

AMENDED BYLAWS OF RED ROCK RESORT HOMEOWNERS' ASSOCIATION

ARTICLE I

RED ROCK RESORT HOMEOWNERS' ASSOCIATION

These Bylaws are the full and final Bylaws of the Red Rock Resort Homeowners' Association and replace and supersede any previously executed or recorded Bylaws of the Red Rock Resort Homeowners' Association.

Prior to the creation of the Red Rock Resort Homeowners' Association, Kingdom Investor's fees will be as follows: Camper Spot fee of \$100/year for water, septic pumping, road and playground maintenance. Lot fee of \$50/year for road and playground maintenance. As soon as the majority of the Lots and Camper Spots are sold, the Red Rock Resort Homeowners' Association will be formed, and Kingdom Investors will convey its rights and obligations to manage property over to the Red Rock Resort Homeowners' Association.

Section 1. Legal Description of Affected Property: The property subject to these Bylaws is known as the Red Rock Resort (hereinafter "Project"), a seasonal lake resort and is described as follows:

Red Rock Resort Subdivision, a Plat of Auditor's Lots A and B lying in the SE1/4 of Section 6 and the NE1/4 of Section 7, Township 136 North, Range 89 West, Grant County, North Dakota.

Section 2. Definitions.

- A. As used herein the term "Owner" shall refer to Kingdom Investors LLC.
- B. As used herein the term "Association" shall refer to Red Rock Resort Homeowners' Association.
- C. As used herein the term "Lot Owner" shall refer to the Tenant who has purchased a Lot or Camper Spot.
- D. As used herein, the term "Lot" shall be defined so as to include all Lots and Camper Spots within the Project. The project presently consists of 117 Lots and 97 Camper Spots. Owner has reserved the right, but not the obligation to add additional Lots to the Project and with the Lot Owners of additional lots becoming members of the Subdivision. The dedication of such additional lot to the Project shall be memorialized by a document recorded with the Grant County Recorder's office.

Section 3. Membership of the Homeowners' Association. Each Lot Owner is an equal voting member of the Red Rock Resort Homeowners' Association. All Lot Owners retain the right to access and use all Red Rock Resort Homeowners' Association property, including access and use of all streets and roadways conveyed, owned, or maintained by the Red Rock Resort Homeowners' Association. Each Lot

Owner takes their Lot subject to all Red Rock Resort Homeowners' Association easements and servitudes.

Section 4. Applicability of Bylaws. The provisions of these Bylaws are applicable to all Lots in the Project, as described above, and to the use and occupancy thereof. The phrase "Project" as used herein shall include the land, the structures, and buildings, presently constructed or to be constructed on Project land, and all other improvements thereon, all easements, rights and appurtenances belonging thereto, and all other property intended to be submitted to the provisions of these Bylaws.

Section 5. Application. All present and future Lot Owners, mortgagees, lessees and occupants of Lots and their employees, and any other persons who may use the facilities of the Project in any manner are subject to these Bylaws, the Declaration of Restrictions and Obligations pertaining to use and operation of the Project property. The acceptance of a deed or conveyance, or the entering into of a lease, or the act of occupancy of a structure on a Lot shall constitute an acceptance and the ratification of the provisions of these instruments and an agreement to comply therewith.

Section 6. Office. The office of the Association and of the Board of Directors shall be designated from time to time by the Board of Directors or the Association.

ARTICLE II BOARD OF DIRECTORS

Section 1. Number and Qualification. The Owner shall be deemed the sole initial director and officer of the Project until such time as the control is assigned to the Association, as provided herein. The affairs of the Project and of the Association shall be governed by the Board of Directors. The Board of Directors shall be composed of no less than three (3) people and no more than five (5) people, all of whom shall be Lot Owners, or spouses of Lot Owners or mortgagees of Lots or in the case of corporate Lot Owners, shall be officers, stockholders or employees of such corporation.

Section 2. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Project and Association, except where such powers and duties by law or by the Declarations or Bylaws may not be delegated to the Board of Directors by the Lot Owners. The powers and duties to be exercised by the Board of Directors shall include, but shall not be limited to, the following:

- A. Operation, care, upkeep and maintenance of roads, park and the common elements;
- B. Determination of the amount of funds required for operation, maintenance and other repairs of the Project, including common area operation, repair and maintenance;

- C. Determination of the amount of funds required to establish a capital account for the eventual repair or capital improvement for the repair, replacement or capital improvement of the sewer and water mains which service the Project;
- D. Billing members for and the collection of the common charges;
- E. Employment and dismissal of Association employees and independent contractors, as necessary for the efficient maintenance and operation of the common elements;
- F. Adoption and amendment of rules and regulations covering the details of the operation and use of Project common areas;
- G. Opening of bank accounts on behalf of the Project and Association designating the signatures required therefore;
- H. Purchasing Lots at foreclosure or other judicial sales in the name of the Association, or its designees, corporate or otherwise, on behalf of all Lot Owners, to the extent such sales result from the foreclosure of Association dues lien, only;
- I. Obtaining insurance for the Association and common area property, pursuant to the provisions of Article V;
- J. Making repairs, additions and improvements to or alterations of the Project common area property, and repairs to and restoration of such property in accordance with the other provisions of these Bylaws, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings; and
- K. The placement of a lien on any Lot for which assessments have not been paid.

Section 3. Managing Agent. The Board of Directors may employ for the Project a managing agent at a compensation established by the Board of Directors, to perform such duties and services as the Board of Directors shall authorize including, but not limited to, the duties listed in Article II. The Board of Directors may delegate to the managing agent the powers granted to the Board of Directors by these Bylaws.

Section 4. Selection and Term of Office. One (1) Board member shall be elected initially for a term of one (1) year, one (1) Board member for a term of two (2) years, and one (1) Board member for a term of three (3) years. Thereafter one (1) Board member will be elected each year. The term of each Board member shall thereafter be three (3) years.

Section 5. Removal of Members of the Board of Directors. At any regular or special meeting of the Association, any one or more of the members of the Board of Directors may be removed, with or

without cause, by a two-thirds (2/3) majority of the available votes and a successor shall then or thereafter be elected to fill the vacancy thus created. Any member of the Board of Directors whose removal has been proposed by the Lot Owners shall be given an opportunity to be heard at the meeting considering such proposal.

Section 6. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a member thereof by a vote of the Lot Owners, shall be filled by vote of a majority of the remaining Board members at a duly noticed special meeting of the Board of Directors held for that purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum, and each person so elected may be a member of the Board of Directors until a successor shall be elected at the next annual meeting of the Resort Lot Owners.

Section 7. Organizational Meeting. The first meeting of the members of the Board of Directors, shall be held within ten (10) days following the first annual meeting of the Lot Owners.

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 or telephone, at least three (3) business days prior to the date specified for each meeting.

Section 9. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) business days' notice to each member of the Board of Directors, given by mail or telephone, 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 one member 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 of Directors shall constitute a waiver of notice by such Director. If all the members of the Board of Directors are present at a 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 all meetings of members 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 binding and enforceable decision of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum is 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.

Section 12. Compensation. No member of the Board of Directors shall receive any compensation from the Project or Association for acting as such but may be reimbursed for expenses incurred.

Section 13. Liability of the Board of Directors. The members of the Board of Directors shall not be liable to the Lot Owners for any mistakes of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Lot Owners 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 Project and the Association unless any such contract shall have been made in bad faith or contrary to the provisions of the Declarations or Bylaws. It is also intended that the liability of any Lot Owner 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 such Lot Owner's Lot bears to the interests of all Lot Owners in the common elements.

ARTICLE III

MEETINGS – GENERAL ASSOCIATION MATTERS/AFFAIRS

Section 1. Annual Meeting. Within sixty (60) days after the Owner has transferred control of the Association to the Board of Directors as provided in these Bylaws, a first meeting of the Lot Owners shall be called by the Owner who shall provide notice to all Lot Owners as provided in this Article. Thereafter, the annual meetings of the Lot Owners shall be no later than June 30th of each succeeding year. At such meetings, the Board of Directors shall be elected by a vote of the Lot Owners in accordance with the requirements of these Bylaws. The Lot Owners may transact such other business at such meetings as may properly come before them.

Section 2. Place of Meeting. Meeting of the Lot Owners shall be held at the principal office of the Project or at such other suitable place convenient to the Lot Owners as may be designated by the Board of Directors.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the Lot Owners if so directed by resolution of the Board of Directors or upon a petition signed and presented to the Secretary by Lot Owners having at least one-third (1/3) of the available Association votes. The notice of any special meeting shall state the time, place and purpose of the meeting. No business shall be transacted at a special meeting, except as stated in the notice.

Section 4. Notice of Meetings. Notice required or permitted to be given to any member of the Board of Directors or any Lot Owner shall be in writing and may be delivered to any member of the Board of Directors or such Lot Owner either personally or by mail addressed to such Board member or Lot Owner at such addresses as provided to the Board in writing. It shall be each respective Lot Owner's responsibility to notify the Board of Directors, in writing, of a change of address or change of ownership of a Lot. Failure to promptly provide such written notice of change of address or change of ownership

shall be at each respective Lot Owner's sole cost and risk. Notice of each annual meeting of the Lot Owners must be given at least twenty (20) days but not more than forty (40) days prior to such meeting, stating the purpose thereof as well as the time and place where the meeting is to be held. Notice of each special meeting of the Lot Owners must be given at least ten (10) days but not more than thirty (30) days prior to such meeting, stating the purpose as well as the time and place where the meeting is to be held.

Section 5. Adjournment of Meetings. If any meetings of Lot Owners cannot be held because a quorum has not attended, a majority of the available Association votes of the Lot Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time no less than forty-eight (48) hours from the time the original meeting was called.

Section 6. Order of Business. The order of business at all meetings of the Lot Owners shall be as follows:

- A. Roll call;
- B. Proof of notice of meeting;
- C. Reading of minutes of preceding meeting;
- D. Reports of officers;
- E. Reports 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 7. Voting – Available Association Votes. The Lot Owner of each Lot, or some person designated by the Lot Owner/Owners to act as a proxy on his or her behalf and who need not be a Lot Owner, shall be entitled to cast the votes appurtenant to such Lot at all meetings of Lot Owners. Proxies, if any, shall be in written form, only, to be effective. There shall be one (1) vote for each Lot within the project, regardless of the number of persons or entities who actually own a given Lot. The designation of any such proxy shall be made in writing to the Secretary and shall be revocable at any time by written notice to the Secretary by the Lot Owner or the Lot Owner's designee.

Section 8. Majority Available Association Votes. As used in these Bylaws, the term "majority of all available Association votes" shall mean more than fifty percent (50%) of the total available Association votes of all Lot Owners present in person or by proxy and voting at any meeting of the Lot Owners.

Section 9. Quorum. The presence in person or by proxy of Lot Owners having one-half (1/2) the available Association votes of all Lot Owners shall constitute a quorum at all meetings of the Lot Owners.

Section 10. Majority Vote. The vote of a majority of the available Association votes present at a meeting in which a quorum shall be present and shall be binding upon all Lot Owners for all purposes except where a higher percentage vote is required by law, by the Declarations or by these Bylaws.

Section 11. Initial Directors. The Owner shall assume the role of the Association Board of Directors from the time of the first Lot in the Project has been conveyed to a third party until the majority of the Lots in the Project have been conveyed to third parties. Thereafter, the Board of Directors shall be selected by a vote of all Lot Owners, as provided herein. An account of all income and expenses, along with the segregated account balance is to be turned over to the Board of Directors after the first meeting of the Lot Owners.

ARTICLE IV OFFICERS

Section 1. Designation. The principal officers of the Project and Association shall be the President, Secretary and Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint such other officers as in its judgment may be necessary. The President must be a member of the Board of Directors.

Section 2. Election of Officers. Officers shall be elected each year by the Board of Directors at the annual meeting of each new Board of Directors following the annual meeting of the Lot Owners 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 officers may be removed, either with or without cause, and the successor may be elected at any regular meeting of the Board of Directors, or at any special meetings of the Board of Directors called for such purpose.

Section 4. President. The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the Lot Owners and of the Board of Directors. The President shall have all of the general powers and duties which are incident to the office of President of a corporation.

Section 5. Secretary. The Secretary shall keep the minutes of all meeting of the Lot Owners and Board of Directors; the Secretary shall maintain such books and papers as the Board of Directors may direct; and shall, in general, perform all duties incident to the Office of the Secretary.

Section 6. Treasurer. The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate financial records and books of accounts showing all receipts and disbursements, and for the preparation of all required financial statements. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name of the Board of Directors, and such depositories as may from time to time be designated by the Board of Directors, and the Treasurer shall, in general, perform all duties incident to the office of Treasurer.

Section 7. Agreements, Contracts, Deeds, Checks. All agreements, contracts, deeds, leases, checks and other instruments of the Project and Association shall be executed by two (2) officers or by such other person or persons as may be designated by the Board of Directors, in writing.

Section 8. Compensation of Officers. No officer shall receive compensation from the Association for acting as such, but may be reimbursed for expenses incurred.

ARTICLE V INSURANCE

Section 1. Insurance for Fire and Other Perils.

A. The Association shall be required to obtain and maintain, to the extent obtainable, “blanket” type policy of insurance with extended coverage, and malicious mischief endorsements, insuring the Association and project common areas, including Park Lots, and improvements thereon, if any. Such insurance shall be in an amount equal to one hundred percent (100%) of the current replacement cost of such improvements, exclusive of land, foundation, excavation, and other items normally excluded from coverage. Such policies must also provide that they may not be canceled or substantially modified without at least thirty (30) days prior written notice to the Association. Such policy must be consistent with state and local insurance laws and at least equal to such coverage as is commonly required by prudent institutional mortgage investors in the area in which the Project is located. The Association shall be authorized to obtain and maintain public liability insurance providing coverage to the individual members of the Board of Directors for liability for the acts or failures to act of a Board member in carrying out or effecting his or her duties and responsibility as a Board member.

B. Insurance Required Lot Owners. Each Lot Owner is herein and hereby notified that the Association will not obtain, retain or maintain any casualty, fire or other peril insurance upon any Lot or improvement within the Project, other than common areas, including the Park Lots. Each Lot Owner shall be required to obtain their own casualty insurance for any such perils or improvements.

Section 2. Public Liability Insurance.

A. Association Public Liability Insurance. In the event the Association acquires or leases common area space, then, and in that event, the Association shall be required to obtain and maintain, to the extent obtainable, the comprehensive general liability insurance covering all of the common elements, owned or leased by the Association, and public ways of the Project. Coverage limits will be in amounts generally required by private institution mortgage investors for projects similar in construction, location and use. However, such coverage shall be for a least five hundred thousand dollars (\$500,000) for bodily injury, including deaths of persons, and two hundred fifty thousand dollars (\$250,000) for property damage, per occurrence. The cost of such insurance shall be paid by the Association and charged to the individual Lot Owners as an Association fee. Coverage under this policy shall include, without limitation, a legal liability of the insured for property damage, bodily injuries and deaths of

persons in connection with the operation, maintenance or use of the common and limited common elements, and legal liability arising out of lawsuits related to employment contracts of the Association. Such policies must provide that the policy may be canceled or substantially modified, by any party, without at least thirty (30) days prior written notice to the Association.

B. Lot Owner Public Liability Insurance. Each Lot Owner is hereby notified that the Association shall not provide liability or casualty/all risk insurance to or for Lots or individual Lot Owners. Such liability or casualty insurance shall be retained, maintained and paid for by the individual Lot Owners within the Project.

C. All Tenants who are leasing a lot or space must send proof of insurance along with their lease payment. Tenants should list all contact numbers and email address on signature page of lease.

ARTICLE VI OPERATION OF PROPERTY

Section 1. Determination of Common Expenses and Common Charges; Assessment Units. The Board of Directors shall from time to time, and at least annually, prepare a budget for the Project, determine the amount of common charges required to meet the common expenses of the Project, and allocate and assess such common charges against each Lot.

A. Common Expenses. The common expenses to be assessed against all Lots within the Project shall include among other things:

(1) The cost of all insurance premiums on the policies of insurance required to be or which have been obtained by the Association pursuant to the provisions of Article V.

(2) Road maintenance and repair to the extent such maintenance and repair is provided by the Association.

(3) The cost of Association residential water and sewage disposal system maintenance and repair (which shall be limited to the sewer mains and water main line and common systems and which exclude individual lines or connections to individual lines such supply or service individual Lots within the Project).

(4) Yard and lawn care of the Association common areas.

(5) Snow removal as provided by the Association.

(6) Real estate taxes assessed against Association common property.

(7) Playground (Park) up keep.

B. Operation (including electricity and water) and maintenance of the Project common property, including without limitation, an amount for working capital of the Project, for a general operating reserve for a reserve fund for capital or major residential water or sewer improvements, repairs, or replacements and to make up any deficit in the common expenses for any prior year. Such common expenses shall be assessed equally against all Lots within the Project. Each Lot Owner shall be solely responsible for the cost of maintaining, repairing or replacement of the sewer line and/or water line which services each individual Lot Owner's Lot through and including the saddle connection which connects the individual Lot Owner's water or sewer line to the sewer or water main. The Association will not and shall not pay for the maintenance, repair or replacement of water or sewer lines with service individual Lots.

C. The Board of Directors or its designee shall advise each Lot Owner in writing of the amount of common charges payable to each Lot Owner, and shall furnish copies of all budgets, upon which such common charges are based, to all Lot Owners.

Section 2. Repair or Reconstruction After Damage. In the event of damage to a structure or Lot within the Association, the Lot Owner thereof shall arrange for the prompt and complete removal, repair and restoration of all such damage. As used herein, the work "prompt" shall be defined in the sole and absolute discretion of the Board of Directors.

Section 3. Reserve Accounts.

A. The Association shall be authorized to establish and maintain an adequate reserve fund for periodic maintenance, repair, and replacement of improvements to the common Project residential water and sewage disposal main lines and systems, which the Association is expressly obligated to maintain. The funds shall be maintained out of regular assessments for common expenses.

B. Additionally, a working capital fund shall be established for the Project operation equal to a two (2) month estimated common area charge for each Lot. Each Lot's share of the working capital fund must be collected and transferred to the Association within one hundred twenty (120) days after the date of conveyance of the Lot by the Owner to the third party. The purpose of the funds is to ensure that the Association will have cash available to pay the first year's insurance premiums, to meet unforeseen expenditures, or to acquire additional equipment and services deemed necessary or desirable by the Board. Amounts paid into the funds are not to be considered any advance of the regular assessment.

Section 4. Payment of Common Charges. Each Lot Owner shall be personally obligated to pay the common charges assessed by the Association against said Lot Owner's Lot. The charges shall also constitute an assessment against the Lot, which assessment may be perfected and secured by the recording of a lien with the County Recorder.

Section 5. Collection of Assessment. The Association shall assess common charges against the Lot Owners from time to time and at least annually and shall take prompt action to collect from a Lot Owner any common charge due with remains unpaid by the Lot Owner for more than thirty (30) days from the due date of such common charges, and shall further pay and be responsible for any and all costs of collection, including, without limitation, reasonable actual attorney fees. A lien for past due assessments and common charges may be made a matter of record by recording notice thereof with the County Recorder as provided by North Dakota law.

Section 6. Default in Payment of Common Charges. In the event of default by any Lot Owner in paying to the Association the assessed common or other expenses and charges, such Lot Owner shall be obligated to pay interest at the rate of ten percent (10%) per annum on such past due common or other expenses and charges, and shall further pay and be responsible for any and all costs of collection, including, without limitation, reasonable actual attorney fees. The Association shall have the right and duty to attempt to recover such common and other expenses and charges, together with interest thereon and the expenses of the proceedings, in an attempt to recover such common and other expenses and charges, together with interest thereon and the expenses of the proceedings, in an action brought against such Lot Owner, or by foreclosure of the lien on such Lot granted pursuant to the laws of the State of North Dakota. The Association does not intend to extend credit beyond thirty (30) days of the date of billing.

Section 7. Foreclosure of Liens for Unpaid Common and Other Expenses and Charges. In any action brought by the Association to foreclose a lien on a Lot because of unpaid Association expenses and charges, the Association, acting on behalf of all Lot Owners, shall have the power to purchase the Lot at the foreclosure sale and to acquire, hold, lease, mortgage, vote the votes appurtenant to, convey, or otherwise deal with the same. The lien for Association charges referred to in Article VI is inferior to any mortgage given and recorded prior to recording of any liens or notices of liens for such Association common expenses and charges.

Section 8. Statement of Common Charges. The Association shall promptly provide any Lot Owner, who makes a request in writing, with a written statement of the Lot Owner's unpaid Association charges.

Section 9. Abatement and Enjoying of Violations. The violation of any rule or regulation adopted by the Board of Directors (including these restrictions), or the maintenance of a condition deemed as a nuisance by the Association, or the breach of any Bylaw contained herein, or the violation of the Restrictive Covenants, or the breach of any provision of the Declarations, shall give the Association, the right, in addition to any other rights set forth in these Bylaws: (a) to enter any Lot (including the associated easement tract (in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Lot Owner any structure, thing or condition that may exist herein contrary to the intent and meaning of the provision hereto, and the Association, or any agents thereof, shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy such thing or condition by appropriate legal proceedings.

Section 10. Maintenance and Repair.

A. All maintenance of the repairs to any structure constructed upon a Lot, whether structural or nonstructural, ordinary or extraordinary, (unless necessitated by the negligence, misuse, or neglect of Lot Owner of a different Lot, or guest or invitee of a different Lot Owner, in which case such expense shall be charged to such different Lot Owner), shall be made promptly and completely by the Owner of such Lot. Each Lot Owner shall be responsible for all damages caused to any other Lot or improvements on a Lot or to the common elements resulting from such Lot Owner's failure to promptly effect and complete required maintenance and repairs.

B. All maintenance, repairs and replacements to the common elements (unless necessitated by the negligence, misuse, or neglect of Lot Owner of a different Lot, or guest or invitee of a different Lot Owner, in which case such expense shall be charged to such Lot Owner), shall be made by the Association and be charged to the Lot Owner as a common expense.

C. The Architectural Control Committee shall have the power and authority to determine and direct when stain or paint shall be applied to the exterior surface of a structure, including, but not limited to, decks, and railings, and when shingles, siding and gutters on a structure shall be replaced.

Section 11. Additions, Alterations, or Improvements by Board of Directors. Whenever, in the judgment of the Board of Directors, the common elements shall require additions, alterations, or improvements costing in excess of \$5,000, and the making of such additions, alterations, or improvements shall have been approved by a sixty percent (60%) majority of the available Association votes, the Association shall proceed with such additions, alterations, or improvements and shall equally assess all applicable Lot Owners for the cost thereof as a common charge. Any additions, alterations, or improvements costing \$5,000 or less may be made by the Board of Directors without the approval of the individual Lot Owners and the cost thereof shall constitute a common charge, which shall be equally assessed against lots within the Project.

Section 12. Additional, Alterations or Other Improvements of Structures. No Lot Owner shall construct any structure or make any structural addition, alteration, modification or improvement to a structure constructed upon a Lot, including the exterior of a structure on a Lot, without the prior express written consent and approval of the Architectural Control Committee as described in Article X by these Bylaws. The Committee shall have the obligation to respond to any written request by a Lot Owner for approval of a proposal to construct a structure or implement a structural addition, alteration or improvement to a Lot within thirty (30) days after the Association actual receipt of such written request, and failure to so respond within the stipulated time shall constitute consent by the Architectural Control Committee to the proposed structure, addition, alteration or improvement. The Architectural Control Committee shall not be liable to any contractors, subcontractors, or material men or any person sustaining personal injury or damage for any claim arising in connection with such addition, alteration, or improvement. The provision of this section shall not apply to Lots owned by the Owner until such

time as a Lot shall not be altered without the prior express written consent of the Architectural Control Committee.

Section 13. Right to Access. Each Lot Owner shall grant a right of access to the Lot Owner's Lot to the managing agent and any other person authorized by the Board of Directors or managing agent, to make inspections or to correct any condition originating to the Lot Owner's Lot and threatening another Lot in the Project. Request for such entry shall be made in advance and such entry shall be scheduled for a time reasonably convenient to the Lot Owner. However, in case of an emergency, such right of entry shall be immediate, whether the Lot Owner is present or not. The Association shall have and retain the right to enter easement tracts for purposes of performing necessary repair or maintenance procedures, as provided in these Bylaws and the Declarations.

Section 14. Power to Grant Rights and Restrictions in Common Elements. The Lot Owners' Association shall have the right and authority to make and implement rules and regulations concerning a) the use and maintenance of common areas; and b) shall have the right to grant utility easements under, through or over the common elements which are reasonable to the ongoing development and operation of the Project.

ARTICLE VII CONDEMNATION

Section 1. Condemnation. The Association shall represent the Lot Owners in any condemnation proceeding or negotiations, settlement and agreements with the condemning authority for acquisition of the common areas, or part thereof. In the event of taking or acquisition of part of or all of the common areas by condemning authority, the award of proceeds of settlement shall be payable to the Association or any Trustee, for the use and benefit of the Lot Owners and their mortgages as their interest may appear. In the event of a taking or condemnation or by eminent domain of part or all of the common elements, the Board of Directors shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. Any expense over condemnation proceeds may be assessed as common expense by the Board. Any surplus shall be distributed to the Lot Owners in proportion to their common interests, subject to unpaid liens upon such unit. The Board of Directors may appoint a trustee on behalf of the Lot Owners, in carrying out the above functions, in lieu of the Lot Owners' Association.

ARTICLE VIII RECORDS

Section 1. Records and Audits. The Board of Directors or the managing agent shall keep detailed records of the actions of the Board of Directors and the managing agent, minutes of the meeting of the Lot Owners, and financial records and books of account of the Project and Association, including a chronological listing of receipts and expenditures, as well as a separate account of each Lot which, among other things, shall contain the amount of each assessment of common charges against such Lot,

and the date when due. Audited financial statements shall be provided only upon a Sixty-Seven percent (67%) majority vote of all available Association votes.

ARTICLE IX AMENDMENT TO BYLAWS

Section 1. Owner Amendment. Except as provide directly below, a Sixty-Seven percent (67%) majority vote of all available Association votes shall be required to amend any provisions of these Bylaws.

Section 2. Owner Amendment. For a period of one (1) year after executing these Bylaws as the Owner owns one-third (1/3) or more of the Lots in the Project, the Bylaws may be amended to comply with the Owner's mortgage requirements or to correct typographical or other errors or omissions.

ARTICLE X ARCHITECTURAL CONTROL COMMITTEE

Section 1. Architectural Review Committee: There shall be an Architectural Review Committee ("Committee") consisting of three (3) people appointed by Owner. Each person shall be subject to removal at the direction of Owner and all vacancies on the said Committee shall be filled by appointment of Owner. In the event of the failure of Owner to appoint such Committee or to fill any vacancies therein, the Lot Owners of a majority in number of the lots in the said Real Property shall have the right by written document to appoint members of the said Committee or to fill any vacancies therein, until such time as Owner shall appoint other members to such Committee. The initial members of the Committee shall be Troy Nelson, William Schneider, and Karrie Bauman. At the time as the Owner has sold a majority of the Lots in the Property, the Lot Owners shall thereafter have the right to appoint the members of the Architectural Review Committee.

Section 2. Responsibilities of Architectural Review Committee.

A. The Committee shall be responsible for reviewing the type of trailer, modular home and their location on the lot. The primary purpose of the Committee shall be to assist property Lot Owners in achieving compliance with the restrictions.

B. Any property Lot Owner seeking to locate a home, garage, shed, etc. or other appurtenant structure, add to or modify any portion of the exterior of an existing home, or commence or modify landscaping shall submit the plans to the Committee for review. A modification of the home exterior will include but is not limited to decks, hot tubs, patios, pools, and similar alterations. Construction of new structures includes equipment and material housing, gazebos, arbors associated with landscaping and similar construction.

C. No construction, change, modification, or alteration for which plans are to be submitted to the Committee pursuant to Paragraph B immediately above, shall commence until a scaled set of plans and specifications showing the nature, kind, shape, heights, materials, and location of the same shall have been submitted to and approved in writing by the Committee as to the harmony of external design and location in relation to surrounding structures and topography, size, estimates of costs, and such other factors as the Committee considers necessary, appropriate, and relevant to maintain property values of nearby properties. In the event the Committee fails to approve or disapprove the design and location plan within thirty (30) days after the plans and specifications have been submitted to it, approval will not be required and full compliance with this section of the Declaration will be deemed to have occurred.

D. The Committee shall have no affirmative obligation to be certain that all elements of the design comply with the restrictions contained in this Declaration, nor shall the right to enforce any provisions be waived. No member of the Committee shall have any liability, responsibility, or obligation, whatsoever, for any decision or lack of a decision, in the carrying out of duties as a member of the Committee. The Committee and its members shall have only an advisory function, and the sole responsibility for compliance with all of the terms of this Declaration shall rest with the Lot Owner. Each Lot Owner agrees to save, defend, and hold harmless the Committee and each of its members on account of any activities of the Committee relating to the Lot Owner's property or buildings to be constructed on his or her property.

Section 3. Building and Use Restrictions:

A. The Committee will approve the manufactured home to be placed to make sure that it is in harmony with the surrounding residences. All manufactured or mobile homes must have a 2010 manufacture date or newer. All structures on a lot must be matching in color and be approved by the Owner including the location on the lot. Structures must be skirted immediately, and be structurally sound. If a Tenant is planning on adding a structure to their lot, they must obtain a permit from Grant County before they build. A Tenant should email the County Auditor Lynn Mutschelknaus at lmutschelknaus@nd.gov or call 701-622-3275. All buildings are subject to the requirements of the Grant County Building Code. All existing structures and homes will be grandfathered in.

B. The setback line for the placement of homes in the resort shall be a minimum of 10' in conformity with the Grant County Building Code. Setbacks further than 10' must be approved by the Architectural Review Committee and be in harmony with the adjoining homes.

C. No sign of any kind shall be displayed to public view on any building site, except for a sign, limited to one, advertising the property for sale. There shall be no restriction on signs used by Owner during the period of development of this addition.

D. All lines or wires for telephone, power, cable television, or otherwise shall be placed underground and no such wires shall be shown on the exterior of any building unless the same shall be

underground or in a conduit attached to a building. Small television/radio antennas or aerial are allowed. Television satellite disks may be installed but not to exceed thirty-six (36) inches in diameter. Flagpoles are allowed on the property.

E. No sculptures, railings, monuments, or any other non-vegetation objects shall be placed or erected in the front yards, except mail boxes as approved by the Committee.

F. No fences shall be constructed. Exception may be made for privacy fences which are enclosed within a covered patio. The location, size and materials of said fence must be approved by the Committee.

G. No obnoxious, illegal, or offensive use of property shall be carried on any lot, nor shall anything be done on it that may be, or become, an annoyance or nuisance to the neighborhood. Any acts of violence or disorderly conduct will be grounds for lease termination. Profanity or obnoxious intoxication will not be tolerated. No underage drinking or use of any unlawful drugs is permitted on the lots or anywhere else in the Red Rock Resort. These are grounds for lease termination and/or a fine. Tenants are responsible for their guests and should show respect for those around them. Weapons are not allowed anywhere in the Red Rock Resort. No grantee or grantees, under any conveyance, nor purchasers, shall at any time conduct or permit to be conducted on any residential lot any trade or business of any description, either commercial or noncommercial, religious or otherwise, including day schools, nurseries, or church schools, nor shall the premises be used for any other purposes whatsoever except for the purpose of providing a private, single family dwelling or residence. Notwithstanding this provision, the Owner shall be permitted to construct a model home for the purpose of new home and lot sales in the development.

H. No trash, garbage, ashes, or other refuse, junk, vehicles in disrepair, underbrush, or other unsightly growth or objects shall be maintained or allowed on any lot. All landscaping and buildings shall be kept in a state of repair. All residences shall be painted or stained, from time to time, so as to maintain a reasonable state of repair. Lawns must be mowed. If a Tenant cannot keep up with mowing, they should make arrangements with a neighbor. Charges will be applied if a Tenant's yard is neglected. Tenants may utilize the space under their campers and decks as long as it is organized and kept free of grass and weed growth. Using a tarp under the camper helps keep it clean and growth free. All vacant lots shall be mowed at least three (3) times per year, with each mowing to occur by May 30, July 30 and September 30 of each year and shall be maintained in accordance with the rules adopted by the Architectural Review Committee.

I. Boats are allowed to be stored during the season but not during the off season unless the same is stored or placed in a garage or fully-enclosed space. The speed limit on all roads within the Red Rock Resort is 10 mph. We are very strict with this rule. To avoid confrontation, Tenants should make sure all of their guests are notified of this speed limit. Everyone should stay on the scoria roads provided for them. Do not cross other lots with any vehicle, including ATV's. ATV use: Helmets are required.

Drive with care. The use of ATVs is a privilege and can be taken away. Speed limit for ATVs is 10mph. Speed limit by the ranch is twenty-five (25) mph.

J. No landscaping may be commenced, changed, or modified until a scaled set of plans have been submitted in writing to the Committee for approval. In addition, no trees may be planted that will block or negatively impact the views of neighbors. In the event the Committee fails to approve or disapprove the landscaping proposal within thirty (30) days after the plan has been submitted, approval will not be required. Landscaping shall be completed within six (6) months from the date the house is substantially completed.

K. No animals, livestock or poultry of any kind shall be raised, bred, or kept on any lot, except that dogs, cats or other household pets may be kept, provided they are not kept, bred or maintained for any commercial purposes. Pets must be kept on leashes unless supervised. Pets must be picked up after and never be left outside unattended.

L. A storage shed, or unattached garage may be constructed after approval by the Committee. Camper spaces are allowed to put up sheds that are approved by the Committee. If the Tenant leaves, the shed needs to stay on the property.

M. All roofing material shall be limited to earth toned colored shingles approved by the Committee. Roofs will have a minimum of a 5/12 pitch unless otherwise approved by the Committee. All mobile homes must have a shingled roof and be sided with steel or vinyl. Aluminum and tin siding are not permitted. All mobile homes must be skirted immediately.

N. Heat pumps, propane tanks, solar devices, chimney flues, hot tub pumps, swimming pool pumps and filtration systems, satellite dishes, and similarly exposed mechanical equipment shall be aesthetically concealed from view on all sides and shall be shielded in such a manner as to minimize noise and safety concerns. Generators are not allowed on any lot.

O. All campers will be required to put a tarp under unit. The Association will mow the Playground and community area, Tenants will be responsible to mow and weed around the campers and other obstacles (sewer and water hoses, electrical cords, etc.). Weed/grass chemical is not allowed under any circumstance. If failure to keep up with mowing, lease may be at risk. All camper spaces must make sure that everything is tied down and put away before leaving. The Association is not responsible for lost items. No large fireworks are allowed in camper spaces. Campers are not to hook up water filters to the water faucet, they must hook them up to the camper. Water and electricity will be shut off October 1st or earlier if there is a freeze advisory. All Tenants in Camper spaces must stay at least 5 ft. away from green post and 10 ft. (will be marked) away from back of lot. Green posts must not be removed as they are there to protect the sewer lines. Tenants leasing camper spaces will be notified if there is any damage due to weather.

P. All Tenants must obey the Park Rules which include: respect park equipment, pick up all garbage, make sure all equipment is put in a storage unit. If broke, lost or stolen, it may not be replaced, keep storage unit doors closed, do not hang on the volleyball net, please notify all children and guests using park of these rules. The Owner is not responsible for accidents, injuries or property damage. Adult supervision of children is required.

Q. Water and Holding Tank Rules. 1. Water fill and dump days are Tuesday through Thursday. Text or call Corey or Jenny for these services. 2. Appropriate chemicals are a must in camper and holding tanks. The chemical helps break down the sewage. 3. Do not put feminine products in tanks. 4. It is the Tenant's responsibility to notify Corey or Jenny when their tank is full. 5. Keep access to holding tank outlets clear of object. 6. Holding tanks must be a minimum of one thousand (1,000) gallons and be made of concrete. 7. Pumping services will be charged at the going rate for the current year.

R. Only one occupancy (house or camper) is permitted per lot. Lot Owners and Tenants may have one garage, one storage shed and one living quarters. Tenant's guests are not allowed to have campers on their lot unless they pay a fee of \$29/night to Kingdom Investors. The maximum stay period per camper is 1 week. Lot Owners will have the right to have one camper stay on their Lot for 1 week without charge during the summer. After the week with no charge, the Lot Owner's guests would need to pay a fee of \$29/night to Kingdom Investors. The Tenants and Lot Owners would need to contact Karrie with the dates their family/friend would be staying. After the fee is paid, or Lot Owner's after 1 week of camper on lot with no charge, the Resident Manager would give the Lot Owner or Tenant a Pass to put in the window of their guest's camper stating that it has been cleared with Kingdom Investors and has been paid. This way, we can keep track of who is coming into the Resort and accommodate the Lot Owners and Tenants to have overnight guests. *Please note* If this becomes a problem in the future and is bothering the other Lot Owners or Tenants, the rules may be changed at any time. Only the Lot Owner or Tenant's property can be stored on their lot. Lots and structures cannot be rented out or subleased.

S. Rent or deposits are non-refundable, except as otherwise provided in your Lease Agreement.

T. Quiet time at the Red Rock Resort is 11pm – 7am, Mountain Standard Time; however, Tenants should keep music volume to a minimum always.

U. Wells, septic tanks, underground wiring, and electrical boxes must remain in operable use if a Tenant vacates their lot. The Owner will not reimburse you for improvements you may have made to your lot. Only portable structures can be removed. Anything that is put in the ground must stay in the ground unless authorized by the Owner in writing.

V. Fire pits are required. No burning is permitted on open prairie. Be aware of all burn bans. There is a sign on BOR property notifying people if a burn ban has been issued. Make sure campfires are distinguished before leaving your lot. No glass or cans are permitted in the fire pits.

W. Tenants must notify the Owner before any termination of your lease or sale of cabin. The Owner must meet prospective buyers before any sale to interview and discuss the lease. If the lease is not going to be renewed, Tenants must clean up and remove all personal property before the lease termination date. If you decide to sell any structures, you must be available to show the structure. Do not advertise where the structure is located. We do not want random people driving through the Red Rock Resort without our permission.

X. Non-potable water is supplied by the Owner and is to be used only for camper hookup and emergency use. This is well water and has a brown tint in color. No personal vehicle washing is allowed. You are not to water your lawn unless it is approved in advance by the Owner. We will supply only one (1) splitter. If the splitter breaks, it is the Tenant's responsibility to replace it. If the Tenant installs underground water lines, they must winterize the water lines, so the lines do not crack or break. The water will be shut off on October 1 each year or earlier if a frost advisory is announced. This is non-potable water.

Y. Fireworks on Red Rock Resort property: Red Rock Resort is not responsible for any damages that may occur as a result of fireworks. All children lighting off fireworks must be supervised by an adult. Fireworks will be allowed one (1) week before and one (1) week after July 4 each year. No fireworks will be allowed between 12am and 9am, Mountain Standard Time. Make sure there is not a burn ban in effect. Fireworks are not to be pointed at any other person's personal property. No fireworks are allowed in the kid's park area or camper spaces. You are to discharge fireworks on your lot unless a different place is designated by the Owner. Please notify the Owner if you have a large display and a spot will be designated for you.

Z. The Owner is not responsible for any accidents that may occur on Red Rock Resort property.

ARTICLE XI RIGHTS OF ACTION

Section 1. Lot Owners' Association and Lot Owners. The Lot Owners' Association and any aggrieved Lot Owner shall be granted a right of action against a Lot Owner(s) for failure to comply with the provisions of these Bylaws, the Declaration of Restrictions and Obligations or with decisions of the Lot Owners' Association which are made pursuant to authority granted against the Lot Owners' Association.

ARTICLE XII CONFLICTS

Section 1. Conflicts. These Bylaws are set forth to comply with the requirements of the laws of the state of North Dakota. In case of any of these Bylaws conflict with the provisions of such statute or any Declaration, the provisions of the statute or the Declaration, as the case may be, shall control.

ARTICLE XIII MISCELLANEOUS

Section 1. Notices. All notices to the Board of Directors shall be by registered or certified mail, in care of 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 or certified mail to the buildings or to such other address as may have been designated by such Lot Owner from time to time, in writing, to the Board of Directors. All notices to mortgagees of Lots shall be sent by registered or certified mail to their respective addresses of change of address which shall be deemed to have been given when received. In the event a Lot is owned by multiple persons or entities, notice to one Lot Owner shall be deemed as notice to all Owners of such Lot.

Section 2. Invalidity. The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity enforcement of or affect 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 Bylaws, or the intent of the provision.

Section 4. Gender. The use of the masculine gender in these Bylaws shall be deemed to include the feminine gender 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.

Section 6. No Severance of Ownership. No Lot Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to the Lot Owner's Lot without including therein the appurtenant interest in common areas.

Section 7. Payment of Assessments. No Lot Owner shall convey, mortgage, sell or lease the Lot Owner's Lot unless and until the Lot Owner has paid in full, to the Association, all unpaid common charges theretofore assessed by the Board of Directors against such Lot Owner's Lot.

Section 8. Taxes. All taxes, assessments and charges which may become liens prior to the first mortgage under local law shall relate only to the individual Lot and not the Project as a whole. The

Owners will be responsible for any property taxes associated with any leased lot. The Tenant will be responsible for any property taxes associated with any purchased lot, and for any building taxes. If the Owner has approved a building project, the Tenant must apply for a building permit with the Grant County tax director. The Tenant must also notify the Grant County auditor within ten (10) days of moving a structure, including a mobile home, on their lot. The Tenant must notify One Call and the Owner before any digging. The Tenant will be responsible for any damages to any underground lines or below ground utilities.

Section 9. Priority. No provision in these Bylaws shall give a Lot Owner or any other party, priority over any rights of the first mortgages of Lots pursuant to their mortgages in the case of a distribution to Lot Owners of insurance proceeds or condemnation awards for losses or a taking of Lots and/or common elements.

Section 10. Reports and Financial Statements. The Association shall be required to make available to Lot Owners and lenders, insurers, or any mortgage holders, current copies of the Declarations, Bylaws, Amendments or other rules concerning the Project and the books, records and financial statement of the Association. These documents and records shall be available for inspection, upon request, during normal business hours or under other reasonable circumstances. Any financial statement requested by the parties listed above shall be furnished by the Association within a reasonable time following such request.

Section 11. Red Rock Resort Awards. If a Tenant refers someone who leases a lot or space, they will receive One Hundred Dollars (\$100) off of next year's rent. If a Tenant refers someone who purchases a lot, they will receive Five Hundred Dollars (\$500) off of next year's rent. If you have referred someone and we missed it, please contact Karrie (701-202-2552).

Section 12. Contact Information. 1. Chad Stern at Hard Rock Excavation (tank installation) 701-870-4005. 2. Doug at Dickinson Ready Mix (tank purchases) 701-290-1860. 3. Mor-Gran Sou (electrical hookups) 701-597-3301. 4. Wutzke Electric – must be used by everyone (personal electrical needs) 701-400-9076. 5. Shawn at Lince Sanitation (garbage service) 701-220-3028. 6. Karrie Bauman (Rules and Regulations & address changes) 701-202-2552 or Redrockresort@outlook.com. 7. Corey 701-220-7169 or Jenny 701-220-6160 (septic dumping and property questions). 8. Send proof of insurance on your structure or camper along with the lease and rent check to the following address: Red Rock Resort, PO Box 2222, Bismarck, ND 58502. 9. For updates, follow us on Facebook or our website, www.Redrockresortnd.com. We will notify anyone if there are damages done by weather.

ARTICLE XIV

FINE POLICY AND APPEAL PROCESS

Section 1: Fine Policy.

The Red Rock Resort Homeowners' Association shall have the right to adopt a schedule of fines for violation of any provision of the Governing Documents. The following Fine Policy and Appeal Process shall be followed for RED ROCK RESORT HOMEOWNERS' ASSOCIATION:

FIRST NOTICE: An initial notice of the violation shall be mailed to the Lot Owner requesting compliance within ten (10) days – **NO FINE.**

SECOND NOTICE: If violation still exists ten (10) days after the initial notice of violation, a second notice requesting compliance within ten (10) days shall be mailed to the Lot Owner. A **\$50.00 FINE** will be assessed with the second notice and is due immediately.

THIRD NOTICE: If violation still exists ten (10) days after the second notice of violation, a third notice requesting compliance within ten (10) days shall be mailed to the Lot Owner. A **\$100.00 FINE** will be assessed with the third notice and is due immediately.

FOURTH NOTICE: If a violation still exists ten (10) days after the third notice of violation, a fourth notice requesting compliance within ten (10) days shall be mailed to the Lot Owner. A **\$200.00 per day fine** thereafter would be imposed for every day of non-compliance.

CONTINUING VIOLATIONS: If the violation continued without resolution the Board of Directors shall have the right to remedy the violation and/or take legal action, the cost of which shall be invoiced to the Lot Owner and collected in the same manner as assessments.

FINES: No fine shall be imposed without first providing a written warning to the Lot Owner describing the violation and stating that failure to correct the violation within ten (10) days or **another occurrence of the same violation within twelve (12) months** of the original violation shall make the Lot Owner **subject to imposition of a fine.** Failure to pay any fine shall subject the Lot Owner to the same potential penalties and enforcement as failure to pay any assessments under Article VI, Sections 5 and 6.

Section 2. Appeal Process.

- When a violation notice is sent to a Lot Owner, such notice shall include a statement notifying the Lot Owner that he/she has the "RIGHT OF APPEAL."
- When a Lot Owner desires to appeal a violation, he/she must so notify the Management Company in writing within ten (10) days after the date of the violation notice.
- Appeals shall demonstrate **extenuating circumstances** which require deviation from the Governing Documents.
- Appeals shall include all pertinent backup information to support the existence of the **extenuating circumstance.**
- All decisions of the Board are final and may not be further appealed.
- The Lot Owner appealing the violation will be given written notice of the date and time that a hearing on the appeal is scheduled.
- The appeal shall be heard in a Closed Session.

- Lengthy discussions are not a part of an appeal process.
- The Lot Owner who is appealing will be asked to state their case and present any applicable documentation.
- Each Board Member will have the opportunity to ask the Lot Owner specific questions regarding the appeal.
- Upon completion of the question and answer period, the Chairman will state that the appeal has been heard and the Board of Directors will make their decision in closed session. Written Notice of the Board's decision will be delivered to the Lot Owner within seven (7) working days.
- If the appeal is denied, the Lot Owner must bring the violation into compliance within ten (10) days or a \$50.00 per day fine will be charged for ten (10) days and a \$200.00 per day fine thereafter would be imposed for every day of non-compliance. In addition, the Board of Directors may seek legal action to remedy the violation. All costs of legal action will be billed to the Lot Owner and collected in the same manner as assessments.
- Any appeal that does not meet the above requirements shall not be heard by the Board and shall be considered **DENIED**.

Section 3. Self Help. The Board of Directors may exercise their right to "Self Help" and have the Lot or Camper Spot landscaped, cleaned and repaired as required if any of the following conditions occurs:

- Any Lot is so unmaintained as to present a public or private nuisance.
- Any Lot that substantially detracts from the appearance or quality of the other Lots or other areas of the Resort.
- Any Lot that is being used in a manner which violates the Red Rock Resort Homeowners' Association or Rules and Regulations.
- Or, if any Lot Owner of any Lot is failing to perform any of its obligations under the Red Rock Resort Homeowners' Association or Rules and Regulations.

In the event that the right to "Self Help" is exercised, the Lot Owner shall be charged for such work. Such right to exercise "Self Help" may be implemented at any time during the notification process at the discretion of the Board of Directors.

Section 4. Board's Rights. Notwithstanding the foregoing, the Board of Directors reserved the right to seek Injunctive Relief at any time regardless of the presence or absence of notices hereunder, for any violation that the Board of Directors determines in its sole and absolute discretion constitutes a material danger to persons or property or requires immediate action for any other substantial reason.

The Board of Directors reserves the right to take any action permitted by law or the Declaration, in addition to the above mentioned fine policy.

IN WITNESS WHEREOF, the Owner hereto has set its hand the date listed below.

Dated: January 18, 2018.

RED ROCK RESORT LLC

Karrie Bauman

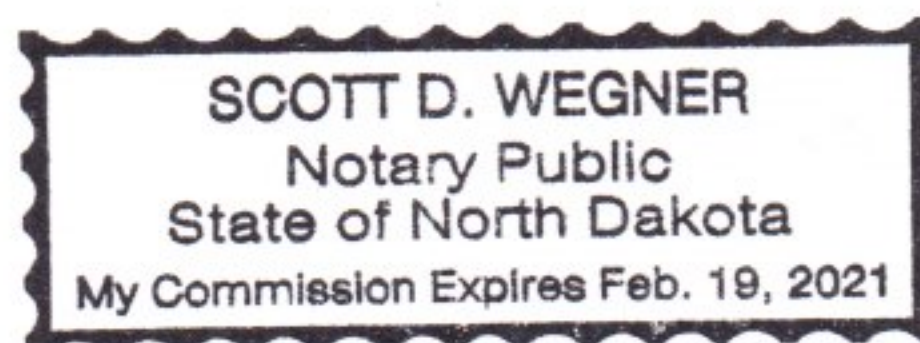
By: Karrie Bauman

Its: Agent for Kingdom Investors, LLC doing
business for Red Rock Resort

STATE OF NORTH DAKOTA)
) SS.
COUNTY OF BURLEIGH)

On this 18th day of January, 2018, before me a notary public personally appeared Karrie Bauman of Kingdom Investors, LLC, and acknowledged to me that she executed the within and foregoing instrument.

Scott D. Wegner
Notary Public



APPOINTMENT OF AGENT

Kingdom Investors, LLC, doing business as Red Rock Resort, by and through its undersigned officer, hereby appoints Karrie Bauman, an employee of the undersigned entity, to act on its behalf in the following matters:

- 1) To sign on its behalf purchase agreements, contracts for deed, and any amendments and modifications thereto, and other real property documents;
- 2) To receive and receipt for all rents, security deposits and key deposits;
- 3) To receive any and all notices and communications;
- 4) To issue in its name notices to quit or to institute summary process proceedings;
- 5) To act on its behalf on all matters germane to management of the LLC

This Appointment of Agent is effective as of the 10th day of October. Third parties may rely on Appointment until such time as they receive a signed notification of modification or termination of the agreement.

Dated: 10/10/17

Kingdom Investors, LLC, doing business as Red Rock
Resort

By

Its: