

**AMENDMENTS
TO THE BY-LAWS OF
THE ARBORS IMPROVEMENT ASSOCIATION**

These amendments to By-Laws of the Arbors Improvement Association, Inc. have been duly approved by the Board of Directors at a regular board meeting on December 8, 2002 and ratified on January 8, 2003.

Amendment #1

Effective date 31 Dec 2002

Article IV, Section 14. Policies, Rules and Regulations

Add:

The Board shall have the authority to enact and enforce reasonable policies, rules and regulations regarding the health and safety of its Members and regarding the integrity of the community. The Board shall have the authority to enact fines, which may be imposed upon Members for violations of such policies, rules and regulations, these By-laws or the Declaration of Covenants. Members who violate any of these instruments shall be liable for the Association's reasonable legal fees and costs incurred in enforcing such policies, rules, regulations and any other document governing the Arbors at Dogwood Creek.

Amendment #2

Effective date 31 Dec 2002

Article IV, Section 15. Legal Actions

Add:

The Board of Directors has the authority of the Membership to bring legal action on behalf of the Association against any and all violations of the Declaration of Covenants, or failure to pay membership or maintenance fees, and failure to abide by established policies, rules and regulations. A legal action to enforce the Declaration of Covenants must be approved by a two-thirds vote of the members of the Board then in office prior to initiation thereof, under the following provisions.


Members have been notified by mail of such failure to pay such fees required or such failure to abide by the Declaration of Covenants, and that legal action will be taken if the situation is not corrected within the time limit set forth in the notice.

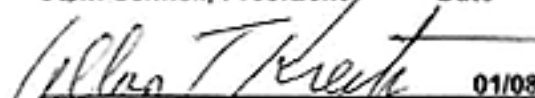
As may be allowed by statute, the Board may hire its agent or attorney to represent the interests of the Association in such legal actions.

In the event that such legal action is required, the Board shall present a full report of such action at the next meeting of the Membership.

The undersigned hereby certify that the foregoing By-Laws were adopted by the Board of Directors by a unanimous vote and incorporate these changes into the permanent records of the Corporation effective December 31, 2002.


John Schnell, President 01/08/03
Date


Charlie McGuire, Vice-President 01/08/03
Date


Allan Kresta, Treasurer/Secretary 01/08/03
Date