

BYLAWS
OF
THE AUTUMN GLEN HOMEOWNERS' ASSOCIATION

(hereinafter referred to as the "Corporation")

ARTICLE I

Adoption

These Bylaws of The Autumn Glen Homeowners' Association, a Michigan nonprofit corporation (the "Corporation"), are adopted pursuant to the Michigan Nonprofit Corporations Act, Act 162 of the Public Acts of 1982, as amended (the "Act"); the Declaration of Restrictions for the Autumn Glen Subdivision (Phase One), recorded at Liber 21931, Page 576, Oakland County Records ("Declaration"); Any terms defined in the Declaration of Restrictions shall have the same definition in these Bylaws.

ARTICLE II

Offices

Section 1. **Location.** The principal office of the Corporation in the State of Michigan shall be located in the City of Bloomfield Hills, County of Oakland.

Section 2. **Change.** The Board of Trustees (the "Board") may change the principal office of the Corporation from time to time and may establish other offices, either within or without the State of Michigan, as the business of the Corporation may require.

ARTICLE III

Membership and Membership Meetings

Section 1. **Membership Qualifications.** Membership in the Corporation shall be limited to those persons who are the Fee Owners of a Lot in The Autumn Glen Subdivision Phase One ("Subdivision One"), a plat of which is recorded at Liber 276 of Plats, Pages 16 through 21, Oakland County Records or any contiguous additions either to Subdivision One where title to such addition can be traced to Chase White Lake, LLC, a Michigan limited liability company, or any successor or assign thereof. Every Fee Owner shall be a member of the Corporation, and such

membership may not be separated from ownership of a Lot.

Section 2. **Voting by Members.** Voting rights shall be determined by the number of Lots owned by a member. A member shall be entitled to one (1) vote for each Lot owned. In no event may more than one (1) vote be cast with respect to any one (1) Lot. If more than one person is a Fee Owner of any given Lot, all such persons shall be members of the Corporation, but only one such person, to be decided upon among all the Fee Owners of the Lot in question, shall be entitled to exercise the one vote for such Lot.

Section 3. **Removal of Members.** Members of the Corporation may be removed at any time, for good cause, by a vote of a majority of the members or by a vote of two-thirds (2/3) of the Board. Failure to pay timely fee, dues, or assessments imposed upon members by the Board or the Corporation shall constitute good cause.

Section 4. **Quorum.** Unless otherwise provided in the Corporation's Articles of Incorporation (the "Articles"), the presence in person or by proxy of a majority of the members entitled to vote shall constitute a quorum for the transaction of business at any meeting. The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

Section 5. **Annual Meetings.** The annual members' meeting shall be held at such time and on such day as the Board shall annually determine, for the purposes of electing trustees, hearing reports of the affairs of the Corporation and transacting any other business within the power of the members. If the election of Trustees shall not be held on the day designated herein for an annual meeting, or at any adjournment thereof, the Board may cause the election to be held at a members' special meeting as soon thereafter as one may be conveniently called and noticed for that purpose.

Section 6. **Special Meetings.** Members' special meetings shall be noticed by the Secretary whenever called by the President, the Board or requested by not less than one-fifth (1/5) of the members of the Corporation entitled to vote. The request shall state the purpose or purposes for which the meeting is to be called, and the business transacted at any such meeting shall be limited to the purpose or purposes stated in the notice thereof.

Section 7. **Place of Meeting.** The Board may specifically designate any place either within or without the State of Michigan as the place of meeting for any members' annual or special meeting. If no such designation is made or if a special meeting is called other than at the request of the Board, the place of meeting shall be the registered office of the Corporation in the State of Michigan.

Section 8. **Written Notice.** Notice of any members' annual meeting shall specify in writing the place, day and hour thereof and shall be given by the Secretary to each such member entitled to vote thereat not less than ten (10) nor more than sixty (60) days before each such meeting. Such written notice shall constitute due, legal, and personal notice to each such shareholder if it is given

by:

- (a) delivering it to such shareholder personally; or
- (b) sending it to him by mail, telegraph, or other means of written communication, charges prepaid, addressed to him at:
 - (i) his address as it appears on the books of the Corporation; or
 - (ii) such other address as he may have requested in writing that the Corporation use for the purpose of giving such notice; or
 - (iii) by publishing it at least once in each of three consecutive weeks in some newspaper of general circulation in the County in which that office is located if his address does not appear on the records of the Corporation and he has not requested in writing that the Corporation use any address for such notice.

If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail postage prepaid and addressed to the member at any such address. Except in extraordinary circumstances where express provision is made allowable by statute, notice of any members' special meeting shall be given in the same manner as for members' annual meetings.

Attendance of a person at a meeting of members, in person or by proxy, constitutes a waiver of notice of the meeting, except when the member attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

Section 9. **Adjourned Meetings and Notice Thereof.** Any members' annual or special meeting, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the members present in person or represented by proxy thereat; in the absence of a quorum no other business may be transacted at such meeting.

A meeting may be adjourned to another time or place without giving notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken and at the adjourned meeting only such business is transacted as might have been transacted at the original meeting.

Section 10. **Voting.** All questions, except those regulated by statute or specifically provided for herein or in the Articles, shall be determined by a majority vote of the members constituting a quorum.

Section 11. **Consent of Absentees.** The transactions of any members' annual or special

meeting, however called and noticed, shall be as valid as though had at a meeting duly held after regular call and notice if a quorum is present either in person or by proxy and if, either before or after the meeting, each of the members, who was entitled to vote but was not present in person or by proxy, signs a written waiver of notice and written consent to the holding of such meeting or a written approval of the minutes thereof. All such waivers and consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 12. **Action Without Meeting.**

(a) If the Articles so provide, any action required or permitted to be taken at a members' annual or special meeting under any provision of the Act may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, is signed by the members having not less than the minimum number of votes that would be necessary to authorize or take the action at a meeting at which all members entitled to vote thereon were present and voted. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to members who have not consented in writing.

(b) If the Articles do not contain the provision described in subsection (a) hereof, any action required or permitted to be taken at a members' meeting under any provision of the Act may be taken without such a meeting if authorized by a writing signed by all of the persons who would be entitled to vote upon such action at such a meeting. Such consent shall have the same effect as a unanimous vote of members.

Section 13. **Proxies.** Every person entitled to vote or execute consents or dissents shall have the right to do so either in person or by one or more agents authorized by a written proxy executed by such person or his duly authorized agent and filed at or before the meeting at which they are intended to be used with the Secretary of the Corporation. No such proxy shall be valid after the expiration of one (1) year from the date of its execution. Any proxy duly executed shall be deemed not to have been revoked and to be in full force and effect and, in the absence of any limitation to the contrary contained in the proxy, it shall extend to all members' meetings, unless and until an instrument revoking said proxy or a duly executed proxy bearing a later date is filed with the Secretary of the Corporation. A proxy shall be deemed sufficient if it appears on its face to confer the requisite authority and is signed by the member for whom it is to be voted; no witnesses to the execution of any proxy shall be required.

Section 14. **Order of Business at Annual Meeting.** The Order of business at the members' annual meeting or at any adjourned members' annual meeting shall be as follows:

- (a) Counting of members present in person or by proxy to determine if a quorum exists;
- (b) Reading of Notice and Proof of Mailing;

- (c) Reading of Minutes of Previous Meeting or Meetings;
- (d) Report of President;
- (e) Report of Secretary;
- (f) Report of Treasurer;
- (g) Report of Board of Trustees;
- (h) Election of Trustees;
- (i) Transaction of such other business as may properly come before the meeting; and
- (j) Adjournment.

However, in the absence of any member's objection, the presiding officer at any such meeting may vary the order in his discretion.

Section 15. **Removal of Trustees.** The members may remove any member of the Board at any special meeting called for that purpose or by consent in the manner set forth in the Act and the members may elect a Trustee to fill the vacancy thus created at that meeting, at any other meeting called for the purpose of filling that vacancy, or by consent.

Section 16. **Inspectors of Election.** Whenever any person entitled to vote at any members' meeting shall request the appointment of persons to inspect any election, the Board, prior to the meeting, or the person presiding at such meeting shall appoint not more than three (3) inspectors, who need not be members. If the right of any person to vote at such meeting shall be challenged, the inspectors shall determine such right. The inspectors shall receive and count the votes either for any election or for the decision of any questions and shall determine the result. Their certificate of any vote shall be prima facie evidence thereof.

Section 17. **Meeting By Telephone.** Any member may participate in any meeting of the members by a conference telephone or similar communications equipment by which all persons participating in the meeting may hear each other. All participants shall be advised of the communications equipment. The names of the participants in the conference shall be divulged to all participants. If a member participates in a meeting pursuant to this section, he shall be deemed to be actually present at the meeting for all purposes.

ARTICLE IV

Trustees and Meetings of the Board of Trustees

Section 1. **Powers.** All of the powers of this Corporation not expressly reserved to or conferred upon the members by statute, the Articles, or these Bylaws shall be vested in the Board which shall control and manage the Corporation's business and affairs.

Section 2. **Number of Trustees.** The authorized number of trustees of the Corporation shall be not less than 1 nor more than 9, as determined by the Board.

Section 3. Election, Term of Office and Qualification of Trustees.

(a) All Trustees holding office at any time shall be members or spouses of members of this Corporation. Except as provided in Subsection (b) below, the Trustees, other than those serving on the first Board, shall be elected at each members' annual meeting or otherwise as provided in Article III, Section 6, above. All Trustees shall hold office until their respective successors are duly elected and qualified. The first Board shall hold office until the first annual meeting or until their successors are elected and qualified, whichever event last occurs;

(b) The Articles or a Bylaw adopted by the members may provide that in lieu of annual election of all Trustees the Trustees be divided into two or three classes, each to be as nearly equal in number as possible. The term of office of Trustees in the first class shall expire at the first annual meeting of members after their election, that of the second class shall expire at the second annual meeting after their election, and that of the third class, if any, shall expire at the third annual meeting after their election. At each annual meeting after such classification a number of Trustees equal to the number of the class whose term expires at the time of the meeting shall be elected to hold office until the second succeeding annual meeting if there are two classes, or until the third succeeding annual meeting if there are three classes.

Section 4. **Vacancies.** A vacancy in the Board shall be deemed to exist if any of the following events occurs:

- (a) Any Trustee dies;
- (b) The authorized number of Trustees is greater than the number of Trustees on the Board; or
- (c) At any members' meeting at which one or more Trustees are to be elected, the members then fail to elect the full authorized number of Trustees.

Vacancies in the Board may be temporarily filled by a majority of the remaining Trustees, though less than a quorum, or by a sole remaining Trustee making such appointment, and each Trustee so appointed shall hold office until his successor is elected at a members' annual or special meeting and is qualified.

The members may elect a Trustee at any time to fill any vacancy temporarily filled or not filled by the one or more remaining Trustees. If the Board accepts the resignation of a Trustee tendered to take effect at a future time, the Board or the members shall have the power to elect immediately a successor to take office when such resignation is intended to become effective.

Section 5. **Place of Meeting.** Regular Board meetings shall be held at any place within or without the State of Michigan which has been designated from time to time by resolution of a majority of the Board or by written consent of a majority of the members of the Board given either before or after the meeting and filed with the Secretary of the Corporation. In the absence of such designation, regular meetings shall be held at the registered office of the Corporation. Any special Board meeting may be held at any place designated with the written consent of a majority of the members of the Board; otherwise special Board meetings shall be held at the registered office of the Corporation in the State of Michigan.

Section 6. **Organization Meeting.** Immediately following each members' annual meeting and each adjourned annual and members' special meeting held for the purpose of electing a new Board, the newly elected Board may hold a regular meeting for the purpose of organization, election of officers, and the transaction of other business. Notice of each such meeting need not be given and is hereby dispensed with.

Section 7. **Other Regular Meetings.** Board meetings may be regularly scheduled for dates, times and places as determined by the Board, and in such case notice of such meetings need not be given and is hereby dispensed with.

Section 8. **Special Meetings and Notice Thereof.** Special Board meetings for any purpose or purposes, may be called at any time by any trustee or by the President or, if he is absent or unable to act, by any Vice President. The business transacted at any such meeting shall be limited to the purpose or purposes stated in the notice thereof.

Written notice of the place, day, and hour of special Board meetings shall be given to each Trustee and constitute due, legal, and personal notice to him if that notice is delivered personally to him or sent to him by mail, telegraph, or other means of written communication, charges prepaid, addressed to him at his address as it is shown upon the records of the Corporation or, if such address is not so shown on such records or is not readily ascertainable, at the place in which the regular Board meetings are held. If mailed or telegraphed, such notice shall be deposited in the United States Mail or delivered to the telegraph company in the place which the principal office of the Corporation in the State of Michigan is located at least forty-eight (48) hours prior to the time of holding the meeting; if mailed, such notice shall be deemed to be delivered when deposited in the United States Mail postage prepaid and addressed as set forth above.

Section 9. **Notice of Adjournment.** Notice of the time and place of holding an adjourned Board meeting need not be given to absent Trustees if the time and place be fixed at the meeting

adjourned provided that the meeting is not adjourned for more than thirty (30) days.

Section 10. **Waiver of Notice**. The attendance of a Trustee at any Board meeting shall constitute a waiver of notice of such meeting, except where a Trustee attends for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called, noticed, or convened.

The transactions of whatever kind or nature held at any Trustee meeting, however called and noticed or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice if a quorum is present and if, either before or after the meeting, each of the Trustees not present signs a written waiver of notice of the meeting and a written consent to holding such meeting, or a written approval of the minutes thereof. All such waivers and consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

In addition, any action required or permitted to be taken by the Board under the Act may be taken without a meeting, if all the Trustees shall individually and collectively consent in writing to such action. Such written consents shall be filed with the minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as a unanimous vote of such Trustees at a duly called, noticed, and held Board meeting. Any certificate or other document filed under any provision of the Act which relates to action so taken shall state that the action was taken by unanimous written consent of the Board without a meeting and that these Bylaws authorized the Trustees so to act, and such statement shall be prima facie evidence of such authority.

Section 11. **Quorum**. Except to adjourn the meeting as hereinafter provided, a majority of the Board without regard to the authorized number of Trustees shall be necessary to constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Trustees present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board unless a greater number be required by law, the Articles, or these Bylaws.

Section 12. **Adjournment**. A quorum may adjourn any Board meeting to meet again at a stated place, date, and hour; however, in the absence of a quorum a majority of the Trustees present at any regular or special Board meeting may adjourn from time to time until the time fixed for the next regular Board meeting.

Section 13. **Fees and Compensation**. By resolution of the Board, the Trustees may be paid their expenses, if any, of attendance at each Board meeting and a fixed sum for attendance at each Board meeting or a stated salary as Trustee. Nothing herein contained shall be construed to preclude any Trustee from serving the Corporation in any other capacity as an officer, agent, employee or otherwise and receiving a separate compensation therefor.

Section 14. **Presumption of Assent**. A Trustee who is present at any Board meeting at which action on any corporate matter is taken shall be presumed to have assented to any action taken by the Board at that meeting unless his dissent shall be entered in the minutes of the meeting or he shall

file his written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or he shall forward such dissent by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Trustee who voted in favor of such action.

Section 15. **Executive Committees.** The Board, by resolution passed by a majority of the whole Board, may provide for an Executive Committee by appointing two (2) or more members thereto, each of whom shall be a Trustee and who shall serve during the pleasure of the Board. Unless one of the members shall have been designated as Chairman of the Board, the Executive Committee shall elect a Chairman from its own members. Except as provided herein or otherwise by resolution of the Board, the Executive Committee during the intervals between Board meetings shall possess and may exercise all of the powers of the Board in the management of the business and affairs of the Corporation. The Executive Committee shall keep full and fair records and accounts of its proceedings and transactions. All actions taken by the Executive Committee shall be reported to the Board at its meeting next succeeding such action and shall be subject to revision and alteration by the Board, except that no rights of third persons created in reliance thereon shall be affected by any such revision or alteration. Vacancies in the Executive Committee shall be filled by the Board.

Subject to provisions of these Bylaws, the Executive Committee shall fix its own rules of procedure and shall meet as provided by such rules, by resolution of the Board, or at the call of the President or Secretary of the Corporation or of any two (2) members of the committee. Unless otherwise provided by such rules, the provisions of the Bylaws relating to the notice required to be given to Trustees shall apply to all meetings of the Executive Committee. A majority of the Executive Committee shall be necessary to constitute a quorum.

Section 16. **Other Committees.** The Board may by resolution provide for such other standing or special committees as it deems desirable and discontinue the same at its pleasure. Each such committee shall have such powers and perform such duties not inconsistent with law, as may be assigned to it by the Board. If provision be made for any such committee, the members thereof shall be appointed by the Board, shall consist of one or more members of the Board and shall serve during the pleasure of the Board. Vacancies in such committees shall be filled by the Board.

ARTICLE V

Officers

Section 1. **Officers.** The officers of the Corporation shall be a President, a Secretary, and a Treasurer, all of whom must be members of the Corporation. The Corporation may also have in the discretion of the Board, a Chairman of the Board, one or more Vice Presidents, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other officers as may be appointed in accordance with the provisions of Section 3 of this Article IV. One person may hold two or more

offices. In no case shall any officer execute, acknowledge or verify any instrument in more than one capacity.

Section 2. **Election.** The officers of the Corporation, except such officers as may be appointed in accordance with the provisions of Sections 3 or 5 of this Article V, shall be chosen by the Board, and each shall hold his office until he shall resign, until he shall be removed or otherwise disqualified to serve, or until his successor shall be elected and qualified.

Section 3. **Subordinate Officers and Agents.** The Board may appoint such other officers and agents as the business of the Corporation may require, each of whom shall hold office for such period, have such authority, and perform such duties as may be provided in these Bylaws or as the Board may from time to time determine.

Section 4. **Removal and Resignation.** Any officer or agent may be removed by a majority of the whole Board at the time in office at any regular or special Board meeting.

Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. **Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these Bylaws for regular appointments to such office.

Section 6. **Chairman of the Board.** The Chairman of the Board, if there shall be such an officer, shall, if present, preside at all meetings of the Board and shall exercise and perform such other powers and duties as may from time to time be assigned to him by the Board or prescribed by these Bylaws.

Section 7. **President.** Subject to such powers and duties, if any, as may be given to the Chairman of the Board by the Board or prescribed by these Bylaws, the President shall be the chief executive officer of the Corporation and shall, subject to the control of the Board, have general supervision, direction and control of the business and affairs of the Corporation. He shall preside at all members' meetings and, in the absence of the Chairman of the Board or if there be no such Chairman, at all Board meetings. He shall be *ex officio* a member of all the standing committees, including the executive committee, if any; shall have the general powers and duties of management usually vested in the office of President of a corporation; shall see that all orders and resolutions of the Board are carried into effect; and shall have such other powers and duties as may be prescribed by the Board or these Bylaws.

Section 8. **Vice Presidents.** In the event of the President's absence or disability, the Vice Presidents, if more than one, in order of their rank as fixed by the Board or, if not ranked, the Vice

President designated by the Board shall perform all the duties of and shall be subject to all the restrictions upon the President. The Vice Presidents shall have such other powers and authority and shall perform such other duties as from time to time may be prescribed for them respectively by the Board or these Bylaws.

Section 9. **Secretary**. The Secretary shall attend all members' meetings and all Board meetings and shall keep or cause to be kept, in his custody at the principal or registered office of the Corporation in the State of Michigan or such other place as the Board may order, a book recording the minutes of all Board and members' meetings setting forth: the place, date, and hour of holding; whether regular or special, and, if special, how authorized; the notice thereof given; the names of those present at Board meetings; the number of shares present or represented at members' meetings; and the proceedings thereof.

The Secretary shall keep or cause to be kept at the registered office of the Corporation in the State of Michigan or at the office of the Corporation's transfer agent, a list showing the names of the members and their addresses.

The Secretary shall keep in safe custody the seal of the Corporation and, when authorized by the Board, affix the same or cause the same to be affixed to any instrument requiring it; when so affixed, the seal shall be attested by his signature or by the signature of the Treasurer or the Assistant Secretary. The Secretary shall perform such other duties and have such other authorities as are delegated to him by the Board.

The Secretary shall give or cause to be given notice of all Board and members' meetings required by these Bylaws or by law.

Section 10. **Assistant Secretaries**. In the event of the Secretary's absence or disability, any Assistant Secretary shall act as Secretary in all respects. The Assistant Secretaries shall exercise such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board, the President, the Secretary, or these Bylaws.

Section 11. **The Treasurer**. The Treasurer shall, subject to the direction of the Board, have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation.

The Treasurer shall deposit all monies and other valuables in the name and to the credit of the Corporation with such depositaries as may be designated by the Board; shall disburse the funds of the Corporation as may be ordered by the Board; shall render to the President and the Board, whenever either requests it, an account of all of his transactions as Treasurer and of the financial condition of the Corporation; and shall have such other powers and authority incident to the office of Treasurer and shall perform such other duties as may be prescribed by the Board or these Bylaws.

Section 12. **Assistant Treasurers**. In the event of the Treasurer's absence or disability, the

Assistant Treasurer shall act as Treasurer in all respects. The Assistant Treasurer shall exercise such other powers and perform such other duties as from time to time may be prescribed for him by the Board of Trustees, the President, the Treasurer, or these Bylaws.

Section 13. **Salaries.** The salaries of the officers shall be fixed from time to time by the Board.

ARTICLE VI

Miscellaneous

Section 1. **Annual Report.** The corporation shall cause a financial report of the Corporation for the preceding fiscal year to be made and distributed to each member thereof within four (4) months after the end of the fiscal year, or on or before one (1) week prior to the members' annual meeting whichever first occurs. The report shall include the corporation's year-end balance sheet and, if prepared by the Corporation, its statement of source and application of funds.

Section 2. **Loans.** No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board. Such authority may be general or confined to specific instances. No loan or advance to or overdraft or withdrawal by an officer, Trustee, or member of the Corporation shall be made or permitted.

Section 3. **Representation of Shares of Other Corporations.** The President or by a proxy appointed by him; or, in the absence of the President and his proxy, the Treasurer or by a proxy appointed by him; or, in the absence of both the President and the Treasurer and their proxies, the Secretary or by a proxy appointed by him are authorized in that order to vote, represent, and exercise on behalf of this Corporation all rights incident to any and all shares of other corporations standing in the name of this Corporation. The Board, however, may by resolution appoint some other person to vote such shares.

Section 4. **Indemnification.**

(a) The Corporation shall have power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that he is or was a Trustee, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a Trustee, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation or its members, and with respect to any

criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the corporation or its members, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

(b) The corporation shall have power to indemnify any person who was or is a party to or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he is or was a Trustee, officer, employee or agent of the corporation, or is or was serving at the request of the corporation, as a Trustee, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation or its members and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the corporation unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

(c) Indemnification against expenses:

(1) to the extent that a Trustee, officer, employee or agent of the Corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to above in Subsections (a) and (b), or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

(2) any indemnification under Subsections (a) and (b) above (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the Trustee, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in Subsections (a) and (b). Such determination shall be made in either of the following ways:

(i) by the board by a majority vote of a quorum consisting of Trustees who were not parties to such action, suit or proceeding.

(ii) if such quorum is not obtainable, or, even if obtainable, a quorum of disinterested Trustees so directs by independent legal counsel in a written

opinion.

(iii) by the members.

(d) Expenses incurred in defending a civil or criminal action, suit or proceeding described in Subsections (b) or (c) above may be paid by the corporation in advance of the final disposition of such action, suit or proceeding as authorized in the manner provided in paragraph (2) of Subsection (c) upon receipt of an undertaking by or on behalf of the Trustee, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the corporation.

ARTICLE VII

Execution of Instruments

Section 1. **Bank Accounts.** Each bank account of the Corporation shall be established and continued only by order of the Board.

Section 2. **Checks, Etc.** All checks, drafts, and orders for the payment of money shall be signed in the name of the Corporation in such manner and by such officers or agents as the Board shall from time to time designate for that purpose. No check or other instrument for the payment of money to the Corporation shall be endorsed otherwise than for deposit to the credit of the Corporation. All checks of the Corporation shall be drawn to the order of the payee.

Section 3. **Contracts, Conveyances, Etc.** When the execution of any contract, conveyance or other instrument has been authorized without specification of the executing officers, the President or any Vice President and the Secretary or Treasurer may execute the same in the name and on behalf of this Corporation and may affix the corporate seal thereto. The Board shall have power to designate the officers and agents who shall have authority to execute any instrument on behalf of the Corporation in more than one capacity.

Notwithstanding anything contained herein to the contrary, no officer, agent or employee of this Corporation shall have the authority to disburse monies or other property to other persons, to obligate the Corporation to do or perform any act, to make any payments of money or property, or to execute any of the instruments described herein on behalf of this Corporation other than in the ordinary course of business unless he shall have previously obtained the approval of the Board and unless such approval or ratification shall appear in the minutes of this Corporation.

ARTICLE VIII

Right of Inspection

Section 1. **Inspection of Bylaws.** The Corporation shall keep in its registered or principal office the original or a copy of these Bylaws and the Articles as amended or otherwise altered to date, certified by the Secretary, which shall be open to inspection by all shareholders during regular business hours.

Section 2. **Inspection of Records.** A person who is a member of record of the Corporation, upon at least ten (10) days' written demand may examine for any proper purpose in person or by agent or attorney, during usual business hours, its minutes of members' meetings and record of members' and make extracts therefrom, at the places where the said records are kept.

ARTICLE IX

Fiscal Year

The Corporation's fiscal year shall be determined by the Board.

ARTICLE X

Seal

The Corporation may have a seal which shall have inscribed thereon the name of the Corporation, the state of incorporation, and the words "Corporate Seal." The seal may be used by causing it or a facsimile to be imprinted, affixed, reproduced, or otherwise.

The corporate seal of this Corporation shall be of the design impressed herein, which is hereby adopted as the corporate seal of the Corporation.

ARTICLE XI

Dissolution

In the event of the dissolution, winding up, or other liquidation of the Corporation, after provision has been made for the payment of all of the liabilities of the Corporation, all of the assets of the Corporation shall be distributed to the members of the Corporation on the basis of the number of Lots then held by each such member; provided, however, that if an asset of the Corporation consists of the unpaid obligations of a member, that obligation, limited to the amount of the distribution to be made to that member, shall be distributed to that member.

ARTICLE XII

Amendments

These Bylaws may be added to, altered, amended, or repealed:

(1) By consent of the Trustees then in office, or by the vote of not less than two-thirds (2/3) of the Trustees then in office at any regular or special meeting, if written notice of the proposed addition, alteration, amendment, or repeal shall have been given to each Trustee at least five (5) days before the meeting; or waived in writing; or

(2) By consent of the members or by the members at any annual or special meeting if notice of the proposed addition, alteration, amendment, or repeal shall have been included in the notice of such special meeting or waived in writing.

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