

VOYAGEURS RETREAT COMMUNITY ASSOCIATION BYLAWS

SECTION 1

GENERAL

This document constitutes the Bylaws of Voyageurs Retreat Community Association, a Minnesota nonprofit corporation (the “Master Association”). The Master Association is organized pursuant to Minnesota Statutes Chapter 317A, the Minnesota Nonprofit Corporation Act (the “Act”) to administer the affairs of Voyageurs Retreat at Giants Ridge for the benefit of its Members, as described in the Master Declaration of Covenants, Conditions, Restrictions and Easements of Voyageurs Retreat at Giants Ridge (the “Master Declaration”). The Master Association is a master association as defined in Section 515B.2-121 of the Minnesota Common Interest Ownership Act (“MCIOA”). The terms used in these Bylaws shall have the same meaning as they have in the Master Declaration. The terms “Member” and “Owner” may be used interchangeably in these Bylaws.

SECTION 2

MEMBERSHIP

2.1 Members Defined. All Persons described as Owners in Section 3.4 of the Master Declaration shall be Members. One membership is allocated to each Unit. No Person shall be a Member solely by reason of holding a security interest in the 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, promptly upon request of the Secretary of the Master Association, register with the Secretary in writing (i) the name and address of each Owner and any Occupants of the Unit; (ii) the nature of such Owner’s interest or estate in each Unit owned; and (iii) the address at which the Owner desires to receive notice of any meeting of the Owners, if other than the Unit address. Each Owner shall have a continuing obligation to advise the Master Association in writing of any changes in the foregoing information.

2.3 Transfers. The interests, rights and obligations of an Owner in the Master 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 Master Governing Documents or by law.

SECTION 3

VOTING

3.1 Entitlement. Votes shall be allocated to each Unit as provided in the Master Declaration. However, no vote shall be exercised as to a Unit while the Unit is owned by the Master 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. 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 same to the Secretary before the commencement of any such meeting. All proxies granted by an Owner shall be effective until 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 dates 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 mailed to the Owners along with a notice of the vote, 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 Master 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 Master Board of Directors shall set the time for the return of ballots, which shall not be less than fifteen (15) nor more than forty five (45) days after the date of mailing of the ballots to the Owners. The Master Board shall provide notice of the results of the vote to the Owners within ten days after the expiration of the voting period.

3.4.4 Approval by written ballot under this Section is valid only if (1) 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 approval votes 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.

3.4.5 A ballot may be delivered to Owner and to the Association by electronic communication as permitted by Section 13.

3.4.6 The voting procedures authorized by Section 3.4 shall not be used in combination with a vote taken at a meeting of the Owners.

3.5 Vote Required. A majority of the votes cast at any properly constituted meeting of the Owners, or cast by written 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 Master Governing Documents, MCIOA or the Act. The term “majority” as used herein shall mean in excess of fifty percent of the votes cast by the Owners voting in accordance with the voting procedures set forth in Section 3 and the allocation of voting power set forth in the Master Declaration. Cumulative voting shall not be permitted.

SECTION 4

MEETINGS OF OWNERS

4.1 Place. All meetings of the Owners shall be held at the office of the Master Association or at such other place in the State of Minnesota reasonably accessible to the Owners as may be designated by the Master 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 Master Board. At each annual meeting of the Owners, (i) the persons who are to constitute the Master 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 Master Association; and (iii) any other matter which is included in the notice of the annual meeting, and is a proper subject for 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 President as a matter of discretion. Special meetings of the Owners must be called by the President or Secretary within thirty days following receipt of the written request of a majority of the members of the Master Board or of Owners entitled to cast at least twenty-five percent of all votes in the Master Association. The meeting shall be held within ninety days following 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 Master Association’s purposes and authority under the Master 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 at least seven, but no more than thirty, days in advance of any special meeting of the Owners, the Secretary shall send, to all persons who are

Owners as of the date of sending the notice, notice of the time, place and agenda of the meeting, by United States mail, or by hand delivery, at the Owner's Unit address or to such other address as the Owner may have designated in writing to the Secretary.

4.5 Quorum/Adjournment. The presence of Owners, in person or by proxy, who have the authority to cast in excess of thirty percent of all the votes in the Master Association shall be necessary to 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. Any meeting may be adjourned from time to time, but until no longer than fifteen days later, 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. The quorum, having once been established at a meeting or a reconvened meeting, shall continue to exist for that meeting notwithstanding the departure of any Owner who was present when the quorum was established. The Master Association may not be counted in determining a quorum as to any Unit owned by the Master Association.

4.6 Voting Register. The Secretary shall have available at the meeting a list of the Unit numbers, 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 Master Board, consistent with the Master Governing Documents, and shall be sent to all Owners along with the notice of the meeting.

SECTION 5

ANNUAL REPORT

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

5.1 Capital Expenditures. A statement of any capital expenditures in excess of two percent of the current budget or five thousand dollars, whichever is greater, approved by the Master Association for the current year or succeeding two fiscal years.

5.2 Reserve Funds. A statement of the balance in any reserve or replacement fund and any portion of the fund designated for any specified project by the Master Board.

5.3 Financial Statements. A copy of the statement of revenues and expenses for the Master Association's last fiscal year, and a balance sheet as of the end of said fiscal year.

5.4 Litigation and Judgments. A statement of the status of any pending litigation or judgments to which the Master Association is a party.

5.5 Insurance. A statement of the insurance coverage provided by the Master Association.

5.6 Status of Assessments. A statement of the total past due Master Assessments, current as of not more than sixty days prior to the date of the meeting.

SECTION 6

BOARD OF DIRECTORS

6.1 Number and Qualification. The affairs of the Master Association shall be governed by a Board of Directors. The first Master Board shall consist of the persons designated as directors by the incorporator of the Master Association or appointed by Master Developer to replace them, subject to the rights of Owners to elect directors as set forth in Section 6.2. Upon the expiration of the terms of the members of the first Master Board, the Master Board shall be composed of five or seven directors, a majority of whom shall be Owners, or a duly authorized representative of the Owner if the Owner is a Person other than a natural person. The number of directors may be changed between five and seven for one or more calendar years only by a vote of the Owners. No two directors may be Owners of the same Unit.

6.2 Term of Office. The terms of office of the members of the Master Board shall be as follows:

6.2.1 The terms of all directors appointed by Master Developer during the Master Developer Control Period shall terminate at the time required under MCIOA as amended from time to time.

6.2.2 The first terms of office of the directors elected by the Owners upon the termination of the Master Developer Control Period shall be one year for two of the directors and two years for three of the directors in the case of a five member Board, or one year for three of the directors and two years for four of the directors in the case of a seven member Board. Each term of office thereafter shall be two years and 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. The nominee to the director position to be filled receiving the greatest number of votes for that director position to be filled, shall be elected, notwithstanding that nominee does not receive a majority of the votes cast. The nominee or nominees receiving the greatest numbers of votes shall fill the longer terms. 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 shall be no cumulative voting for directors.

6.3 Nominations. Except for directors appointed by the Master Developer, and upon expiration of the terms of the members the Master Board appointed by the Master Developer, nominations for election to the Master Board at each subsequent annual meeting may be made by the Master Board, by a nominating committee appointed by the Master Board or by an Owner. Any nominating committee shall consist of at least one Master Board member, and other Owners

who are representative of the general membership of the Master Association, and shall establish fair and reasonable procedures for the submission of nominations. All nominations shall be consistent with the requirements of this Section 6, and shall be made only with the consent of the nominee.

6.4 Powers. The Master Board shall have all powers necessary for the administration of the affairs of the Master Association. The Master Board shall exercise for the Master Association all powers and authority vested in or delegated to the Master Association (and not expressly prohibited or reserved to the Owners) by law or by the Master Governing Documents. Except as relinquished by the Master Association in accordance with Section 9.1, all powers of a Settlement Association are delegated to the Master Association. The powers of the Master Association include, without limitation, the power to:

6.4.1 Maintain the Master Common Elements and all improvements thereon and to provide such other maintenance, repairs and replacement as the Master Association is obligated to provide under Section 9 of the Master Declaration.

6.4.2 Administer and enforce the covenants, conditions, restrictions, easements, and other rights and obligations, set forth in the Master Governing Documents and the Master Rules.

6.4.3 Control, preserve and enhance the architectural and environmental character of the Property.

6.4.4 Promote the sense of community among Owners and Occupants by organizing, promoting and sponsoring community and social events and activities.

6.4.5 Maintain, repair, replace and improve such parts of a Settlement as may be authorized by the Settlement Governing Documents for the Settlement.

6.4.6 Administer and enforce the covenants, conditions, restrictions, easements and other rights and obligations set forth in the Settlement Governing Documents and exercise the rights of a Settlement Association in lieu and in place of the Settlement Association, including, without limitation, the right and authority to adopt and amend budgets for revenues, expenditures and reserves for the Settlement Association, and levy and collect assessments under the Settlement Governing Documents, and to regulate the use, maintenance, repair, replacement and modification of the Settlement Property.

6.4.7 Perform any other obligation or power delegated to the Master Association by a Settlement Association in accordance with and subject to the Settlement Governing Documents and MCIOA.

6.4.8 Adopt, amend and revoke Master Rules not inconsistent with the Master Governing Documents, as follows: (i) regulate the use of the Master 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 Property, (iii) regulating or prohibiting animals, (iv) regulating changes in the appearance of the Property and conduct which may damage the Property, (v) implementing the Master Governing Documents and Master Rules, and exercising the powers granted by the Master Governing Documents; and (vi) otherwise facilitating the operation of the Property.

6.4.9 Adopt and amend budgets for revenues, expenditures and reserves, and levy and collect Master Assessments.

6.4.10 Hire and discharge managing agents and other employees, agents, and independent contractors.

6.4.11 Institute, defend, or intervene in litigation or administrative proceedings in its own name on behalf of itself, the Owners and Occupants or the Settlement Associations, on matters affecting the Master Association.

6.4.12 Make contracts and incur liabilities.

6.4.13 Regulate the use, maintenance, repair, replacement and modification of the Property.

6.4.14 Grant public or private utility, communications and other easements, leases and licenses through, over or under the Master Common Elements; and grant similar rights through, over or under Settlement Property, subject to the requirements of the Settlement Governing Documents.

6.4.15 Impose charges for late payment of Master Assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of the Master Governing Documents and the Master Rules.

6.4.16 Impose reasonable charges for the review, preparation and recordation of amendments to the Master Declaration or these Bylaws, resale certificates required by law, statements of unpaid Master Assessments, or furnishing copies of Master Association records.

6.4.17 Provide for the indemnification of its officers, directors and committee members, and maintain directors' and officers' liability insurance.

6.4.18 Provide for reasonable procedures governing the conduct of Owners' and directors' meetings, and the election of directors.

6.4.19 Appoint, regulate and dissolve committees to assist it in its duties.

6.4.20 Borrow money for the needs of the Master Association and encumber the assets of the Master Association as security for such borrowings; provided, that the Master Board shall not borrow amounts in any calendar year which exceed thirty percent of the Master Association's annual budget for the year in question unless first approved by a vote of the Owners.

6.4.21 Exercise any other powers conferred by law or by the Master Governing Documents, which are necessary for the governance and operation of the Master Association.

6.5 Meetings and Notices. An annual meeting of the Master Board shall be held promptly following each annual meeting of the Owners. At each annual meeting the officers of the Master Association shall be elected.

6.5.1 Regular meetings of the Master Board shall be held at least annually at such times as may be fixed from time to time by a majority of the members of the Master Board. A schedule, or any amended schedule, of meetings shall be provided to the directors, and posted or published for the information of Owners.

6.5.2 Special meetings of the Master 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 directors. Notice of any special meeting shall be given to each director not less than three days in advance thereof, subject to Subsection 6.5.3. 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 Master Board.

6.5.3 Any director may at any time waive notice of any meeting of the Master Board verbally, in writing, or by attendance at the meeting. If all the directors are present at a meeting of the Master Board, no notice shall be required, and any business may be transacted at such meeting.

6.5.4 A conference among directors by a means of communication through which all directors participating may simultaneously hear each other during the conference constitutes a Master 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 constitutes personal presence at the meeting.

6.5.5 Except as otherwise provided in this Section, meetings of the Master Board must be open to the Owners. To the extent practicable, the Master Board shall give reasonable notice to the Owners of the date, time, and place of Master Board meetings. If the date, time and place of meetings are provided for in the Master Governing Documents, announced at a previous meeting of the Master Board, posted in a location or locations designated by the Master Board and accessible to the Owners, or if an emergency requires immediate consideration of a matter by the Master Board, notice is

not required. "Notice" has the meaning given in Section 11.1. Notwithstanding the foregoing, meetings may be closed to discuss the following:

6.5.5.1 personnel matters;

6.5.5.2 pending or potential litigation, arbitration or other potentially adversarial proceedings between Owners, between the Master Board or Master Association and Owners, or other matters in which any Owner may have an adversarial interest, if the Master Board determines that closing the meeting is necessary to discuss strategy or to otherwise protect the position of the Master Board or Master Association or the privacy of an Owner or Occupant; or

6.5.5.3 criminal activity arising within the Property if the Master 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.

Nothing in this Section imposes a duty on the Master Board to provide special facilities for meetings. The failure to give notice as required by this Section shall not invalidate the Master Board meeting or any action taken at the meeting.

6.6 Quorum and Voting. A majority of the members of the Master Board shall constitute a quorum for the transaction of business at any meeting. A quorum, once established, shall continue except as provided in Section 6.5.3 to exist, regardless of the subsequent departure of any directors. Each director shall have one vote. The vote of a majority of the directors present at any meeting at which a quorum is present shall be sufficient to adopt any action. Proxies are prohibited for Master Board meetings.

6.7 Action Taken Without a Meeting. The Master 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.

6.8 Vacancies. A vacancy in the Master Board, other than those described in Sections 6.1, 6.2 or 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 Master 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 to fill the vacant position caused by the removal. A director may also be removed by the Master Board if such director (i) has more than two unexcused absences from Master Board meeting and/or Owners meetings during a twelve month period, or (ii) is more than thirty days past due with respect to the payment of Master Assessments or installments

thereof on the director's Unit. Any vacancy resulting from removal shall be filled by a vote of the Owners as previously provided in this Section.

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

6.11 Fidelity Insurance. Fidelity insurance coverage for unlawful taking of Master Association funds and other dishonest acts shall be obtained and maintained on all directors and officers authorized to handle the Master Association's funds or other monetary assets.

SECTION 7

OFFICERS

7.1 Principal Officers. The principal officers of the Master Association shall be a President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected by the Master Board. The Master Board may from time to time elect such other officers and designate their duties as in their judgment may be necessary to manage the affairs of the Master Association. A person may hold more than one office simultaneously, except those of President and Vice President. No person may be President more than three consecutive terms unless unanimously elected by the Master Board. None of the foregoing requirements shall apply during the Master Developer Control Period.

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

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

7.4 President. The President shall be the chief executive officer of the Master Association, and shall preside at all meetings of the Master Board and the Master 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 Master Association. The President shall have such other duties as may from time to time be prescribed by the Master Board.

7.5 Vice President. The Vice President shall take the place of the President and perform the duties of the office 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 Master Board.

7.6 Secretary. The Secretary shall be responsible for recording the minutes of all meetings of the Master Board and the Master Association. The Secretary shall be responsible for keeping the books and records of the Master Association, and shall give all notices required by the Master Governing Documents or the Act unless directed otherwise by the Master Board. The Master 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 shall be responsible for the financial operations of the Master Association, and shall be covered by a bond or insurance in such sum and with such companies as the Master Board may require. The Treasurer shall (i) be responsible for keeping the Master Association's financial books, Master Assessment rolls and accounts for each Owner; (ii) cause an annual financial report to be prepared, subject to review by the Master Association's accountants; (iii) cause the books of the Master Association to be kept in accordance with generally accepted accounting practices and submit them to the Master Board for its examination upon request; (iv) cause all moneys and other monetary assets of the Master Association to be deposited in the name of or to the credit of the Master Association in depositories designated by the Master Board; (v) cause the proper obligations of the Master Association to be paid when due; and (vi) perform all other duties incident to the office of Treasurer. The Master 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. Except as authorized by a vote of the Owners at a meeting thereof, officers shall receive no compensation for their services in such capacity. 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 Master Association in a capacity other than as an officer; provided (i) that the contract is approved by a majority vote of the Master Board, excluding the interested party, and (ii) that the officer's interest is disclosed to the Master Board prior to approval. Officers may be reimbursed for out-of-pocket expenses incurred in the performance of their duties.

SECTION 8

COMMITTEES

The Master Board shall appoint an Architectural Review Committee, as provided in Section 8 of the Master Declaration. In addition, the Master Board may appoint a Nominating Committee, as provided in these Bylaws and other committees deemed appropriate in carrying out its purpose.

SECTION 9

OPERATION AND ADMINISTRATION

9.1 Transfer of Master Association Powers. Notwithstanding the delegation of all of the powers of the Settlement Associations to the Master Association, the Master Association has authority to relinquish and assign certain of its powers to a Settlement Association, in accordance with the following qualifications and procedures:

9.1.1 The Master Association may, temporarily or permanently, relinquish to a Settlement Association any or all of the powers enumerated in Section 515B.3-102(a) of MCIOA or Section 6, but only to the extent that the powers relate to the operation and administration of the Settlement Association or Settlement Property. A relinquishment of powers under this Section shall not relinquish nor impair any powers of the Master Association to operate and manage its own affairs, the Master Common Elements or the Property as a whole.

9.1.2 The Master Association's powers may only be relinquished by or redelegated to the Master Association (i) upon the approval of the Master Board and the Settlement Board, and (ii) pursuant to a written document specifically describing the powers being relinquished or redelegated, the time period (if any) for which the powers are relinquished or redelegated, and any other limitations on the transfer of the powers. The resolutions of the Master Board and the Settlement Board, and the document memorializing the transfer of powers, shall be executed in a sufficient number of copies such that the Master Association and the Settlement Association has an executed copy for its corporate records.

9.1.3 Any relinquishment or redelegation of powers under this Section shall only be effective as of the first day of a calendar year so as to avoid adjustment of budgets and other financial planning in mid-year. Notice of the transfer of powers between the Master Association and the Settlement Association shall be given to the Owners at least one month in advance of the effective date of the transfer.

9.2 Assessment Procedures. The Master Board appointed by the Master Developer shall determine when the first Master Assessment is levied and shall levy the Master Assessment. Thereafter, the Master Board shall annually prepare a budget of Master Common Expenses, and levy Master Assessments for such Master Common Expenses among the Units as provided in the Master Governing Documents.

9.2.1 The Master Board shall advise the Owners in writing of each Master Assessment at least thirty days prior to the due date of the Master Assessment or first installment thereof. The failure of the Master Board to timely levy or give notice of a Master Assessment shall not relieve the Owners of their obligations to continue paying Master Assessment installments in the amount currently levied, as well as any increases subsequently levied.

9.2.2 The annual budget shall include a general operating reserve, and an adequate reserve fund for maintenance, repair and replacement of any property which the Master Association is obligated to maintain. The Master Association shall furnish copies of each budget on which the Master Assessment is based to an Owner upon request.

9.2.3 Subject to any limitations contained in the Master Declaration, the Master Board may levy a special Master Assessment and limited Master Assessment at any time. The levy shall be deemed to occur upon the date specified in the resolution which fixes the Master Assessment.

9.3 Payment of Assessments. Annual Master Assessments shall be payable in monthly, quarterly or annual installments, as established by the Master Board, in advance on the first day each month or other period for which the Master Assessments is made, as designated by the Master Board. Special Master Assessments and limited Master Assessments shall be due and payable as designated by the Master Board. Except as provided in the Master Declaration, all Owners shall be absolutely and unconditionally obligated to pay Master Assessments and no Owner or Occupant shall have any right of withholding, offset or deduction with respect to any Master Assessment, late charges, interest or costs, regardless of any claims alleged against the Master Association or its officers or directors. Any such rights or claims alleged by an Owner may be pursued only by separate action.

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

9.4.1 If there is a default of more than thirty days in payment of any Master Assessment, the Master Board may accelerate any remaining installments of the Master Assessment upon prior written notice thereof to the Owner, and the entire unpaid balance of the Master Assessment and late charges shall become due and payable upon the date stated in the notice unless all past due amounts, late charges, fines, attorney's fees and other professional fees and costs incurred by the Master Board, are paid prior to said date.

9.4.2 The Master Board shall use its best efforts to recover all Master Assessments on behalf of the Master Association, together with any charges, attorneys' fees and other professional fees and costs or expenses relating to the collection thereof. In addition, the Master Board shall use its best efforts to recover all collection or contingency fees or costs charged to the Master Association by a collection agency or other Person acting on behalf of the Master Association in collecting any delinquent amounts owed to the Master Association by an Owner or Occupant.

9.4.3 The rights and remedies referred to herein shall in no way limit the remedies available to the Master Association under the Master Governing Documents or by law.

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

9.6 Special Assessments. As provided in the Master Declaration in addition to annual Master Assessments, the Master Board may levy in any year a special Master Assessment against the Units. Approval by the Owners holding at least fifty-one percent (51%) of the votes of the Owners, in writing or at a duly held meeting of the Owners, shall be required if the special Master Assessment amount to be levied against a Unit shall exceed Five Hundred and No/100 Dollars (\$500.00).

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

9.8 Enforcement of Obligations. All Owners and Occupants, and their guests, and the Settlement Associations, are obligated and bound to comply with the Master Governing Documents and the Master Rules. The Master Association may impose any or all of the charges and remedies authorized by the Master Governing Documents, the Settlement Governing Documents, the Master Rules or by law to enforce and implement its rights and to otherwise enable it to manage and operate the Master Association. Settlement Associations shall affirmatively cooperate with and assist the Master Association in its enforcement efforts, upon request.

9.9 Settlement's Responsibility and Relationship to Master Association. Each Settlement Association shall conduct its affairs in accordance with its Settlement Governing Documents and the Master Governing Documents and shall undertake to insure (i) that decisions of the Master Board are properly communicated to Owners and Occupants of Units in its Settlement; (ii) that Master Board decisions are promptly implemented; and (iii) that the bona fide concerns of its Settlement Association members are communicated to the Master Board.

SECTION 10

AMENDMENTS

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

10.1 Approval. The amendment must be approved by a majority of the total votes in the Master Association. In addition to and without limiting the foregoing, any amendment prior to expiration of the Master Developer Control Period, must be approved in writing by the Master Developer or its designee.

10.2 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.

10.3 Effective Date. The amendment shall be effective on the date that the required approvals are received. The amendment need not be recorded.

SECTION 11

INDEMNIFICATION

The Master 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 Master Association, pursuant to the provisions of Minnesota Statutes 31 7A. 521.

SECTION 12

MISCELLANEOUS

12.1 Notices. Unless specifically provided otherwise in the Act, the Master Declaration or these Bylaws, all notices required to be given by or to the Master Association, the Master Board, the Master Association officers, the Settlement Associations or the Owners shall be in writing and shall be effective upon hand delivery, or mailing if properly addressed with postage prepaid and deposited in the United States mail, to the address of the intended recipient as listed in the records of the Master Association.

12.2 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.

12.3 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

12.4 Conflicts in Documents. In the event of any conflict among the provisions of the Master Declaration, these Bylaws and Master Rules, the Master Declaration shall control, and as between these Bylaws and the Master Rules, these Bylaws shall control. The Master Governing Documents shall control as against any Settlement Governing Documents.

12.5 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.

12.6 No Corporate Seal. The Master Association shall have no corporate seal.

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

SECTION 13

ELECTRONIC COMMUNICATION

13.1 Electronic Communications Permitted. It is the intent of these Bylaws to permit Electronic Communications to the fullest extent permitted by Minn. Stat. Chapter 317A. To the extent that the provisions of this Article 13 relating to Electronic Communications conflict with any other provisions of these Bylaws, the provisions of this Article 13 will apply.

13.2 Definitions. The following words when used in these Bylaws shall have the following meanings:

“Electronic” means relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic or similar capabilities.

“Electronic communication” means any form of communication, not directly involving the physical transmission of paper that creates a record that may be retained, retrieved, and reviewed by a recipient of the communication, and that may be directly reproduced in paper form by the recipient through an automated process.

“Electronic record” means a record created, generated, sent, communicated, received, or stored by electronic means.

“Electronic signature” means an electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record.

“Record” means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

“Remote communication” means communication via electronic communication, conference telephone, video conference, the internet, or such other means by which

persons not physically present in the same location may communicate with each other on a substantially simultaneous basis.

13.3 Electronic Records and Signatures for Purposes of these Bylaws.

(1) a record or signature may not be denied legal effect or enforceability solely because it is in electronic form;

(2) a contract may not be denied legal effect or enforceability solely because an electronic record was used in its formation;

(3) if a provision of these Bylaws or the Master Declaration requires a record to be in writing, an electronic record satisfies the requirement; and

(4) if a provision of these Bylaws or the Master Declaration requires a signature, an electronic signature satisfies the requirement.

13.4 Master Board Meetings Solely by Means of Remote Communication. Any meeting among Directors may be conducted solely by one or more means of remote communication through which all of the Directors may participate in the meeting, if the same notice is given of the meeting required by Section 6, and if the number of Directors participating in the meeting is sufficient to constitute a quorum at a meeting. Participation in a meeting by that means constitutes presence at the meeting.

13.5 Director Participation in Meetings by Means of Remote Communication. A Director may participate in a Master Board meeting by means of conference telephone or, if authorized by the Master 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. Participation in a meeting by that means constitutes presence at the meeting.

13.6 Calling Meetings; Notice.

(a) Any notice to a Director given by a form of electronic communication consented to by the Director to whom the notice is given is effective when given. 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) a posting on an electronic network on which the Director has consented to receive notice, together with a separate notice to the Director of the specific posting, upon the later of:

- (i) the posting; or
- (ii) the giving of the separate notice; and
- (4) any other form of electronic communication by which the Director has consented to receive notice, when directed to the Director.

An affidavit of the secretary, other authorized officer, or authorized agent of the Master Association, that the notice has been given by a form of electronic communication is, in the absence of fraud, prima facie evidence of the facts stated in the affidavit.

(b) Consent by a Director to notice given by electronic communication may be given in writing or by authenticated electronic communication. Any consent so given may be relied upon until revoked by the Director, provided that no revocation affects the validity of any notice given before receipt of revocation of the consent.

13.7 Written Action By Master Board. An action required or permitted to be taken at a Master Board meeting may be taken by written action signed, or consented to by authenticated electronic communication, by all of the Directors. If the Articles of Incorporation so provide, an action, other than an action requiring Owner approval, may be taken by written action signed, or consented to by authenticated electronic communication, by the number of Directors that would be required to take the same action at a meeting of the Master Board at which all Directors were present.

13.8 Owner Meetings Held Solely by Means of Remote Communication. To the extent determined by the Master Board, an annual or special meeting of Owners may be held solely by one or more means of remote communication, if notice of the meeting is given to every Owner entitled to vote, and if the number of voting Owners participating in the meeting is sufficient to constitute a quorum at a meeting. Participation by an Owner by that means constitutes presence at the meeting in person or by proxy if all the other requirements of section 317A.453 are met.

13.9 Participation in Owner Meetings by Means of Remote Communication. To the extent determined by the Master Board, an Owner not physically present in person or by proxy at an annual or special meeting of Owners may, by means of remote communication, participate in a meeting of Owners held at a designated place. Participation by an Owner by that means constitutes presence at the meeting in person or by proxy if all the other requirements of section 317A.453 are met.

13.10 Requirements for Meetings Held Solely by Means of Remote Communication and for Participation by Means of Remote Communication. In any meeting of Owners held solely by means of remote communication under Section 13.8 or in any meeting of Owners held at a designated place in which one or more Owners participate by means of remote communication under Section 13.9:

(1) the Master Association shall implement reasonable measures to verify that each person deemed present and entitled to vote at the meeting by means of remote communication is an Owner; and

(2) the Master Association shall implement reasonable measures to provide each Owner participating by means of remote communication with a reasonable opportunity to participate in the meeting, including an opportunity to:

(i) read or hear the proceedings of the meeting substantially concurrently with those proceedings;

(ii) if allowed by the procedures governing the meeting, have the Owner's remarks heard or read by other participants in the meeting substantially concurrently with the making of those remarks; and

(iii) if otherwise entitled, vote on matters submitted to the Owners.

13.11 Notice to Owners.

(a) Any notice to Owners given by the Master Association under any provision of this chapter, the Articles of Incorporation, or these Bylaws by a form of electronic communication consented to by the Owner to whom the notice is given is effective when given. The notice is deemed given:

(1) if by facsimile communication, when directed to a telephone number at which the Owner has consented to receive notice;

(2) if by electronic mail, when directed to an electronic mail address at which the Owner has consented to receive notice;

(3) if by a posting on an electronic network on which the Owner has consented to receive notice, together with separate notice to the Owner of the specific posting, upon the later of:

(i) the posting; and

(ii) the giving of the separate notice; and

(4) if by any other form of electronic communication by which the Owner has consented to receive notice, when directed to the Owner.

An affidavit of the secretary, other authorized officer, or authorized agent of the Master Association, that the notice has been given by a form of electronic communication is, in the absence of fraud, prima facie evidence of the facts stated in the affidavit.

(b) Consent by an Owner to notice given by electronic communication may be given in writing or by authenticated electronic communication. The Master Association is entitled to rely on any consent so given until revoked by the Owner, provided that no revocation affects the validity of any notice given before receipt by the corporation of revocation of the consent.

May 6, 2011