

**PRESCOTT LAKES COMMUNITY ASSOCIATION  
PROPOSED AMENDED AND RESTATED BYLAWS  
SELECTED QUESTIONS AND ANSWERS**

QUESTION 1:

Bylaws Provision in Redline Format.

Additions in bold underline (**example**) and deletions struck through (~~example~~):

Section 3.18(d):

“no remuneration shall be accepted by the managing agent from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts (**other than gifts of nominal value**), or otherwise; any thing of value received shall benefit the Association;”

Question/Comment:

The term “gifts of nominal value” seems ambiguous. How much is the nominal value?

Answer:

Gifts of nominal value are symbolic gestures. Examples are, coffee, donuts, treats, lunch, mugs, cups, or other small tokens of appreciation.

QUESTION 2:

Bylaws Provision in Redline Format.

Additions in bold underline (**example**) and deletions struck through (~~example~~):

Section 3.3(a):

**In soliciting candidates**, the Nominating Committee shall use reasonable efforts to ~~nominate~~ **recruit** candidates representing the diversity which exists within the ~~pool of potential candidates~~ **Property**.

Question/Comment:

What does "recruiting board candidates representing the "diversity" which exists within the Property" exactly mean? In other words, how will you determine "diversity" and how will you go about recruiting such candidates?

Answer:

As a preliminary matter, please note that this concept is part of the original Bylaws. Diversity can mean many different things. It could be diversity in neighborhoods where the candidates live, diversity in experience, diversity in education, diversity in hometown or home state, and diversity in any other characteristic. Please also note this concept is only used in reference to the Nominating Committee soliciting and recruiting candidates. Diversity does not play a role in who is permitted to run for the board. All qualified candidates are permitted to run for the board, even if there is no (or little) diversity among them.

### QUESTION 3:

#### Bylaws Provision in Redline Format.

Additions in bold underline (**example**) and deletions struck through (~~example~~):

~~3.6.3.5~~ **3.5** Removal of Directors and Vacancies.

**(a)** Any director elected by the Voting Members may be removed, with or without cause, by the vote of Voting Members holding a majority of the votes entitled to be cast for the election of such director. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a director, a successor shall be elected by the Voting Members entitled to elect the director so removed to fill the vacancy for the remainder of the term of such director.

#### Question/Comment:

Does this mean that elected Voting Members, on their own, can form a majority and remove a director without consultation of the Members?

#### Answer:

No. A poll of the Members is still required by Section 6.4(b) of the Declaration.

### QUESTION 4:

#### Bylaws Provision in Redline Format.

Additions in bold underline (**example**) and deletions struck through (~~example~~):

Section 3.9(a) Notice: Waiver of Notice.

Notices given by personal delivery, telephone, **e-mail**, or other device shall be delivered or transmitted at least ~~72~~ **forty-eight (48)** hours before the time set for the meeting, **except in the case of an emergency meeting of the board of directors called to discuss business or take action that cannot be delayed for the forty-eight (48) hours required for notice.**

#### Question/Comment:

Why the change from 72 to 48 hours?

#### Answer:

The 48-hour notice matches what is required by the Planned Community Act for the Association to provide notice of Board meetings to the Members. It is easier to have one timeframe for providing notice of Board meetings and, with electronic notice (e-mail) and the option for electronic participation in Board meetings (telephonic and/or Zoom), 48-hour notice is typically sufficient. Finally, 48 hours is only the minimum notice that must be given; more than 48-hour notice may be given.