fifth greatest number of votes shall serve one (1) year terms of office. At all other annual meetings, the number of candidates to be elected shall equal the number of vacancies in the Board of Directors as of the date of the annual meeting, and the candidates receiving the highest number of votes at such meetings shall be declared elected to serve three (3) year terms. Cumulative voting is not permitted. A director shall hold office until his successor has been elected and shall have qualified or until he has been removed in accordance with the provisions of these Bylaws.

5.5 Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the CIC and may act on behalf of the Association and do all such acts and things except as by the Act or by the Declaration or by these Bylaws may not be delegated to the Board of Directors by the unit owners. Such powers shall include, but shall not be limited to, those set forth in Section 515B.3-102 of the Act.

5.6 Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal and substitution by a corporate or partnership unit owner under Bylaw 8.1, shall be filled by a special election of the members and each person so elected shall be a Director until a successor is elected and qualified at the next annual meeting of the Association.