

SUNFLOWER VILLAGE HOMES ASSOCIATION

PROPOSED AMENDED AND RESTATED BYLAWS

These Amended and Restated Bylaws were adopted on April 29, 2009, and will serve to replace the initial By-Laws of The Sunflower Village Homes Association, as amended, and to integrate and replace the Constitution of The Sunflower Village Homes Association, as amended.

ARTICLE I

ASSOCIATION OF OWNERS

Sunflower Village Subdivisions Nos. 1 through 11 and Sunflower East Subdivisions Nos. 1 and 2, being 13 residential Subdivisions located in the Township of Canton, County of Wayne, State of Michigan, (hereinafter the "Subdivisions") shall be administered by an Association of owners which shall be a nonprofit corporation, hereinafter called "Sunflower Village Homes Association" or the "Association", a Michigan Nonprofit Corporation, organized under the applicable laws of the State of Michigan, and responsible for the management, maintenance, operation and administration of the Common Areas and Parks, easements and affairs of the Subdivisions in accordance with the following recorded Declarations, these Bylaws, the Articles of Incorporation, duly adopted rules and regulations of the Association, and the laws of the State of Michigan:

Sunflower Village Subdivision No. 1 Declaration of Covenants and Restrictions recorded in Liber 19052, Pages 51 -60, inclusive, Sunflower Village Subdivision No. 2 Declaration of Covenants and Restrictions recorded in Liber 19053, Pages 315-320, inclusive, as amended by Supplemental Declaration of Covenants and Restrictions recorded in Liber 19053, pages 321-322, inclusive, Sunflower Village Subdivision No. 3 Declaration of Covenants and Restrictions recorded in Liber 19556, pages 167-172, inclusive, as amended by Supplemental Declaration of Covenants and Restrictions recorded in Liber 19556, pages 173-174, inclusive, Sunflower Village Subdivision No. 4 Declaration of Covenants and Restrictions recorded in Liber 19593, pages 727-732, inclusive, as amended by Supplemental Declaration of Covenants and Restrictions recorded in Liber 19593, pages 762-763, inclusive, Sunflower Village Subdivision No. 5 Declaration of Covenants and Restrictions recorded in Liber 20025, pages 4-10, inclusive, as amended by Supplemental Declaration of Covenants and Restrictions recorded in Liber 20025, pages 11-12, inclusive, Sunflower Village Subdivision No. 6 Declaration of Covenants and Restrictions recorded in Liber 23572, pages 803-809, inclusive, as amended by Supplemental Declaration of Covenants and Restrictions recorded in Liber 23572, pages 785 -787, inclusive, as amended by Second Supplemental Declaration of Covenants and Restrictions recorded in Liber 23559, pages 646-648, inclusive, as re-recorded in Liber 23605, pages 116-118, inclusive, Sunflower Village Subdivision No. 7 Declaration of Covenants and Restrictions recorded in Liber 24015, pages 179-185, inclusive, as amended by Supplemental Declaration of Covenants and Restrictions recorded in Liber 24015, pages 186-187, inclusive, Sunflower Village Subdivision No. 8 Declaration of Covenants and Restrictions recorded in Liber 24593, pages 122-128, inclusive, as amended by Supplemental Declaration of Covenants and Restrictions recorded in Liber 24593, pages 129-

131, inclusive, Sunflower Village Subdivision No. 9 Declaration of Covenants and Restrictions recorded in Liber 25435, pages 611-618, inclusive, as amended by Supplemental Declaration of Covenants and Restrictions recorded in Liber 25435, pages 619-620, inclusive, as amended by Second Supplemental Declaration of Covenants and Restrictions recorded in Liber 25430, pages 460-462, inclusive, Sunflower Village Subdivision No. 10 Declaration of Covenants and Restrictions recorded in Liber 26232, pages 873-880, inclusive, as amended by Supplemental Declaration of Covenants and Restrictions recorded in Liber 26232, pages 881-882, inclusive, as amended by Second Supplemental Declaration of Covenants and Restrictions recorded in Liber 26188, pages 604-606, inclusive, Sunflower Village Subdivision No. 11 Declaration of Covenants and Restrictions recorded in Liber 27239, pages 655-661, inclusive, as amended by Supplemental Declaration of Covenants and Restrictions recorded in Liber 27239, pages 662-663, inclusive, Sunflower East Subdivision No. 1 Declaration of Covenants and Restrictions recorded in Liber 20145, pages 80-86, inclusive, as amended by Supplemental Declaration of Covenants and Restrictions recorded in Liber 20145, pages 94-95, inclusive, Sunflower East Subdivision No. 2 Declaration of Covenants and Restrictions recorded in Liber 20145, pages 87-93, inclusive, as amended by Supplemental Declaration of Covenants and Restrictions recorded in Liber 20145, pages 96-97, inclusive, Wayne County Records (hereinafter collectively the "Declarations").

The "Common Areas and Parks" when referred to in these Bylaws shall mean the eleven (11) parks, two (2) clubhouses, two (2) swimming pools, two (2) tennis courts, and such parking or other facilities and amenities as are available for common use by all of the lot owners in good standing which are located throughout the various Subdivisions. The Declaration of Covenants and Restrictions of each respective Subdivision, as may be amended, together with these Bylaws, the Amended and Restated Articles of Incorporation, and any rules and regulations, may be collectively referred to herein as the "Subdivision Documents" for the respective Subdivision in which the applicable member resides. These Bylaws shall constitute the Bylaws provided for under the Michigan Nonprofit Corporation Act (hereinafter the "Act"). Each lot owner shall be a member of the Association as provided in the Amended and Restated Articles of Incorporation, and no other person or entity shall be entitled to membership. The share of a lot owner in the funds and assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to his lot in the Subdivision. A lot owner selling a lot (with or without a residential structure thereon) shall not be entitled to any refund whatsoever from the Association with respect to any reserve or other asset of the Association. The Association shall keep current copies of the Subdivision Documents available for review at reasonable hours to lot owners, prospective purchasers and prospective mortgagees of lots in the Subdivisions. Copies of same may be obtained at a cost to be determined by the Association to reasonably cover its costs of duplication and distribution. All lot owners in the Subdivision and all persons using or entering upon or acquiring any interest in any lot therein or the Common Areas and Parks thereof shall be subject to the provisions and terms set forth in the aforesaid Subdivision Documents.

ARTICLE II

MEMBERSHIP AND VOTING

Section 1. Membership. The qualifications of members, the manner of their admission to the Association and the termination of membership by such members shall be as provided in Article VII of the Amended and Restated Articles of Incorporation of the Association. Members must be in good standing to vote, sign petitions, run for election or serve as a member of the Board of Directors or as an Officer of the Association. Good standing is defined as being current in the payment of Association dues and any other monies owing to the Association, and not otherwise being in default in any of the provisions of the Subdivision Documents.

Section 2. Voting. Except as limited in these Bylaws, each lot owner shall be entitled to one (1) vote for each lot owned while in good standing, as defined in Section 1 above, which shall be equal in value to the other lot owners.

Section 3. Eligibility to Vote. No lot owner shall be entitled to vote at any meeting of the Association until he has presented a deed or other evidence of ownership of a lot in the Subdivision to the Association.

Section 4. Quorum. The presence in person or by proxy of at least fifteen (15) of the lot owners qualified to vote shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically provided herein to require a greater quorum or where voting in person is required by the Bylaws. The written absentee ballot of any person furnished at or prior to any duly called meeting at which meeting said person is not otherwise present in person or by proxy shall be counted in determining the presence of a quorum with respect to the question upon which the ballot is cast except where prohibited herein. Any member who participates by remote communication in a meeting of members of the Association, as provided in Article VII, Section 5 hereinbelow, shall also be counted in determining the necessary quorum.

Section 5. Voting. Votes may be cast in person or by proxy or by a written absentee ballot duly signed by the lot owner not present at a given meeting in person or by proxy. An in person vote may also be cast by any person entitled to vote who is participating in a meeting by remote communication, as provided in Article VII, Section 5 hereinbelow. Proxies and any absentee ballots must be filed with the Secretary of the Association, or such other person as the Association shall designate, at or before the appointed time of each meeting of the members of the Association. At or before the appointed time of each meeting, proxies and absentee ballots may be sent by U.S. Mail, hand delivered, or may be electronically transmitted in any such manner authorized by the Association which does not directly involve the physical transmission of paper, which creates a record that may be retrieved and retained by the Association and which may be directly reproduced in paper form by the Association through an automated process. Cumulative voting shall not be permitted.

Section 6. Majority. A majority, except where otherwise provided herein, shall consist of more than fifty percent (50%) of those qualified to vote and present in person or by proxy (or absentee ballot, if applicable) at a given meeting of the members of the Association. Whenever provided specifically herein, the requisite affirmative vote may be required to exceed the simple majority hereinabove set forth and may require a designated percentage of all lot owners and may require that votes be cast in person.

ARTICLE III

ASSESSMENTS

Section 1. Lot Owners' Obligation For Assessments. Annual assessments shall be due and payable to the Association by each lot owner as provided in respective Subdivision Declaration and/or Supplemental Declaration, and as specifically described the Declaration of Covenants and Restrictions (for Sunflower Village Subdivision No. 1), recorded in Liber 19052, Pages 51 -60, inclusive, Wayne County Records, and as further governed by these Bylaws and any rules and regulations promulgated by the Board of Directors of the Association from time to time as provided in Article VIII, Section 4 (k) hereinbelow.

Section 2. Nonpayment of Assessments. In addition to the obligations and remedies for nonpayment of assessments as provided in the aforesaid Declaration, the following additional remedies may be undertaken by the Board of Directors. No lot owner may exempt himself or herself from liability for contribution toward the expenses of administration, assessments by waiver of the use or enjoyment of any of the Common Areas and Parks, or by the abandonment of the lot, or because of uncompleted maintenance or repair work, or the failure of the Association to provide services and/or management to the Common Areas and Parks, Subdivision(s), or to the lot owner.

- A. Late Charges and Payment Application Policy. A late charge in the amount of \$35.00 per month, or such other amount as may be determined by the Board of Directors, effective upon fifteen (15) days notice to the members of the Association, shall be levied automatically by the Association upon any assessment in default until paid in full. Such late charge shall not be deemed to be a penalty or interest upon the funds due to the Association but is intended to constitute a reasonable estimate of the administrative costs and other damages incurred by the Association in connection with the late payment of assessments. All payments shall be applied first against late charges, attorney fees, interest, expenses of collection and costs, and thereafter against assessments in order of oldest delinquency.

- B. Recording of Lien for Nonpayment of Assessments. A foreclosure action may be commenced, or notice of foreclosure by advertisement may be published, upon the expiration of ten (10) days after mailing, by first class mail, postage prepaid, addressed to the delinquent lot owner(s) at his/her or their last known address of a written notice that one or more installments of the assessment levied against the pertinent lot is or are delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within ten (10) days after the date of mailing. In the case of a contemplated foreclosure, either judicial or by advertisement, such written notice shall be accompanied by a written Affidavit of an authorized representative of the Association that sets forth (i) the Affiant's capacity to make the Affidavit, (ii) the authority for the lien, (iii) the amount outstanding (exclusive of interest, costs, attorney fees and future assessments), (iv) the legal description of the subject lot(s), and (v) the name(s) of the lot owner(s) of record. Such Affidavit shall be recorded in the office of the Register of Deeds in the County in which the lot is located prior to commencement of any foreclosure proceeding, but it need not have been recorded as of the date of mailing as aforesaid. If the delinquency is not cured within the ten (10) day period, the Association may take such remedial action as may be available to it hereunder or under Michigan law. In the event the Association elects to foreclose the lien by advertisement, the Association shall so notify the lot owner and shall inform the lot owner that he/she may request a judicial hearing by bringing suit against the Association.

The expenses incurred in collecting unpaid assessments, including interest, expenses of collection, costs, late charges, actual attorney's fees (not limited to statutory fees) and advances for taxes or other liens paid by the Association to protect its lien, shall be chargeable to the lot owner in default and shall be secured by the lien on the lot owner's lot. The Association also may discontinue the furnishing of any Association services to a lot owner in default upon seven (7) days written notice to such lot owner of its intention to do so. A lot owner in default shall not be entitled to utilize any of the Common Areas and Parks of the Subdivisions, shall not be entitled to vote at any meeting of the Association or sign any petition for any purpose prescribed by the Subdivision Documents or by law, and shall not be entitled to run for election or serve as a director or be appointed or serve as an officer of the Association so long as such default continues; provided, however, this provision shall not operate to deprive any lot owner of ingress or egress to and from the lot owner's lot. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the lot from the lot owner thereof or any persons claiming under such lot owner.

- C. Statement as to Unpaid Assessments. A purchaser of any lot may request a statement of the Association as to the outstanding amount of any unpaid Association assessments, interest, late charges, fines, costs, and attorney fees thereon. Upon written request to the Association, accompanied by a copy of the executed purchase agreement pursuant to which the purchaser holds the right to acquire the lot, the Association shall provide a written statement of such unpaid assessments, interest, late charges, fines, costs, attorney fees and related collection or other costs as may exist or a statement that none exist, which statement shall be binding upon the Association for the period stated therein. Upon the payment of that sum within the period stated, the Association's lien for assessments as to such lot shall be deemed satisfied. Unpaid assessments, interest, collection and late charges, advances made by the Association for taxes or other liens to protect its liens, fines, costs, and attorney fees incurred in the collection thereof constitute a lien upon the lot and the proceeds of sale thereof prior to all claims except real property taxes and first mortgages of record having priority. The Association may charge such reasonable amounts for preparation of such a statement as the Association shall, in its discretion, determine.

Section 3. Assessment of Costs of Enforcement. Any and all costs, damages, expenses and/or attorneys fees incurred by the Association in enforcing any of the restrictions set forth in the Declarations, these Bylaws and/or rules and regulations promulgated by the Board of Directors of the Association, and any costs, expenses, and attorneys' fees incurred in collecting said costs, damages, expenses, and/or attorneys' fees, may be assessed to and collected from the responsible lot owner in the manner provided in this Article II and in the assessment provision of the Declaration(s).

ARTICLE IV

REMEDIES FOR DEFAULT

Section 1. Relief After Default. In the event of a default by a lot owner, lessee, tenant, non-lot owner resident and/or guest in its compliance with any of the terms or provisions of the Subdivision Documents, including any of the rules or regulations promulgated by the Board of Directors of the Association thereunder:

(a) Legal Action. The Association or, if appropriate, any aggrieved lot owner or lot owners, may commence and prosecute against the lot owner, lessee, tenant, non-lot owner resident and/or guest, as applicable, an action to recover sums due for damages, injunctive relief, foreclosure of lien (if default in payment of assessment) or any combination thereof.

(b) Assessment of Fines. The Association may assess a monetary fine for each such violation against the responsible lot owner. No fine may be assessed unless the rules and regulations establishing such fine have first been duly adopted by the Board of Directors of the Association and notice thereof has been given to all lot owners in the same manner as prescribed in Article VII, Section 5 of these Bylaws. Thereafter, fines may be assessed only upon notice to the responsible lot owner and an opportunity for such lot owner to appear before the Board no less than seven (7) days from the date of the notice and offer evidence in defense of the alleged violation. Upon finding an alleged violation after an opportunity for hearing has been provided, the Board of Directors may levy a fine in such amount as it, in its discretion, deems appropriate, and/or as is set forth in the rules and regulations establishing the fine procedure. All fines duly assessed may be collected in the same manner as provided for delinquent assessments in the Declaration(s) and in Article III of these Bylaws.

Section 2. Nonwaiver of Right. The failure of the Association or of any lot owner to enforce any right, provision, covenant or condition which may be granted by the Subdivision Documents shall not constitute a waiver of the right of the Association or of any such lot owner to enforce such right, provision, covenant or condition in the future.

Section 3. Recovery of Costs and Attorney's Fees. The Association shall be entitled to recover from the responsible lot owner, lessee, tenant, non-lot owner resident and/or guest, the prelitigation costs and attorney fees incurred in obtaining compliance with the Subdivision Documents. In any proceeding arising because of an alleged default by a lot owner, lessee, tenant, non-lot owner resident and/or guest, the Association, if successful, shall be entitled to recover the costs of the proceeding and such reasonable attorney fees (not limited to statutory fees) as may be determined by the Court, but in no event shall any lot owner be entitled to recover such attorney fees. The Association, if successful, also shall be entitled to recoup the costs and attorney's fees incurred in defending any claim, counterclaim or other matter asserted against the Association from the lot owner asserting the claim, counterclaim or other matter, but in no event shall any lot owner be entitled to recover such attorney's fees.

Section 4. Cumulative Rights, Remedies, and Privileges. All rights, remedies and privileges granted to the Association or to any aggrieved lot owner or lot owners pursuant to any terms, provisions, covenants or conditions of the Subdivision Documents, or by law, shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be available to such party at law or in equity.

Section 5. Enforcement of Provisions of Subdivision Documents. A lot owner may maintain an action against the Association and its officers and directors to compel such persons to enforce the terms and provisions of the Subdivision Documents. A lot owner may maintain an action against any other lot owner for injunctive relief or for damages or any combination thereof for noncompliance with the terms and provisions of the Subdivision Documents.

ARTICLE V

ARBITRATION

Section 1. Scope and Election. Disputes, claims or grievances arising out of or relating to the interpretation or the application of the Subdivision Documents, or any disputes, claims or grievances arising among or between lot owners, or between a lot owner or lot owners and the Association shall, upon the election and written consent of the parties to any such disputes, claims or grievances, and written notice to the Association, if applicable, be submitted to arbitration and the parties thereto shall accept the arbitrators' decision as final and binding; provided that no question affecting the claim of title of any person to any fee or life estate in real estate is involved. The Commercial Arbitration Rules of the American Arbitration Association as amended and in effect from time to time hereafter shall be applicable to any such arbitration. Any agreement to arbitrate pursuant to the provisions of this Article V, Section 1 shall include an agreement between the parties that the judgment of any Circuit Court of the State of Michigan may be rendered upon any award rendered pursuant to such arbitration.

Section 2. Judicial Relief. In the absence of the election and written consent of the parties pursuant to Section 1 above, no lot owner or the Association shall be precluded from petitioning the Courts to resolve any such disputes, claims or grievances.

Section 3. Election of Remedies. Election by the parties to any such disputes, claims or grievances to submit such disputes, claims or grievances to arbitration shall preclude such parties from litigating such disputes, claims or grievances in the Courts.

ARTICLE VI

INSURANCE

Section 1. Association Insurance Responsibility. The Association shall, to the extent appropriate given the nature of the Common Areas and Parks of all of the Subdivisions, carry a standard "all risk" insurance policy, which includes, among other things, fire and extended coverage, vandalism and malicious mischief and liability insurance, and worker's compensation insurance, if applicable, pertinent to the ownership, use and maintenance of the Common Areas and Parks of the Subdivisions.

Section 2. Premium Expenses. All premiums on insurance purchased by the Association pursuant to these Bylaws shall be expenses of administration to be shared equally by all lot owners.

Section 3. Authority of Association to Settle Insurance Claims. Each lot owner, by ownership of a lot in any Subdivision, shall be deemed to appoint the Association as his true and lawful attorney-in-fact to act in connection with all matters concerning the maintenance of fire and extended coverage, vandalism and malicious mischief, liability insurance and workers' compensation insurance, if applicable, pertinent to the Subdivisions' Common Areas and Parks. Without limitation on the generality of the foregoing, the Association as said attorney shall have full power and authority to purchase and maintain such insurance, to collect and remit premiums therefor, to collect proceeds and to distribute same to the Association, the lot owners and respective mortgagees, as their interests may appear (subject always to the Subdivision Documents), to execute releases of liability and to execute all documents and to do all things on behalf of such lot owners and the Subdivisions as shall be necessary or convenient to the accomplishment of the foregoing.

ARTICLE VII

MEETINGS

Section 1. Place of Meeting. Meetings of the Association shall be held at such suitable place convenient to the lot owners as may be designated by the Board of Directors. Meetings of the Association shall be conducted in accordance with Roberts Rules of Order, or some other generally recognized manual of parliamentary procedure, when not otherwise in conflict with the Subdivision Documents or the laws of the State of Michigan.

Section 2. Annual Meetings. Annual meetings of members of the Association shall be held in the month of November each year on such date and at such time and place as shall be determined by the Board of Directors. At such meetings there shall be elected by ballot of the lot owners a Board of Directors in accordance with the requirements of Article VIII of these Bylaws. The lot owners may also transact at annual meetings such other business of the Association as may properly come before them.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the lot owners as directed by resolution of the Board of Directors. The President shall also call a special meeting upon a petition signed by one-third (1/3) of the lot owners presented to the Secretary of the Association. A lot owner must be eligible to vote at a meeting of members to validly sign a petition. Notice of any special meeting shall state the time and place of such meeting and the purposes thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. Notifications. It shall be the duty of the Secretary (or other Association officer in the Secretary's absence) to serve any required notifications and to serve notice of each annual or special meeting, stating the purpose thereof as well as of the time and place where it is to be held, upon each lot owner of record, at least ten (10) days but not more than sixty (60) days prior to such meeting. The publication in an

Association newsletter hand delivered to each lot, or the mailing, postage prepaid, of a notice to each lot owner at the lot address or such other address filed with the Association shall be deemed notice served. In lieu thereof, said notice may also be hand delivered to a lot if the lot address is designated as the voting representative's address, and/or the lot owner is a resident of the lot. Electronic transmission of such notice may also be given in any such manner authorized by the person entitled to receive the notice which does not directly involve the physical transmission of paper, which creates a record that may be retrieved and retained by the recipient, and which may be directly reproduced in paper form by the recipient through an automated process. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver, when filed in the records of the Association, shall be deemed due notice.

Section 5. Participation by Remote Communication. If the Board of Directors decides to permit member participation at a meeting of members by remote communication, the Association shall first implement reasonable measures to: (i) verify that each person considered present and permitted to vote by means of remote communication is a member of the Association; (ii) provide each member with a reasonable opportunity to participate in the meeting and to vote on matters submitted to the members, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with the proceedings; and (iii) maintain a record of any remote communication vote or other action taken by the participant(s). Provided all of the conditions in the preceding sentence are met, any or all Co-owners may participate in and vote at a meeting of the members of the Association by remote communication provided that: (i) the notice of the meeting includes a description of the means of remote communication that will be used; (ii) all persons participating in the meeting may hear each other; (iii) all participants are advised of the means of remote communication in use; and (iv) the names of all participants in the meeting are divulged to all participants. Participation in a meeting pursuant to this Section shall constitute presence in person at the meeting. A member permitted to be present and vote by remote communication at a meeting of members may be present and vote by that means of remote communication at any adjourned meeting of members. If a meeting is held solely by means of remote communication, a complete listing of the members entitled to vote at membership meetings shall be open for examination by any member and posted during the entire meeting on a reasonably accessible electronic network, and the notice of the meeting shall contain the information necessary to access the list.

Section 6. Adjournment. If any meeting of lot owners cannot be held because a quorum is not in attendance, the lot owners who are present may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called to attempt to obtain a quorum. A member permitted to be present and vote by remote communication at a meeting of members, as provided by Section 5 above, may be present and vote by that means of remote communication at any adjourned meeting of members.

Section 7. Order of Business. The order of business at all meetings of the members shall be as follows: (a) roll call to determine the voting power represented at the meeting; (b) proof of notice of meeting or waiver of notice; (c) reading of minutes of preceding meeting; (d) reports of officers; (e) reports of committees; (f) appointment of inspector of elections (at annual meetings or special meetings held for the purpose of election of directors or officers); (g) election of directors (at annual meetings or special meetings held for such a purpose); (h) unfinished business; and (l) new business. Meetings of members shall be chaired by the most senior officer of the Association present at such meeting. For purposes of this Section, the order of seniority of officers shall be President, Vice President, Secretary, and Treasurer.

Section 8. Action Without Meeting. Any action which may be taken at a meeting of the members of the Association (including the election of directors, but not including the removal of directors) may be taken without a meeting, with or without prior notice, by written consent of the members. Written consents may be solicited in the same manner as provided in Section 4 above for the giving of notice of meetings of members. Such solicitation may specify the percentage of consents necessary to approve the action, and the time by which consents must be received in order to be counted. The form of written consents shall afford an opportunity to consent (in writing) to each matter and shall provide that, where the member specifies his or her consent, the vote shall be cast in accordance therewith. Approval by written consent shall be constituted by receipt within the time period specified in the solicitation of a number of written consents which equals or exceeds the minimum number of votes which would be required for approval if the action were taken at a meeting at which all members entitled to vote were present and voted. Such a consent may be transmitted electronically in any such manner authorized by the Association, which does not directly involve the physical transmission of paper, which creates a record that may be retrieved and retained by the Association, and which may be directly reproduced in paper form by the Association through an automated process, and which shall contain information from which it can be determined by the Association that it was duly transmitted by the member, or by a person authorized to act for the member, and it shall include the date on which it was transmitted, which shall be the date on which consent was signed for purposes of the vote. The electronic transmission shall be reproduced in paper form and delivered by hand or by mailing to the Association at its principal office, or to an officer or agent of the Association, in order to be counted.

Section 9. Consent of Absentees. The transactions of any meeting of members, either annual or special, however called and noticed, shall be as valid as though made at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy or by absentee ballot; and if, either before or after the meeting, each of the members not present in person or by proxy, or absentee ballot, signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 10. Minutes; Presumption of Notice. Minutes or a similar record of the proceedings of meetings of members, when signed by the President or Secretary, shall be presumed to truthfully evidence the matters set forth therein. A recitation in the minutes of any such meeting that notice of the meeting was properly given shall be prima facie evidence that such notice was given.

ARTICLE VIII

BOARD OF DIRECTORS

Section 1. Qualifications of Directors. The affairs of the Association shall be governed by an eleven (11) member Board of Directors all of whom must be members in good standing of the Association. Directors shall serve without compensation.

Section 2. Election of Directors. The term of office of each director shall be two (2) years and such terms have been previously staggered so that either five (5) or six (6) directors stand for election each year to fill the respective terms that are expiring. The directors shall hold office until their successors have been elected and hold their first meeting.

Section 3. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all acts and things as are not prohibited by the Subdivision Documents or required thereby to be exercised and done by the lot owners.

Section 4. Other Duties. In addition to the foregoing duties imposed by these Bylaws or any further duties which may be imposed by resolution of the members of the Association, the Board of Directors shall be responsible specifically for the following:

- (a) To manage and to administer the affairs of, and to maintain, the Subdivision and the Common Areas and Parks therein, which shall not be deemed to require the removal of snow and ice from recreational asphalt pathways;
- (b) To levy and collect assessments from the lot owners of all of the Subdivisions and to pay the expenses for the Common Areas and Parks and amenities and any other such required expenses of the Subdivisions, as required by the Declaration(s) and these Bylaws;
- (c) To carry insurance and to collect and to allocate the proceeds thereof.
- (d) To restore, repair or rebuild improvements in the Common Areas and Parks, or any portion thereof, after casualty, if any.

- (e) To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Common Areas and Parks and other areas of the Subdivisions for which the Association bears such responsibility.
- (f) To acquire, own, maintain and improve, and to buy, operate, manage, sell, convey, assign, transfer, mortgage or lease (as landlord or tenant) any real or personal property, including any lot in the Subdivision and easements, rights of way, licenses and any other real property, on behalf of the Association in furtherance of any of the purposes of the Association.
- (g) With respect to property owned by the Association and/or the Common Areas and Parks of the Subdivision, to grant easements, rights of entry, rights of way, and licenses to, through and over such property, on behalf of the members of the Association in furtherance of any of the purposes of the Association.
- (h) To borrow money and issue evidences of indebtedness in furtherance of any and all of the purposes of the Association and to secure the same by mortgage, pledge, or other lien on property owned by the Association; provided, however, that any such action shall also be approved by affirmative vote of more than sixty percent (60%) of all of lot owners, unless same is a letter of credit and/or appeal bond for litigation.
- (i) To sue or assert claims on behalf of the members as their representative with respect to its property or any part of it.
- (j) To make and enforce reasonable rules and regulations and to make and enforce resolutions and policies in furtherance of any or all of the purposes of the Association or of the Subdivision Documents.
- (k) To establish such committees as it deems necessary, convenient or desirable and to appoint persons thereto for the purpose of implementing the administration of the Subdivision and to delegate to such committees any functions or responsibilities which are not by law or by the Subdivision Documents required to be performed by the Board.
- (l) To publish a newsletter on a quarterly basis or sooner, on a non-profit basis and operating within its own budget and above reproach, and to provide the Subdivision lot owners with information on social events, announcements or personal achievements or any such news that the editor deems necessary,

to appoint reporters and artists as needed and sell advertising space to cover operating expenses, to refrain from endorsement of a political candidate or any particular party for election and to avoid becoming a political forum.

- (m) To enforce the provisions of the Subdivision Documents.
- (n) In general, to enter into any kind of activity; to make and perform any contract; and to exercise all powers necessary, incidental or convenient to the accomplishment of any of the purposes set forth herein, with all powers conferred upon nonprofit corporations by the laws of the State of Michigan.

Section 5. Management Agent. The Board of Directors may employ for the Association a professional management agent at a reasonable compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Sections 3 and 4 of this Article, and the Board may delegate to such management agent any other duties or powers which are not by law or by the Subdivision Documents required to be performed by or have the approval of the Board of Directors or the members of the Association. In no event shall the Board be authorized to enter into any contract with a professional management agent in which the maximum term is greater than three (3) years or which is not terminable by the Association upon ninety (90) days' written notice thereof to the other party. This Section shall not be construed to preclude the hiring of a resident manager.

Section 6. Regulations. Reasonable rules or regulations consistent with the Declarations and these Bylaws, concerning the use and operation of the Subdivisions may be made and amended from time to time by the Board of Directors of the Association. Copies of all such rules and/or regulations and amendments thereto shall be furnished to all lot owners and shall become effective thirty (30) days after mailing or delivery thereof to the lot owner. Any such rule or regulation or amendment may be revoked at any time by the affirmative vote of more than fifty (50%) percent of all lot owners.

Section 7. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a director by a vote of the members of the Association shall be filled by vote of the majority of the remaining directors, even though they may constitute less than a quorum.

Section 8. Removal. At any regular or special meeting of the Association duly called with due notice of the removal action proposed to be taken, any one (1) or more of the directors may be removed with or without cause by the affirmative vote of more than fifty percent (50%) of all of the lot owners eligible to vote and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has

been proposed by the lot owners shall be given an opportunity to be heard at the meeting.

Section 9. First Meeting. The first meeting of the newly elected Board of Directors shall be held within sixty (60) days of election at such place as shall be fixed by the directors at the meeting at which such directors were elected, and no notice shall be necessary to the newly elected directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present.

Section 10. Regular Meetings. Regular meetings of the Board of Directors may be held at such times and places as shall be determined from time-to-time by a majority of the Board of Directors, but at least two (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each director, personally, by hand delivery, by mail, telephone or telegraph, at least five (5) days prior to the date named for such meeting. Electronic transmission of such notice may also be given in any such manner authorized by the director entitled to receive the notice which does not directly involve the physical transmission of paper, which creates a record that may be retrieved and retained by the director and which may be directly reproduced in paper form by the director through an automated process.

Section 11. Special Meetings. Special meetings of the Board of Directors may be called by the President upon three (3) days' notice to each director, given personally, hand delivered, by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Electronic transmission of such notice may also be given in any such manner authorized by the director entitled to receive the notice which does not directly involve the physical transmission of paper, which creates a record that may be retrieved and retained by the director, and which may be directly reproduced in paper form by the director through an automated process. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of two (2) directors.

Section 12. Waiver of Notice. Before or at any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall be deemed a waiver of notice by him of the time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 13. Quorum. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there is less than a quorum present, the majority of those persons may adjourn the meeting to a subsequent time upon twenty-four (24) hours' prior written notice delivered to all directors not present. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further

notice. The joinder of a director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such director for purposes of determining a quorum.

Section 14. Closing of Board of Directors' Meetings to Members; Privileged Minutes. The Board of Directors, in its discretion, may close a portion or all of any meeting of the Board of Directors to the members of the Association or may permit members of the Association to attend a portion or all of any meeting of the Board of Directors. Any member of the Association shall have the right to inspect, and make copies of, the minutes of the meetings of the Board of Directors; provided, however, that no member of the Association shall be entitled to review or copy any minutes of meetings of the Board of Directors to the extent that said minutes reference privileged communications between the Board of Directors and counsel for the Association, or any other matter to which a privilege against disclosure pertains under Michigan Statute, common law, the Michigan Rules of Evidence, or the Michigan Court Rules.

Section 15. Action by Written Consent. Any action permitted to be taken by the Board of Directors at a meeting of the Board shall be valid if consented to by the requisite majority of the Board of Directors either in writing or by electronic transmission given in any such manner authorized by the Board which does not directly involve the physical transmission of paper, which creates a record that may be retrieved and retained by the Board, and which may be directly reproduced in paper form by the Board through an automated process.

Section 16. Participation in a Meeting by Remote Communication. A director may participate in a meeting by conference telephone or other means of remote communication by which all persons participating in the meeting can communicate with each other. Participation in a meeting pursuant to this Section constitutes presence at the meeting.

Section 17. Fidelity Bonds. The Board of Directors shall 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 expenses of administration.

ARTICLE IX

OFFICERS

Section 1. Officers. The principal officers of the Association shall be a President, who shall be a member of the Board of Directors, a Vice-President, Secretary and a Treasurer. Both the President and the Vice-President must be members of the Association; other officers may, but need not be, members of the Association. Any such members serving as officers shall be in good standing of the Association. The directors may appoint an Assistant Treasurer and an Assistant Secretary and such other officers

as in their judgment may be necessary. Any two (2) offices except that of President and Vice-President may be held by one (1) person. Officers shall be compensated only upon the affirmative vote of more than sixty percent (60%) of all lot owners.

Section 2. Election. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board and shall hold office at the pleasure of the Board.

Section 3. Removal. Upon affirmative vote of a majority of the members of the Board of Directors, any officer may be removed either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose. No such removal action may be taken, however, unless the matter shall have been included in the notice of such meeting. The officer who is proposed to be removed shall be given an opportunity to be heard at the meeting.

Section 4. President. The President shall be the chief executive officer of the Association. The President shall preside and may vote at all meetings of the Association and of the Board of Directors. The President shall have all of the general powers and duties which are usually vested in the office of the President of an association, including, but not limited to, the power to appoint committees from among the members of the Association from time-to-time as the President may in the President's discretion deem appropriate to assist in the conduct of the affairs of the Association.

Section 5. Vice-President. The Vice-President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act. If neither the President nor the Vice-President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice-President shall also perform such other duties as shall from time-to-time be imposed upon the Vice President by the Board of Directors.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the members of the Association; the Secretary shall have charge of the corporate seal, if any, and of such books and papers as the Board of Directors may direct; the Secretary shall, in general, perform all duties incident to the office of the Secretary.

Section 7. Treasurer. The Treasurer shall have responsibility for the Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association, and in such depositories as may, from time-to-time, be designated by the Board of Directors.

Section 8. Duties. The officers shall have such other duties, powers and responsibilities as shall, from time-to-time, be authorized by the Board of Directors.

ARTICLE X

SEAL

The Association may (but need not) have a seal. If the Board determines that the Association shall have a seal, then it shall have inscribed thereon the name of the Association, the words "corporate seal", and "Michigan".

ARTICLE XI

FINANCE

Section 1. Records. The Association shall keep detailed books of account showing all expenditures and receipts of administration, and which shall specify the maintenance and repair expenses of the Common Areas and Parks and any other expenses incurred by or on behalf of the Association. The nonprivileged Association books, records, and contracts concerning the administration and operation of the Subdivision shall be open for inspection by the lot owners and their mortgagees during reasonable working hours, subject to such reasonable inspection procedures as may be established by the Board of Directors from time to time. The books of account may be reviewed or audited by qualified independent auditors; provided, however, that such auditors need not be certified public accountants nor does such audit need to be a certified audit. The cost of any such audit and any accounting expenses shall be expenses of administration.

Section 2. Fiscal Year. The fiscal year of the Association shall be an annual period commencing on such date as may be initially determined by the directors. Absent such determination by the Board of Directors, the fiscal year of the Association shall be the calendar year. The commencement date of the fiscal year shall be subject to change by the directors for accounting reasons or other good cause.

Section 3. Depositories. The funds of the Association shall be initially deposited in such bank or savings association as may be designated by the directors and shall be withdrawn only upon the check or order of such officers, employees or agents as are designated by resolution of the Board of Directors from time-to-time. The funds may be invested from time-to-time in accounts or deposit certificates of such banks or savings associations as are insured by the Federal Deposit Insurance Corporation and may also be invested in interest-bearing obligations of the United States Government or in such other depositories as may be adequately insured in the discretion of the Board of Directors.

ARTICLE XII

INDEMNIFICATION OF OFFICERS AND DIRECTORS; DIRECTORS' AND OFFICERS' INSURANCE

Section 1. Indemnification of Directors and Officers. Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including actual and reasonable counsel fees and amounts paid in settlement incurred by or imposed upon him in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal, including actions by or in the right of the Association, to which he may be a party or in which he may become involved by reason of his being or having been a director or officer of the Association, whether or not he is a director or officer at the time such expenses are incurred, except as otherwise prohibited by law; provided that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the director or officer seeking such reimbursement or indemnification, the indemnification herein shall apply only if the Association (with the director seeking reimbursement abstaining) approves such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled. At least ten (10) days prior to payment of any indemnification which it has approved, the Association shall notify all lot owners thereof.

Section 2. Directors' and Officers' Insurance. The Association shall provide liability insurance for every director and every officer of the Association for the same purposes provided above in Section 1 and in such amounts as may reasonably insure against potential liability arising out of the performance of their respective duties. With the prior written consent of the Association, a director or an officer of the Association may waive any liability insurance for such director's or officer's personal benefit or other applicable statutory indemnification. No director or officer shall collect for the same expense or liability under Section 1 above and under this Section 2; however, to the extent that the liability insurance provided herein to a director or officer was not waived by such director or officer and is inadequate to pay any expenses or liabilities otherwise properly indemnifiable under the terms hereof, a director or officer shall be reimbursed or indemnified only for such excess amounts under Section 1 hereof or other applicable statutory indemnification.

ARTICLE XIII

AMENDMENTS

Section 1. Proposal. Amendments to these Bylaws may be proposed by the Board of Directors of the Association acting upon the vote of the majority of the directors or by one-third (1/3) or more of the lot owners by instrument in writing signed by them.

Section 2. Meeting. Upon any such amendment being proposed, a meeting for consideration of the same shall be duly called or an action without a meeting taken in accordance with the provisions of these Bylaws.

Section 3. Voting. These Bylaws may be amended by the lot owners at any regular annual meeting, special meeting or an action without a meeting called for such purpose by an affirmative vote of a majority of the lot owners who have cast votes on the proposed amendment.

Section 4. When Effective. Any amendment to these Bylaws shall become effective upon approval of the members as provided in Section 3 of this Article.

Section 5. Binding. A copy of each amendment to these Bylaws shall be furnished to every member of the Association after adoption; provided, however, that any amendment to these Bylaws that is adopted in accordance with this Article shall be binding upon all persons who have an interest in the Subdivision irrespective of whether such persons actually receive a copy of the amendment.

ARTICLE XIV

COMPLIANCE

The Association of lot owners and all present or future lot owners, non-owner occupants, tenants, land contract purchasers, or any other persons acquiring an interest in or using the facilities of the Subdivision in any manner are subject to and shall comply with the Subdivision Documents, and the mere acquisition, occupancy or rental of any lot or an interest therein or the utilization of or entry upon the Subdivision Premises shall signify that the Subdivision Documents are accepted and ratified. In the event the Subdivision Documents conflict with the provisions of the Act, the Act shall govern. In the event any provision of these Bylaws conflicts with any provision of the Declaration(s), the provisions of the applicable Declaration(s) shall govern.

ARTICLE XV

DEFINITIONS

All terms used herein shall have the same meaning as set forth in the Declaration(s).

ARTICLE XVI

SEVERABILITY

In the event that any of the terms, provisions, or covenants of these Bylaws or the Subdivision Documents are held to be partially or wholly invalid or unenforceable for any reason whatsoever, such holding shall not affect, alter, modify or impair in any manner whatsoever any of the other terms, provisions or covenants of such documents or the remaining portions of any terms, provisions or covenants held to be partially invalid or unenforceable.

Note: Informational Copy Only (A signed recorded copy is on file in the Office)