

ISSUE #1

Section 1: [Article VI, Section 1(d)-(e) & Section 2] Quorum and Proxies for Membership Meetings

MARKUP #1 ->

(d) Quorum for any action governed by Articles V and VI of the Articles of Incorporation [mergers, consolidations, or mortgaging of Common Area] shall be as follows: At the first meeting duly called as provided therein, the presence of Members or of proxies entitled to cast sixty (60%) percent of all the votes of each class of Membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirements set forth in said Articles, and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting. (e) Quorum for any other action by the Members. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, ten (10%) percent of the votes of each class of the Membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. Section 2. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his or her Lot.

Section 2: [Article VII, Sections 1 & 2] Board of Directors: Qualification and Filling of Vacancies (Including Removals)

Section 1. The affairs of this Association shall be managed by a Board of at least three (3) and not more than nine (9) Directors, who need not be Members of the Association, the exact number of which shall be fixed from time to time by resolution of the Board of Directors; provided, however, the total number of Directors shall always be an odd number. Section 2. At each annual meeting, the Members shall elect Directors for a term of three (3) years with the terms of the Directors staggered so that approximately one-third (1/3) of the Directors are elected each year. In the event of death, resignation or removal of a Director, his or her successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his or her predecessor.

Section 3: [Article VIII, Sections 1, 5, 6 & 7] Election of Directors by Mail Ballot and Immediate Destruction of Ballots

Section 1. Election to the Board of Directors shall be by written ballot which shall be mailed or delivered to the Members not less than fourteen (14) days prior to the annual meeting... Section 5. All elections to the Board of Directors shall be made on written ballot which shall: (a) describe the vacancies to be filled; (b) set forth the names of those persons nominated by the Nominating Committee for such vacancies; and (c) contain a space for a write-in vote by the Members for each vacancy. Such ballots shall be prepared and mailed by the Secretary to the Members at least fourteen (14) days in advance of the date set forth therein for a return (which shall be a date not later than the day before the annual meeting or any special meeting called for elections)... Section 7. The inner envelopes containing the ballots shall then be opened and the ballots shall be counted and tabulated by the Election Committee. The results of the election shall be announced immediately to the Members at the meeting. Written ballots shall be destroyed immediately after the announcement of the results of the election unless a review of the ballots is demanded by any Member present at the meeting.

MARKUP #1 · SUBJECTIVE OR OVERBROAD WORDING

BOARD & COUNSEL REVIEW

Sec. Article VI, Section 1(d)-(e) & Section 2 (p. 1): MN Manual Attorney Audit Finding (Article VI, Section 1(d)-(e) & Section 2 - [Article VI, Section 1(d)-(e) & Section 2] Quorum and Proxies for Membership Meetings - (d) Quorum for any action governed by Articles V and VI of the Articles of Incorporation [mergers, consolidations, or mortgaging of Common Area] shall be as follows: At the first meeting duly called as provided therein, the presence of Members or of proxies entitled to cast sixty (60%) percent of all the votes of each class of Membership shall constitute a quorum. If...

Statutory / Legal Reference: Minn. Stat. Ch. 515B (Minnesota Common Interest Ownership Act - MCIOA); Minn. Stat. Ch. 515B (MCIOA)

Statutory Comparison: Manual attorney review identified statutory and enforceability compliance risks under Minn. Stat. Ch. 515B (Minnesota Common Interest Ownership Act - MCIOA); Minn. Stat. Ch. 515B (MCIOA).

CURRENT WORDING IN DOCUMENT:

[Article VI, Section 1(d)-(e) & Section 2] Quorum and Proxies for Membership Meetings - (d) Quorum for any action governed by Articles V and VI of the Articles of Incorporation [mergers, consolidations, or mortgaging of Common Area] shall be as follows: At the first meeting duly called as provided therein, the presence of Members or of proxies entitled to cast sixty (60%) percent of all the votes of each class of Membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be call

SAMPLE DISCUSSION WORDING (FOR HOA ATTORNEY REVIEW):

Amend Section Article VI, Section 1(d)-(e) & Section 2 ([Article VI, Section 1(d)-(e) & Section 2] Quorum and Proxies for Membership Meetings - (d) Quorum for any action governed by Articles V and VI of the Articles of Incorporation [mergers, consolidations, or mortgaging of Common Area] shall be as follows: At the first meeting duly called as provided therein, the presence of Members or of proxies entitled to cast sixty (60%) percent of all the votes of each class of Membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirements set forth in said Articles, and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting. (e) Quorum for any other action by the Members. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, ten (10%) percent of the votes of each class of the Membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. Section 2. At all meetings of Members, each Member may vote in person or by...