Section 1: [Article II, Section 2.2] Membership List Conditioned on Owner Application to Secretary

Section 2.2. Membership List. To be placed on the Membership List, a person or entity otherwise qualified shall notify the Secretary of the Association that the person or entity has become an Owner of a Lot and give the Secretary such information as the Secretary requires to place the Owner on the Membership List.

Section 2: [Article II, Section 2.3] Suspension of Voting Rights and Recreational Facility Rights

ISSUE #1

Section 2.3. Suspension of Membership Rights. The Board of Directors may suspend the voting rights and right to use the recreational facilities of a Member during any period in which such member shall be sixty (60) days in arrears in the payment of any assessment levied by the Association until such time as the Member's assessment has been paid. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for a Member's infraction of published rules and regulations.

Section 3: [Article II, Section 2.5] Special Meetings of Members: 25% Petition Threshold & Board Sets Date

Section 2.5. Special Meetings. Special Meetings of the Members may be held from time to time when called by the President, by petition of not less than one-fourth of the Members or as provided in these Bylaws. All Special Meetings shall be held on a date set by resolution of the Board of Directors. The purpose of any Special Meeting shall be specified in the notice given to the Members.

MARKUP #1 ->

MARKUP #1 · CONFLICTS WITH MANDATORY STATE STATUTE — BOARD & COUNSEL REVIEW

Sec. 2.3. (p. 1): Voting rights suspension clause lacks Iowa statutory notice, hearing due process, or delinquency safeguards (Iowa Code § 504.622 & § 499B.15).

Statutory / Legal Reference: Iowa Code § 504.622 & § 499B.15; Iowa Code Ch. 504 & § 614.24 (Stale Uses & Reversions Act); Iowa Code Ch. 504 (Revised Iowa Nonprofit Corporation Act)

Statutory Comparison: Under Iowa community association and nonprofit corporation statutes (Iowa Code § 504.622 & § 499B.15; Iowa Code Ch. 504 (Revised Iowa Nonprofit Corporation Act)), member voting rights are a fundamental corporate governance right and may not be summarily suspended without strict compliance with statutory delinquency thresholds, prior written notice, and an opportunity to be heard.

CURRENT WORDING IN DOCUMENT:

Suspension of Membership Rights. The Board of Directors may suspend the voting rights and right to use the recreational facilities of a Member during any period in which such member shall be sixty (60) days in arrears in the payment of any assessment levied by the Association until such time as the Member's assessment has been paid. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for a Member's infraction of published rules and regulations.

SAMPLE DISCUSSION WORDING (FOR HOA ATTORNEY REVIEW):

Provided that any suspension of voting or membership privileges (to the extent permitted by Iowa law) shall require prior written notice to the Owner, a reasonable opportunity to be heard, and strict compliance with Iowa Code § 504.622 & § 499B.15 and Iowa Code Ch. 504 (Revised Iowa Nonprofit Corporation Act).