

**AMENDED AND RESTATED BYLAWS  
FOR  
MORNINGSIDE AT MARTIN'S RUN HOMEOWNERS' ASSOCIATION, INC.**

## TABLE OF CONTENTS

ARTICLE I GENERAL .....	1
1.1 Name and Nature of the Association .....	1
1.2 Membership .....	1
1.3 Definitions.....	1
ARTICLE 2 MEETINGS OF MEMBERS .....	1
2.1 Place of Meetings .....	1
2.2 Annual Meetings .....	1
2.4 Notice of Meetings .....	2
2.5 Waiver of Notice .....	2
2.6 Adjournment of Meetings.....	2
2.7 Voting Rights .....	2
2.8 Voting Methods.....	3
2.9 Majority of Owners .....	5
2.10 Quorum .....	5
2.11 Conduct of Meetings.....	5
2.12 Action Without A Meeting.....	5
ARTICLE 3 BOARD OF DIRECTORS.....	5
3.1 Governing Body .....	5
3.2 Number and Qualification of Directors .....	5
3.3 Nomination of Directors .....	6
3.4 Election of Directors.....	6
3.5 Term of Office; Resignations.....	6
3.6 Compensation.....	7
3.7 Removal of Directors.....	7
3.8 Organization Meetings.....	7
3.9 Regular Meetings.....	7
3.10 Special Meetings .....	7
3.11 Notice of Meetings; Waiver .....	7
3.12 Quorum of the Board of Directors.....	8
3.13 Conduct of Meetings.....	8
3.14 Open Meetings .....	8

3.15	Executive Session.....	8
3.16	Action Without A Meeting.....	8
3.17	Voting By Directors.....	8
3.18	Indemnification of Board Members, Officers, and Committee Members .....	9
3.19	Powers and Duties .....	10
ARTICLE 4 OFFICERS .....		11
4.1	Officers .....	11
4.2	Election; Term of Office; Vacancies .....	11
4.3	Removal.....	11
4.4	Powers and Duties .....	11
4.5	Resignation.....	13
ARTICLE 5 COMMITTEES .....		13
5.1	General.....	13
5.2	Executive Committee.....	13
ARTICLE 6 DETERMINATION AND PAYMENT OF ASSESSMENTS.....		13
6.1	Adoption of Budget .....	13
6.2	Capital Budget and Contribution.....	13
6.3	Failure to Adopt Budget.....	14
6.4	Computation of Assessments .....	14
6.5	Payment, Delinquency and Acceleration .....	14
6.6	Remedies for Default.....	14
ARTICLE 7 MISCELLANEOUS .....		14
7.1	Fiscal Year .....	14
7.2	Parliamentary Rules.....	14
7.3	Conflicts.....	14
7.4	Books and Records .....	15
7.5	Notice.....	15
7.6	Amendment.....	15
7.7	Financial Review .....	16

**AMENDED AND RESTATED BYLAWS  
FOR  
MORNINGSIDE AT MARTIN'S RUN HOMEOWNERS' ASSOCIATION, INC.**

**ARTICLE I  
GENERAL**

**1.1 Name and Nature of the Association.** The name of the Association shall be Morningside at Martin's Run Homeowners' Association, Inc., and shall be an Ohio nonprofit corporation.

**1.2 Membership.** Each owner upon acquisition of title to a Lot shall automatically become a member of the Association. Such Membership shall terminate upon the sale or other disposition by such Member of his or her Lot ownership, at which time the new Owner of such Lot shall automatically become a Member of the Association.

**1.3 Definitions.** The terms used in these Bylaws shall have the same meaning as set forth in the Declaration of Covenants, Conditions and Restrictions and Reservation of Easements recorded with the Recorder of Lorain County as Instrument No. 20050102651, Film No. 2257, (the "Declaration"), unless the context shall prohibit.

**ARTICLE 2  
MEETINGS OF MEMBERS**

**2.1 Place of Meetings.** Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as may be designated by the Board of Directors either in the City of Lorain, Lorain County, Ohio or as convenient thereto as possible and practical.

**2.2 Annual Meetings.** The first meeting of the Members, whether a regular or special meeting, shall be held within one (1) year from the date of incorporation of the Association. The next annual meeting shall be set by the Board so as to occur no later than thirty (30) days before the close of the Association's fiscal year. Subsequent annual meetings of the Members shall be held within thirty (30) days of the same day of the same month of each year thereafter at an hour set by the Board. The annual meeting of the Members shall be held at a date and time as set by the Board.

**2.3 Special Meetings.** The President may call special meetings. In addition, it shall be the duty of the President to call special meetings of the Association if so directed by resolution of a majority of a quorum of the Board of Directors or a written petition signed by at least twenty-five percent (25%) of the total votes of the Association. The notice of special meetings shall state the date, time and place of such meeting and the purpose thereof. No business shall be transacted at special meetings except as stated in the notice.

**2.4 Notice of Meetings.** It shall be the duty of the Secretary to mail or cause to be delivered to the Owner of record of each Lot a notice of each annual or special meeting of the Association stating the purpose of the special meeting, as well as the time and place where it is to be held. If an Owner wishes notice to be given at an address other than his or her Lot, he or she shall designate such address by written notice to the Secretary. The mailing or delivering of a notice of a meeting in the manner provided in this Section shall be considered service of notice. Notices shall be served not less than ten (10) nor more than sixty (60) days before a meeting.

**2.5 Waiver of Notice.** Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after the holding of such meeting. Attendance of any Member at any 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 or her of such meeting.

**2.6 Adjournment of Meetings.** If any meetings of the Association cannot be held because a quorum is not present, a majority of the Members who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted. If a time and place of the adjourned meeting are not fixed by those in attendance at the original meeting, or if for any reason a new date is fixed for the adjourned meeting after adjournment, notice of the time and place of the adjourned meeting shall be given to Members in the manner prescribed for regular meetings.

Those 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, provided that any action taken shall be approved by at least a majority of Members required to constitute a quorum.

**2.7 Voting Rights.** Each Lot and each Unit will have one vote. If only one of several Owners for a Lot or Unit is present at a meeting of the Association, that Owner is entitled to cast the vote allocated to that Lot or Unit. If more than one of the Owners is present, the vote allocated to that Lot or Unit may be cast only in accordance with the agreement of a majority in interest of the Owners. There is majority agreement if any one of the Owners casts a vote allocated to that Lot or Unit without protest being made promptly to the person presiding over the meeting by any of the other Owners of the Lot or Unit. The Association may adopt rules regarding deadlocks. In case of ties in an election, in accordance with Article 3, Section 3.4 of these Bylaws, the winner will be determined by lot. No votes allocated to a Lot or Unit owned by the Association may be cast. Voting at elections and votes on other matters may be conducted by mail. There will be no cumulative voting.

Unless expressly reserved and the Association is notified of such reservation, a land contract vendee as defined in Chapter 5313 of the Revised Code, will be deemed the proxy of a land contract vendor for purposes of this section.

## **2.8 Voting Methods.**

**2.8.1 Board Election and Ballots.** Elections for the Board of Directors will be held using the following procedure:

**2.8.1.1** Notice of the annual meeting, or for a special meeting called for the election of members to the Board will be sent to members at least 60 days prior to the meeting. The notice will include the meeting date, time and location and explain the qualifications for serving on the Board, the number of positions open for election, and their respective terms.

**2.8.1.2** Not less than 40 days before the annual or special meeting for election, any member including any current Director whose term is to expire as of the date of the meeting, who desires to be a candidate for the Board, must submit to the Board a written statement of Acceptance of Nomination signed by the nominated candidate. The nominated candidate must also include an information sheet, no larger than 8 1/2 by 11 inches, containing their biographical information and affirming their candidacy. The Board may nominate additional candidates as provided for in Bylaws Article 3 Section 3.3 below.

**2.8.1.3** Votes for the election of members of the Board will be cast by written ballot.

**2.8.1.4** At least 30 days before the date of the annual or special meeting for election, one ballot, the candidates' informational sheets and two return envelopes will be sent to all Owners by regular mail. If ballots are not sent 30 days or more before the date schedules for the annual or special meeting for election and if there are more candidates than the number of vacancies on the Board to be filled, the Board must reschedule the annual or special meeting for election at least 30 days but no less than 60 days from the date the ballots are sent to the members. If there are the same number of nominees as there are open positions on the Board of Directors, the Board is not required to send ballots and rather may direct the Secretary to cast a unanimous ballot in favor of the nominated candidates. If there are the same number of nominees as there are open positions on the Board of Directors, but the different positions open have different terms, the nominees may agree among themselves as to what Person will receive what term length, and if the nominees cannot agree, the President will draw lots to determine the term.

**2.8.1.5** The ballots will identify the number of Director positions to be elected and will list the names of each of the nominated candidates. The “Ballot Envelope” will contain the ballot. The “Signature Envelope” will contain the ballot envelope. The Signature Envelope must be signed, with the name and address of the Owner who receives it. The Signature Envelope will be used as a record of receipt of the member’s ballot as well as to determine quorum. If the Signature Envelope is not signed by the member, the ballot will not be counted. The Signature Envelope will contain the Ballot Envelope and the ballot. For ballots that are sent electronically, the Board must adopt reasonable procedures to verify the integrity of the election, while preserving the secrecy of the Owner’s vote.

**2.8.1.6** Ballots and both of the envelopes must be returned no later than the time the annual or special meeting for election is called to order.

**2.8.1.7** Prior to the start of the annual or special meeting for election:

**2.8.1.7.1** The Board must appoint an Election Committee consisting of at least three persons two of whom must be Owners. Members of the Election Committee may not be related to or occupy the residence of any nominated candidate. The Election Committee is responsible for: (i) verifying the Signature Envelopes; (ii) opening the Ballot envelopes; (iii) counting each of the ballots and; (iv) verifying the results of the election. The Election Committee will provide the Ballots and results to the Chairperson of the annual or special meeting for election. The Chairperson will announce the election results prior to the end of the meeting.

**2.8.1.7.2** The Board will adopt a procedure for the Election Committee to allow it to verify that no more than one vote per Lot or Unit has been cast and to ensure that the vote of any Owner remains anonymous and is not disclosed to anyone, including the Election Committee.

**2.8.1.7.3** The Election Committee may commence the opening of envelopes and counting of votes when the Annual or other Association election meeting is called to order.

**2.8.1.8** Ballots received subsequent to the calling to order of the said Annual or other scheduled election meeting will be held invalid.

**2.8.2 Proxies.** Owners may vote in person or by proxy, except with respect to the election of the Board in which case Owners may only vote by written ballot as provided in Section 2.8.1 may only vote by written ballot as provided in section 2.8.1 above. The person appointed as proxy need not be a member of the Association. Each proxy will be executed in writing by the Owner entitled to vote by their duly authorized attorney-in-fact and filed with the Association's Secretary. A written proxy may be revoked by a later dated appointment of proxy that is received by the Association, or by written notice of revocation of proxy received by the Association or communicated to the Association in an open meeting up to the time the vote or act is closed. The mere presence of the Owner(s) at a meeting does not revoke the appointment. Later dated appointments or revocations of a proxy have no effect on any previously taken or previously authorized vote. Every proxy will automatically cease upon conveyance of the Lot by the Owner.

**2.9 Majority of Owners.** As used in these Bylaws, the term majority shall mean those votes, Owners, Members or other group, as the context may indicate, totaling more than fifty (50%) percent of the total number.

**2.10 Quorum.** Except as otherwise provided in these Bylaws or in the Declaration, those Members present in person or by proxy shall constitute a quorum at all meetings of the Association. Any provision in the Declaration concerning quorums is specifically incorporated herein.

**2.11 Conduct of Meetings.** The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in the minute book all resolutions adopted, as well as a record of all transactions occurring thereat.

**2.12 Action Without A Meeting.** Any action which may be authorized or taken at a meeting of the members, except the election of Board members, may be authorized or taken without a meeting with the affirmative vote or approval, and in writing or writings signed by not less than a majority of the Members. Any such writing shall be entered into the minute book of the Association.

### **ARTICLE 3 BOARD OF DIRECTORS**

**3.1 Governing Body.** Except as otherwise provided by law, the Articles of Incorporation, the Declaration or these Bylaws, all of the authority of the Association shall be exercised by or under the direction of the Board of Directors.

**3.2 Number and Qualification of Directors.** The Board of Directors in the Association shall consist of three (3) persons and shall be those named in the Articles of Incorporation or other such person or persons as may be named by the Declarant as such or as substituted by the Declarant pursuant to Article 13 of the Declaration. At such time as the



Owners are entitled to elect one member of the Board, the Board of Directors shall be expanded to consist of four (4) persons. At such time as the Owners are entitled to elect two (2) members of the Board, the Board of Directors shall be expanded to five (5) persons. Except those appointed by the Declarant, all Directors must be Owners. The spouse of an Owner is qualified to act as a Director if both the Owner and the spouse occupy the Lot. No person and his or her spouse may serve on the Board at the same time.

**3.3 Nomination of Directors.** Nominations for the election of Directors to be elected by the members will be made in accordance with Bylaws Article 2, Section 2.8 above. The number of nominees must at least equal the number of vacancies on the Board that are to be filled. If there are fewer nominees than vacancies, the Board will serve as a nominating committee and must nominate additional member(s) to be elected prior to the absentee ballots being sent to the members so that there are, at all times, a sufficient number of nominees to fill all Board vacancies that are up for election.

**3.4 Election of Directors.**

**3.4.1** Directors will be elected at the Association's annual meeting of Members, but when the annual meeting is not held, or Directors are not elected thereat, they may be elected at a special meeting called and held for that purpose. Such election will be by secret written ballot and conducted in accordance with the other provisions of these Bylaws.

**3.4.2** At a meeting of Members called for the purpose of election, only persons nominated as candidates will be eligible for election as Directors. The candidate receiving the greatest number of votes will be elected as Directors. Each Lot or Unit is entitled to cast one vote for each Director to be elected. In cases of ties, the winner will be determined by lot. Cumulative voting is not permitted.

**3.5 Term of Office; Resignations.** Except for those Directors appointed by the Declarant, each Director shall hold office for a term of two (2) years and until his or her successor is elected, or until his or her earlier resignation, removal from office or death. It is intended by these Bylaws that the terms of the Directors shall be staggered with three (3) Directors being elected in odd numbered years and two (2) Directors being elected in even numbered years. The initial terms of the Directors elected by the Owners shall be adjusted to carry out this intent.

Any Director may resign at any time by oral statement to that effect made at a meeting of the Board of Directors 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 Director may specify. In the event of death or resignation of a Director, his or her successor shall be selected by a majority of the remaining members of the Board and shall serve for the unexpired term of the predecessor.

**3.6 Compensation.** Members of the Board of Directors shall serve without compensation, except that they may be reimbursed for actual expenses incurred on behalf of the Association.

**3.7 Removal of Directors.** Except for those appointed by the Declarant, at any regular or special meeting of the Association duly called, any one or more of the members of the Board of Directors may be removed, with or without cause, by a majority vote of the Owners, and a successor may then and there be elected to fill the vacancy thus created. A Director whose removal has been proposed shall be given at least ten (10) days notice of the calling of the meeting and the purposes thereof and shall be given an opportunity to be heard at the meeting. Additionally, any Director who has three (3) unexcused absences from Board meetings or who is delinquent in payment of an Assessment for more than twenty (20) days may be removed by a majority vote of the Directors at meeting, a quorum being present.

**3.8 Organization Meetings.** The annual meeting of the members of the Board of Directors shall follow the annual meeting of the Members and shall be held within ten (10) days thereafter, at such time and place as shall be fixed by the Board.

**3.9 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 Directors, but at least four (4) such meetings shall be held during each fiscal year with at least one (1) per quarter.

**3.10 Special Meetings.** Special meetings of the Board of Directors shall be held when called by written notice signed by the President or Secretary of the Association or by any two (2) Directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered.

**3.11 Notice of Meetings; Waiver.** Notice of the time and place of each meeting of the Directors, whether regular or special, shall be given to each Director by one of the following methods: (a) personal delivery; (b) written notice by first-class mail, postage prepaid; (c) by telephone communication, either directly to the Director or to a person at the Director's home or place of business who would reasonably be expected to communicate such notice promptly to the Director; or (d) by telegram or cablegram, charges prepaid. All such notices shall be given or sent to the Director's address or telephone number as shown on the records of the Association. Notice sent by first-class mail shall be deposited into a United States mailbox, at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, telegraph or cablegram company at least seventy-two (72) hours before the time set for the meeting.

Waiver of notice of meetings of the Directors shall be deemed the equivalent of proper notice. Any Director may, in writing, waive notice of any meeting of the Board, either before or after the holding of such meeting. Such writing shall be entered into the minutes of the meeting. Attendance of any Director at any meeting without protesting,

prior to or at the commencement of at the meeting, the lack of proper notice shall be deemed to be a waiver by him or her of notice of such meeting.

**3.12 Quorum of the Board of Directors.** At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of the Directors, if any action taken is approved by at least a majority of the required quorum for that meeting. Notice of adjournment of a meeting need not be given if the time and place to which it is adjourned are fixed and announced at such meeting. At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted.

**3.13 Conduct of Meetings.** The President shall preside over all meetings of the Board of Directors, and the Secretary shall keep the minutes of the meeting and record in the minute book all resolutions adopted, as well as a record of all transaction occurring thereat.

**3.14 Open Meetings.** All meetings of the Board of Directors shall be open to all Members of the Association, but Members other than the Directors may not participate in any discussion or deliberation unless expressly so authorized by a majority of a quorum of the Board.

**3.15 Executive Session.** The Board may, with approval of a majority of a quorum, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, or orders of business of similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

**3.16 Action Without A Meeting.** Any action which may be authorized or taken at a meeting of the Board of Directors may be authorized or taken without a meeting with the affirmative vote or approval, and in writing or writings signed by all the Directors. Any such writing shall be entered into the minute book of the Association. An explanation of the action taken shall be posted at a prominent place or places within the Properties within three (3) days after written consents of all the Board members have been obtained.

**3.17 Voting By Directors.** A Director who is present at a meeting of the Board or any committee meeting when corporate action is taken shall be deemed to have assented to the action taken unless:

- a. He or she objects at the beginning of the meeting (or promptly upon arrival) to holding it or transacting business at the meeting;
- b. His or her dissent or abstention from the action taken is entered in the minutes

of the meeting; or

- c. He or she delivers written notice of his or her dissent or abstention to the presiding officer of the meeting before its adjournment or to the Corporation immediately after adjournment of the meeting. This right of dissent or abstention shall not be available to a Director who votes in favor of the action taken.

**3.18 Indemnification of Board Members, Officers, and Committee Members.** The Association must indemnify: (1) any current or former Director, (2) any current or former officer of the Association, (3) any current or former committee member, and/or (4) any of said Director's or officer's, or committee member's respective heirs, executors, and administrators; against reasonable expenses, including attorney's fees, judgments, decrees, fines, penalties, or amounts paid in settlement, actually and necessarily incurred by him/her in connection with the defense of any pending or threatened action, suit, or proceeding, criminal or civil, to which he/she is or may be made a party by reason of being or having been such Director, officer, or committee member provided it is determined, in the manner set forth below, that (i) such Director, officer, or committee member was not and is not adjudicated to have been grossly negligent or guilty of misconduct in the performance of his/her duty to the Association; (ii) such Director, officer, or committee member acted in good faith in what he/she reasonably believed to be in, or not opposed to the Association's best interest; (iii) in any criminal action, suit, or proceeding, such Director, officer, or committee member had no reasonable cause to believe that his/her conduct was unlawful and is not convicted of theft or other theft related crime including but not limited to larceny, forgery, false pretenses, fraud, embezzlement, conversion, and/or any conspiracy related to any such theft related crime; and (iv) in case of settlement, the amount paid in the settlement was reasonable.

The above determination required will be made by written opinion of independent legal counsel the Board of Directors chooses. Notwithstanding the opinion of legal counsel, to the extent that a Director, officer, or committee member is successful in defense of any action, suit, or proceeding, or in the defense of any claim, issue, or matter, he/she must, in that event, be indemnified.

(a) **Advance of Expenses.** The Association may advance funds to cover expenses, including attorneys' fees, with respect to any pending or threatened action, suit, or proceeding prior to the final disposition upon receipt of a request to repay such amounts.

(b) **Indemnification Not Exclusive; Insurance.** The indemnification provided for in this Section is not exclusive, but is in addition to any other rights to which any person may be entitled under the Articles of Incorporation, the Declaration, these Bylaws, or rules and regulations of the Association, any agreement, any insurance provided by the Association, the provisions of Section 1702.12(E) of the Ohio Revised Code and its successor statutes, or otherwise. The

Association must purchase and maintain insurance on behalf of any person who is or was a Director, officer, or committee member against any liability asserted against him/her or incurred by him/her in such capacity or arising out of his/her status as a Director, officer, or committee member.

(c) **Directors, Officers, and Committee Members Liability.** The Directors, officers, and committee members, of the Association are not personally liable to the Owners for any mistake of judgment, negligence, or otherwise, except for their own willful misconduct or bad faith. The Association's indemnification includes, but is not limited to, all contractual liabilities to third parties arising out of contracts made on behalf of the Association and every contract or agreement made by any Director, or officer will mean that such Director or officer is acting only as a representative of the Association and will have no personal liability, except with respect to any such contracts made in bad faith or contrary to the provisions of the Declaration or these Bylaws and/or as an Owner.

(d) **Cost of Indemnification.** Any sum paid or advances by the Association under this Section constitutes a Common Expense. The Board of Directors has the power and the responsibility to raise, by special Assessment or otherwise, any sums required to discharge the Association's obligations under this Section; provided, however, that the liability of any Owner arising out of the contract made by any Director, officer, or committee member or out of the aforesaid indemnity in favor of such Director, officer, or committee member is limited to such proportion of the total liability as said Owner's pro rata share bears to the total percentage interest of all the Owners as members of the Association.

**3.19 Powers and Duties.** The Board of Directors will exercise all power and authority of the Association except as otherwise provided by law, the Declaration or these Bylaws. The Board of Directors is responsible for the reasonable maintenance, repair, and replacement of the Common Elements. To carry out the purposes of the Property, subject to the limitations prescribed by law, the Declaration, or these Bylaws, the Board of Directors, for and on behalf of the Association, may:

**3.19.1** in addition to Declaration Article 6, Section 6.3.4, solicit, hire and fire professional service providers who specialize in assisting homeowner and condominium associations, and who have at least 10 years of experience in working with community associations. The following professional service providers will, however, be required:

**3.19.1.1** Management agent to oversee those general or specific services that the Board of Directors chooses to outsource.

**3.19.1.2** Law firm to provide legal oversight and council, to advise and assist the Association with amending Association documents, and to represent the Association in the event of lawsuits, foreclosures, and other

litigation.

**3.19.1.3** Accounting firm to provide check and balance oversight of the Association financial records, to prepare and file tax returns, and to represent the Association in the event of an audit.

## **ARTICLE 4 OFFICERS**

**4.1 Officers.** The officers of the Association shall be a President, Vice President, Secretary and Treasurer and they shall be elected by the Board of Directors. The Board may elect other officers, including one or more Assistant Secretaries or Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board. Any two or more offices may be held by the same person, excepting the offices of President and Secretary. The President, Secretary and Treasurer shall be members of the Board of Directors.

**4.2 Election; Term of Office; Vacancies.** The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board following each annual meeting of the Members, as herein set forth in Article 2. A vacancy in any office arising because of death, resignation, removal or otherwise may be filled by the Board for the unexpired portion of the term.

**4.3 Removal.** Any officer may be removed by the Board of Directors whenever in its judgment the best interests of the Association would be served thereby.

**4.4 Powers and Duties.** The officers of the Association will each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time be specifically conferred or imposed by the Board of Directors. These powers and duties include, but are not limited to, the following:

**4.4.1** The President is the chief executive officer of the Association. Subject to the Board of Directors' direction, the President has general executive supervision over the business and affairs of the Association. The President may execute all authorized deeds, contracts, and other obligations of the Association and has all the powers and duties prescribed by law: establish meeting dates; define meeting agenda; preside at all Association and Board of Directors meetings, which power the President may assign or delegate as the President so decides, bring matters to a vote/maintain order and advance the Agenda. The President also has other authority and will perform other duties as the Board of Directors may, from time to time, assign to the President or as otherwise provided for in the Declaration or in these Bylaws.

**4.4.2** Vice President. The Vice President will perform the duties conferred upon the Vice President by these Bylaws or as may, be assigned by the Board of

Directors or the President from time to time. At the request of the President, or in the President's absence or disability, the Vice President will perform all the duties of the President, and when so performing has all the power of the President with like authority of the President.

**4.4.3** The Treasurer has general supervision of all finances. The Treasurer's primary responsibility is for the preparation of the annual budget. The Treasurer will review and approve invoices and compare monthly with accounts payable; track delinquent accounts; regularly verify status of association funds; keep adequate and correct financial and accounting records of the Association's business transactions, including accounts of its assets, liabilities, receipts, expenditures, profits, and losses, together with other accounts as may be required, and hold the same open for the inspection and examination of the Board of Directors; prepare monthly financial report; assist Management Agent in preparation of proposed annual budget; conduct annual analysis of reserve fund; assist accountant in preparation of tax returns; and the Treasurer will perform other duties as from time to time may be assigned by the Board of Directors.

**4.4.4** The Secretary will have the primary responsibility for recording the actions and business of the Association. Association records detail the history of the Association and document all decisions made by the Board of Directors. Records will be kept in a secure location and in a chronological order compiled in binders known as "Corporate Record Books". In addition, the Secretary will prepare and distribute proper notice of meetings; prepare the meeting agenda as defined by the President; take minutes of all meetings of the Members of the Association and of the Board of Directors and will make proper record of the same, which will be attested by the Secretary (or directly supervise a recording secretary); verify that meeting minutes are duly approved; oversee membership rolls; prepare and coordinate bid proposals for services to the Association; prepare special mailings and photocopying; prepare general correspondence; prepare Association newsletter (or oversee preparation by others); record enforcement of rules/regulations; coordinate Annual Meeting; has authority to execute all deeds, contracts, and other obligations of the Association requiring the Secretary's signature; will keep the books as may be required by the Board of Directors; and will perform other further duties as may from time to time be assigned by the Board of Directors.

**4.4.5** All Board Members will act in a manner to protect, preserve, and enhance the Association property and be familiar with operational procedures. Board Members will familiarize themselves with all community and Association documents; assist in establishing goals, attend meetings regularly; assist in establishing the Budget, the Maintenance Fees and establishing Reserves; determine maintenance priorities; determine who will work for the Association; periodically inspect the property and concern themselves with the image of the Association property; enforce the rules and regulations of the Association; communicate with Owners.

**4.5 Resignation.** Any officer may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. Such resignation shall take effect on 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.

## **ARTICLE 5 COMMITTEES**

**5.1 General.** Committees to perform such tasks and to serve for such periods as may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present are hereby authorized. Such committees shall perform such duties and have such powers as may be provided in the resolution. Each committee be composed as required by law and operate in accordance with the terms of the resolution of the Board designating such committee or with rules adopted by the Board and to the full extent permitted by law.

**5.2 Executive Committee.** The Board of Directors may, by resolution adopted or signed by all of the Directors, appoint an Executive Committee to consist of three (3) Directors. The Board may delegate any or all of its duties to such committee. Any resolution or writing appointing such committee must acknowledge the responsibility of all of the Directors for the operation and administration of the Association.

## **ARTICLE 6 DETERMINATION AND PAYMENT OF ASSESSMENTS**

**6.1 Adoption of Budget.** It shall be the duty of the Board to prepare and adopt a budget covering the estimated Common Expenses of the Association for the coming fiscal year. The budget shall also include a capital contribution or reserve in accordance with a capital budget separately prepared. After adoption of the budget, the Board shall cause the summary of the budget and the Assessments to be levied against each Lot for the following year to be delivered to each Owner. Such summary shall be delivered at least thirty (30) days prior to the start of the fiscal year. The budget and Assessments shall take effect on the first day of the fiscal year.

**6.2 Capital Budget and Contribution.** The Board shall annually prepare a capital budget, which shall take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Board shall set the required capital contribution, if any, in an amount sufficient to permit meeting the projected capital needs of the Association, as shown on the capital budget, with respect to both amount and timing by assessments over the period of the budget. The capital contribution required shall be fixed by the Board and included within the budget and assessment, as provided in Article 6.1. A copy of the capital budget shall be distributed to each Owner in the same manner as the operating budget.



**6.3 Failure to Adopt Budget.** The failure or delay of the Board to adopt a budget as provided herein shall not constitute a waiver or release of the obligation of an Owner to pay the Assessments. In such event, the Assessments based upon the budget last adopted shall continue until such time as the Board adopts a new budget.

**6.4 Computation of Assessments.** The Assessments for the Common Expenses shall be determined in accordance with the operating budget and the capital contribution budget as they apply to the various Lots. Unless otherwise determined by the Board, all Assessments shall be charged on a monthly basis.

**6.5 Payment, Delinquency and Acceleration.** Unless otherwise determined by the Board, all Assessments shall be payable monthly. Any installment of an Assessment shall become delinquent if not paid on the due date as established by the Board. With respect to each installment of an Assessment not paid within five (5) days after its due date, the Board may, at its election, require the Owner to pay a reasonable late charge, together with interest at the rate provided in Section 1343.03 of the Ohio Revised Code calculated from the date of delinquency to and including the date full payment is received by the Association.

**6.6 Remedies for Default.** If an Owner is in default of payment of an Assessment, the Board may authorize collection through any lawful means, including foreclosure of the lien. Interest and all costs of such collection, including but not limited to court costs, lien fees, attorney fees shall be included in the amount due from the Owner and may be collected. The Board may authorize the Association to bid its interest at any foreclosure sale and to acquire, hold, lease, mortgage and convey any Lot.

## **ARTICLE 7 MISCELLANEOUS**

**7.1 Fiscal Year.** The Association may adopt any fiscal year as determined by the Board.

**7.2 Parliamentary Rules.** Except as may be modified by Board resolution establishing modified procedures, Robert's Rules of Order (current edition) shall govern the conduct of Association proceedings when not in conflict with Ohio law, the Articles of Incorporation, the Declaration, or these Bylaws.

**7.3 Conflicts.** If there are conflicts or inconsistencies between the provisions of Ohio law, the Articles of Incorporation, the Declaration, and these Bylaws, the provisions of Ohio law, the Declaration, the Articles of Incorporation and these Bylaws (in that order) shall prevail.

#### 7.4 Books and Records.

- a. **Inspection by Members.** The membership book, account books and minutes of the Association, the Board and any committee shall be made available for inspection and copying by any Member or by his or her duly appointed representative at any reasonable time and for a purpose reasonably related to his or her interest as a Member at the office of the Association or at such other place within the City of Avon, Lorain County, Ohio, as the Board shall prescribe.
- b. **Rules for Inspection.** The Board shall establish reasonable rules with respect to:
  - (i) Notice to be given to the custodian of the records by the Members desiring to make the inspection;
  - (ii) Hours and days of the week when such inspection may be made; and
  - (iii) Payment of the cost of reproducing copies requested by a Member.
- c. **Inspection by Directors.** Every Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a Director includes the right to make extracts and copies of documents at the expense of the Association.

**7.5 Notices.** Unless otherwise provided in these Bylaws, all notices, demands, bills, statements, or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by first class mail, postage prepaid:

If to a Member, at the address which the Member has designated in writing and filed with the Secretary or, if not such address has been designated, at the address of the residence of such Owner; or

If to the Association, the Board of Directors, or the Managing Agent, at the principal office of the Association or the Managing Agent, if any, or at such other address as shall be designated by the Board with written notice to the Owners.

**7.6 Amendment.** Except as otherwise provided by law or the Declaration, these Bylaws may be amended by a majority of the Owners. During such time as the Declarant has the right to appoint Directors of the Association pursuant to Article 14 of the Declaration, the Declarant shall have the right to veto any amendment to these Bylaws which unreasonably impact Declarant's ability to sell Lots. Likewise, during such period, the Federal Housing Administration or the Veterans Administration shall have the right to

veto any amendment, if either such agency is insuring or guaranteeing the mortgage on any Lot.

**7.7 Financial Review.** A review of the accounts of the Association shall be made annually in the manner as the Board of Directors may decide, provided, however, after having received the Board's report at the annual meeting, the Owners, by majority vote, may require the accounts of the Association to be audited as a Common Expense by a public accountant.

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