

CERTIFICATE

Joni TerHark, states under oath as follows:

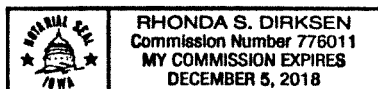
1. I am the duly elected and acting Secretary of Asbury Farm Homeowners' Association, Inc. (the "Association").
2. Attached to this Certificate is a copy of Resolution passed by the Board of Directors of the Association at its annual meeting on April 18, 2016, approving the Amended and Restated Bylaws of the Association.
3. A true, correct, and complete copy of the Amended and Restated Bylaws are attached to this Certificate.
4. Attached is a copy of the Notices of Meeting of Board of Directors and Members to consider adoption of the Amended and Restated Bylaws mailed to the Directors and Members of the Association by first class mail not less than ten (10) days before the date of the meeting pursuant to §504.705 of the Iowa Code.
5. A quorum of Directors was present at the meeting and each of the Directors voted to approve the adoption of the Amended and Restated Bylaws.
6. At the meeting more than two-thirds (2/3) of the votes cast by the members of the Association who were present at the meeting approved the adoption of the Amended and Restated Bylaws.

Dated this 27 day of April, 2016.

Joni TerHark
Joni TerHark, Secretary

STATE OF IOWA, COUNTY OF CERRO GORDO) ss:

This Certificate was executed before me on the 27 day of April, 2016, by Joni TerHark, as Secretary, of Asbury Farm Homeowners' Association, Inc., on behalf of which it was executed.



Rhonda S. Dirksen
Notary Public in and for said State

RESOLUTION APPROVING AMENDED AND RESTATED BYLAWS OF
ASBURY FARM HOMEOWNERS' ASSOCIATION, INC.
(THE "ASSOCIATION")

BE IT RESOLVED by the Board of Directors of the Association that:

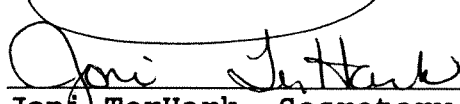
1. Notice of the Annual Meeting of Board of Directors and Members of the Association was mailed by first class mail to all Members and Directors of the Association more than ten (10) days prior to the annual meeting on March 25, 2016.
2. Present at the meeting were Directors:

Kenneth C. Zimmerman
Andrew J. Flagge
Joni TerHark
Roger A. Peterson
Gary D. Anderson
Nathan R. Halverson
James A. Brevig.
3. Each Director voted in favor of adoption of the Amended and Restated Bylaws.
4. More than two-thirds (2/3) of Members present at the meeting voted in favor of adoption of the Amended and Restated Bylaws.
5. **THE AMENDED AND RESTATED BYLAWS OF ASBURY FARM HOMEOWNERS' ASSOCIATION, INC., PRESENTED TO THE DIRECTORS AND MEMBERS AT THE MEETING ON APRIL 18, 2016, SHALL BE AND THEY ARE HEREBY ADOPTED EFFECTIVE APRIL 18, 2016. SECRETARY TERHARK SHALL SIGN A CERTIFICATE OF THIS ACTION TAKEN BY THE BOARD OF DIRECTORS AND MEMBERS OF THE ASSOCIATION AND SHALL CAUSE A TRUE, CORRECT, AND COMPLETE COPY OF THIS RESOLUTION, NOTICE TO DIRECTORS AND MEMBERS, AND THE AMENDED AND RESTATED BYLAWS TO BE PUBLISHED IN THE ASSOCIATION'S WEBSITE AT WWW.ASBURYHOAMASONCITY.ORG.**

Passed and approved by the Board of Directors of Asbury Farm Homeowners' Association, Inc. on April 18, 2016.



Kenneth C. Zimmerman, President



Joni TerHark, Secretary

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 OF

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AMENDED AND RESTATED
BYLAWS
OF
ASBURY FARM HOMEOWNERS' ASSOCIATION, INC.
AS OF APRIL 18, 2016

ARTICLE I. NAME AND LOCATION

The name of the Corporation is **ASBURY FARM HOMEOWNERS' ASSOCIATION, INC.**, and the principal office of the Corporation shall be located in Mason City, Cerro Gordo County, Iowa.

ARTICLE II. DEFINITIONS

- Section 1. "Association" shall mean and refer to Asbury Farm Homeowners' Association, Inc. and its successors and assigns.
- Section 2. "Properties" shall mean and refer to that real property contained within the following:
- (a) Asbury Farm, Mason City, Iowa;
 - (b) Asbury Farm Second Subdivision, Mason City, Iowa;
 - (c) Asbury Farm Third Addition, Mason City, Iowa;
 - (d) Asbury Farm Fourth Addition, Mason City, Iowa;
 - (e) Asbury Farm Fifth Addition, Mason City, Iowa;
 - (f) Asbury Farm Sixth Addition, Mason City, Iowa;
 - (g) Asbury Farm Seventh Addition, Mason City, Iowa;
 - (h) Asbury Farm Eighth Subdivision, Mason City, Iowa;
 - (i) Asbury Farm Ninth Subdivision, Mason City, Iowa;

and such additions or subdivisions thereto as may be hereafter brought within the jurisdiction of the Association.

- Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Members of the Association.
- Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision plat of the properties with the exception of the Common Area. If a lot, or any portion of a lot, as shown on the

recorded subdivision plat is added to an adjacent lot, the combined land shall be considered as one lot for all purposes under these Bylaws.

Section 5. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot which is a part of the properties, including contract sellers, but excluding those having such interests merely as security for the performance of an obligation.

Section 7. "Declarant" shall mean and refer to Asbury Farm Corporation, or its successors and assigns.

Section 8. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions, and Restrictions, as amended, applicable to the properties recorded in the office of the Cerro Gordo County Recorder.

ARTICLE III. MEMBERSHIP

Section 1. Membership. Every person or entity who is a record owner of a fee or undivided fee interest in any lot which is subject by covenants of record to assessment by the Association including contract sellers, shall be a Member of the Association. Any firm, person, corporation or other entity shall succeed to title of any owner through foreclosure of a mortgage or other security instrument or through other legal proceedings, shall upon issuance of the official deed to any lot, become thereupon a Member of the Association and succeed to the rights, duties, and liabilities of the previous owner as herein provided. Conveyances by such person, firm, corporation, or other entity shall pass membership in the Association to the buyer. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from membership of any lot which is subject to assessments by the Association. Ownership of such lot shall be the sole qualification for membership.

- Section 2.** Suspension. During any period in which a Member shall be in default in the payment of any annual or special assessment levied by the Association, the voting rights and right to use of the recreational facilities of such Members may be suspended by the Board of Directors until such assessment has been paid. Such rights of a Member may also be suspended after notice and hearing for violation of any rules and regulations established by the Board of Directors governing the use of the Common Area facilities.
- Section 3.** Annual Meeting. The annual meeting of the Members shall be held during the month of April as determined by the Board.
- Section 4.** Special Meetings. Special meetings of the Members may be called at any time by the President, by the Board of Directors, or upon written request of Members who are entitled to vote one-fourth of all the votes of the entire membership.
- Section 5.** Notice of Meetings. Notice stating the place, day and hour of any meeting of Members shall be delivered to each Member entitled to vote at such meeting, not less than ten (10) nor more than sixty (60) days before the date of such meeting or if notice is mailed by other than first class or registered mail not less than thirty (30) days before the date of the meeting. In case of a special meeting or when required by statute or by these Bylaws, the purposes for which the meeting is called shall be stated in the notice. Notice may be communicated in person, by mail, or other method of delivery, or by telephone, voice mail, or other electronic means. Written notice by the Association to its Members, if in a comprehensible form, is effective according to one of the following: (i) upon deposit in the United States mail, if mailed post-paid and correctly addressed to the Member's address shown in the Association's current record of Members; or (ii) when electronically transmitted to the Member in a manner authorized by the Member.

Section 6.

Waiver of Notice.

- (a) Any Member may waive any notice required by law or these Bylaws if in writing and signed by any Member entitled to such notice, whether before or after the date and time stated in such notice. Such a waiver shall be equivalent to notice to such Member in due time as required by law or these Bylaws. Any such waiver shall be delivered to the Association for inclusion in the minutes or filing with the Association's records.
- (b) A Member's attendance at a meeting, in person or by proxy, waives (i) objection to lack of notice or defective notice of such meeting, unless the Member at the beginning of the meeting or promptly upon the Member's arrival objects to holding the meeting or transacting business at the meeting, and (ii) objection to consideration of a particular matter at the meeting that is not within the purpose of purposes described in the meeting notice, unless the Member objects to considering the matter when it is presented.

Section 7.

Record Date. The Board of Directors may fix a record date for determining the Members entitled to notice of a Members' meeting. The record date fixed shall not be more than seventy (70) days before the meeting or action requiring a determination of Members occurs. If a record date is not fixed by the Board of Directors, Members at the close of business on the business day preceding the date on which notice is given, or if notice is waived, at the close of business on the business day preceding the day on which the meeting is held, are entitled to notice of the meeting. A determination of Members entitled to notice of or to vote at a membership meeting is effective for any adjournment of the meeting unless the Board of Directors fixes a new date for determining the right to notice of the right to vote. The Board of Directors must fix a new date if the meeting is adjourned to a date more than seventy (70) days after the record date for determining Members entitled to notice of the original meeting.

Section 8. Members' List. After fixing a record date for a meeting, the Secretary shall prepare an alphabetical list of the names of all Members who are entitled to notice of a Members' meeting. The list must show the address of and number of votes entitled to be cast at the meeting by the Member. The Members' list must be available for inspection by any Member beginning two (2) business days after notice of the meeting is given for which the list was prepared and continuing through the meeting, at the Association's principal office or at a place identified in the meeting notice in the city where the meeting will be held. A Member, or a Member's agent or attorney, is entitled on written demand to inspect and, subject to the requirements of law, to copy the list, during regular business hours and at the person's expense, during the period it is available for inspection. The Association shall make the Members' list available at the meeting, and any Member, or a Member's agent or attorney, is entitled to inspect the list at any time during the meeting or any adjournment.

Section 9. Quorum and Action. The Members holding one-tenth (1/10) of the votes which may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting of Members, a majority of the Members present may adjourn the meeting without further notice. If quorum exists, action on a matter is approved if the votes cast by the Members favoring the action exceed the votes cast opposing the action, unless a greater number is required by law.

Section 10. Proxies. At any meeting of Members, a Member entitled to vote may vote by proxy executed in writing by the Member or by the Member's 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. A Member or Member's agent or attorney-in-fact may appoint a proxy to vote or otherwise act for the Member by signing an appointment form or by an electronic transmission that complies with Article XVIII (Electronic Transmission) of these Bylaws. An electronic transmission must contain or be

accompanied by information from which one can determine that the Member, the Member's agent, or the Member's attorney-in-fact authorized the electronic transmission.

Section 11. Ballot Voting. An action based on a written ballot may be taken provided the number of votes cast meets the quorum and number of approvals meets the number requirements set forth in Section 9. A written ballot may be transmitted and a vote may be cast on that ballot electronically in accordance with Article XVIII (Electronic Transmission) of these Bylaws.

Section 12. Informal Action by Members. Any action required by law 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 out the action so taken, shall be signed by at least eighty percent (80%) of the Members entitled to vote with respect to the subject matter of the action. The Member consent may be transmitted electronically in accordance with Article XVIII. Written notice of Member approval must be given to all Members who have not signed the written consent. If written notice is required, Member approval shall be effective ten (10) days after such written notice is given. A written consent may be revoked by a writing to that effect received by the Association prior to the receipt by the Association of unrevoked written consents sufficient in number to take the Association action.

Section 13. Election of Directors. The election of the Board of Directors by the Members will occur at the annual meeting of Members.

ARTICLE IV. VOTING RIGHTS

All Members, including Declarant, shall be entitled to one (1) vote for each lot (or adjacent lots or portions combined and used as one lot) in which they hold an interest required for membership as defined in Article III, Section 1, of these Bylaws. When more than one (1) person holds such interest in any lot, all such persons shall be Members. The vote for each lot shall be exercised as they may among themselves determine, but in no event shall more than one (1) vote be cast with respect to any lot.

ARTICLE V. MEMBERSHIP PROPERTY RIGHTS

Section 1.

Easement of Enjoyment. Every Member shall have a right and easement of enjoyment in and to the Common Area which Declarant has agreed it will convey to the Association pursuant to the Declaration as amended and supplemented, and such easement shall be appurtenant to and shall pass with the title to every assessed lot, subject to the following provisions:

- (a) Subject to the provisions of Section 2 of this Article, use of the Common Area shall be restricted to Members and their guests, and the Association shall have the right to limit the number of guests and Members and to adopt reasonable regulations applicable to use by guest;
- (b) The Association shall have the right to charge a reasonable admission or other fee for the use of any recreational facility situated upon the Common Area;
- (c) The Association shall have the right to contract with the Declarant or with any other person, persons, or entity for the charging of reasonable admission or other fees in exchange for management, development, maintenance, and improvement of any such recreational area;
- (d) The Association shall have the right to borrow money for the purpose of repairing and/or improving the Common Area and facilities and in aid thereof to mortgage said property;
- (e) The Association shall have the right to suspend the voting rights and rights to use of the Common Area and recreational facilities by a Member for any period during which any assessment against his or her lots remains unpaid and for any infraction of its published rules and regulations; and
- (f) The Association (upon approval of its Members as hereinafter provided) shall have the right to dedicate or transfer all of any part of the Common Area to the City of Mason City with its consent for such purposes and subject to such

conditions as may be agreed to by the Members. No such dedication or transfer shall be effective, unless an instrument signed by Members entitled to cast two-third (2/3) of the votes of all Members entitled to vote has been recorded, agreeing to such dedication or transfer, and unless written notice of the proposed action is sent to every Member not less than thirty (30) days nor more than sixty (60) days in advance. Declarant shall have the right at any time prior to the complete development of the properties described in Article II, Section 2, to use so much of the Common Area as it deems necessary or advisable for the purpose of aiding in the construction and development of unimproved lots, and shall have the further right to dedicate such easements and rights-of-way in the Common Area as it may consider to be necessary or advisable for the purposes of development.

Section 2. Right to Delegate. Any Member may delegate in writing filed with the Secretary of the Association his or her right of enjoyment to the Common Areas and facilities to the Members of his or her family, his or her tenants, or contract purchasers who reside on the property.

ARTICLE VI. BOARD OF DIRECTORS

Section 1. Number and Term. The management and affairs of the Association shall be managed by a Board of ten (10) Directors. All Directors shall be elected from the membership. Three (3) of the initial Board of Directors shall be elected for a term of one (1) year; three (3) of the initial Board of Directors shall be elected for a term of two (2) years; and four (4) of the initial Board of Directors shall be elected for a term of three (3) years. Thereafter, Directors shall be elected for a term of three (3) years.

Section 2. Vacancy. Vacancies on the Board of Directors shall be filled by a vote of the remaining Directors and any appointed Director shall serve for the unexpired term of his or her predecessor.

- Section 3.** Removal. Any Director may be removed by vote of the Board of Directors whenever in its judgment the best interest of the Association shall be served thereby.
- Section 4.** Compensation. No Director shall receive compensation for any service he or she may render to the Association, but any Director may be reimbursed for his or her actual expenses incurred in the performance of his or her duties.
- Section 5.** Regular Meeting. A regular annual meeting of the Board of Directors shall be held without other notice than this Bylaw immediately after and at the same place as the annual meeting of Members. The Board of Directors may provide by resolution the time and place for the holding of additional regular meetings of the Board without other notice than the resolution.
- Section 6.** Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two (2) Directors. The persons authorized to call special meetings of the Board may fix any place as the place for holding any special meeting of the Board called by them.
- Section 7.** Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business. If less than a majority of the Directors are present at the meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.
- Section 8.** Notice. Notice of any special meeting of the Board of Directors shall be given at least two (2) days previously by written notice delivered personally or sent by mail, fax, or other electronic means to each Director at the Director's address as shown by the records of the Association. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed with postage prepaid. If notice is given by fax or other electronic means, it shall be deemed to be delivered when successfully transmitted to the recipient. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting,

except when a Director attends a meeting for the expressed purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these Bylaws.

Section 9. **Place of Meetings.** The Board of Directors may hold its meetings at such place or places within or without the State of Iowa as the Board may from time to time determine. A Director may participate in any meeting by any means of communication, including, but not limited to telephone conference call by which all Directors may simultaneously 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.

Section 10. **Manner of Acting.** The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors unless the act of a greater number is required by law or by these Bylaws.

Section 11. **Nomination and Election.** Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting of Members. The Nominating Committee shall consist of three (3) Members of the Association appointed by the incorporators of Asbury Farm Homeowners' Association, Inc. Thereafter, the Nominating Committee shall consist of a Chairman, who shall be a Member of the Board of Directors, and two (2) more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall serve until the close of the next subsequent 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 not less than the number of vacancies that are to be filled. The nominations shall be among Members. Election to the Board of Directors shall

be by written ballot. At such election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to cast under these Bylaws. The persons receiving the largest number of votes shall be elected.

Section 12. **Powers.** The Board of Directors shall have power to:

- (a) Adopt and publish rules and regulations governing the use of the Common Area and facilities, the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;
- (b) Exercise for the Association all powers, duties, and authority vested in or delegated to the Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;
- (c) Declare the office of a Member of the Board of Directors to be vacant in the event such Member shall be absent from three (3) consecutive regular meetings of the Board of Directors;
- (d) Employ a manager, independent contractor, or such other employees as deemed necessary and to prescribe their duties;
- (e) Enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of the Declaration. Failure by the Board of Directors of the Association or by any owner to enforce any covenant or restriction of the Declaration shall in no event be deemed a waiver of the right to do so thereafter;
- (f) Supervise all officers, agents, and employees of this Association and see that their duties are properly performed;

- (g) To fix, levy, collect, and enforce payment by any lawful means of all charges or assessments against Member lots in accordance with the Declaration of Covenants, Conditions, and Restrictions recorded April 30, 1974, in Book 9, at page 353. The Board shall fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment and send written notice of the assessment to every owner subject to assessment immediately thereafter;
- (h) Issue or cause an appropriate officer to issue upon demand by any person a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of this certificate. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (i) Procure and maintain adequate liability and hazard insurance on property owned by the Association;
- (j) Cause all officers or employees having fiscal responsibilities to be bonded as it may be deemed appropriate;
- (k) Cause the Common Area to be developed and maintained;
- (l) Interpret any restriction contained in the Declaration of Covenants, Conditions, and Restrictions for the Asbury subdivisions as recorded in Cerro Gordo County;
- (m) Charge a reasonable admission or other fee for the use of any recreational facility situated upon the Common Area;
- (n) Suspend the voting rights and rights to use the Common Area and other recreational facilities by a Member for any period during which any assessment against his or her lot remains unpaid and for a period not to exceed thirty (30) days for any infraction of its published rules and regulations;

- (o) File a Verified Claim with the Cerro Gordo County Recorder for the purpose of extending the period of enforceability of Use Restrictions contained or referred to in the Declaration and the Plat and Supplement pertaining to any addition or subdivision of Asbury Farm; and
- (p) File a Reinstatement of Use Restrictions described in the Declaration as Covenants, Conditions, and Restrictions for purpose of reinstating the enforceability of those use restrictions under Iowa law in the event any may have expired as provided in §614.24(1) of the Iowa Code.

Section 13. Duties. The Board of Directors shall have the following duties:

- (a) Fix the amount of the annual assessment against each lot on March 1 of each year or on any date at least thirty (30) days in advance of the annual assessment period and send written notice to every owner as provided in these Bylaws;
- (b) Issue upon demand by any person a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of the certificate. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (c) Procure and maintain adequate liability and hazard insurance on property owned by the Association;
- (d) Cause all officers or employees having fiscal responsibilities to be bonded as deemed appropriate;
- (e) Cause the Common Area to be developed and maintained; and
- (f) To provide for the architectural control of Member lots.

Section 14. Informal Action by Directors. Any action required by law to be taken at a meeting of Directors, or any action which may be taken at a meeting of Directors, may be taken without a meeting if a consent in writing, setting out the action so taken, shall be signed by all of the Directors. The Director consent may be transmitted electronically in accordance with Article XVIII (Electronic Transmission) of these Bylaws. A Director's consent may be withdrawn by a revocation signed by the Director and delivered to the Association prior to the delivery to the Association of unrevoked written consents signed by all the Directors.

ARTICLE VII. OFFICERS

Section 1. Officers. The officers of the Association shall consist of a President, a Vice President, a Secretary, and a Treasurer. The Board of Directors may also elect such additional officers, if any, as it may deem necessary from time to time.

Section 2. Term and Election. The officers shall hold office from the date of their respective elections for one (1) year or until their successors are duly elected and qualified. The officers shall be elected by vote of the Board of Directors. In case of any vacancy in any office of the Association, the vacancy shall be filled by vote of the Board of Directors.

Section 3. Removal. Any officer may be removed by a vote of the Board of Directors whenever, in its judgment, the best interests of the Association shall be served thereby.

Section 4. Compensation. No stated compensation shall be paid officers, but the Board of Directors may, in its discretion and by proper resolution, authorize compensation for officers, and payment of expenses from time to time for services rendered on behalf of the Association.

Section 5. Duties.

- (a) The President shall preside at the meetings of the Board of Directors and the general membership, and shall prepare the agenda for all meetings;
- (b) The Vice President shall perform the duties of the President in the event of his or her absence or inability or refusal to act, and shall assist the President in the performance of his or her duties and shall assist in the general administration of the Association;
- (c) The Secretary shall handle all correspondence of the Board of Directors, shall record and maintain minutes for all meetings of the Board of Directors, and shall be responsible for giving notice as required by these Bylaws; and
- (d) The Treasurer shall keep the books of the Association in an orderly manner, shall deposit monies collected by the Association promptly, and shall pay all bills as authorized by the Board of Directors. In addition, the Treasurer shall prepare the proposed annual budget for the ensuing year and a statement of income and expenditures for the prior year to be presented to the membership at its regular annual meeting. Copies of the proposed annual budget and of the statement of income and expenditures for the prior year shall be delivered to each Member at the annual meeting.

In addition to the above duties, an officer of this Association shall have such duties as are assigned to him or her from time to time by the Board of Directors.

ARTICLE VIII. INDEMNIFICATION

The Association shall indemnify any present or former Director, officer, employee, Member, or volunteer of the Association and to the fullest extent possible against expenses, including attorney's fees, judgments, fines, settlements, and reasonable expenses, actually incurred by such person relating to its conduct as Director, officer, employee, Member, or volunteer of the Association provided, however, the mandatory

indemnification required in this Section shall not apply to (a) a breach of the duty of loyalty to the Association; (b) to acts or omissions not in good faith, or which involve intentional misconduct or knowing violation of the law; or (c) for a transaction from which such person derived an improper benefit.

ARTICLE IX. COMMITTEES

Section 1. Architectural Control Committee (the "ACC"). The Board of Directors shall appoint an ACC consisting of a minimum of three (3) Members, two (2) of which shall be Members of the Board of Directors. The ACC shall review and either approve or disapprove plans and specifications submitted to it by any Member. From and after the completion of construction and sale of each lot and living unit, no building, fence, wall, or other structure shall be commenced, erected, or maintained upon the properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and locations of the same have been submitted to and approved in writing by the ACC as to harmony of external design and location in relation to surrounding structures and topography. No exterior television or radio equipment, including, but not limited to, dishes, antennas, and appurtenances shall be constructed or installed until after the plans and specifications therefore have been submitted to and received the written approval of the ACC. The ACC must approve or disapprove the plans and specifications within thirty (30) days of submission although it may extend the period for its consideration of the plans and specifications for up to an additional thirty (30) days for good cause. The ACC must notify the Member of any such extension in writing. If the ACC fails to approve or disapprove the plans and specifications within thirty (30) days (or during the additional extension period, if extended), the ACC shall be deemed to have approved the plans and specifications and this Bylaw shall be deemed to have been complied with by the Member. The ACC shall draft written Rules and Regulations for its operation which must be approved in writing by the Board of Directors. Amendments to the Rules and Regulations may be made by the ACC subject to written approval by the Board of Directors. The

ACC will administer its Rules and Regulations in compliance with all applicable federal, state, and local laws, rules, and regulations.

- Section 2. Appeal to the Board of Directors. A Member may appeal from a decision of the ACC to the Board of Directors by delivering written Notice of Appeal to the Secretary of the Board of Directors within ten (10) days of the date of the decision by the ACC. The Board of Directors shall schedule a hearing on the appeal to be held within twenty (20) days from the date of the Notice of Appeal and shall give written notice of the hearing to the Member no less than three (3) days prior to the scheduled hearing. The Board of Directors will issue a written decision following hearing on the appeal. The decision of the Board of Directors shall be final.
- Section 3. Nominating Committee. The Board of Directors shall appoint a Nominating Committee in accordance with Article VI, Section 11.
- Section 4. Other Committees. The Board of Directors may appoint advisory committees, such as a Grounds Committee and Recreation Committee. Members of each such committee shall be Members of the Association. Any committee Member may be removed by the Board of Directors if in its judgment such removal is in the best interests of the Association.
- Section 5. Term of Office. Each member of a committee shall serve until the next annual meeting of the Members of the Association and until the Member's successor is appointed, unless the committee is terminated sooner, the Member is removed from the committee by the Board of Directors, or the Member ceases to be a Member of the Association.
- Section 6. Chair. The Board of Directors shall appoint a chair of each committee who shall report to the Board of Directors when and as required by the Board of Directors.
- Section 7. Vacancies. The Board of Directors shall appoint a Member to fill a vacancy on a committee, if it so desires.

Section 8. Quorum. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the Members present at a meeting at which a quorum is present shall be the act of the committee.

Section 9. Duties. Each committee shall receive complaints from Members on any matters involving Association functions, duties, and activities within its field of responsibility and report them to the Board of Directors.

ARTICLE X. ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation for Assessments. In accordance with the Declaration, each Member is deemed to covenant and agree to pay to the Association annual assessments or charges and special assessments for capital improvement. The annual and special assessments, together with interest and costs of collection, shall be in a charge on the land and shall be a continuing lien on the land against which each such assessment is made. Each such assessment, together with such interest, cost and reasonable attorney fees shall also be the personal obligation of the person who was the owner of such property at the time when the assessment became due. The personal obligation shall not pass to his or her successors in title unless expressly assumed.

Section 2. Purpose of Assessments. The assessments levied by the Board of Directors of the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the residents in the properties and, in particular, for the improvement and maintenance of the properties, services, and facilities devoted to this purpose and related to the use and enjoyment of the Common Area. The purposes for which such assessments may be levied shall include, but are not limited to, the construction, operation, and maintenance of parking facilities, sidewalks, drives, open drainage ways, and other structures and for taxes and special assessments upon the Common Area which may be incurred or imposed by the city, or other governmental authorities, to provide adequate insurance coverage of any and all types and amounts

deemed necessary by the Board of Directors of the Association with respect to the Common Area and public ways, and to provide such reserves as may be deemed necessary in order to accomplish the objects and purposes of the Association.

Section 3. **Annual Assessment.** The Board of Directors shall determine the amount of annual assessment for each Member lot and the Secretary shall mail the notice of the annual assessment to each Member prior to March 1 of each year. The annual assessment shall be due and shall become a lien against the Member lot on April 1 of each year.

Section 4. **Special Assessment.** In addition to the annual assessment authorized in Section 3, the Board of Directors of the Association may levy in any assessment year a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the costs of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto, provided that any such special assessment shall have the consent of two-third (2/3) of the Members who are entitled to vote who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all Members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting, setting forth the purpose of the meeting. In addition, the Board of Directors of the Association may provide, upon additional special assessment, exterior maintenance upon each lot which is subject to assessment as follows: paint, repair, replace, and care for exterior building surfaces, trees, shrubs, grass, walks, and other exterior improvements. Such exterior maintenance shall not include glass surfaces. In the event that an owner of any lot in the property shall fail to maintain the premises and the improvements situated thereon in a manner satisfactory to the Board of Directors of the Association, the Association, after approval by two-third (2/3) vote of the Board of Directors, shall have the right through its agents and employees, to enter upon said lot and to repair, maintain, and restore the lot and the exterior of the buildings and any other improvements erected

thereon. The cost of such exterior maintenance shall be added to and become a part of the annual assessment to which such lot is subject.

- Section 5.** Due Dates. Both annual and special assessments must be fixed at a uniform rate for all lots. Annual assessments must be paid in full on or before April 1 of each year; provided, however, that any Member may elect to pay the annual assessment in monthly installments as provided in the Declaration by filing a written request to do so with the Secretary. Special assessments shall be paid by the date fixed by the Board of Directors.
- Section 6.** Certificate of Payment. The Association shall upon demand at any time furnish a certificate in writing signed by an officer of the Association setting forth whether the assessments on a specified lot have been paid. A reasonable charge may be made by the Board of Directors for the issuance of a certificate. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.
- Section 7.** Delinquency. Any assessment not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear late fee(s) as determined by the Board from the date of delinquency at the highest legal contract rate applicable to a natural person, and the Association may bring an action at law against the owner personally obligated to pay the same or foreclose the lien against the property, and the late fee(s), costs, and reasonable attorney fees of any such action shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his or her lot.
- Section 8.** Subordination of Lien. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages. Sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any lot which is subject to any mortgage pursuant to a decree of foreclosure under such mortgage or any proceeding in lieu of foreclosure thereof, shall

extinguish the lien of such assessments as to payments thereof which became due prior to such sale or transfer, but shall not relieve the person who is the owner at the time such assessment became due of personal liability therefore. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 9. Undeveloped and Unoccupied Lot. Notwithstanding any provision in the Declaration, a lot shall be exempt from assessment until developed and occupied. A lot is deemed to be "developed" when a building permit is issued by the City of Mason City (or any other appropriate governmental authority) for construction of a residence. A lot is deemed to be "occupied" when a certificate of occupancy is issued by the City of Mason City. A developed and occupied lot shall be liable for any assessment levied during the calendar year (beginning January 1) the lot becomes developed and occupied.

Section 10. Exemption from Assessment. The following property subject to the Declaration shall be exempt from annual and special assessments:

- (a) All properties dedicated to and accepted by a local public authority, and
- (b) The Common Area.

ARTICLE XI. BOOKS AND RECORDS

Correct and complete books and records of accounts and transactions and minutes of the proceedings of the Board of Directors shall be kept by the Association. Such books and records shall at all times during reasonable business hours be subject to inspection by any Member. The Declaration, Articles of Incorporation, and Bylaws of the Association are available through the Association's website at www.asburyhoamasoncity.org.

ARTICLE XII. SEAL

This Association shall not have a corporate seal.

ARTICLE XIII. CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts. The Board of Directors may authorize any two (2) officers to enter into any contract or execute and deliver any instrument in the name of

and on behalf of the Association, and such authority shall be confined to a specific instance.

Section 2. Loans. No loan shall be contracted on behalf of the Association, and no evidence of indebtedness shall be issued in its name, unless authorized by a resolution of the Board of Directors. Such authority shall be confined to a specific instance.

Section 3. Check and Drafts. All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Association shall be signed by the Treasurer of the Association and any other officer.

Section 4. Deposits. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories that are federally insured depositories as the Board of Directors may select.

ARTICLE XIV. CONVEYANCES, TRANSFERS AND RELEASE OF RECORD

All transfers, conveyances, mortgages of any interest whatsoever of the assets of this Association, and all releases of mortgages, liens, judgments, or claims that are required by law to be made of record shall be executed, acknowledged, and performed by the President and Secretary of this Association.

ARTICLE XV. FISCAL YEAR

The fiscal year of the Association shall be determined by the Board of Directors.

ARTICLE XVI. AMENDMENTS TO BYLAWS

These Bylaws may be amended by the Board of Directors and Members of the Association pursuant to §504.1022 of the Iowa Code following notice as provided in §504.705.

ARTICLE XVII. COMMON AREA

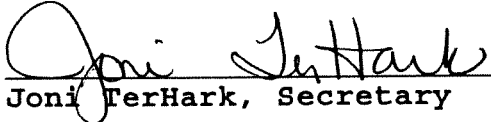
Section 1. Use. No use shall be made of the Common Area which will in any manner violate the statutes, rules, and regulations of any governmental authority having jurisdiction over such Common Area.

Section 2. No Obstruction. No owner shall place any structure whatsoever upon the Common Area, nor shall any owner engage in any activity which would temporarily or permanently deny free access to any part of the Common Area to all Members.

ARTICLE XVIII. ELECTRONIC TRANSMISSION

"Electronic transmission" or "electronically transmitted" means any process of communication not directly involving the physical transfer of paper that is suitable for the retention, retrieval, and reproduction of information by the recipient. Notice by electronic transmission is written notice. Notices and written consents may be given by electronic transmission. Each written consent given by electronic transmission shall contain an electronic signature of the person giving such written consent.

These Amended and Restated Bylaws of Asbury Farm Homeowners' Association, Inc. were adopted by the Board of Directors and Members of the Association on April 18, 2016, pursuant to §554.1022 of the Iowa Code.



Joni TerHark, Secretary