

**AMENDED BY-LAWS
OF
SOUTHFORK HOMEOWNERS ASSOCIATION, INC.**

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ARTICLE I OFFICES AND DEFINITIONS

The principal office of the Association in the State of Iowa shall be located in the City of Waukee, Dallas County. The Association may have such other offices, within or without the State of Iowa, as the activities of the Association may require from time to time.

The registered office of the Association required by the Iowa Nonprofit Corporation Act to be continuously maintained in Iowa shall be initially as provided in the Articles of Incorporation and shall be subject to change from time to time by resolution of the Board of Directors and filing of a statement of said change as required by the Iowa Nonprofit Corporation Act.

The proper nouns used in these By-Laws shall have the same meaning, if therein defined, as set forth in the Declaration of Residential Covenants, Conditions, and Restrictions applicable to Southfork Plat No. 1, Waukee, Iowa, or in the Future Declaration (as defined in the Articles of Incorporation), unless the context shall otherwise indicate.

"Area of Common Responsibility" means the Common Property, together with those areas, if any, which by contract with any third party within Waukee, Iowa, or its environs, become the responsibility of the Association.

"Common Property" means all real and personal property now or hereafter owned by the Association for the common use and enjoyment of the members. The initial Common Property to be owned by the Association shall be conveyed to the Association prior to the conveyance of any Lot to any purchases. The Common Property includes without limitation, the dam site and

horse trail easements mentioned in Article XXVI of the Declaration applicable to Southfork Plat No. 1 or provided for in a Future Declaration.

"Declaration" means the Declaration applicable to Southfork Plat No. 1 and the Future Declaration.

ARTICLE II ASSOCIATION: MEETINGS, QUORUM, VOTING, PROXIES

Section 1. Place of Meetings.

The Board of Directors may designate any place within the State of Iowa as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors or President. A waiver of notice signed by all members may designate any place within the State of Iowa as the place for the holding of any special meeting called by members. If no designation is made, or if a special meeting be otherwise called, the place of meeting shall be the registered office of the Association in the State of Iowa.

Section 2. Annual Meeting.

The annual meeting of members shall be held on such date, as the Board of Directors shall be resolution specify within a period commencing on January 1 and ending on April 30 in each year, beginning with 1988. At each annual meeting the election of the Directors shall take place and such other business shall be transacted as may be properly presented to such meeting. If the day fixed for the annual meeting shall be a legal holiday, such meeting shall be held on the next succeeding business day. If the election of Directors shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a meeting of the members as soon thereafter as conveniently may be.

Section 3. Special Meetings.

Special meetings of the members may be called by the President, by the Board of Directors or by the holders of not less than one-tenth of all the voting power of the Association.

Section 4. Notice of Meetings.

Written or printed notice stating the place, day, and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) days nor more than fifty (50) days before the date of the meeting, either personally, by electronic mail, or by posting on the Associations' website, by or at the direction of the President, the Secretary, or the officer or persons calling the meeting, to each member of record entitled to vote at such meeting.

Section 5. Waiver of Notice.

Waiver of notice of meeting of the members shall be deemed the equivalent of proper notice. Any member may, in writing, waive notice of any meeting of the members, either before or after such meeting. Attendance at a meeting by a member, whether in person or by proxy, shall be deemed waiver by such member of notice of the time, date, and place thereof, unless such member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted thereat unless objection to the calling or convening of the meeting, of which proper notice was not given, is raised before the business is put to a vote.

Section 6. Adjournment of Meetings.

If any meetings of the Association cannot be held because a quorum is not present, a majority of members who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At such adjourned meeting at which a quorum is present, any business, which might have been transacted at the meeting originally called, may be transacted. If a time and place for the adjourned meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for the adjourned meeting after adjournment, notice of the time and place of the adjourned meeting shall be given to members in the manner prescribed for regular meetings and the date of the adjourned meeting shall then be not earlier than to permit at least ten (10) days' notice thereof pursuant to Section 4 of this Article II.

Section 7. Members and Voting.

Each Owner of a fee interest in any Lot shall automatically be a member of the Association. Each member shall have one vote for each Lot owned in fee by him/her only. Multiple Owners in fee of a Lot shall have one vote among them to be cast by the member they designate. A life tenant shall be deemed an Owner of a fee interest for the purposes of these By-laws and the remaindermen shall not be deemed Owners. Declarant shall be a member so long as it is the fee Owner of any Lot or portion thereof. There shall be no fractional votes. Notwithstanding the foregoing, no member other than Declarant shall be entitled to vote until the earlier of January 1, 1992, or the time when at least seventy-five percent (75%) of the Lots in Southfork Plat No. 1 are owned by Owners other than Declarant who occupy Dwellings located on such Lots.

Section 8. Proxies.

At all meetings of the members, a member may vote either in person or by proxy executed in writing by the member or by his duly authorized attorney-in-fact. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

Section 9. Quorum.

Except as otherwise provided in these By-Laws or in the Declaration, the presence in person or by proxy of a majority of the voting power of the Association shall constitute a quorum at all meetings of the Association. In the event a quorum is not present, another meeting may be called subject to the same notice requirement.

Section 10. Conduct of Meetings.

The President or other board member shall preside over all meeting; of the Association, and the Secretary or other board member shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting as well as all transactions occurring thereat.

Section 11. Informal Action by Members.

Any action required by the Iowa Nonprofit Corporation Act to be taken at a meeting of the members, or any action which may be taken at a meeting of members, may be taken without a meeting if a consent in writing setting forth the action so taken, shall be signed by all the members entitled to vote with respect to the subject matter thereof.

ARTICLE III BOARD OF DIRECTORS: NUMBER, POWERS, MEETINGS

A. Composition and Selection

Section 1. Governing Body: Composition.

The affairs of the Association shall be managed by a Board of Directors. Except as provided in Section 2 of this Article, the Directors shall be members or spouses of such members; provided, however, that no person and his or her spouse may serve on the Board at the same time.

Section 2. Directors During Declarant Control.

The Directors shall be selected by the Declarant acting in its sole discretion and shall serve at the pleasure of the Declarant so long as the Declarant has sole voting rights as set forth in Section 7 of Article II, unless the Declarant shall earlier surrender this right to select Directors. The Directors selected by the Declarant need not be members of the Association. After the period of Declarant appointment, however, all Directors must be members of the Association or spouses of such members.

Section 3. Nomination of Directors.

Except with respect to Directors selected by the Declarant, those selected by the special meeting provided for in the second sentence of Section 4 of this Article III and those selected by the Board of Directors to fill vacancies, nominations for election to the Board of Directors shall be made by a Nominating Committee. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two (2) or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors not less than thirty (30) days 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 such 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 in no event less than the number of vacancies or terms to be filled. Nominations shall be permitted from the floor. All candidates shall have a reasonable opportunity to communicate their qualifications to the members and to solicit votes.

Section 4. Number of Directors.

The number of initial Directors is fixed by the Articles of Incorporation. Within sixty (60) days after the Declarant, pursuant to Section 7 of Article II, is no longer entitled alone to select Directors or has surrendered the right, the Board of Directors shall call a special meeting of the members to elect three (3) additional Directors. The Board so constituted shall serve until the next annual meeting of the members. At that annual meeting the members shall elect five (5) Directors. Thereafter the Board of Directors shall consist of five (5) members, but such number may be increased or decreased as provided herein without action of the members. The Board of Directors may increase or decrease the number of Directors by amendment to these By-Laws. Any increase in the size of the Board of Directors shall create a vacancy which may be filled immediately by the existing Directors without any vote of the members. No decrease in the number of Directors shall have the effect of shortening the term of office of any incumbent Director.

Section 5. Term of Directors.

Immediately following the first annual meeting of members at which Declarant no longer is solely entitled to elect Directors, the Directors elected at that meeting shall divide themselves into three classes, each class to be as nearly equal in number as possible. The term of Directors of the first class shall expire at the first annual meeting of the members after their election; those of the second class, at the second such annual meeting after their election; and those of the third class, at the third such annual meeting after their election. At the expiration of the initial term of office of each member of the Board of Directors, a successor shall be elected to serve for a term of three (3) years. The members of the Board of Directors shall hold office until their respective successors shall have been elected and qualified.

Section 6. Voting Procedure for Directors.

In voting on Directors, the members or their proxies may cast as many votes as they are entitled to exercise under the provisions of these By-Laws. The persons receiving the largest number of votes shall be elected. A member shall be entitled to cumulate his/her votes for one or more candidates for the Board, if the candidate's name has been placed in nomination prior to voting, and if the member has given notice at the meeting, prior to the voting, of his intention to cumulate votes. Voting for Directors shall be by secret written ballot.

Section 7. Vacancies.

Any vacancy in the Board of Directors may be filled by the affirmative vote of a majority of the remaining Directors though less than a quorum of the Board of Directors. A Director elected to fill a vacancy shall be elected for the un-expired term of his/her predecessor in office, in any.

B. Meetings.

Section 8. Organization Meetings.

The first meeting of the members of the Board of Directors following each annual meeting of the membership shall be held at such time and place as shall be fixed by the Board.

Section 9. Regular Meetings.

Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors, but at least four (4) such meetings shall be held during each fiscal year with at least one (1) per fiscal quarter. Notice of the time and place of the meeting shall be given personally, by electronic e-mail, or by posting on the Associations' website and shall be communicated to Directors not less than four (4) days prior to the meeting. Notice of a meeting need not be given to any Director who has signed a waiver of notice or a written consent to holding of the meeting.

Section 10. Special Meetings.

Special meetings of the Board of Directors shall be held when called by written notice signed by the President, Vice President, or Secretary of the Association, or by any two (2) Directors. The notice shall specify the time and place of the meeting and may, but need not, specify the nature of any special business to be considered. The notice shall be given to each Director by one of the following methods: (a) by personal delivery; (b) written notice by first class mail, postage prepaid; (c) by telephone communication, either directly to the Director or to a person at the Director's office who would reasonable be expected to communicate such notice promptly to the Director; or (d) by electronic e-mail. All such notices shall be given or sent to the Director's address or telephone number as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, or e-mail shall be delivered, telephoned, or emailed at least seventy-two (72) hours before the time set for the meeting. Notice given in accordance with this Section 10 shall be deemed timely delivered.

Section 11. Waiver of Notice.

The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 12. Quorum of Board of Directors.

At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If less than a majority of directors is present at any meeting of the Board of Directors, a majority of those present may adjourn the meeting from time to time. At an adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called, may be transacted without further notice.

Section 13. Compensation.

No Director shall receive compensation from the Association for acting as such unless approved by a majority vote of the total voting power of the Association at a regular or special meeting of the Association.

Section 14. Conduct of Meetings.

The President shall preside over all meetings of the Board of Directors, and the Secretary shall keep a minute book of the Board of Directors, recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings.

Section 15. Open Meetings.

All meetings of the Board shall be open to all members, but members other than Directors may not participate in any discussion or deliberation unless expressly so authorized by a majority of a quorum of the Board.

Section 16. Executive Session.

The Board may, with approval of a majority of a quorum, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, and matters of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

Section 17. Action Without a Formal Meeting.

Any action to be taken at a meeting of the Directors or any action that may be taken at a meeting of the Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors. An explanation of the action taken shall be posted on the Association website or communicated to members by e-mail within three (3) days after the written consents of all Board members have been obtained.

C. Powers and Duties.

Section 18. Powers.

All corporate powers shall be exercised by or under the authority of, and the affairs of the Association shall be managed under the direction of, the Board of Directors.

The Board of Directors shall delegate to one of its members the authority to act on behalf of the Board of Directors on all matters relating to the duties of the Managing Agent or Manager, if any, which might arise between meetings of the Board of Directors.

In addition to the duties imposed by these By-Laws or by any resolution of the Association that may be hereafter adopted, the Board of Directors shall have the power to and be responsible for the following, by way of explanation, but not limitation:

- (a) preparation and adoption of an annual budget in which there shall be established the contribution of each owner to the common expense.
- (b) making assessment to defray the common expenses, the expenses of stocking water impoundments with fish and maintaining easements (including fencing) for horse trails, as provided in the Declaration, establishing the means and methods of collecting such assessments, and establishing the period of the installment payments of the annual assessment (Unless otherwise determined by the Board of Directors, the annual assessment against the proportionate share of the common expenses shall be payable in equal monthly installments, each such installment to be due and payable in advance on the first day of each month for said month.);
- (c) providing for the operation, care, upkeep, and maintenance of the Common Property and any Area of Common Responsibility;
- (d) designating, hiring, and dismissing the personnel necessary for maintenance, operation, repair, and replacement of the Association, its property, and the Area of Common Responsibility and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and material to be used by such personnel in the performance of their duties;
- (e) collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to administer the Association;
- (f) making and amending rules and regulations;
- (g) opening of bank accounts on behalf of the Association and designating the signatories required;
- (h) making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Property in accordance with the provisions of the Declaration and these By-Laws after damage or destruction by fire or other casualty;
- (i) enforcing by judicial proceedings the provisions of the Declaration, these By-Laws, and any rules and regulations adopted by it and bringing any proceedings which may be instituted on behalf of or against any Owner concerning the Association;
- (j) obtaining and carrying insurance against casualties to Association property, against liabilities of the Association and, at the Board's option, against the liabilities of Association Directors and Offices as such, and providing for paying the premium cost thereof;
- (k) paying the cost of all services rendered to the Association or its members and not chargeable to Owners; and

(l) keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration specifying the maintenance and repair expenses and any other expenses incurred. The said books and vouchers shall be available for examination by the members, their mortgages, their real estate contract sellers, and their duly authorized agents, accountants, or attorneys, during general business hours on working days at the time in a manner that shall be set and announced by the Board of Directors for the general knowledge of the members. All books and records shall be kept in accordance with generally accepted accounting principles consistently applied.

Section 19. Management Agent.

(a) The Board of Directors may employ for the Association a professional management agent or agents at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate to the managing agent or manager, subject to the Board's supervision, all of the powers granted to the , Board of Directors by these By-Laws, other than the powers set forth in subparagraphs (a), (b), (f), (g), and (i) of Section 18 of this Article. The Declarant, or an affiliate of the Declarant, may be employed as managing agent or manager.

(b) No management contract may have a term longer than one (1) year and must permit termination by either party without cause, without liability for termination, and without termination fee on ninety (90) days or less written notice.

Section 20. Accounts and Reports.

The following management standards of performance will be followed unless the Board by resolution specifically determines otherwise:

(a) accrual accounting, as defined by generally accepted accounting principles, shall be employed;

(b) accounts of the Association shall not be commingled with any other accounts;

(c) no remuneration shall be accepted by the Managing Agent from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; anything of value received shall benefit the Association;

(d) any financial or other interest which the Managing Agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board of Directors; and

(a) commencing at the end of the fiscal quarter in which the first Lot is sold and closed, quarterly financial reports shall be prepared for the Association containing:

(i) an Income Statement reflecting all income and expense activity for the preceding three (3) months on an accrual basis;

(ii) an Account Activity Statement reflecting all receipt and disbursement activity for the preceding three (3) months on an accrual basis;

(iii) an Account Status Report reflecting the status of all accounts in an "actual" versus "approved" budget formant with a Budget Report reflecting any actual or pending obligations which are in excess of budgeted amounts by an amount exceeding the operating reserves often (10%) of a major budget category (as distinct from a specific line item in an expended chart of accounts);

(iv) a Balance Sheet of an accounting date which is the last day of the fiscal quarter, and an Operating Statement for that fiscal quarter, which shall be distributed to the members within sixty (60) days after the accounting date (This operatingstatement shall include a schedule of assessments received and receivables identified by the numbers of the Lots and the name or names of the Owners assessed.);

(v) for the last fiscal quarter a Balance Sheet as of the last day of the Association's fiscal year and an Operating Statement for said fiscal year, which shall be distributed within ninety (90) days after the close of a fiscal year;

(vi) a Delinquency Report listing all owners who have been delinquent during the preceding three-month (3) period in paying the monthly installments of assessments and who remain delinquent at the time of the report and describing the status of any action to collect such installments which remain delinquent (A monthly installment of the assessment shall be considered delinquent (A month installment of the assessment shall be considered to be delinquent on the fifteenth (I 5) day of each month.);

(vii) for the last quarter, an annual report consisting of the following shall be distributed to the members within one hundred twenty (120) days after the close of the fiscal year: (1) a balance sheet as or the end of the fiscal year; (2) an operating (income) statement for the fiscal year; (3) a statement of changes in financial position for the fiscal year; and (4) any information required to be reported under paragraph 3 of Section 504A.83 of the Iowa Nonprofit Corporation Act. If said report is not prepared by an independent accountant, it shall be accompanied by the certificate of an authorized officer of the Association that the statements were prepared without audit from the books and records of the Association.

Section 21. Borrowing.

The Board of Directors shall have the power to borrow money for the purpose of repair or restoration of the Common Property and facilities, and other property owned by the Association, without the approval of the members of the Association; provided, however, that the Board shall obtain membership approval by a majority of the voting power, at a special meeting called for that purpose, of proposed special assessments on owners in the event that the proposed borrowing is for the purpose of modifying, improving, or adding amenities and the total amount of such borrowing exceeds or would exceed five percent (5%) of the budgeted gross expenses of the Association for that fiscal year.

Section 22. Rights of the Association.

With respect to the Common Property or other Association-owned property or any Area of Common Responsibility, the Association shall have the right to contract with any person for the performance of various duties and functions.

Section 23. Non-Judicial Enforcement Procedures.

The Board of Directors may adopt rules or regulations under which it may non-judicially enforce compliance by Owners and occupants of Dwelling Houses with the provision of the Declaration, the Articles of incorporation, these By-Laws, and rules and regulations. Such enforcement may include reasonable fines, other reasonable sanctions and suspension of voting rights for violating such provisions. Resort to the procedures set out below to enforce such compliance shall not be prerequisite to seeking judicial relief for any such violation nor shall the pendency of such procedures prevent the granting of such relief. The Board shall not, however, impose a fine or other sanction of suspend voting rights except in accordance with the following:

(a) Demand. Written demand to cease and desist from an alleged violation shall be served upon the alleged violator specifying:

(i) the alleged violation;

(ii) the action required to abate the violation; and

(iii) a time period, not less than ten (10) days, during which the violation may be abated without further sanction if such violation is a continuing one, or a statement that any further violation of the same rule may result in the imposition of a sanction after notice and hearing if the violation is not continuing.

(b) Notice. At the time within twelve (12) months of such demand, if the violation continues past the period allowed in the demand for abatement without penalty, or if the same rule is subsequently violated, the Board or its delegate shall serve the violator with written notice of a hearing to be held by the Covenants and Architectural Committee in executive session. The notice shall contain:

(i) the nature of the alleged violation;

(ii) the time and place of the hearing, which time shall not be less than ten (10) days from the giving of notice;

(iii) an invitation to attend the hearing and produce any statement, evidence, and witness of his or her behalf; and

(iv) the proposed sanction to be imposed.

(c) Hearing. The hearing shall be held in executive session pursuant to this notice affording the member a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of notice and the invitation to be heard shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, Director, or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

(d) Appeal. Following a hearing before the Covenants and Architectural Committee, the violator shall have the right to appeal the decision to the Board of Directors. To perfect this right, a written notice of appeal must be received by the Manager, President, or Secretary of the Association within thirty (30) days after the hearing date.

(e) Manner of Service. The notices and demands provided for in this Section 23 shall be served by personal service in the manner specified in Rule 56.1 (or any successor to said rule) of the Iowa Rules of Civil Procedure as then in force.

(f) Effect of Non-payment of Fine. If a member shall fail to pay a fine assessed under this section, such non-payment shall constitute a lien upon the lot(s) owned by the member against whom the fine was imposed until such time as said fine is paid in full. The Board of Directors of the Association may cause a lien to be placed against the lot(s) of such member by filing a notice of non-payment of the fine in the county recorder's office, Dallas County, Iowa, where the same will be a lien against the lot(s) until paid. This line may be foreclosed in the same manner as other liens or mortgages. The Board of Directors may file a lawsuit against the lot owner(s) for non-payment of such fine plus reasonable attorney fees and court costs incurred enforcing this section.

Section 24. Prohibited Acts.

The Board of Directors shall not take any of the following actions except with the written consent of a majority of the total voting power of the Association:

(a) incurring aggregate expenditures for capital improvements to the Common Property or any Area of Common Responsibility in any fiscal year in excess of twenty percent (20%) of the budgeted gross expenses of the Association for the fiscal year;

- (b) selling during any fiscal year property of the Association having an aggregate fair market value greater than twenty percent (20%) of the budgeted gross expenses of the Association for that fiscal year;
- (c) paying compensation to members of the Board or to the officers of the Association for services preformed in the conduct of the Association's affairs; provided, however, that the Board may cause a member or officer to be reimbursed for expenses incurred in carrying on the business of the Association;
- (d) levy special assessments which in the aggregate exceed twenty percent (20%) of the budgeted gross expenses of the Association for that fiscal year;
- (e) fill a vacancy on the Board created by the removal of a Director; or
- (f) enter into a contract with a third person wherein the third person will furnish goods or services for the Common Property or the Association for a term longer than one (1) year with the following exceptions:
 - (i) a management contract pursuant to Section 19 of this Article III;
 - (ii) a contract with a public utility company, if the rates charged for the materials or services are regulated by the Iowa Utilities Division; provided, however, the terms of the contract shall not exceed the shortest term for which the supplier will contract at the regulated rate; and
 - (iii) prepaid casualty and/or liability insurance policies of not to exceed three (3) years duration, provided that the policy permits short-rate cancellation by the insured.

ARTICLE IV OFFICERS

Section 1. Officers.

The officers of the Association shall be a President, Vice President, Secretary, and Treasurer. The Board of Directors may elect such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board of Directors. Any two or more offices may be held by the same person, excepting the offices of President and Secretary. The President and Treasurer shall be elected among the Board of Directors.

Section 2. Election, Term of Office, and Vacancies.

The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the members, as herein set forth in Article III. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the un-expired portion of the term.

Section 3. Removal.

Any officer may be removed by the Board of Directors wherever in its judgment the best interest of the Association will be served thereby.

Section 4. Powers and Duties.

The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time be specifically conferred or imposed by the Board of Directors. The President shall be the Chief Executive Officer of the Association. The Treasurer shall be the Chief Financial Officer and shall have primary responsibility for the preparation of the annual budget of the Association and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

Section 5. Resignation.

Any officer may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Agreements, Contracts, Deeds, Leases, Checks, Etc.

All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least two (2) officers or by such other person or persons as may be designated by resolution of the Board of Directors.

ARTICLE V COMMITTEES

Section 1. General.

Committees to perform such tasks and to serve for such periods as may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present are hereby authorized. Such committees shall perform such duties and have such powers as may be provided in the resolution. Each committee shall be composed as required by, and shall operate in accordance with the terms of, the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors.

Section 2. Covenants and Architectural Committee.

The Board of Directors shall appoint a "Covenants and Architectural Committee" consisting of at least three (3) and no more than seven (7) members of the Association. The Covenants and Architectural Committee, subject to the oversight and review by the Board, shall have authority to approve or deny requests by Members for any applicable modifications, changes, and improvements to lot properties and dwellings for compliance with the Covenants of the Association. This committee shall also serve as the hearing and enforcement tribunal if the Board implements Section 23. Acting in accordance with the provisions of these By-Laws and resolutions the Board may adopt, the Covenants and Architectural Committee shall be the hearing tribunal of the Association.

ARTICLE VI MISCELLANEOUS

Section 1. Fiscal Year.

The initial fiscal year of the Association shall be set by resolution of the Board of Directors.

Section 2. Parliamentary Rules.

Except as may be modified by Board resolution establishing modified procedures, Robert's Rules of Order (current edition) shall govern the conduct of Association proceedings when not in conflict with Iowa law, the Articles of Incorporation, the Declaration, or these By- Laws.

Section 3. Conflicts.

If there are conflicts or inconsistencies between the provisions of Iowa law, the Articles of Incorporation, the Declaration, and these By-Laws, the provisions of Iowa law, the Declaration, the Articles of Incorporation, and these By-Laws (in that order) shall prevail.

Section 4. Books and Records.

(a) Inspection by Members and Mortgages. The Declaration and By-Laws, membership register, books of account, and minutes of meetings of the members, of the Board, and of committees shall be made available for inspection and copying by any mortgagee or real estate contract seller of any Lot, member of the Association, or by the duly appointed representative of the person entitled to inspect and copy, at any reasonable time and for a purpose reasonable related to his/her interest at the office of the Association or at such other place within Dallas County, Iowa, as the Board shall prescribe.

(b) Rules of Inspection. The Board shall establish reasonable rules with respect to:

- (i) notice to be given to the custodian of the records;
- (ii) hours and days of the week when such an inspection may be made; and
- (iii) payment of the cost of making copies of documents requested.

(c) Inspection by Directors. Every Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a Director includes the right to make extracts and copies of documents at the expense of the Association.

Section 5. Notices.

Unless otherwise provided in these By-Laws, all notices, demands, bills, statements, or other communications under these By-Laws shall be in writing and shall be deemed to have

been duly given if delivered personally or if sent by registered or certified mail, return receipt requested, first class postage prepaid:

(a) If to a member, at the address which the member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Dwelling of such member; or (b) if to the Association, the Board of Directors, or the Managing Agent: at the principal office of the Association or the Managing Agent, if any, or at such other address as shall be designated by the notice in writing to the owners pursuant to this Section.

Section 6. Amendment.

These By-Laws may be altered, amended or repealed and new By-Law may be adopted at any meeting of the Board of Directors of the Association at which a quorum is present, by a majority vote of Directors present at the meeting.

Section 7. Fiscal Year.

The fiscal year of the Association will be the calendar year.

Section 8. Indemnification.

Service on the Board of Directors of the Association, or as an officer, or employee thereof, or any such service at the request of the Association in a like position on behalf of any other corporation, partnership, joint venture, trust, or other entity, is deemed by the Association to have been undertaken and carried on in reliance by such persons on the full excise by the Association on all powers of indemnification which are granted to it under the Iowa Nonprofit Corporation Act as amended from time to time . Accordingly, the Association shall exercise all of its permissive powers whenever, as often as necessary, and to the fullest extent possible to indemnify such persons. Such indemnification shall be limited or denied only when and to the extent that the Iowa Nonprofit Corporation Act or applicable legal principles limit or deny the Association's authority to so act. This By-Law and the indemnification provisions of the Iowa Nonprofit Corporation Act (to the extent not otherwise governed by controlling precedent) shall be construed liberally in favor of the indemnification of such persons.

The undersigned Secretary of the Southfork Homeowners Association, Inc. does hereby certify that the foregoing represents the duly constituted By-Law of the Association as amended this _____ day of _____, 2020.

SOUTHFORK HOMEOWNERS ASSOCIATION, INC.

Secretary