

INDEX OF BYLAWS OF
BRYN MAWR CLUSTER HOMEOWNERS' ASSOCIATION

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BYLAWS OF
BRYN MAWR CLUSTER HOMEOWNERS' ASSOCIATION

ARTICLE I

DEFINITIONS

Definitions in Articles of Incorporation.

The definitions set forth in Section 1(b) of the Declaration of Covenants and Restrictions ("Declaration") shall be applicable to the words and terms used in these Bylaws unless expressly otherwise provided herein or unless the context otherwise requires.

ARTICLE II

THE ASSOCIATION

Section 1. Name and Nature of Association.

The Association shall be an Ohio nonprofit corporation called "BRYN MAWR CLUSTER HOMEOWNERS' ASSOCIATION".

Section 2. Membership and Voting Rights.

The membership of the Association is divided into two Classes namely, Class A Members, and Class B Members. The voting rights for each class of membership is described in the Declaration.

Section 3. Proxies.

Members may vote or act in person or by proxy. The person appointed as proxy need not be a Member of the Association. Each proxy shall be executed in writing by the Member entitled to vote or by his duly authorized attorney-in-fact and filed with the Secretary of the Association.

Section 4. Meeting of Members.

(a) Annual Meeting. The annual meeting of Members of the Association for the election of members of the Board and the transaction of such other business as may properly be brought before such meeting shall be held at such place within five (5) miles of Bryn Mawr Cluster as may be designated by either the Board or the President and specified in the notice of such meeting, at such other time as may be designated by the Board or the President and specified in the notice of the meeting. The

first annual meeting of Members of the Association shall be held when determined by Declarant, but shall not be later than on the first Tuesday of the fourth month following the end of the first fiscal year of the Association following the date that Declarant shall convey all Parcels in Bryn Mawr Cluster to Owners, if not a legal holiday, and if a legal holiday, then on the next succeeding business day. Subsequent annual meetings of Members of the Association shall be held on the first Tuesday following the anniversary of the first annual meeting if not a legal holiday, and, if a legal holiday, then the next succeeding business day.

(b) Special Meeting. Special meetings of the Members shall be called upon the written request of the Declarant, President of the Association or, in case of the President's absence, death or disability, the Vice-President of the Association, a majority of the members of the Board acting either with or without a meeting, or Members entitled to exercise at least twenty-five percent (25%) of the total voting power of the Association. Upon request in writing for a special meeting delivered either in person or by certified mail to the President or the Secretary of the Association by any persons entitled to call a meeting of Members such officer shall forthwith cause to be given to the Members entitled thereto notice of a meeting to be held on a date not less than five (5) or more than thirty (30) days after the receipt of such request as such officer may fix. If such notice is not given within thirty (30) days after delivery or mailing of such request, the persons calling the meeting may fix the date and place of the meeting and give notice thereof. Each special meeting shall be called to convene at 8:00 o'clock P.M. and shall be held at such place on Bryn Mawr Cluster or off Bryn Mawr Cluster but within five (5) miles of Bryn Mawr Cluster as shall be specified in the notice of meeting. No business other than that specified in the call shall be considered at any special meeting.

(c) Notices of Meetings. Not less than five (5) nor more than sixty (60) days before the day fixed for a meeting of the Members of the Association, written notice stating the time, place and purpose of such meeting shall be given by or at the direction of the Secretary of the Association or any other person or persons required or permitted by these Bylaws to give such notice. The notice shall be given by personal delivery or by mail to each Member of the Association. If mailed, the notice shall be addressed to the Members of the Association at their respective addresses as they appear on the records of the Association. Notice of the time, place and purposes of any meeting of Members of the Association may be waived in writing, either before or after the holding of such meeting, by any Member of the Association, which writing shall be filed with or entered upon the records of the meeting. The attendance of any Member of the Association at any such meeting without protesting, prior to or at the commencement of the meeting, the lack of proper notice shall be deemed to be a waiver by him of notice of such meeting.

(d) Quorum; Adjournment. At any meeting of the Members of the Association, the Members of the Association entitled to exercise ten percent (10%) of the voting power of the Association present in person or by proxy shall constitute a quorum for such meeting; provided, however, that no action required by law, by the Declaration, by the Articles or by these Bylaws to be authorized or taken by a designated percentage of the voting power of the Association may be authorized or taken by a lesser percentage; and provided, further, that the Members of the Association entitled to exercise a majority of the voting power represented at a meeting of Members, whether or not a quorum is present, may adjourn such meeting from time to time.

(e) Order of Business. The order of business at all meetings of Members of the Association shall be as follows:

- (i) Calling of meeting to order
- (ii) Proof of notice of meeting or waiver of notice
- (iii) Reading of minutes of preceding meeting
- (iv) Reports of officers
- (v) Reports of committees
- (vi) Appointment or election of inspectors of election
- (vii) Election of members of Board (if applicable)
- (viii) Unfinished and/or old business
- (ix) New business
- (x) Adjournment

ARTICLE III

BOARD OF TRUSTEES

Section 1. Number and Qualification.

Until the first annual meeting of Members of the Association, the Board of Trustees shall consist of three persons designated in ARTICLE EIGHTH of the Articles, subject to a vacancy or vacancies being filled by the remaining Trustees as permitted in Section 2 of this ARTICLE III. None of such three persons or their replacements need be Members. At the time of the first annual meeting of Members of the Association the three persons serving as Trustees as provided above shall resign and thereafter the Board of Trustees shall consist of three (3) persons, two of whom must be Members.

Section 2. Election of Board; Vacancies.

Board members shall be elected at the annual meeting of Members of the Association or at a special meeting called for such purpose except that prior to the first annual meeting of members, only the Trustees designated in the Articles or their replacements shall have the right to call such a meeting. At a meeting of Members of the Association at which Board members are to be elected, only persons nominated as candidates shall be eligible for election as board members and the candidates receiving the greatest number of votes shall be elected. In the event of the occurrence of any vacancy or vacancies in the Board, however caused, the remaining Board members, though less than a majority of the whole authorized number of Board members, may, by vote of a majority of their number, fill any such vacancy for the unexpired term.

Section 3. Term of Office; Resignations.

Each Board member shall hold office until the annual meeting of the Members of the Association held for the election of his or her position and until his successor is elected, or until his or her earlier resignation, removal from office or death. Any Board member may resign at any time by oral statement to that effect made at a meeting of the Board or in writing to that effect delivered to the Secretary of the Association, such resignation to take effect immediately or at such other time as the Board member may specify. Members of the Board shall serve without compensation. At the first annual meeting of the Members of the Association called for the purpose of electing the Board, the term of office of one Board member shall be fixed so that such term will expire one year from and after the date of the next following annual meeting of Members of the Association. The term of office of the remaining two Board members shall be fixed so that such term will expire at the date of the next following annual meeting of Members of the Association. At the expiration of such initial term of office of each respective Board member, his or her successor shall be elected to serve for a term of two (2) years. If the number of Board members is increased, such new members shall, also, serve for a term of two years, with their initial terms being similarly staggered. The term (or terms) of the first new members may be less than two years, if necessary, to properly stagger the expiration dates of the members of the Board.

Section 4. Organizational Meeting.

Immediately after each annual meeting of Members of the Association, the newly elected Board members and those Board members whose terms hold over shall hold an organizational meeting for the purpose of electing officers and transacting any other business. Notice of such meeting need not be given.

Section 5. Regular Meeting.

Regular meetings of the Board may be held at such times and places as shall be determined by a majority of the Board, but at least one such meeting shall be held during each two month period.

Section 6. Special Meetings.

Special meetings of the Board may be held at any time upon call by the President or any two Board members. Written notice of the time and place of each such meeting shall be given to each Board member either by personal delivery or by mail, telegram or telephone at least two days before the meeting, which notice need not specify the purposes of the meeting; provided, however, that attendance of any Board member at any such meeting without protesting, prior to or at the commencement of the meeting, the lack of proper notice shall be deemed to be a waiver by him of notice of such meeting, and such notice may be waived in writing either before or after the holding of such meeting, by any Board member, which writing shall be filed with or entered upon the records of the meeting. Unless otherwise indicated in the notice thereof, any business may be transacted at any organization, regular or special meeting.

Section 7. Quorum; Adjournment.

A quorum of the Board shall consist of a majority of the number of persons then serving as Board members; provided that a majority of the Board members present at a meeting duly held, whether or not a quorum is present, may adjourn such meeting from time to time. At each meeting of the Board at which a quorum is present, all questions and business shall be determined by a majority vote of those present, except as may be otherwise expressly provided in the Declaration or in these Bylaws.

Section 8. Powers and Duties.

Except as otherwise provided by law, the Declaration, the Articles or these Bylaws, all power and authority of the Association shall be exercised by the Board. In carrying out the purposes of the Declaration and subject to the limitations prescribed by law, the Declaration, the Articles or these Bylaws, the Board shall have the right to do all things permitted by law and exercise all powers and authority of the Association.

Section 9. Removal of Members of Board.

At any regular or special meeting of Members of the Association duly called, at which a quorum shall be present, any one or more of the Board members may be removed with or without cause by vote of the Members of the Association entitled to exercise at least seventy-five percent (75%) of the voting power of the

Association, and a successor or successors to such Board member or members so removed shall then and there be elected to fill the vacancy or vacancies thus created. Any Board member whose removal has been proposed by the Members of the Association shall be given an opportunity to be heard at such meeting.

Section 10. Fidelity Bonds.

The Board may require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate Fidelity Bonds. The premiums on such bonds shall be paid by the Association and shall be "Common Costs".

Section 11. Actions without a Meeting.

All actions which may be taken at a meeting of the Board may be taken without a meeting with the approval of and in a writing signed by all members of the Board then serving as such.

ARTICLE IV

OFFICERS

Section 1. Election and Designation of Officers.

The Board shall elect a President, a Vice President, a Secretary and a Treasurer, each of whom shall be a member of the Board. The Board may also appoint an Assistant Treasurer and an Assistant Secretary and such other officers as in their judgment may be necessary who may or may not be members of the Board but who are Members of the Association. One person may hold more than one office.

Section 2. Term of Office; Vacancies.

The officers of the Association shall hold office until the next organizational meeting of the Board and until their successors are elected, except in case of resignation, removal from office or death. The Board may remove any officer at any time with or without cause by a majority vote of the Board members then in office. Any vacancy in any office may be filled by the Board.

Section 3. President.

The President shall be the chief executive officer of the Association. The President shall preside at all meetings of Members of the Association and shall preside at all meetings of the Board. Subject to directions of the Board, the President shall have general executive supervision over the business and affairs of the Association. The President may execute all authorized deeds, contracts and other obligations of the Associa-

tion and shall have such other authority and shall perform such other duties as may be determined by the Board or otherwise be provided for in the Declaration or in these Bylaws.

Section 4. Vice President.

The Vice President shall perform the duties of the President whenever the President is unable to act and shall have such other authority and perform such other acts as may be determined by the Board.

Section 5. Secretary.

The Secretary shall keep the minutes of meetings of the Members of the Association and of the Board. The Secretary shall keep such books as may be required by the Board, shall give notices of meetings of Members of the Association and of the Board as required by law, the Declaration or by these Bylaws and shall have such authority and shall perform such other duties as may be determined by the Board or otherwise as provided for in the Declaration or in these Bylaws.

Section 6. Treasurer.

The Treasurer shall receive and have in charge all money, bills, notes and similar property belonging to the Association, and shall do with the same as may be directed by the Board. The Treasurer shall keep accurate financial accounts and hold the same open for inspection and examination of the Board and shall have such authority and shall perform such other duties as may be determined by the Board.

Section 7. Other Officers.

The Assistant Secretaries and Assistant Treasurers, if any, and any other officers whom the Board may appoint shall, respectively, have such authority and perform such duties as may be determined by the Board.

Section 8. Delegation of Authority and Duties.

The Board is authorized to delegate the authority and duties of any officer to any other officer, to a managing agent or to a management company, or to any one or more of them, and generally to control the action of the officers and managing agent or management company and to require the performance of duties and in addition to those mentioned herein. The execution of a management agreement with a managing agent or management company which authorizes or requires the managing agent or management company to perform certain duties shall be deemed to be a delegation and authorization to such managing agent or management company of such duties and of all power and authority necessary to carry out such duties.

Section 9. Compensation of Officers and Trustees.

Officers and Trustees shall serve without compensation except that the Association shall reimburse such Officers or Trustees for out-of-pocket expenses incurred in connection with the exercise of their duties hereunder, pursuant to such reasonable Rules as the Board may, at its election, adopt.

ARTICLE V

APPLICABLE LAWS; PRIORITY OF DOCUMENTS

- (a) Chapter 1702 of the Ohio Revised Code,
- (b) The Declaration,
- (c) The Articles,
- (d) These Bylaws, and
- (e) The Rules

shall be attempted to be interpreted as a harmonious whole, and this Association shall be subject to and governed by all of such laws, documents and Rules. In the event of any direct inconsistency in any provisions in any of the foregoing, the provisions, in the law or document first above listed shall be given priority; provided, however, that all inconsistencies between or among the permissive provisions of Chapter 1702 of the Ohio Revised Code and any provisions of any documents or Rules, listed later, shall be resolved in favor of the documents or Rules listed later.

ARTICLE VI

FINANCES OF ASSOCIATION (ASSESSMENTS)Section 1. Preparation of Estimated Budget.

On or before December 15 of each year after the Declarant has conveyed all Parcels to Class A Owners, the Association shall estimate the total amount necessary to pay all of the Common Costs for each succeeding calendar year together with any income the Association may receive. On or before December 21, the Association shall notify each Class A and Class B Member in writing as to the amount of such estimates. The failure of the Association to comply strictly with the above time requirements shall not be deemed to be a waiver and shall not prevent the Association from collecting Assessments for Common Costs. The net of the aggregate amounts of such estimates of the next

calendar year shall be assessed to those Members required to pay such Assessments according to and as specifically set forth in the Declaration. Each Member required to pay Assessments shall pay to the Association or as it may direct the Assessment made pursuant to this Section on or before the first day of each calendar year, except that the Board may elect to collect annual Assessments quarterly or monthly, in advance. On or before the date of each annual meeting following the first annual meeting, the Association shall furnish to all Class A and Class B Members an itemized accounting of the Common Costs for the preceding calendar year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the estimates provided, by special Assessments, or otherwise, and showing the net amount over or short of the actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves shall be credited to the last maturing monthly installments due from the Members under the current year's estimate, pro rata. Any net shortage shall be added pro rata to the next installment due after the rendering of the accounting.

Section 2. Books and Records of Association.

The Association shall keep full and correct books of account. Unless the Declarant has entered into an arrangement pursuant to Section 13 of the Declaration whereby the General Assessment for each Owner is fixed with the Declarant paying any Common Costs in excess of the Assessments collected from Class A, the books and records shall be open for inspection by any Class A or Class B Member or his representative duly authorized in writing, at such reasonable time or times during normal business hours as may be requested. Upon ten (10) days notice to the Board and payment of a reasonable fee, any Class A Member or Class B Member shall be furnished a statement of his account setting forth the amount of any unpaid Assessments or other charges due and owing.

Section 3. Status of Funds Collected by Association.

All funds collected hereunder shall be held and expended solely for the purposes designated herein and shall be deemed to be held for the use, benefit and account of all Members required to pay Assessments pursuant to the Declaration.

Section 4. Reserve Fund.

The Board shall establish and maintain for the Association a reasonable reserve fund for replacements of Common Area, exterior walls, roofs and other property required to be maintained, repaired and replaced by the Association, in such amount as the Board may deem necessary. The reserve shall be funded through regular Assessments for Common Costs. Upon the sale of a Parcel and/or Unit by any Owner, such Owner shall have no right to any

portion of the funds in the reserve account; nor shall such Owner have any claim against the Association with respect thereto. Extraordinary expenditures incurred in any year which were not originally included in the estimated cash requirement for such year shall be charged first against the reserve fund. The amount of the reserve fund shall be reviewed annually by the Board. During the period that the Declarant is guaranteeing Assessments pursuant to Section 13 of the Declaration, the Declarant shall not be required to maintain a reserve fund.

Section 5. Initial Capital Contribution.

In addition to the regular monthly Assessments, each purchaser of a Parcel from the Declarant will be required to make, at the time such purchaser acquires title to a Parcel, an initial working capital contribution to the Association equal to twice the estimated monthly Assessment for Common Costs for such Parcel as determined by the Declarant in Declarant's sole discretion. The general purpose of this contribution is to provide the Association with a portion of the necessary initial working capital. Such funds may be used to reimburse the Declarant for certain prepaid items (e.g., insurance premiums, utility deposits and organizational, equipment and supply costs) and for such other purposes as the Board may determine. This initial working capital contribution is not an escrow or advance, it is not refundable and shall not be required of the Declarant, but only from those Persons who or which purchase a Parcel from the Declarant. Upon sale of a Parcel by an Owner (other than Declarant) such Owner shall have no right to all or any part of the initial capital contribution or any other part of the funds held by the Association, nor shall such Owner have any claim against the Association in respect thereto.

In the event that Declarant has exercised Declarant's option to guarantee assessments pursuant to Section 13 of the Declaration, the Declarant shall hold the initial working capital contributions and shall pay said initial capital contributions to the Association when the arrangement for guaranteeing assessments has been terminated pursuant to the Declaration.

Section 6. Lien of Unpaid Assessments - Interest Charges - Late Payment Charges.

Unpaid Assessments shall be a lien upon the Parcel in the manner specified in the Declaration. The Board may charge interest as provided in the Declaration. The Board may also establish a late payment charge for any payment not paid within seven (7) days of the due date. The late payment charge shall not be in excess of five percent (5%) of the amount due.

Section 7. Remedies for Failure to Pay Assessments.

The Board and the Declarant shall have all remedies for failure to pay Assessments set forth in the Declaration or available in law or in equity, and each such right in remedy of the Declarant and the Board shall be cumulative and non-exclusive.

Section 8. Statement of Unpaid Assessments.

Upon seven (7) days prior written notice to the Board and upon obtainment of a reasonable fee established by the Board, any Owner or existing or prospective mortgagee shall be furnished a statement of the account of such Owner setting forth the amount of any unpaid Assessments or other charges due and owing from such Owner. Any prospective purchaser or mortgagee may rely upon such statement.

ARTICLE VII

AMENDMENT

These Bylaws may be amended to the same extent and in the same manner as the Declaration may be amended.