

ISSUE #1

Section 1: [Article II, Section 2.4] Notice of Regular and Special Member Meetings

Notice of any regular or special meeting of the Members may be given by oral announcement or forty-eight (48) hours' email notice prior to the meeting, and Members shall have no right to demand a special meeting by petition.

MARKUP #1 ->

Section 2: [Article IV, Section 4.8] Director Conflict of Interest Transactions

A contract or transaction between the Association and a Director or an entity in which a Director has a material financial interest shall be valid if approved by the interested Director and the President, and the interested Director may be counted toward the quorum and majority vote.

Section 3: [Article II, Section 2.9] Action by Written Ballot Without Meeting

Any action that may be taken at a meeting of the Members may be taken without a meeting by written ballot sent only to Lot Owners selected by the Board, and shall pass if approved by a simple majority of ballots returned within three (3) days regardless of total participation.

MARKUP #1 · SUBJECTIVE OR OVERBROAD WORDING

BOARD & COUNSEL REVIEW

Sec. Article II, Section 2.4 (p. 1): Barring member petitions for special meetings and permitting 48-hour notice conflict with the North Dakota Nonprofit Corporation Act.

Statutory / Legal Reference: N.D.C.C. §§ 10-33-66 & 10-33-68

Statutory Comparison: Under N.D.C.C. § 10-33-66(2), fifty members with voting rights or ten percent (10%) of the members with voting rights, whichever is less, have the statutory right to demand a special meeting of members. Under N.D.C.C. § 10-33-68(2), written notice of a membership meeting must be given at least five (5) days before the date of the meeting.

CURRENT WORDING IN DOCUMENT:

[Article II, Section 2.4] Notice of Regular and Special Member Meetings - Notice of any regular or special meeting of the Members may be given by oral announcement or forty-eight (48) hours' email notice prior to the meeting, and Members shall have no right to demand a special meeting by petition.

SAMPLE DISCUSSION WORDING (FOR HOA ATTORNEY REVIEW):

Amend Section Article II, Section 2.4 ([Article II, Section 2.4] Notice of Regular and Special Member Meetings - Notice of any regular or special meeting of the Members may be given by oral announcement or forty-eight (48) hours' email notice prior to the meeting, and Members shall have no right to demand a special meeting by petition.) to conform with N.D.C.C. §§ 10-33-66 & 10-33-68 and the manual attorney audit recommendations for Elk Ridge Homeowners Association.