

**AMENDED AND RESTATED BYLAWS OF
COMMUNITY ASSOCIATIONS INSTITUTE OF MINNESOTA (CAI-MN)**

MISSION

CAI-MN is the local chapter of the National Community Associations Institute. Our Mission is to provide the knowledge, education, networking, and legislative leadership needed to run competent and prosperous community associations.

**ARTICLE I
NAME AND OFFICE**

SECTION 1. Name. The name of this organization shall be Community Associations Institute of Minnesota (“Chapter”).

SECTION 2. Incorporation; Registered Office. The Chapter is a corporation, incorporated in the state of Minnesota and is a chapter of Community Associations Institute (“CAI”). The Board of Directors will determine from time to time, within the state of Minnesota, the location of the registered office of the Chapter.

**ARTICLE II
DEFINITIONS**

SECTION 1. Definitions. The following capitalized terms shall have the meanings indicated:

A. “At-Large Member” means a member of Community Associations Institute who falls within one of the classes of membership as defined in Article III, Section 3. In relation to positions on the Board of Directors and committees, at-large members may be from any membership class, and have the same role and responsibilities as all other members of the Board or committee.

B. “Areas of specialization” refers to members’ primary area of employment, involvement or expertise in the community association industry; for example, homeowner, manager, attorney, CPA/accountant, insurance agent/risk manager, engineer/reserve study specialist, associate-vendor, builder/developer, mortgage lender/banker/investment advisor, public official, educator. These are determined by the Board of Trustees from time to time.

C. “Board of Directors” means the Board of Directors of the Chapter and “Director” means a Member of the Board of Directors.

D. “Board of Trustees” means the Board of Trustees of CAI and “Trustee” means a Member of CAI’s Board of Trustees

E. “CAI’s Bylaws” means the Bylaws of CAI as the name may be amended or replaced.

F. “Community Association” means any incorporated or unincorporated association trust or other entity comprised of the owners of interests in a residential, commercial, or industrial condominium, real estate cooperative, planned unit development or other real estate common interest community.

G. “Company” shall mean a business incorporated according to the laws of a state, a limited liability corporation, a partnership, or other relationship of individuals providing service or products to others.

H. “Homeowner” means an owner or proprietary lessee of a home, lot or other unit in a community association as provided under the governing documents for that community association, provided, however, that no bank, savings association or other institutional lender shall be a Homeowner, and no original or successor declarant or other developer or manager (or an employee of the manager) of a community association shall be a Homeowner with respect to that community association.

I. “Member” means a Member of the Chapter.

J. “Member in Good Standing” means a Member whose rights have not been suspended by the Chapter or CAI.

ARTICLE III MEMBERSHIP

SECTION 1. General Requirements. Applications for membership in CAI and within any class of membership of CAI shall be approved in accordance with the terms of CAI’s Bylaws and such rules, procedures and limitations as may be established by the Board of Trustees. CAI shall have the right to determine the appropriate class of membership for any Member. Membership in CAI is as authorized by CAI. Members are automatically assigned to a CAI certified chapter in accordance with established chapter boundaries.

SECTION 2. Conflict of Interest. All chapter board members and committee members shall comply with the conflict of interest policies adopted by the Board of Trustees and stricter policies as may be established by the Chapter.

SECTION 3. Classes of Members. The membership of CAI shall consist of the following:

A. **Community Association Volunteers.** All individuals residing or owning a unit in a community association are eligible for membership as a Community Association Volunteer, including, without limitation, individuals living in community associations who have a volunteer role within their community association. Volunteer roles include, but are not limited to, being a member or officer of the governing body of the community association, participating on a volunteer committee or committees, acting as the newsletter editor for the community, or any other volunteer function sanctioned by the community association. An individual who meets the aforementioned criteria and also holds a membership as a Community Manager, Management Company CEO or Business Partner may hold an additional membership as a Community Association Volunteer, however, he may not serve in a CAI volunteer position under the Community Association Volunteer category. Community Association Volunteers will be considered as individual Members of CAI with voting rights. Community associations paying dues on behalf of a community association volunteer or volunteers shall own each such

membership and shall be permitted to transfer each membership to another volunteer in the community association during the term of membership or upon renewal of the membership. Individuals paying dues with their personal funds shall be the only individual entitled to exercise the rights of membership and such membership shall not be transferable.

B. Community Managers. This class of Members shall consist of professional managers of all types of association-governed communities including, but not limited to, condominium associations, townhome associations, co-operative associations, homeowners associations, large-scale communities, and planned communities. All managers of association-governed communities fall within this class of Members, regardless of whether they are on-site managers, portfolio managers, large-scale managers, are employed by a management company or have any other employment relationship. Those persons who have previously served in one of the roles in the preceding sentence and serve in a capacity of managing other managers shall be a Member of this class. All community managers shall be treated as individual Members of CAI with voting rights. A management company or employer of a manager paying dues on behalf of a manager or managers shall own each such membership and shall be permitted to transfer each membership to another manager during the membership term, but only in the event the manager originally identified is no longer employed by the management company. Individuals purchasing a membership with their personal funds shall be the only individual entitled to exercise the rights of membership, and such membership shall not be transferable.

C. Business Partners. This class of Members shall consist of professionals and other providers of products, services, support, and counsel to association-governed communities, including developers of such communities. This class of Members shall not include community association management companies or managers of association-governed communities. The company, partnership, corporation or other business entity shall designate an individual as a primary membership contact who will have voting rights for the entity and may transfer this designation to another individual during the membership term or upon renewal of the membership. All employees of a business partner member shall be Affiliate members and will be permitted to attend classes, functions, conferences, to purchase products and services at membership prices, and be elected or appointed to committees or the Board of Directors.

D. Management Companies. This class of Members shall consist of community association management companies. Each management company membership shall include an individual manager membership to be held by the CEO or equivalent of the management company. Whenever the term “CEO of a Management Company” is used in these Bylaws, it shall mean the CEO or equivalent of a management company. Management companies shall not transfer this manager membership to multiple managers during the course of the membership term for the purpose of obtaining membership pricing for managers who do not hold an individual manager membership. Employees of the management company, who are not employed to manage association-governed communities, may attend selected classes and functions at the membership price.

SECTION 4. Rights and Privileges.

A. Chapter Rights and Privileges. Each Member in good standing of the Chapter shall be entitled to cast one vote on any and all matters required to be voted upon by Members and shall have such other rights, privileges and responsibilities as the Board of Directors shall determine. Except as otherwise provided in these Bylaws, and subject to eligibility requirements, each Member in good standing shall be eligible to serve on the Chapter Board of Directors and committees.

B. CAI Rights and Privileges. Each Member in good standing of CAI shall be entitled to cast one vote on any and all matters required to be voted upon by Members and shall have such rights, privileges and responsibilities as the Board of Trustees shall determine. Except as otherwise provided in the CAI Bylaws, and subject to eligibility requirements, each Member in good standing shall be eligible to serve on the CAI Board of Trustees, Membership Representation Groups, and committees.

SECTION 5. Suspension for Nonpayment of Dues; Censure, Suspension, Expulsion, and Termination of Membership. The Board of Trustees has the power to suspend members for nonpayment of dues, to censure, to suspend, to expel and to terminate members in accordance with CAI's Bylaws. In addition, the Chapter may adopt reasonable policies to suspend certain membership rights and privileges resulting from nonpayment of amounts due and owing to the Chapter or CAI, and any procedures used shall, to the extent necessary, be consistent with Minn. Stat. § 317A.411.

ARTICLE IV ANNUAL DUES

The Board of Trustees shall determine the amount of annual dues, fees, and other assessments to be paid to CAI by each class of Members. Unless terminated, each membership shall continue automatically from year to year, with annual dues, fees, and other assessments payable by each Member on or before such date as shall be determined by the Board of Trustees. Unless otherwise directed by the Board of Trustees, all annual dues, fees, and other assessments shall be paid to CAI in advance of the 12-month period to which they relate. The Board of Trustees may impose such other fees and charges as it deems proper and may waive or modify the requirement to pay dues, fees or charges for particular Members.

ARTICLE V MEETING OF MEMBERS

SECTION 1. Annual Meeting. There shall be an annual meeting of Members of the Chapter for the transaction of such business as may properly come before the meeting or any adjournment thereof. The annual meeting shall be held at such time and place as the Board of Directors may determine subject to the following: The meeting must be held in sufficient time for the Board of Directors to elect a President-Elect who can attend the designated national meeting for President-Elect training of CAI. Written notice of such meeting stating the date, time and place of such meeting shall be sent to each Member, at the last address shown on the Chapter's records, at least 15 days before the date of the meeting, or by such other method or duration of notice as may be permitted by state law, including by electronic notice as permitted herein.

SECTION 2. Special Meetings. Special meetings of the Members may be called only by the President or the Board of Directors or otherwise in accordance with applicable law. A special meeting shall be held at such time and place as the Board of Directors may determine. Written notice of any special meeting stating the date, time, place and purpose of such meeting shall be sent to each Member, at the last address shown on the Chapter's records, at least 15 days before the date of the meeting, or as provided by state law.

SECTION 3. Notices. Unless otherwise prohibited in these Bylaws or by state law, all notices and other communications required by these Bylaws or state law shall be in writing and shall be deemed to have been duly given if delivered by:

- A. Personal delivery to the addressee; or
- B. United States mail, first class, postage prepaid; or
- C. Any means permitted by law, including electronic notices permitted in accordance with Minn. Stat. § 317A.450, Subd. 5, or any law supplementing, amending or superseding such section.

SECTION 4. Quorum. The lesser of 10 Members or ten percent (10%) of the Members entitled to vote shall constitute a quorum for the transaction of business at any duly called meeting of the Members. At any duly called meeting of the Members at which a quorum is present, the act of a majority of the Members present in person or by proxy shall be the act of the Members on any matter, except where the act of a greater number or percentage of Members is required by law, the Articles of Incorporation or these Bylaws. If a quorum is not present at any duly called meeting of the Members, a majority of the Members present may adjourn the meeting, without further notice, until a quorum is present.

SECTION 5. Voting. Voting on all matters may be conducted by mail, telephone call, telegram, cablegram, electronic mail, or any other means of electronic or telephonic transmission; provided, that the Member shall state, or submit information from which it can be determined, that the method of voting chosen was authorized by the Member. The vote of a corporate, limited liability company or partnership Member may be cast by any officer, director, manager, or employee of the Member who is properly designated as determined by the Board of Directors.

SECTION 6. Electronic Communications. Whenever these Bylaws require that a document, record or instrument be “written” or “in writing,” the requirement is deemed satisfied by an electronic record if the Board of Directors has affirmatively resolved that permitting an electronic record or document as a substitute for a written item.

Whenever these Bylaws require a signature on a document, record or instrument, an electronic signature satisfies that requirement only if: (a) the Board of Directors has affirmatively published regulations permitting an electronic signature as a substitute for a written signature; and (b) the electronic signature is easily recognizable as a secure electronic signature which is capable of verification, under the sole control of the signatory, and attached to the electronic document in such a way that the document cannot be modified without invalidating the signature; or (c) the Board of Directors reasonably believes that the signatory affixed the electronic signature with the intent to sign the electronic document, and that the electronic document has not been modified since the signature was affixed.

The Board of Directors may require reasonable verification of any electronic signature, document, record or instrument. Absent or pending verification, the Board may refuse to accept any electronic signature or electronic record that, in the Board’s sole discretion, is not clearly authentic. Neither the Board of Directors nor the Chapter shall be liable to any Member for accepting or acting in reliance upon an electronic signature or electronic record that the Board reasonably believes to be

authentic, or rejecting any such item which the Board reasonably believes not to be authentic. Any Member who negligently, recklessly or intentionally submits any falsified electronic record or unauthorized electronic signature shall fully indemnify the Chapter for actual damages, reasonable attorneys' fees actually incurred and expenses incurred as a result of such acts.

SECTION 7. Order and Conduct of Business. The President shall establish the agenda for, and preside at, and the Secretary shall keep the minutes of, all membership meetings. The Board of Directors may establish rules of conduct and the order of business for all membership meetings. When not in conflict with these Bylaws, the Articles of Incorporation or meeting procedures adopted by the Board of Directors, Robert's Rules of Order (latest edition) shall govern all membership meetings. The Board may order the removal of anyone attending a membership meeting who, in the opinion of the Board, disrupts the conduct of the business at such a meeting. The use of Roberts Rules of Order may be partially or wholly suspended by majority vote of the Members or Board of Directors. In the event of any dispute concerning the meaning of any meeting rules, including Robert's Rules, the decision of the President, who may consult with counsel, shall be final and binding.

SECTION 8. Voting by Written or Electronic Ballot. Any action that may be taken at a meeting of the Chapter may be taken without a meeting if the Chapter mails or delivers a written ballot to every Member entitled to vote on the matter, and otherwise complies with the requirements of Minn. Stat. § 317A.447. The Board of Directors shall provide notice of the results of the vote to the Members within 10 days of the expiration of the voting period.

ARTICLE VI BOARD OF DIRECTORS

SECTION 1. Powers of the Board of Directors. The Board of Directors shall have supervision, control, and direction of the affairs and property of the Chapter, shall determine the policies of the Chapter, shall actively pursue the purposes and objectives of the Chapter and CAI, shall ensure that the Chapter and its Bylaws comply with the policies and procedures of CAI, and shall have discretion in the use and disbursement of Chapter funds. The Board of Directors may adopt such rules, regulations and procedures for the conduct of its business, for the execution of its powers, for the implementation of these Bylaws and for the fulfillment of the purposes and objectives of the Chapter and CAI as it shall deem necessary or advisable. The Board of Directors shall further have the power to establish, appoint and guide committees and their membership, and to establish promotional or educational programs, and to do all other things as are deemed necessary and proper for the conduct of the affairs of the Chapter, and which are not conferred upon the Members by the Bylaws, Articles of Incorporation, or by statute.

SECTION 2 Composition of the Board of Directors.

A. Number. The Board of Directors shall be composed of nine (9) Directors. No more than one person from any company or association, at the time of election, may serve on the Board at any one time.

B. Composition. At least two (2) Directors must be property managers for Community Associations who are Members of the Chapter, at least two (2) must be business partners who are Members or are employed by Members, and at least two (2) must be Homeowners who are Members or

who are or have been volunteer leaders in their Community Associations. The composition of At-Large seats on the Board of Directors shall not provide any one membership class with more than fifty percent (50%) of the seats on the Board of Directors.

In the event that a Director's class of membership changes during his term of service, he shall complete the remainder of the current election year, so long as the makeup of the Board is not compromised, in which case his slot will be automatically forfeited. Any subsequent Board service must be in a position designated for his then class of membership.

SECTION 3. Term of the Board of Directors. Each Director shall serve for a term of three (3) years or until his successor has been appointed. Board of Directors terms shall be staggered so that the terms of not more than one-third of the Directors expire each year. A Member may serve on the Board of Directors for a total of six (6) years. Those years of service do not have to be consecutive. After a Member has served for six (6) years, such Member may not serve again for three years. At that time, the Member begins the process of accumulating the applicable six (6) years of service again.

SECTION 4. Nomination and Election of Directors.

A. Except as otherwise provided in these Bylaws, each Member in good standing shall be eligible for nomination to serve as a Director.

B. The Nominating Committee shall solicit candidates for open Director positions by communicating with the membership no later than 75 days prior to the Director Election Date and in such manner and with such frequency as the Nominating Committee deems appropriate and in accordance with these Bylaws and such rules and procedures as may be established by the Board of Directors.

C. Nominations for candidacy shall be received by the Nominating Committee no later than 45 days prior to the Director Election Date and in accordance with these Bylaws and any such rules and procedures as may be established by the Board of Directors.

D. The Nominating Committee shall prepare a ballot of qualified candidates, which shall be distributed to eligible voting members at least 30 days before the Director Election Date. The election may take place via paper ballot, internet election or in any manner allowed by state law. Persons receiving the highest number of votes shall be elected; in the event of a tie, the tie will be broken by a coin toss (or coin tosses should more than two persons tie for the final qualifying position).

E. No candidate may campaign for election or cause another individual or individuals to campaign on behalf of the candidate. A candidate campaigning for election who is elected shall be disqualified from serving.

SECTION 5. Meetings. The Board of Directors shall hold a minimum of one (1) meeting quarterly at such time and place as the Board of Directors may determine. In addition, special meetings of the Board of Directors may be called by the President or upon the written request of one-third (1/3) of the Directors or upon the written request of the Executive Director, at such time and place as the President, or President-Elect, as the case may be, may designate. Any or all Directors may participate in duly called meetings of the Board of Directors by means of conference telephone or by any means of communication by which all persons participating in the meeting are able to hear one another, and such participation shall

constitute presence in person at a meeting. Notice of meetings of the Board of Directors may be given orally or in writing and shall be given to each member of the Board of Directors at least 72 hours before the time appointed for the meeting, except in an emergency, when notice should be given at least twenty-four (24) hours, where practicable, before the time appointed for the meeting. Such notice may be waived in accordance with applicable law. All Board meetings held in person shall be open to all Chapter members, but members other than Directors may not participate in any discussion or deliberation unless expressly authorized by the Board of Directors. Notwithstanding the above, the Board of Directors may adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which CAI is or may become involved, contract negotiations, matters that, in the exercise of the Board's reasonable discretion, require personal privacy, or other matters that require confidentiality. The nature of any and all business to be considered in executive session shall first be announced in open session.

SECTION 6. Waiver of Notice. A Director entitled to receive notice may waive notice of a meeting of the Board whether such waiver is given before, at, or after the meeting, and whether given in writing, orally, by attendance, or by approving or ratifying without objection the minutes of a prior meeting. Attendance by a Director at a meeting is a waiver of notice of the meeting, unless the Director objects at the beginning of a meeting to the transaction of business because the meeting is not lawfully called or reconvened and does not participate in the meeting.

SECTION 7. Action by Written Consent in Lieu of a Meeting. Any action required or permitted to be taken at a meeting of the Board of Directors or of any committee thereof may be taken without a meeting if a written consent setting forth the action so taken shall be signed by a majority of the members of the Board of Directors or of such committee, as the case may be, and such written consent shall have the same force and effect as a vote at a meeting of the Board of Directors or at a meeting of such committee, as the case may be. All such action shall be reported at the next duly called meeting of the Board of Directors.

SECTION 8. Quorum; Acts of the Board. A majority of the Directors shall constitute a quorum for the transaction of business at any duly called meeting of the Board of Directors. At any duly called meeting of the Board of Directors at which a quorum is present, the act of a majority of the Directors present and voting shall be the act of the Board of Directors on any matter, except where the act of a greater number of Directors is required by law, the Articles of Incorporation or these Bylaws. If a quorum is not present at any duly called meeting of the Board of Directors, a majority of the Directors present may adjourn the meeting, without further notice, until a quorum is present.

SECTION 9. Votes on Matters Related to Public Policy. All matters involving a public policy position of the Chapter must be adopted by a two-thirds (2/3) vote of those Directors present and voting at a duly called meeting of the Board of Directors, a quorum being present, and must not be inconsistent with the policies, goals and objectives of CAI.

SECTION 10. Resignation or Removal. Any Director may resign by presenting a written resignation to the President or Secretary, and such resignation shall take effect at the time specified therein or, if no time is specified, at the time of acceptance thereof by the President. Any Director unable to attend a duly called meeting of the Board of Directors shall advise the President as to the reason for the absence. If a Director has three consecutive absences from duly called meetings of the Board of Directors without the Board excusing such absences, such Director shall be deemed to have resigned as a Director;

provided, however, that the Board of Directors, in its discretion, may waive this provision. A Director may be removed from office, with or without cause, by a majority vote of the Board; provided, however, that such Director shall be afforded an opportunity to be heard, either orally or in writing, prior to any such action.

SECTION 11. Vacancies. Any vacancy occurring on the Board of Directors may be filled by the affirmative vote of a majority of the then members of the Board of Directors, including if the remaining Directors constitute fewer members than required to achieve a quorum. Any Director elected to fill a vacancy shall serve the remainder of the unexpired term of his predecessor in office. A Director filling a vacancy under this section shall not be deemed to have filled a term as defined under Article VI, Section 3 of these Bylaws.

SECTION 12. Reimbursement of Expenses. No Director shall be compensated for serving as a Director; provided, however, that the Board of Directors may reimburse any Director for reasonable out-of-pocket expenses incurred by any Director.

ARTICLE VII OFFICERS

SECTION 1. Officers. The elected officers of the Chapter shall be a President, a President-Elect, a Treasurer and a Secretary. The Board of Directors may appoint such other officers as the Board may deem necessary or advisable. Options may include a Vice President and Immediate Past President.

SECTION 2. Qualifications, Election and Term of Office. The officers of the Chapter, with the exception of the President, shall be elected from among the Directors each year by the Board of Directors by a majority vote of the Board. Each officer shall serve for a term of one year or until a successor has taken office. The President-Elect shall serve for one (1) year and directly following the conclusion of that year of service shall serve as President for one (1) year.

In the event a member of the Board is elected to serve as President-Elect during the last year of his term on the Board, that individual will automatically be granted one (1) additional year to serve as President. The partial term remaining shall be filled by the successor Director receiving the least number of votes. In the case of a person who serves as President-Elect in his sixth year on the Board, he will be permitted to serve seven (7) years to complete his term as President.

SECTION 3. Removal. Any officer may be removed by a two-thirds (2/3) affirmative vote, or as allowed by state law, of the entire Board of Directors if, in the judgment of the Board, the best interests of the Chapter would be served by such removal; provided, however, that such officer shall be afforded an opportunity to be heard, either in person or in writing, prior to such action.

SECTION 4. Vacancies. Vacancies in any office, with the exception of President, may be filled for the balance of the unexpired term by the Board of Directors at any meeting of the Board in accordance with such rules and procedures as may be established by the Board. In the event of a vacancy in the office of President, the President-Elect shall act as President for the remainder of the unexpired term of office of his predecessor in such office and shall succeed to such office upon the expiration of such term. In the event the President-Elect cannot or will not agree to serve the unexpired term of his

predecessor in office, the Board of Directors shall elect from its members a person to serve as President for the unexpired term.

SECTION 5. President. The President shall be the chief elected officer of the Chapter, shall be a Member of the Executive Committee and shall preside at all meetings of the Members, the Board of Directors and the Executive Committee. Unless otherwise provided in these Bylaws or directed by the Board of Directors, the President, subject to the approval of the Board, shall appoint all committees. The President shall have the authority to represent the Chapter and act in its name in accordance with declared policies of the Chapter and CAI. The President shall communicate to the Members of the Chapter and to the Board of Directors such matters and make suggestions as may tend to promote and further the purposes and objectives of the Chapter and CAI, and the President shall perform such other duties as are necessary or incident to the office of President or as may be assigned by the Board of Directors or required by law. The President shall be responsible for satisfying the directives of the Board of Directors.

SECTION 6. President-Elect. The President-Elect shall perform the duties of the President in his absence or in the event of resignation, removal or inability or refusal to act. The President-Elect, when so acting, shall have all the powers and responsibilities of the position of President. The President-Elect shall also perform such other duties as may be assigned by the President or the Board of Directors, or required by law.

SECTION 7. Treasurer. The Treasurer shall be the custodian of Chapter funds and securities, shall oversee the establishment of proper accounting procedures for the handling of the Chapter's funds, shall be the disbursing officer for the Chapter and shall report on the financial condition of the Chapter at all meetings of the Board of Directors and at other times as called upon by the President of the Chapter. The Treasurer shall perform all other duties incident to the office of Treasurer, including preparing or recommending the budget for each fiscal year for approval by the Board of Directors.

SECTION 8. Secretary. The duties and authority of the Secretary shall include, but not be limited to, accountability for the accuracy of Board documents such as minutes of all meetings and all notices given in accordance with these Bylaws.

SECTION 9. Immediate Past President. The Immediate Past President supports and advises the President, President-Elect and Board of Directors and shall perform such other duties as may be assigned to him by the President or the Board of Directors, the Bylaws or as required by law.

1. The Immediate Past President shall be a non-voting member of the Executive Committee.
2. The Immediate Past President shall be a non-voting member of the Board.

SECTION 10. Chapter Staff. The Board of Directors may appoint an Executive Director to manage the operations of the Chapter within the authority delegated by the Board of Directors.

SECTION 11. Salaries; Reimbursement of Expenses. No elected Officer of the Chapter shall be compensated for serving as an Officer. Officers may be reimbursed for reasonable out-of-pocket expenses incurred by them in performing their duties as Officers.

ARTICLE VIII COMMITTEES

SECTION 1. Executive Committee.

A. Unless otherwise directed by the Board of Directors, the Executive Committee of the Board of Directors shall be composed of the President, the President-Elect, the Treasurer and the Secretary. The Executive Committee shall have and exercise all of the authority of the Board of Directors, including all actions specified in these Bylaws as actions to be taken by the Board of Directors where it is necessary or desirable to do so between meetings of the Board of Directors, except that the Executive Committee shall not have the authority to: (1) amend, alter or repeal these Bylaws, (2) elect, appoint or remove any Director or Officer of the Chapter, (3) adopt a resolution proposing an amendment to the Articles of Incorporation, (4) adopt a plan of merger or consolidation with another corporation, (5) acquire or authorize the sale, lease, exchange or mortgage of any real property of the Chapter, (6) authorize the sale, lease, exchange or mortgage of all or substantially all of the personal property and assets of the Chapter, (7) authorize or institute proceedings for the voluntary dissolution of the Chapter, (8) adopt a plan for the distribution of the assets of the Chapter or (9) amend, alter or repeal any resolution of the Board of Directors. The Executive Committee shall act by vote of a simple majority of the Executive Committee on any matter. The Executive Committee shall provide a report of its actions to the Board of Directors whenever so required. The President shall serve as the chairperson of the Executive Committee.

B. The Executive Committee is authorized to receive, hold, invest, manage, allocate and apply on behalf of the Chapter and in the furtherance of its purposes and objectives, all income received by the Chapter and all real and personal property received or owned by the Chapter. The Executive Committee may also prepare or recommend a budget for approval by the Board of Directors, or appoint an Officer to perform such function in the event there is no Treasurer in place competent to perform such function without the assistance of the Executive Committee.

SECTION 2. Nominating Committee. Each year the Executive Committee shall designate a Nominating Committee that shall consist of the Immediate Past President of the Chapter, the President-Elect and at least three other Members of the Chapter who are not elected officers of the Chapter and who are not running for election. In the event the Immediate Past President is running for re-election, he shall not serve on the Nominating Committee, and the Executive Committee shall appoint a Member of the Chapter to serve in his place. At least one member of the Nominating Committee shall be a Homeowner Leader and no more than two (2) members of the Nominating Committee may be from the same membership class. Unless otherwise directed by the Executive Committee, the Immediate Past President of the Chapter shall serve as chairman of the Nominating Committee.

SECTION 3. Legislative Action Committees. The Board of Directors shall appoint delegates to the Minnesota Legislative Action Committee in accordance with the Legislative Action Committee Operational Guidelines approved by the CAI Board of Trustees. The appointed delegates shall provide a report to the Chapter Board of Directors regularly.

SECTION 4. Other Committees. Unless otherwise provided in these Bylaws or directed by the Board of Directors, the President shall appoint Members to serve on such other standing or special

committees, subcommittees, task forces or boards as may be required by these Bylaws or as may be deemed necessary or appropriate by the President.

SECTION 5. Reimbursement of Expenses. Members of the Executive Committee may be reimbursed for reasonable out-of-pocket expenses incurred by them in performing their duties as members of the Executive Committee.

ARTICLE IX LIMITATIONS OF LIABILITY; INDEMNIFICATION

SECTION 1. Limitations of Liability. Directors, officers, and other such persons shall not be liable for such acts or omissions, in such manner, under such circumstances, and to such extent as permitted by Minnesota Statutes Section 317A.257, or laws supplemental, amendatory, or in replacement thereof.

SECTION 2. Indemnification. The directors, officers, committee members, employees, and other volunteers of the Chapter shall be indemnified and held harmless by the Chapter from and against any and all expenses (including attorneys' fees and disbursements) and claims for liability arising in connection with their positions or activities on behalf of the Chapter to the full extent permitted by law.

ARTICLE X MISCELLANEOUS

SECTION 1. Fiscal Year. The fiscal year of the Chapter shall be determined by the Board of Directors.

SECTION 2. Contracts, Checks, Drafts, etc. Except as otherwise provided in these Bylaws, all contracts and all checks, drafts, notes, acceptances, endorsements and other evidences of indebtedness may be executed on behalf of the Chapter only by the President, the President-Elect, the Treasurer, the Executive Director or such other officers and agents of the Chapter as the Board of Directors or the Executive Committee may authorize.

SECTION 3. Loans. No loans shall be made or obtained on behalf of the Chapter, and no negotiable instruments other than checks shall be issued in its name, unless and except as authorized by the Board of Directors.

SECTION 4. Deposits. Unless otherwise directed by the Board of Directors, all funds of the Chapter shall be deposited in such depositories as the Executive Committee or the President may select, or as may be selected by another officer or agent authorized by the Board of Directors.

SECTION 5. Procedures. All meetings of the Members, the Board of Directors and the Executive Committee shall be governed by the rules set forth in the latest edition of Robert's Rules of Order, Newly Revised, as long as such rules are not in conflict with these Bylaws or with rules and procedures established by the Board or the Executive Committee. By majority vote, the Board of Directors may vote to suspend Robert's Rules of Order.

SECTION 6. Use of Funds and Dissolution. The Chapter shall use its funds only to accomplish its stated purpose and objectives. Upon dissolution of the Chapter, all of its assets shall be distributed to CAI, or its successor.

SECTION 7. Loss of Charter. This chapter may be decertified by a vote of the Board of Trustees, as provided in the policies and procedures of CAI. In such event, the Chapter agrees to be bound by the CAI policies.

SECTION 8. Waiver of Notice. Whenever any notice is required to be given under applicable law, the Articles of Incorporation or these Bylaws, a waiver of such notice, orally, in a writing signed by the person entitled to such notice (whether signed before or after the time for notice has expired), or by attendance at any meeting or participating in any vote or proceeding pursuant to such notice, shall be deemed the equivalent of the giving of such notice.

SECTION 9. Transitional Procedures. Any and all actions taken pursuant to the Bylaws of the Chapter in effect prior to the date of adoption hereof shall remain in full force and effect unless and until expressly changed or revoked pursuant hereto.

SECTION 10. Rules of Construction. The following rules of construction shall apply to the interpretation of these Bylaws:

A. The use of the masculine gender in these Bylaws shall be deemed to refer to the feminine gender and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires. The captions and headings contained in these Bylaws are for convenience of reference only and shall not be construed as a limitation on the scope of any particular article, section or subsection of these Bylaws. The captions may not be used in interpreting the meaning of any article, section or subsection of these Bylaws.

B. Wherever these Bylaws grant the authority to act or exercise any right or privilege by the Board of Directors, its officers, the Chapter Executive Director or any person referred to in these Bylaws (the "Authorized Party"), there shall be no limitation on the number of times the Authorized Party may exercise the authority, right or privilege granted, unless these Bylaws expressly provide otherwise.

C. Wherever these Bylaws use the word "including," it shall be deemed to be followed by the words "without limitation," unless expressly stated to the contrary.

D. If any time period or deadline stated in these Bylaws falls on a Saturday, Sunday or legal holiday, the time period or deadline shall be extended until the next business day.

ARTICLE XI AMENDMENTS

These Bylaws may be amended, repealed or altered, in whole or in part, by the affirmative vote of two-thirds (2/3) of the Members of the entire Board of Directors at a duly called meeting of the Board at which a quorum is present; provided, however, that the notice of such meeting must be in writing, must

describe, generally, the scope and nature of the amendment, revision or alteration to the Bylaws, and must state that a purpose of the meeting is to vote on such proposed amendment, revision or alteration to the Bylaws.

Adopted by Board of Directors on January 30, 2018.



Matthew A. Drewes, President

EXHIBIT A –CONFLICT OF INTEREST POLICY

The CAI Chapter Board of Directors owes a duty of loyalty to Community Associations Institute (CAI), which requires that in serving CAI they act not in their personal interests or the interests of others, but rather solely in the interests of CAI. Directors must have undivided allegiance to CAI's mission and public policies, and may not use their positions as Directors, information they have about CAI or strategies related to their activities, in a manner that allows them to secure a pecuniary or any other benefit for themselves, their relatives, or other organizations they belong to or serve.

The conduct of personal business between the Director and CAI is discouraged. Business transactions involving CAI in which a Director has an interest shall not be prohibited, but shall be subject to close scrutiny. Such proposed transactions shall be reviewed carefully to determine that those transactions are in the best interests of CAI and will not lead to a conflict of interest. The language in the foregoing sentence is, to an extent, self-contradictory. Any matter in which one has a personal interest is, de facto, a conflict of interest.

The issue is whether, despite the conflict, the transaction is commercially reasonable and in the best interests of CAI. For the purposes of this policy, a Director has an interest in a proposed transaction if the Director has a financial interest in the transaction that is not shared by the membership at large or a substantial portion of the membership of CAI, or has a financial interest in any organization involved in the proposed transaction (except an interest as a shareholder in a publicly traded company) or holds a position as trustee, director, general manager, or principal officer in any such organization.

Prior to participating in any briefings, discussions, strategy sessions or Chapter activities that affect any programs or interests of other organizations to which Directors are affiliated or which affect a Director personally, the Director must make full disclosure to the best of their knowledge of any interest inconsistent with this policy or other chapter activity to the President of the Chapter Board of Directors.

A Director with a dual interest in a proposed issue or position shall not vote on or participate in a discussion of the matter.

A Director shall not use inside information about CAI for his personal benefit or for the benefit of any other organization, or use such inside information or his position as a Director to the detriment of CAI. Inside information is information obtained by a Director through the Director's position that has not become public information.

Each Director has a duty to place the interests of CAI and adherence to CAI's interests foremost in any dealings involving CAI and has a continuing responsibility to comply with the requirements of this Policy. On an annual basis, each Director is required to complete a Director Disclosure Statement.

Adopted by the CAI-MN Chapter Board of Directors on January 30, 2018.

Director Disclosure Statement

Part A of this Director Disclosure Statement provides instructions that should be retained by each Director and used as necessary during their current term of service to report potential conflicts of interest as they may arise. In Part B, you are requested to list all organizations, associations, or businesses in which you are involved that do business with or compete with Community Associations Institute (CAI) or a Chapter of CAI. Part C is a year-end report in which you are requested to describe any business transaction with CAI or a Chapter of CAI during the past year in which you had an interest.

Parts B and C of this form should be filled in, signed at the bottom, and returned as soon as possible to the attention of CAI-MN at c/o Matthew A. Drewes, 2100 AT&T Tower, 901 Marquette Avenue, Minneapolis, Minnesota 55402, or at the Chapter's Registered Address, as the same may be changed from time to time. You may also fax your completed form to the Chapter Office, Attention Matthew A. Drewes, at (612) 305-1414.

Part A. Instructions for Disclosure of Potential Conflicts of Interest

If you have reason to believe that you may have any interest inconsistent with the Conflict of Interest Policy in a proposed issue, transaction, business or public policy position, you must prepare a brief letter to the President of the Chapter Board describing your potential conflict of interest. This letter must be provided to the President of the Chapter Board and you must receive a response from the President of the Chapter Board before beginning any negotiations or participating in any discussions relating to the transaction or topic of your potential conflict of interest.

A Director is considered to have an "interest" in a transaction, issues, strategy or public policy position if he, she, the business entity with which such person is associated or any family member: (1) has a direct or indirect financial interest in it; or (2) is a member of an association, organization, or business involved in or affected by the proposed transaction, issue, or policy; or holds a position as a trustee, director, general manager, principal officer, or is staff in any such association, organization, or business. A Director will not be considered to have an "interest" if the general membership of CAI or all members of the same membership category as the Director share the same predisposition or bias.

A potential conflict of interest will be reviewed carefully and measures will be provided to ensure that the interests of CAI are not adversely affected or abrogated. A Director shall not participate in any manner in the subject of the potential conflict of interest, unless the Director is first provided with written authorization. Such prohibited participation includes any discussions or votes relative to the subject of the conflict of interest and any attempts made to affect the position of other Directors. Any question concerning whether a potential conflict of interest exists must be disclosed, in writing, to the President of the Chapter Board.

**Part B. Organizations, Associations, or Businesses Doing Business with or Competing With
Community Associations Institute in Which You Have an Interest**

In the space below, please list all organizations, associations or businesses in which: (1) you have a substantial financial interest, or (2) you are a member, hold a position as a trustee, director, general manager, principal officer, or employee, if these organizations, associations or businesses engage in business transactions with Community Associations Institute or the Chapter or compete in any way with Community Associations Institute. Enter "N/A" if you have no organizations to report.

Name of Organization, Association, or Business	Nature of Your Interest in the Organization, Association, or Business
_____	_____
_____	_____
_____	_____
_____	_____

(Attach additional sheets if necessary.)

I certify that the above information is correct to the best of my knowledge.

Name of Director: _____

Signature: _____

Date: _____

(Please return Part B to the attention of _____.)

Part C. Transactions During the Fiscal Year Ending _____.

In the space below, please provide a description of any and all business transactions of CAI or the Chapter during the past fiscal year in which (1) you have a substantial financial interest, or (2) that involve an organization, association, or business in which you have a substantial financial interest, or (3) that involved an organization, association, or business in which you hold a position as trustee, director, general manager, principal officer, or staff. Include a brief description of each transaction, and a description on your interest in the transaction. Enter "N/A" if you have no transactions to report.

(Attach additional sheets if necessary.)

I certify that the above information is correct to the best of my knowledge.

Name of Director: _____

Signature: _____

Date: _____

(Please return Part C to the attention of _____.)

EXHIBIT B – SAMPLE BOARD OF DIRECTORS CODE OF CONDUCT

Board of Directors
Code of Conduct

Individual Directors are expected to act in an ethical and businesslike manner.

1. Directors must represent unconflicted loyalty to the interests of the Members of the entire Chapter. This accountability supersedes any conflicting loyalty such as that to any advocacy or interest groups, or membership on other boards or staffs. This accountability supersedes the personal interest of any Director acting as an individual consumer or provider of the organization's services.

2. Directors must disclose and, to the extent possible, avoid any conflict of interest or nepotism conflicts in accordance with laws and/or the CAI documents.

A. If the conflict may result in personal financial gain to the Director, the Director will refrain from participating in discussion and voting.

3. Directors may not attempt to exercise individual authority over the organization except as explicitly set forth in Board policies.

A. Directors' interaction with the chapter executive director, with staff, or with a committee reporting to the staff, must recognize the lack of authority of any individual Director or group of Directors except as noted above.

B. Directors' interaction with the public, press or other entities must recognize the same limitation and the similar inability of any Director or Directors to speak for CAI or the chapter.

C. Directors will make no judgments of the chapter executive director or staff performance except as that performance is assessed against explicit Board policies by the official process.

4. Directors shall base their decisions on the merits and substance of the matter at hand, rather than unrelated considerations. They shall not pursue inappropriate personal agendas, lose sight of the big picture, practice deception or break the trust of other Directors.

5. Directors shall not take any special advantage of services or opportunities for personal gain that are not available to all CAI members. They shall refrain from accepting any gifts or promises of future benefits that might compromise or give the appearance of compromising their independence of judgment or action. Directors shall neither disclose the content of confidential discussions and information, nor use such information to advance personal, financial or other private interests.

EXHIBIT C – SAMPLE COLLECTION/NON SERVICE POLICY

This should be referenced in the bylaws, but should remain a separate document of the bylaws.

It is the policy of the organization to complete customer orders and forward an invoice for the merchandise. Invoices for services will be sent immediately following completion of the service.

On or about 30 days after the date of the original invoice, statements will be mailed to customers accompanied by copies of outstanding invoices.

On or about 45 days after the date of the original invoice, a person will contact the customer via telephone and e-mail and attempt to collect the amount due. A record will be kept of telephone and email contacts.

If 60 days elapsed without payment, the account will be turned over to the organization's collection agency if the amount is \$500 or less. If the debt exceeds this figure, the account will be handled by the organization's attorney. At this time, the member will be sent a letter notifying them that the account has been turned over for collection and that the member will no longer be eligible to receive benefits from the CAI NAME Chapter until the debt is cleared. The Chapter may not refuse membership. However, the chapter may withhold member services (i.e. listing in chapter directory, advertising in chapter publications and attendance at chapter events).

A Bad Debt Collection Activity Record will be maintained to track telephone calls, collection agency action and attorney use concerning the customer.

EXHIBIT D – SAMPLE RESTRAINT OF TRADE STATEMENT

As a protection for the chapter, it is suggested that the following statement be read at the start of chapter meetings and events.

Whenever competitors within an industry gather together, appropriate care must be exercised to ensure that violations of anti-trust laws do not occur. All participants of chapter events should avoid any collusive practices or discussions. Collusion is an agreement to fraud and most usually is evidenced in the following anti-trust violations: product boycott, restrictive market allocation, refusal to deal with a third party, and price restraining activities. There need not be written or verbal agreements to fraud. Conversations regarding any of these sensitive areas may be construed as implicit violations.

You should avoid discussion of pricing, such as the prices you pay and prices you charge, including labor costs; market share and allocation; quality ratings of products or suppliers, particularly those that may cause a competitor to lock out or to cease purchasing from a specific supplier; and/or any other areas that might have anti-competitive repercussions.

For your own protection and the protection of your company, CAI recommends that should one of these subjects be brought up in any discussion, it would be in your best interest to voice your objection to it and disassociate yourself from the discussion should it continue.