

**BYLAWS
OF
ROCKING HORSE FARM 5th ADDITION HOMEOWNERS ASSOCIATION**

This Nonprofit Community Association has been created pursuant to Article VII of the Rocking Horse Farm 5th Addition Declaration of Residential Covenants and Restrictions. These Bylaws are adopted to provide for the administration of the Association to provide for the peaceful enjoyment of private residential property in Rocking Horse Farm 5th Addition. Accordingly this organization will have the responsibility to ensure the continued development and maintenance of such facilities as the residents of Rocking Horse Farm 5th Addition will determine and to promote the general health, welfare and well being of the residents of Rocking Horse Farm 5th Addition.

**ARTICLE I
APPLICATION; OFFICES**

Section 1. Applicability of Bylaws. The provisions of these Bylaws are applicable to the Property described in the Rocking Horse Farm 5th Addition Declaration of Residential Covenants and Restrictions, and to the use and occupancy thereof. Any words or terms used in these Bylaws which are defined in the Rocking Horse Farm 5th Addition Declaration of Residential Covenants and Restrictions filed in the office of the County Recorder for Cass County, North Dakota (the "Declaration") shall have the meaning there ascribed to them.

Section 2. Application. All present and future Owners, mortgagees, lessees, and occupants of Lots and their employees are subject to these Bylaws, the Declaration, and rules and regulations pertaining to the use and operation of the Property. The acceptance of a deed or conveyance, or the entering into of a lease, or the act of occupancy of a Lot shall constitute an acceptance of the Declaration, these Bylaws, and any accompanying rules and regulations, as they may be amended from time to time, are accepted, ratified and fully applicable.

Section 3. Offices. The principal office of the Association in the State of North Dakota will be located in Cass County, and the Association may have such other officers, either within or without the State of North Dakota, as the Board of Directors may designate or as the business of the Association may require from time to time.

**ARTICLE II
BOARD OF DIRECTORS**

Section 1. Number and Qualification. The affairs of the Association shall be governed by a Board of Directors elected by the Members. The Board of Directors shall be the Developer, until the organizational meeting of the Members required by Article III Section 2. Thereafter the Board of Directors shall be composed of five (5) persons, all of whom shall be Members.

Section 2. Powers and Duties. The Directors shall have general charge, management, and control of the affairs, funds, and property of the Association and may do everything necessary and convenient in their discretion to accomplish the purposes of this Association., except such powers and duties as by law or by the Declaration or by these Bylaws may not be delegated to the Board of Directors by the Members.

Section 3. Managing Agent. The Board of Directors may select from its members, or hire a third-party, to act as a Managing Agent to perform such duties and services as the Board of Directors shall authorize. If the Board elects to hire a third-party to act as a professional Managing Agent, the management contract must be for a reasonable term. Such delegation shall not relieve the officers and directors of the ultimate responsibility for the performance of their duties as prescribed herein or by law.

Section 4. Election and Term of Office. At the initial meeting of the Members and at each annual meeting held as hereinafter provided, and after the election of all members of the Board of Directors, the Board members shall be seated in their respective terms of office. Directors shall be elected at the Regular Meeting of the Members of the Association and each Director shall be elected to hold office for one (1) years and shall serve until a successor is elected and qualified.

Section 5. Removal.

- (a) Any Director may resign from the Board at any time by submitting his resignation in writing which shall become effective on the date designated in the writing.
- (b) Any Director whose ownership of a lot in Rocking Horse Farm 5th Addition is terminated shall thereupon, if he does not do so in writing, be considered to have submitted his resignation and a successor shall be named.
- (c) Any Director may be removed at any time, with or without cause, upon a majority vote of the Members at a Special Meeting called for the purpose of considering such action. In the event of removal under this provision, the Members shall, at the same meeting, elect a successor to fulfill the remaining term of the Director so removed.

Section 6. Vacancies. In the event that any Member of the Board of Directors shall resign, die, become disqualified, refuse to act or be removed as a Director during the term of office, except as provided in Section 5(c) hereof, his successor shall be appointed by the remaining Members of the Board, and each person so appointed shall be a Director for the remaining portion of the unexpired term of the Director whose place he takes.

Section 7. Organizational Meetings. The Board of Directors shall be elected at an organizational meeting of Members, as set forth in Article III, Section 2 below. Until the organizational meeting, the Developer shall have the power of the Board of Directors, but may not alter the Declaration or change the voting percentages without the consent of any other Owners and their first mortgagees, except to the extent that the Declaration specifically authorizes the Developer to alter the Declaration.

Section 8. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a Majority of the members of the Board of Directors, but at least one such meeting shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each member of the Board of Directors, by mail, e-mail or telephone, at least ten (10) days prior to the day named for such meeting.

Section 9. Special Meetings. Special meetings of the Board of Directors may be called by the President on seven (7) days' written notice to each member of the Board of Directors, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors

shall be called by the President or Secretary in like manner and on like notice on the written request of at least three (3) members of the Board of Directors.

Section 10. Waiver of Notice. Any member of the Board of Directors, may, at any time, waive notice of any meeting of the Board of Directors in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Directors at any meeting of the Board shall constitute a waiver of notice by him. If all the members of the Board of Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 11. Quorum of Board of Directors. At meetings of the Board of Directors, a Majority thereof shall constitute a quorum for the transaction of business, and the votes of a Majority of the members of the Board of Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, a Majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business, which might have been transacted at the meeting originally called may be transacted without further notice. Only the complete Board may vote on any change in voting power, as set forth in Article II, Section 14.

Section 12. Compensation. No member of the Board of Directors shall receive any compensation from the Association for acting in that capacity, but may be reimbursed for expenses incurred.

Section 13. Liability of Board of Directors. The members of the Board of Directors shall not be liable to the Lot Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Members shall indemnify and hold harmless each Member of the Board of Directors against all contractual liability to others arising out of contracts by the Board of Directors on behalf of the Association unless any such contract shall have been made in bad faith or contrary to the provisions of the Bylaws. It is intended that the Members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Association. It is also intended that the liability of any Member arising out of the indemnity in favor of the Members of the Board of Directors shall be limited to such proportion of the total liability thereunder as his interest in the Association bears to the interest of all the Members of the Association on a per lot basis. Every agreement made by the Board or Directors or by its Agents or Employees on behalf of the Association shall provide that the Members of the Board of Directors, their Agents or Employees as the case may be, are acting only as Agents for the Members and shall have no personal liability thereunder (except as Members), and that each Member's liability thereunder shall be limited to such proportion of the total liability thereunder as his interest in the Association bears to the interests of all Members in the Association.

Section 14. Voting. Each member of the Board of Directors shall have one vote. Any action of the Board of Directors requires a Majority vote. This section shall not be amended, except by a unanimous vote of the members of the Board of Directors, by vote in person or written ballot. Directors shall not vote by proxy.

Section 15. Action in Writing. Any action which might be taken at a Meeting of the Board of Directors may be taken without a meeting if done in writing and signed by all of the Directors.

Section 16. Open Meetings. Except as otherwise provided in the Act or the Declaration, meetings of the Board of Directors must be open to Lot Owners. To the extent practicable, the Board shall give reasonable notice to the Lot Owners of the date, time and place of a board

meeting. If the date, time, and place of meetings are announced at a previous meeting of the Board, posted in a location accessible to Lot Owners and designated by the Board from time to time, or if an emergency requires immediate consideration of a matter by the Board, notice is not required.

Section 17. Telephone Conference. A meeting of the Directors or any committee of the Board may be conducted by a telephone conference or any means of communication through which the participants may simultaneously hear each other during the meeting, if notice of the meeting has been given as would be required for a meeting and if the number of persons participating in the conference is sufficient to constitute a quorum. Participating in a conference constitutes personal presence at the meeting. A Director may participate in a Board meeting by means of communication through which the Director, other Directors participating, and all other Directors physically present at the meeting may simultaneously hear each other during the meeting. Participation in a meeting by this means constitutes personal presence at the meeting.

ARTICLE III MEMBERS

Section 1. Classes of Members. The Association will have one class of Members who will attain the status by acquiring the ownership of a residential lot ("Lot") in Rocking Horse Farm 2nd Addition. There will be as many Members as there are owners of Lots; provided, however, there will be only one (1) vote per Lot.

If any lot is owned by more than one (1) person, the owners of such lot shall designate in writing the name of one of them to cast the vote for that lot and the name of an alternate who may vote in the absence of the designated Voting Member. Such designation must be signed by all owners of the lot and delivered to the Secretary prior to a vote on a matter at any meeting. Such designation shall remain in effect until transfer of the lot or change of designation in writing, signed by all owners and delivered to the Secretary.

Section 2. Initial Meeting of Members. Until the first meeting of the Members the Developer shall exercise the power of the Board of Directors. Within 60 days after the date seventy-five (75%) percent of the Lots have been issued certificates of occupancy, or at such earlier time as the Developer may determine, the initial meeting of Members shall be conducted at which time the Developer shall have no special rights, express or implied, or any special control or veto powers, and control of the Association shall pass to the Members subject to the right of the Developer as Owner of unsold Lots and the voting and other rights pertinent to such Lot ownership. The initial meeting of Members shall be called by the Developer and all Members shall be notified thereof as provided under Section 6 of this Article III. At such initial meeting of Members, the Board of Directors shall be elected by ballot of the Members in accordance with the requirements of Section 4 of Article II of these Bylaws. The Members may transact such other business at such meeting as may properly come before them.

Section 3. Annual Meeting. Regular annual meetings shall be held each year on a day to be set by the Board of Directors. At such meeting, the members of the Board of Directors shall be elected in accordance with these Bylaws and such other business as may properly come before the meetings shall be transacted.

Section 4. Place of Meetings. Meetings of the Lot Owners shall be held at such place convenient to the Members as may be designated by the Board of Directors.

Section 5. Special Meetings. It shall be the duty of the President to call a special meeting of the Members if so directed by resolution of the Board of Directors or upon a petition signed and presented to the President by Members owing a total of at least ten (10%) percent of the common interest of all Lots. The notice of any special meeting shall state the time, place, and purpose of the meeting, and no other business may be transacted at such special meeting.

Section 6. Notice of Meeting. The Secretary shall cause to be delivered, personally or by mail, to each Member a notice of each annual or special meeting of the Member, at least seven (7) days but not more than twenty-one (21) days prior to such meeting, stating the time, place and purpose thereof. The notice shall be delivered to the Members or to Member's address, or to such other address as the Member shall have designated in writing to the Secretary.

Section 7. Adjournment of Meetings. If any meeting of Members cannot be held because of lack of a quorum, a Majority of Members present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours nor more than twenty (20) days from the time set for the original meeting.

Section 8. Order of Business. The order of business at all meetings of the Members shall be as follows:

- a. Roll call;
- b. Proof of notice or waiver of meeting;
- c. Reading of minutes of preceding meeting;
- d. Reports of officers;
- e. Report of Board of Directors;
- f. Reports of committees;
- g. Election of members of the Board of Directors (when so required);
- h. Unfinished business; and
- i. New business.

Section 9. Voting. Each Member, in person or by written proxy, shall be entitled to cast the vote appurtenant to his or her Lot at all meetings of the Members. A majority of those voting shall govern all determinations of the Members. Except where a greater vote is required by the Declaration, or these Bylaws.

Section 10. Quorum. Except as otherwise provided in these Bylaws, the presence of persons entitled to vote the votes appurtenant to not less than Twenty (20%) percent of the total number of the Lots shall constitute a quorum at all meetings of Members.

ARTICLE IV OFFICERS

Section 1. Designation. The principal officers of the Association shall be the President, the Vice President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Directors. The officers must be members of the Board of Directors. More than one office may be held by the same person.

Section 2. Election of Officers. Officers shall be elected by the Board of Directors at the annual meeting of each new Board of Directors and shall hold office at the pleasure of the Board of Directors.

Section 3. Removal of Officers. Upon the affirmative vote of a Majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose.

Section 4. President. The President shall be the Chief Executive Officer of the Association. He shall preside at all meetings of the Members and of the Board of Directors. He shall have all of the general powers and duties, which are incident to the office of President of a corporation. The President shall exercise general supervision over the affairs of the Association. He may sign, with the Secretary or other proper Officer of the Association thereunto authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other Officer or Agent of the Association, or shall be required by law to be otherwise signed or executed; and, in general, shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 5. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board of Managers to act in the place of the President, on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors or by the President.

Section 6. Secretary. The Secretary shall: (a) keep the Minutes of the Board of Directors' Meetings in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the Association's records; (d) keep a register of the post office address of each Member of the Board of Directors; (e) sign with the President, or Vice President, any and all documents required to be executed by the Association; (f) keep a register of the person who may vote the vote appurtenant to each lot, and the alternate; (g) provide, upon written notification of a proposed sale, a copy of Declaration and Bylaws of Rocking Horse Farm 2nd Addition Homeowners Association to all intended lot purchasers at or before closing; (h) generally perform all duties incidental to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors. The duties of the Secretary may be delegated to the Managing Agent.

Section 7. Treasurer. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the Association; (b) receive and give receipts for monies due and payable to the Association from any source whatsoever, and deposit all such monies in the name of the Association in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article V of these Bylaws; and (c) in general perform all of the

duties incidental to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 8. Agreements. Contracts. Deeds. Checks, etc. All agreements, contracts, deeds, checks and any other instrument of the Association shall be executed by any two (2) officers of the Association or by such other person or persons as may be designated by the Board of Directors.

Section 9. Compensation of Officers. No officer shall receive compensation from the Association for acting as such, but may be reimbursed for expenses incurred.

ARTICLE V SALE OR LEASE OF LOTS

Section 1. Notice of Conveyance. Any Lot Owner intending to convey his Lot must give the Board of Directors notice of such conveyance at least ten (10) days prior to the consummation of such conveyance, including sufficient details thereof to enable the Board of Directors to apprise the other party of the status of the obligations against the Lot owed to the Association.

The Lot Owner must also advise the intended purchaser or lessee that he will be subject to and shall be deemed to have accepted the provisions of the Declaration, Bylaws, and rules and regulations in accordance with the provisions of the Declaration and the Bylaws, and in the case of a lease, such provisions shall be specifically incorporated as a condition of the lease.

Section 2. Payment of Assessments. No Lot Owner shall be permitted to convey his Lot unless and until he shall have paid in full all unpaid common charges then due against his Lot and until he shall have satisfied all unpaid liens against such Lot, except permitted Mortgages.

ARTICLE VI RECORDS

Section 1. Records and Audits. The Board of Directors or the Managing Agent shall maintain financial records and books of account for the Association, including a chronological listing of receipts and disbursements, as well as a separate account for each Lot which shall contain the amount of each assessment of common charges against such Lot, the date when due, the amounts paid thereon and the balance remaining unpaid. The Board of Directors or Managing Agent shall maintain current copies of the Declaration, Bylaws and other Rules and Regulations concerning the Property, as well as the books, records and financial statements for the Association. Such documents shall be available for the inspection by Lot Owners or by the holders, insurers or guarantors of first Mortgages that are secured by Lots in the Property. Such documents shall be available during normal business hours. The Board of Directors shall make an audited financial statement for the preceding fiscal year available to the holder, insurer or guarantor of any first Mortgage that is secured by a Lot on submission of a written request for such statement. The financial statement must be available within 120 days of the Association's fiscal year.

ARTICLE VII MISCELLANEOUS

Section 1. Notices. All notices to the Board of Directors shall be sent by registered or certified mail, c/o the Managing Agent, or if there is no Managing Agent, to the office of the Board of Directors or to

such other address as the Board of Directors may hereafter designate from time to time. All notices to any Lot Owner shall be sent by registered mail or certified mail to the Owner's Lot address or to such other address as may have been designated by him from time to time, in writing to the Secretary of the Board of Directors. All notices to mortgagees shall be sent by registered or certified mail to their respective addresses, as designated by them from time to time in writing to the Board of Directors. All notices of change of address shall be deemed to have been given when received.

Section 2. Invalidity. The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these Bylaws.

Section 3. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these Bylaws, or the intent of any provision.

Section 4. Gender. The use of the masculine in these Bylaws shall be deemed to include the feminine, and the use of the singular shall be deemed to include the plural, whenever the context so requires.

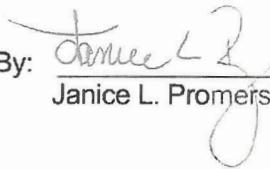
Section 5. Waiver. No restrictions, condition, obligation or provision in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

ARTICLE VIII AMENDMENTS TO THE BYLAWS

Section 1. Amendments to the Bylaws. Except for matters as to which the Declaration requires a vote of the Lot Owners, these Bylaws may be modified by the approval of a Majority of the Board of Directors. No amendment shall be adopted or become effective which would affect the lien of any Mortgage on any Lot, unless the mortgagee has given its written consent.

IN WITNESS WHEREOF, the Developer has caused these Bylaws to be effective on February 26, 2018.

Jetland Properties, LLC

By: 
Janice L. Promersberger, President