

BYLAWS  
OF  
LOTUS HOMEOWNERS ASSOCIATION

I. NAME AND OFFICE.

The name of the corporation is LOTUS HOMEOWNERS ASSOCIATION, a Wyoming nonprofit corporation (“the Homeowner Association”). The initial office of the Homeowner Association shall be at 415 W. 17<sup>th</sup> St., Suite 100, Cheyenne, Wyoming.

II. PURPOSE, NONPROFIT, POWERS AND DEFINITIONS.

1. Purpose. The Homeowner Association is organized as the entity required by the Declaration of Covenants, Conditions, Restrictions and Easements and Party Wall Agreement for the Lotus Townhomes (“the Declaration”), recorded on August 2, 2019, in the office of the Clerk in and for Laramie County, Wyoming. The Homeowner Association shall perform all of the duties and obligations of the Homeowner Association as set forth in the Declaration, as amended from time to time.

2. Nonprofit. The Homeowner Association is not organized for profit. No part of the earnings of the Homeowner Association shall inure to the benefit of or be distributed to the members, the Board, or the officers of the Homeowner Association, or other private persons, except that the Homeowner Association shall be authorized and empowered to pay reasonable compensation for services rendered to it and to make payments and distributions in furtherance of the purposes set forth in the Declaration.

3. Powers. The Homeowner Association shall have all of the powers set forth in the Declaration, as amended from time to time.

4. Definitions. In addition to any terms defined in specific provisions of these bylaws, unless the context clearly indicates otherwise, terms when capitalized shall have the meaning given in the Declaration, and any modifications thereto.

III. MEMBERS.

1. Membership. By purchasing a Lot, an Owner consents to become a member of the Homeowner Association for no additional consideration. Homeowner Association membership is appurtenant to and may not be separated from ownership of a Lot. Ownership of a Lot is the sole qualification for membership in the Homeowner Association. The membership of the Homeowner Association shall at all times consist exclusively of the Owners.

An Owner remains a member of the Homeowner Association for the period of ownership. Upon transfer of a Lot by sale or by operation of law, the Owner’s Homeowner Association membership immediately terminates and transfers to the purchaser.

2. Voting. The Homeowner Association shall have one voting class. One equal vote in the Homeowner Association is allocated to Lots 1 through 10. The Owners of each of

those ten Lots shall exercise the right to vote on Homeowner Association matters submitted to them for approval as provided in the Declaration. Cumulative voting is not permitted.

3. Transfers of Interest. No member of the Homeowner Association may transfer such member's membership or any right arising therefrom, except as appurtenant to the transfer of such member's Unit as provided in the Declaration.

4. Resignation. A member may not resign from the Homeowner Association.

5. Termination or Expulsion; Suspension. A membership interest in the Homeowner Association may not be terminated. Members may not be expelled from the Homeowner Association. However, the voting rights of a member may be suspended by action of the Board if such member fails to pay any assessment or charge lawfully imposed upon such member, as Owner, or if such member willfully violates rules and regulations set out in the HOA Documents.

#### IV. MEETINGS AND ACTIONS OF THE MEMBERS.

1. Annual and Regular Meetings.

(a) The Homeowner Association shall hold the annual meeting of the members in December of each year, on a day and time stated or fixed in accordance with a resolution of the Board.

(b) The Homeowner Association may hold regular membership meetings on a date and time stated or fixed in accordance with a resolution of the Board.

(c) Annual and regular membership meetings may be held in or out of this state at a place stated or fixed in accordance with a resolution of the Board. If no place is so stated or fixed, annual and regular meetings shall be held at the Homeowner Association's principal office.

(d) The failure to hold an annual or regular meeting at the time and date determined pursuant to this section shall not affect the validity of any action of the Homeowner Association, and shall not work a forfeiture or dissolution of the Homeowner Association.

2. Special Meeting.

(a) The Homeowner Association shall hold a special meeting of its members:

(1) on call of the Board or the person or persons authorized by resolution of the Board to call such a meeting; or

(2) if the Homeowner Association receives one or more written demands for the meeting, stating the purpose or purposes for which it is to be held,

signed and dated by members holding at least 40 percent (40%) of all the votes entitled to be cast on any issue proposed to be considered at the meeting.

(b) The record date for determining the members entitled to demand a special meeting pursuant to subsection (a)(2) of this section is the date of the earliest of any of the demands pursuant to which the meeting is called, or the date that is 30 days before the date the first of such demands is received by the Homeowner Association, whichever is later.

(c) If a notice for a special meeting demanded pursuant to subsection (a)(2) of this section is not given within 30 days after the date the written demand or demands are delivered to an officer of the Homeowner Association, regardless of the requirements of subsection (d) of this section, a person signing the demand or demands may set the time and place of the meeting and give notice.

(d) Special meetings of the members may be held in or out of this state, at a place stated or fixed in accordance with a resolution of the Board. If no place is so stated or fixed, special meetings shall be held at the Homeowner Association's principal office.

(e) Only business within the purpose or purposes described in the notice of the meeting may be conducted at a special meeting of the members.

3. Right to Attend. Notwithstanding the provisions of any of the HOA Documents to the contrary, all meetings of the Homeowner Association shall be open to every member or to any person designated by a member in writing as the member's representative, and all members or designated representatives so desiring shall be permitted to attend, listen and speak at an appropriate time during the deliberations and proceedings; except that the Board may place reasonable time restrictions on those persons speaking during the meeting, but shall permit a member or a member's designated representative to speak before formal action is taken on any item under discussion, in addition to any other opportunities to speak. A reasonable number of persons shall be provided an opportunity to speak on each side of an issue.

4. Notice of Meeting.

(a) The Homeowner Association shall give notice of every annual, regular and special meeting in a fair and reasonable manner to each member entitled to vote at the meeting.

(b) Notice is fair and reasonable if:

(1) the Homeowner Association notifies its members of the date, time and place of each annual, regular and special meeting of members no fewer than ten days and no more than 45 days before the meeting date;

(2) notice of an annual or regular meeting includes a description of any matter or matters that must be approved by the members or for which the members'

approval is sought; and

(3) notice of a special meeting includes a description of the purpose or purposes for which the meeting is called.

(c) Any notice that conforms with the criteria set out in subsection (b) of this section is fair and reasonable, but other means of giving notice may also be fair and reasonable when all the circumstances are considered.

(d) If an annual, regular or special meeting of members is adjourned to a different date, time or place, notice need not be given of the new date, time or place if the new date, time or place is announced at the meeting before adjournment. If a new record date for the adjourned meeting is or must be fixed, however, notice of the adjourned meeting must be given to the members of record as of the new record date.

(e) When giving notice of an annual, regular or special meeting of members, the Homeowner Association shall give notice of a matter a member intends to raise at the meeting if:

(1) requested in writing to do so by a Person entitled to call a special meeting; and

(2) the request is received by the secretary or president of the Homeowner Association at least ten days before the Homeowner Association gives notice of the meeting.

(f) The Homeowner Association is encouraged to provide all notices and agendas in electronic form by posting on a web site or social media, and in printed form. The Homeowner Association shall provide notice of all regular and special meetings of members by email to all members who so request and who furnish to the Homeowner Association their email addresses. Electronic notice of a special meeting shall be given as soon as possible but at least three days before the meeting.

(g) The record date for determining members entitled to be given notice of a meeting of the members is the end of the day which is one week before the meeting.

##### 5. Waiver of Notice.

(a) A member may waive any notice required by these bylaws, whether before or after the date or time stated in the notice as the date or time when any action will occur or has occurred. The waiver shall be in writing, be signed by the member entitled to the notice, and be delivered to the Homeowner Association for inclusion in the minutes or filing with the Homeowner Association records, but such delivery and filing shall not be conditions of the effectiveness of the waiver.

(b) A member's attendance at a meeting:

(1) waives objection to lack of notice or defective notice of the meeting unless the member, at the beginning of the meeting, objects to holding the meeting or transacting business at the meeting because of lack of notice or defective notice; and

(2) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice unless the member objects to considering the matter when it is presented.

6. Action Without Meeting.

(a) Any action required or permitted to be taken at a members' meeting may be taken without a meeting, if members entitled to cast ninety percent (90%) of the votes entitled to be cast by all members, agree and consent to such action in writing.

(b) No action taken pursuant to this section shall be effective unless writings describing and consenting to the action, signed by members sufficient under subsection (a) of this section to take the action and not revoked pursuant to subsection (c) of this section, are received by the Homeowner Association within 60 days after the date the earliest dated writing describing and consenting to the action is received by the Homeowner Association. Any such writing may be received by the Homeowner Association by electronic transmitted facsimile or other form of wire or wireless communication providing the Homeowner Association with a complete copy thereof, including a copy of the signature thereto. Action taken pursuant to this section shall be effective when the last writing necessary to effect the action is received by the Homeowner Association unless the writings describing and consenting to the action set forth a different effective date.

(c) Any member who has signed a writing describing and consenting to action taken pursuant to this section may revoke such consent by a writing signed and dated by the member describing the action and stating the member's prior consent thereto is revoked if such writing is received by the Homeowner Association before the last writing necessary to effect the action is received by the Homeowner Association.

(d) The record date for determining members entitled to take action without a meeting or entitled to be given notice of action so taken under subsection (f) of this section is the date a writing upon which the action is taken pursuant to subsection (a) of this section is first received by the Homeowner Association.

(e) Action taken under this section has the same effect as action taken at a meeting of members and may be described as such in any document.

(f) In the event action is taken under subsection (a) of this section with less than unanimous consent of all members entitled to vote upon the action, the Homeowner

Association or the members taking the action shall promptly, after all of the writings necessary to effect the action have been received by the Homeowner Association, give notice of such action to all members who were entitled to vote upon the action. The notice shall contain or be accompanied by the same material, if any, that would have been required to be given to members in or with a notice of the meeting at which the action would have been submitted to the members for action.

(g) All signed, written instruments necessary for any action taken pursuant to this section shall be filed with the minutes of the meetings of the members.

7. Meetings by Telecommunications. Any or all of the members may participate in an annual, regular or special meeting of the members by, or the meeting may be conducted through the use of, any means of communication by which all persons participating in the meeting may hear each other during the meeting. A member participating in a meeting by this means is deemed to be present in person at the meeting.

8. Action by Written Ballot.

(a) Any action that may be taken at any annual, regular or special meeting of members may be taken without a meeting if the Homeowner Association delivers a written ballot to every member entitled to vote on the matter.

(b) A written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action.

(c) Approval by written ballot pursuant to this section shall be valid only when the number of votes cast by ballot equals or exceeds a quorum and the number of votes cast in favor of the action 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.

(d) All solicitations for votes by written ballot shall:

(1) indicate the number of responses needed to meet the quorum requirements;

(2) state the percentage of approvals necessary to approve each matter other than election of directors;

(3) specify the time by which a ballot must be received by the Homeowner Association in order to be counted; and

(4) be accompanied by written information sufficient to permit each Person casting such ballot to reach an informed decision on the matter.

(e) A written ballot may not be revoked.

(f) Action taken under this subsection has the same effect as action taken at a meeting of members and may be described as such in any document.

## V. MEMBER VOTING.

### 1. Members List for Meeting and Action by Written Ballot.

(a) The Homeowner Association shall prepare an alphabetical list of the names of all its members who are entitled to notice of, and to vote at, a meeting or to take such action by written ballot. The list shall show the address of each member entitled to notice of, and to vote at, the meeting or to take such action by written ballot, and the number of votes each member is entitled to vote at the meeting or by written ballot.

(b) If prepared in connection with a meeting of the members, the members list shall be available for inspection by any member entitled to vote at the meeting, beginning two business days after notice of the meeting is given, and continuing through the meeting and any adjournment thereof, at the Homeowner Association's principal office or at a place identified in the notice of the meeting in the city where the meeting will be held. The Homeowner Association shall make the members list available at the meeting, and any member entitled to vote at the meeting, or an agent or attorney of a member entitled to vote at the meeting, is entitled to inspect the list at any time during the meeting or any adjournment. If prepared in connection with action to be taken by the members by written ballot, the members list shall be available for inspection by any member entitled to cast a vote by such written ballot, beginning on the date that the first written ballot is delivered to the members and continuing through the time when such written ballots must be received by the Homeowner Association in order to be counted, at the Homeowner Association's principal office. A member entitled to vote at the meeting or by such written ballot, or an agent or attorney of a member entitled to vote at the meeting or by such written ballot, is entitled on written demand to inspect and copy the list during regular business hours, at the member's expense, and during the period it is available for inspection.

(c) Failure to prepare or make available the list of members does not affect the validity of action taken at the meeting or by means of such written ballot.

### 2. Voting Entitlement.

(a) Only members shall be entitled to vote with respect to any matter required or permitted to be submitted to a vote of the members.

(b) Members shall be entitled to vote with respect to all matters required or permitted to be submitted to a vote of the members.

(c) Each member entitled to vote shall be entitled to vote on each matter

submitted to a vote of members as provided in the Declaration and these bylaws.

(d) If a single membership interest stands of record in the names of two or more Persons, such Persons collectively shall be regarded as the single member entitled to its one vote, to be cast as such Persons shall agree between or among themselves. Any one of such Persons may vote with respect to a matter required or permitted to be submitted to a vote of the members, and such vote shall bind all of the other Persons comprising the member in such matter. Their vote shall bind all of the Persons comprising such member in any matter required or permitted to be submitted to a vote of the members. Persons comprising a single member may use a proxy to appoint the Person authorized to vote as described in section 3 of this article, but are not required to use a proxy.

### 3. Proxies.

(a) A member entitled to vote may vote or otherwise act in person or by proxy. A proxy shall not be valid if obtained through fraud or misrepresentation.

(b) Without limiting the manner in which a member may appoint a proxy to vote or otherwise act for the member, the following shall constitute valid means of such appointment:

(1) A member may appoint a proxy by signing an appointment form, either personally or by the member's attorney-in-fact.

(2) A member may appoint a proxy by sending or authorizing the sending of an email, fax or other form of wire or wireless communication providing a written statement of the appointment to the proxy or to the Homeowner Association; except that the transmitted appointment shall set forth or be transmitted with written evidence from which it can be determined that the member transmitted or authorized the transmission of the appointment.

(c) An appointment of a proxy is effective against the Homeowner Association when received by the Homeowner Association, including receipt by the Homeowner Association of an appointment transmitted pursuant to subsection (b)(2) of this section. An appointment is valid for eleven months unless a different period is expressly provided in the appointment form not to exceed three years from the date of the proxy.

(d) Any complete copy, including an electronically transmitted facsimile, of an appointment of a proxy may be substituted for or used in lieu of the original appointment for any purpose for which the original appointment could be used.

(e) An appointment of a proxy is revocable by the member.

(f) Appointment of a proxy is revoked by the person appointing the proxy attending any meeting and voting in person or signing and delivering to the secretary or other



officer or agent authorized to tabulate proxy votes either a writing stating that the appointment of the proxy is revoked or a subsequent appointment form.

(g) The death or incapacity of the member appointing a proxy does not affect the right of the Homeowner Association to accept the proxy's authority unless notice of the death or incapacity is received by the secretary or other officer or agent authorized to tabulate votes before the proxy exercises the proxy's authority under the appointment.

(h) Subject to any express limitation on the proxy's authority appearing on the appointment form, the Homeowner Association is entitled to accept the proxy's vote or other action as that of the member making the appointment.

4. Homeowner Association's Acceptance of Votes.

(a) If the name signed on a vote, consent, written ballot, waiver, proxy appointment, or proxy appointment revocation corresponds to the name of a member, the Homeowner Association, if acting in good faith, is entitled to accept the vote, consent, written ballot, waiver, proxy appointment, or proxy appointment revocation, and to give it effect as the act of the member.

(b) If the name signed on a vote, consent, written ballot, waiver, proxy appointment, or proxy appointment revocation does not correspond to the name of a member, the Homeowner Association, if acting in good faith, is nevertheless entitled to accept the vote, consent, written ballot, waiver, proxy appointment, or proxy appointment revocation, and to give it effect as the act of the member if:

(1) The member is an entity and the name signed purports to be that of an officer or agent of the entity;

(2) The name signed purports to be that of an administrator, executor, guardian, or conservator representing the member and, if the Homeowner Association requests, evidence of fiduciary status acceptable to the Homeowner Association has been presented with respect to the vote, consent, written ballot, waiver, proxy appointment, or proxy appointment revocation;

(3) The name signed purports to be that of a receiver or trustee in bankruptcy of the member and, if the Homeowner Association requests, evidence of this status acceptable to the Homeowner Association has been presented with respect to the vote, consent, written ballot, waiver, proxy appointment, or proxy appointment revocation;

(4) The name signed purports to be that of a pledgee, beneficial Owner, or attorney-in-fact of the member and, if the Homeowner Association requests, evidence acceptable to the Homeowner Association of the signatory's authority to sign for the member has been presented with respect to the vote, consent, written ballot,

waiver, proxy appointment, or proxy appointment revocation;

(5) Two or more persons are the member as co-tenants or fiduciaries and the name signed purports to be the name of at least one of the co-tenants or fiduciaries and the person signing appears to be acting on behalf of all of the co-tenants or fiduciaries; or

(6) The acceptance of the vote, consent, written ballot, waiver, proxy appointment, or proxy appointment revocation is otherwise proper under rules established by the Homeowner Association that are not inconsistent with the provisions of this subsection (b).

(c) The Homeowner Association is entitled to reject a vote, consent, written ballot, waiver, proxy appointment, or proxy appointment revocation if the secretary or other officer or agent authorized to tabulate votes, acting in good faith, has reasonable basis for doubt about the validity of the signature on it or about the signatory's authorization to sign for the member.

(d) The Homeowner Association and its officer or agent who accepts or rejects a vote, consent, written ballot, waiver, proxy appointment, or proxy appointment revocation, in good faith and in accordance with the standards of this section, are not liable in damages for the consequences of the acceptance or rejection.

(e) Homeowner Association action based on the acceptance or rejection of a vote, consent, written ballot, waiver, proxy appointment, or proxy appointment revocation under this section is valid unless a court of competent jurisdiction determines otherwise.

(f) In the case where a member is an entity or where approval is required by a third party which is an entity, the Homeowner Association is entitled to accept the vote provided the individual who casts the vote for the entity presents the Homeowner Association with a written resolution or other written authorization to vote for the entity.

## 5. Quorum and Voting Requirements.

(a) Fifty-one percent (51%) of the votes entitled to be cast on the matter by the members constitutes a quorum of the members for action on that matter.

(b) Once a member is represented for any purpose at a meeting, including the purpose of determining that a quorum exists, the member is deemed present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting, unless a new record date is or shall be set for that adjourned meeting.

(c) If a quorum exists, action on a matter is approved if the votes cast favoring the action exceed the votes cast opposing the action unless a greater number of affirmative votes is required by these bylaws or the Declaration.

6. Voting Agreements. Two or more members may provide for the manner in which they will vote by signing an agreement for that purpose. A voting agreement created under this section is specifically enforceable.

7. Election of Board Members. Votes for contested positions on the Board shall be taken by secret ballot, and at the discretion of the Board or upon the request of one or more members who are present at the meeting in person or by proxy if a quorum has been achieved, a vote on any other matter affecting the Lotus Townhomes on which all members are entitled to vote, shall be by secret ballot. Ballots shall be counted by a neutral third party or by a committee of volunteers, such volunteers shall be unit Owners who are selected or appointed at an open meeting, in a fair manner, by the chair of the Board, or another person presiding during that portion of the meeting. The volunteers shall not be board members and, in the case of a contested election for a board position, shall not be candidates. The results of a vote taken by secret ballot shall be reported without reference to names, addresses or other identifying information.

## VI. OBLIGATIONS OF THE MEMBERS.

1. Assessments. Except as otherwise provided in the Declaration, all members shall be obligated to pay the assessments imposed by the Homeowner Association pursuant to the Declaration. A member shall be deemed to be in good standing and entitled to vote at any annual meeting or special meeting of the members within the meanings of these bylaws if, and only if, the member shall have fully paid all assessments due against the Unit(s) owned by the member as of the date of the meeting.

2. Evidence of Ownership. Upon request of the Homeowner Association, any person becoming an Owner of a Unit shall furnish to the Homeowner Association a copy of the recorded instrument vesting that person with an interest or ownership in the Unit, which copy shall remain in the files of the Homeowner Association.

3. Registration of Mailing Address. The Owner or Owners of one Unit shall have one and the same registered mailing address to be used by the Homeowner Association for the mailing of statements, notices, demands, and all other communications, and such registered address shall be the only mailing address of the Owner or Owners of the Unit. The registered address of an Owner shall be furnished by such member to the Homeowner Association within fifteen (15) days after the transfer of title or any change of address, and such registration shall be in written form and signed by the Owner or Owners of each Unit. If no address is registered or if all members cannot agree, then the address of the Unit shall be deemed the registered address for the purposes of these bylaws until another registered address is furnished as required by this section. If the Unit is the registered address of the member(s), then any notice shall have been deemed to be duly given if delivered to any person occupying that Unit or, if such Unit is unoccupied, if the notice is held and available for the member(s) at the principal office of the Homeowner Association.

## VII. BOARD OF DIRECTORS.

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

2. Qualifications of Directors. A director shall be an individual who is 18 years of age or older. A director need not be a resident of this state or a member of the Homeowner Association.

3. Number of Directors. The Board shall consist of three directors. The number of voting directors may be increased or decreased, but to no fewer than three, from time to time by amendment these bylaws.

4. Election and Appointment of Directors. Directors shall be elected at the first annual meeting of members, and at each annual meeting of members thereafter, except that during the Period of Declarant Control as defined in the Declaration the directors shall be appointed by the Declarant.

5. Terms of Directors.

(a) Except for appointed directors, the terms of directors shall be three years. Appointed directors shall serve for the Period of Declarant Control, or for a one-year period, whichever period is shorter.

(b) A decrease in the number of directors or in the term of office does not shorten an incumbent director's term.

(c) The term of a director filling a vacancy in the office of an elected director expires at the next election of directors by members. The term of a director filling a vacancy in the office of an appointed director expires at the end of the unexpired term that the director is filling.

(d) Despite the expiration of a director's term, a director continues to serve until the director's successor is elected or appointed, and qualifies, or until there is a decrease in the number of directors.

6. Resignation of Directors.

(a) A director may resign at any time by giving written notice of resignation to the president or secretary of the Homeowner Association.

(b) The resignation of a director is effective when the notice is received by the Homeowner Association unless the notice specifies a later effective date. If a resignation is made effective at a later date, the Board may fill the pending vacancy before the effective date if the Board provides that the successor does not take office until the effective date.

7. Removal of Directors. Directors may be removed as follows:

(a) The members may remove one or more directors elected by them with or without cause, provided that such a director is removed:

(1) only if the number of votes cast to remove the director would be sufficient to elect the director at a meeting to elect directors, and

(2) only at a meeting called for the purpose of removing that director, and the meeting notice shall state that the purpose, or one of the purposes, of the meeting is removal of the director.

(b) One or more appointed directors may be removed with or without cause by the declarant, who shall do so by giving written notice of the removal to the director and either to the president or secretary of the Homeowner Association. Such a removal is effective when the notice is effective unless the notice specifies a future effective date.

8. Vacancy on the Board of Directors.

(a) Except as provided in subsection (b) of this section, if a vacancy occurs on the Board, including a vacancy resulting from an increase in the number of directors:

(1) the members may fill the vacancy; or

(2) the Board may fill the vacancy; and

(3) if the directors remaining in office constitute fewer than a quorum of the Board, they may fill the vacancy by the affirmative vote of a majority of all the directors remaining in office.

(b) If a vacant office was held by an appointed director, only the declarant may fill the vacancy.

9. Compensation of Directors. Directors shall not receive compensation for service on the Board. However, any director may be reimbursed for the actual expenses incurred by the director in the performance of his or her duties.

VIII. MEETINGS AND ACTIONS OF THE BOARD.

1. Meetings.

(a) The board may hold regular or special meetings in or out of this state.

(b) The board may permit any director to participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which

all directors participating may hear each other during the meeting. A director participating in a meeting by this means is deemed to be present in person at the meeting.

(c) Notwithstanding any provision in any of the Documents to the contrary, all meetings of the Board are open to every member of the Homeowner Association and to any person designated by a member in writing as the member's representative, at an appropriate time determined by the Board, but before the Board votes on an issue under discussion, members or their designated representatives shall be permitted to speak regarding that issue. If more than one person desires to address an issue and there are opposing views, the Board may place reasonable time restrictions on those persons speaking during the meeting. The board shall provide for a reasonable number of persons to speak on each side of the issue.

2. Notice of Meeting.

(a) Regular meetings of the Board may be held without notice of the date, time, place, or purpose of the meeting.

(b) Special meetings of the Board shall be preceded by at least two (2) days' notice to each director of the date, time and place of the meeting. The notice need not describe the purpose of the special meeting.

3. Waiver of Notice.

(a) A director may waive any notice of a meeting before or after the time and date of the meeting stated in the notice. Except as provided by subsection (b) of this section, the waiver shall be in writing, and signed by the director entitled to the notice. Such waiver shall be delivered to the Homeowner Association for filing with the Homeowner Association records, but such delivery and filing shall not be conditions of the effectiveness of the waiver.

(b) A director's attendance at or participation in a meeting waives any required notice to that director of the meeting unless, at the beginning of the meeting or promptly upon the director's later arrival, the director objects to holding the meeting or transacting business at the meeting because of lack of notice or defective notice and does not thereafter vote for or assent to action taken at the meeting.

4. Quorum and Voting.

(a) A quorum of the Board consists of a majority of the voting directors in office immediately before the meeting begins.

(b) If a quorum is present when a vote is taken, the affirmative vote of a majority of voting directors present is the act of the Board unless the vote of a greater number of voting directors is required by law, these bylaws or the Declaration.

(c) A voting director who is present at a meeting of the Board when

Homeowner Association action is taken is deemed to have assented to all action taken at the meeting unless:

(1) the director objects at the beginning of the meeting, or promptly upon the director's arrival, to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to any action taken at the meeting;

(2) the director contemporaneously requests that the director's dissent or abstention as to any specific action taken be entered in the minutes of the meeting; or

(3) the director causes written notice of the director's dissent or abstention as to any specific action to be received by the presiding officer of the meeting before adjournment of the meeting or by the Homeowner Association promptly after adjournment of the meeting.

(e) The right of dissent or abstention pursuant to subsection (d) of this section as to a specific action is not available to a voting director who votes in favor of the action taken.

5. Action Without Meeting.

(a) Any action required or permitted to be taken at a board of directors meeting may be taken without a meeting if each and every voting director in writing either:

(1) votes for such action; or

(2) votes against such action or abstains from voting, and waives the right to demand that action not be taken without a meeting.

(b) Action is taken under this section only if the affirmative vote for such action equals or exceeds the minimum number of votes that would be necessary to take such action at a meeting at which all of the voting directors then in office were present and voted.

(c) No action taken pursuant to this section shall be effective unless writings describing the action taken and otherwise satisfying the requirements of subsection (a) of this section, signed by all voting directors and not revoked pursuant to subsection (d) of this section, are received by the Homeowner Association. Any such writing may be received by the Homeowner Association by electronically transmitted facsimile or other form of wire or wireless communication providing the Homeowner Association with a complete copy of the document, including a copy of the signature on the document. A voting director's right to demand that action not be taken without a meeting shall be deemed to have been waived if the Homeowner Association receives a writing satisfying the requirements of subsection (a) of this section that has been signed by the director and not revoked pursuant to subsection (d) hereinafter. Action taken pursuant to this section shall be effective when the last writing necessary to effect the

action is received by the Homeowner Association unless the writings describing the action taken set forth a different effective date.

(d) Any voting director who has signed a writing pursuant to this section may revoke such writing by a separate writing signed and dated by the director describing the action and stating that the director's prior vote with respect thereto is revoked, if such writing is received by the Homeowner Association before the last writing necessary to effect the action is received by the Homeowner Association.

(e) Action taken pursuant to this section has the same effect as action taken at a meeting of directors and may be described as such in any document.

(f) All signed, written instruments necessary for any action taken pursuant to this section shall be filed with the minutes of the meetings of the Board.

6. Committees of the Board.

(a) The board may create one or more committees of the Board and appoint one or more directors to serve on them.

(b) The creation of a committee of the Board and appointment of directors to it shall be approved by a majority of all the directors in office when the action is taken.

(c) Action without meeting, notice, waiver of notice, and quorum and voting requirements of the Board apply to committees of the Board and their members as well.

(d) To the extent specified by the Board, each committee of the Board shall have the authority of the Board, except that a committee of the Board shall not; (i) authorize distributions, (ii) approve or propose to members actions that are required to be approved by members, (iii) elect, appoint or remove any director, or (iv) amend articles of incorporation, adopt, amend or repeal bylaws, or approve a plan of merger not requiring member approval.

7. Executive Sessions.

(a) The members of the Board or any committee thereof may hold an executive or closed-door session and may restrict attendance to board members and such other persons requested by the Board during a regular or specially announced meeting or a part thereof. The matters to be discussed at such an executive session shall include only the following matters:

(1) Matters pertaining to employees of the Homeowner Association or involving employment, promotion, discipline or dismissal of an officer, agent or employee of the Homeowner Association.

(2) Consultation with legal counsel concerning disputes that are the



subject of pending or imminent court proceedings or matters that are privileged or confidential between attorney and client. Upon the final resolution of any matter for which the Board received legal advice for the concerned pending or contemplated litigation, the Board may elect to preserve the attorney/client privilege in any appropriate manner, or it may elect to disclose such information as it deems appropriate about such matter in an open meeting.

(3) Investigative proceedings concerning possible or actual criminal misconduct.

(4) Matters subject to specific constitutional, statutory, or judicially imposed requirements protecting particular proceedings or matters from public disclosure.

(5) Any matter the disclosure of which would constitute an unwarranted invasion of individual privacy.

(b) Prior to the time the Board or any committee thereof convenes in executive session, the chair of the body shall announce the general matter of discussion as enumerated in subsections (a) through (e) above. No rule or regulation of the Board or any committee thereof shall be adopted during an executive session. A rule or regulation may be validly adopted only during a regular or special meeting or after the body goes back into regular session following an executive session. The minutes of all meetings at which an executive session was held shall indicate that an executive session was held and the general subject matter of the executive session.

## IX. OFFICERS.

1. Officers. The Homeowner Association shall have a president, vice president, secretary, treasurer, and such other officers as may be designated by the Board. An officer shall be an individual who is 18 years of age or older. An officer need not be a director or a member of the Homeowner Association. Officers may be appointed by the Board. A duly appointed officer may appoint one or more officers or assistant officers if authorized by the Board. The same individual may simultaneously hold more than one office in the Homeowner Association, except the office of president and secretary. The board shall appoint the following officers with the following duties and authority:

(a) President. The president shall be the chief executive officer of the Homeowner Association. The president shall preside at all meetings of the Homeowner Association and of the Board. The president shall have the general powers and duties that are usually vested in the office of president of a corporation, including, but not limited to, the power to appoint committees from and among the members from time to time as the president may determine to be appropriate to assist in the conduct of the affairs of the Homeowner Association or as may be established by the Board or by the members of the Homeowner Association at any regular or special meetings.

(b) Vice President. The vice president shall have all the powers and authority and perform all functions and duties of the president in the absence of the president or his or her inability for any reason to exercise such powers and functions or to perform such duties.

(c) Secretary. The secretary shall have responsibility for the preparing minutes of all directors' and members' meetings, and authenticating records of the Homeowner Association. The secretary shall have charge of all books and papers that the Board may direct and shall, in general, perform all duties incident to the office of the secretary. The secretary shall compile and keep up to date at the principal office of the Homeowner Association a complete list of the members and their registered addresses as shown on the record of the Homeowner Association.

(d) Treasurer. The treasurer shall have the responsibility for the Homeowner Association funds and shall be responsible for keeping a full and accurate account of all receipts and disbursements in the books belonging to the Homeowner Association; provided, however, that when a manager has been delegated the responsibility of collecting and disbursing funds, the treasurer's responsibility shall be to review the accounts of the manager not less often than quarterly. The treasurer shall perform such other duties as from time to time may be assigned by the Board or provided for by the declaration.

2. Resignation and Removal of Officers. An officer may resign at any time by giving written notice of resignation to the Homeowner Association. A resignation of an officer is effective when the notice is received by the Homeowner Association unless the notice specifies a later effective date. If a resignation is made effective at a later date, the Board may permit the officer to remain in office until the effective date and may fill the pending vacancy before the effective date with the provision that the successor does not take office until the effective date, or the Board may remove the officer at any time before the effective date and may fill the resulting vacancy. The board may remove any officer at any time without cause; or the Board may make provisions for the removal of officers by other officers.

## X. LIMITED LIABILITY OF DIRECTORS AND OFFICERS.

There shall be no personal liability, either direct or indirect, of any director or officer to the Homeowner Association to its members for monetary damages for any breach or breaches of fiduciary duty as director or officer, except that this provision shall not eliminate the liability of a director or officer to the Homeowner Association or its members for monetary damages for any breach, act, omission or transaction to which the Wyoming Nonprofit Corporation Act expressly prohibits the elimination of liability.

## XI. HOMEOWNER ASSOCIATION RECORDS.

### 1. Homeowner Association Records.

(a) The Homeowner Association shall keep as permanent records minutes of all meetings of the members and board, a record of all actions taken by the members or board

without a meeting, a record of all actions taken by a committee of the Board in place of the Board on behalf of the Homeowner Association, and a record of all waivers of notices of meetings of members and of the Board or any committee of the Board.

(b) The Homeowner Association shall maintain appropriate accounting records.

(c) The Homeowner Association or its agent shall maintain a record of its members in a form that permits preparation of a list of the names and addresses of all members in alphabetical order, showing the number of votes each member is entitled to vote.

(d) The Homeowner Association shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time.

(e) The Homeowner Association shall keep a copy of each of the following records at its principal office:

(1) articles of incorporation;

(2) these bylaws;

(3) resolutions adopted by the Board relating to the characteristics, qualifications, rights, limitations and obligations of members or any class or category of members;

(4) minutes of all members' meetings and records of all action taken by members without a meeting for the past three years;

(5) all written communications within the past three years to members generally as members;

(6) a list of the names and business or home addresses of its current directors and officers;

(7) a copy of its most recent corporate report delivered to the Wyoming Secretary of State; and

(8) all financial statements prepared for periods ending during the last three years that a member could have requested under this article.

## 2. Inspection of Homeowner Association Records by Members.

(a) A member is entitled to inspect and copy, during regular business hours at the Homeowner Association's principal office, any of the records of the Homeowner Association described in subsection (e) of section 1, if the member gives the Homeowner Association written

demand at least five business days before the date on which the member wishes to inspect and copy such records, or at the next regularly scheduled meeting, if such meeting occurs within 30 days after the request.

(b) A member is entitled to inspect and copy, during regular business hours at a reasonable location specified by the Homeowner Association, any records of the Homeowner Association other than those described in subsection (a) if the member meets the requirements of subsection (c) of this section and gives the Homeowner Association written demand at least five (5) business days before the date on which the member wishes to inspect and copy such records.

(c) A member may inspect and copy the Homeowner Association records described in subsection (b) only if:

(1) the member has been a member for at least three months immediately preceding the demand to inspect or copy or is a member holding at least five percent (5%) of the voting power as of the date the demand is made;

(2) the demand is made in good faith and for a proper purpose;

(3) the member describes with reasonable particularity the purpose and the records the member desires to inspect; and

(4) the records are directly connected with the described purpose.

(d) For purposes of this section:

(1) "Member" includes a beneficial Owner whose membership interest is held in a voting trust and any other beneficial Owner of a membership interest who establishes beneficial ownership.

(2) "Proper purpose" means a purpose reasonably related to the demanding member's interest as a member.

(e) The right of inspection granted by this section may not be abolished or limited.

(f) The Homeowner Association may charge a fee which may be collected in advance, but which shall not exceed the Homeowner Association's actual cost per page for copies of Homeowner Association records.

(g) This section does not affect:

(1) the right of a member to inspect records to the same extent as any other litigant if the member is in litigation with the Homeowner Association; or

(2) the power of a court to compel the production of Homeowner Association records for examination.

3. Scope of Member's Inspection Right.

(a) A member's agent or attorney has the same inspection and copying rights as the member.

(b) The right to copy records under this article includes, if reasonable, the right to receive copies made by photographic, xerographic, electronic, or other means.

(c) The Homeowner Association may impose a reasonable charge, covering the costs of labor and material, for copies of any documents provided to the member. The charge may not exceed the estimated cost of production and reproduction of the records.

(d) The Homeowner Association may comply with a member's demand to inspect the record of members by furnishing to the member a list of members that was compiled no earlier than the date of the member's demand.

4. Limitations on Use of Membership List.

(a) Without consent of the Board, a membership list or any part thereof may not be obtained or used by any person for any purpose unrelated to a member's interest as a member without.

(b) Without limiting the generality of subsection (a) of this section, without the consent of the Board, a membership list or any part thereof may not be:

(1) used to solicit money or property unless such money or property will be used solely to solicit the votes of the members in an election to be held by the Homeowner Association;

(2) used for any commercial purpose; or

(3) sold to or purchased by any person.

XII. AMENDMENT.

These Bylaws may be amended by the affirmative vote of Owners of Units to which fifty-one percent (51%) or more of the votes have been allocated who are voting in person or by proxy at a meeting called for such purpose at which a quorum is present.

The undersigned certifies that these bylaws of Lotus Homeowners Homeowner

Association were adopted by the initial directors at their organizational meeting held on July \_\_\_\_, 2020.

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Secretary