

Bylaws New Neighborhood Property Owners' Association #1

Article I

Name

Section 1. Name. The name of this Corporation is ***New Neighborhood Property Owners' Association #1***. This Association shall include Lots 1 – 15 of the New Neighborhood.

Article II

Office

Section 1. Office. The principal office of the Corporation shall be maintained in Leelanau County, Michigan. Notwithstanding the foregoing, the principal office of the Corporation shall be maintained at such place, as the Board of Directors shall determine from time to time.

Article III

Purposes and Objectives

Section 1. Purposes and Objectives. The purposes and objectives of the Corporation shall be:

(A) To provide for the operation, maintenance, repair and/or replacement of a community sewer serving the lots over which the Corporation has jurisdiction under the terms and conditions of the *Maintenance and Indemnification Agreement Regarding Privately Owned Public Sewers* and the *Declaration of Covenants & Restrictions*, and to provide for the maintenance and upkeep and to administer, the open space, and common areas under the terms and conditions of the *New Neighborhood Stormwater Drainage Facilities and Open Space Maintenance Agreement*, concerning real property and interests therein transferred to the real estate development known as the New Neighborhood, the plat of which was recorded on _____, _____, in Liber _____, Page _____, Leelanau County Records ("Development"), such property being within the Village of Empire, Leelanau County, Michigan, for purposes described in the *Declaration of Covenants & Restrictions* recorded on _____, _____, in Liber _____, Page _____, Leelanau County Records ("Declaration of Covenants & Restrictions.")

(B) To own and maintain real property and interests therein transferred to the Association in the future.

(C) To own and maintain personal property related to the purposes described in (A) and (B) of this Article.

(D) To exercise administrative powers and functions under the Declaration of Covenants & Restrictions.

(E) To assess Members annual assessments to defray the costs of acquisition and maintenance of the Corporation property, and to defray the costs of exercising the administrative powers and functions under the Declaration of Covenants & Restrictions, and to reimburse the Association or the Village as required pursuant to agreement or Bylaws.

(F) To assess Members annual assessments to defray the costs of maintenance, upkeep and administration of other responsibilities of the property for which the Association is responsible including, but not limited to, complying with the *Maintenance and Indemnification Agreement Regarding Privately Owned Public Sewers, Declaration of Covenants & Restrictions, New Neighborhood Subdivision Planned Unit Development (PUD) Agreement, and the New Neighborhood Stormwater Drainage Facilities and Open Space Maintenance Agreement.*

Article IV

Membership

Section 1. *The Initial Member.* The initial Member of this Corporation shall be Quercus Alba, L.L.C., a Michigan limited liability company ("Developer"), which is the party that has established the Development. Developer shall be the only Member of the Corporation until such time as Developer transfers the Development or portions thereof to the Corporation, or transfers to the corporation the duty to administer the Declaration of Covenants & Restrictions. At such time, Developer shall give written notice to each lot owner that transfer has been made, including the nature and extent of transfer.

Section 2. *Lot Owners as Members on Transfer.* At the time Developer gives notice of the transfer as provided in Section 1, each person then owning an interest in a lot shall automatically become a Member of the Corporation, PROVIDED, however, that as to lots which are being sold on land contract, the land contract vendee(s) shall become the Member(s) of the Corporation, subject to the vendor(s) becoming the Member(s) if the vendor(s) terminate the interest of the vendee(s). Notice will be deemed given by Developer when mailed or personally delivered. Upon becoming a Member of the Corporation, each lot owner shall be entitled to vote in accordance with provision of these Bylaws.

Section 3. *Subsequent Lot Ownership Transactions.* Following the transfer by Developer, and as ownership in lots changes from time to time, membership by new lot owners shall be on the following basis:

A. Subject to limitations stated herein concerning land contract vendors, each person upon acquiring an ownership interest in a lot within the Development shall be a Member of the Corporation and shall be bound by these Bylaws and all rules and regulations adopted by the Corporation from time to time.

B. At the time an owner acquires a lot in the Association, the owner shall notify the Secretary of the Corporation of his or her interest in the lot in writing within thirty (30) days after acquiring the lot, such writing to include a mailing address and telephone number of the owner, and identification of the interest owned, whether fee simple title or a land contract vendee's interest.

C. When a lot is sold on land contract, the land contract vendee(s) shall become the Member(s) of the Corporation and the membership interest of the vendor(s) shall automatically terminate, subject to reinstatement if the interest of the vendee(s) is terminated.

Section 4. *Termination and Limitation of Membership.* Membership rights shall automatically terminate when a Member owns no legal or equitable interest in a lot. A person who lives within, but who does not have an ownership interest in a lot is not entitled to become nor shall be a Member of the Corporation or hold any office in or serve as a director of the Corporation. Further, the termination of a legal or equitable interest in a lot shall be deemed a resignation from any appointment or election to any office, board, committee, or other function on which the Member served on behalf of the Association or the New Neighborhood.

Section 5. *Associate Members.* As provided in Article XII of the Declaration of Covenants & Restrictions, persons residing in or having possession of lots other than an ownership interest may seek Associate Membership status. The Association may adopt rules and regulations concerning the rights or privileges of Associate Members to participate in the Association business, but in no event shall an Associate Member be entitled to notice of any action by Developer or Association. An Associate Member shall not be entitled to vote.

Article V

Voting Rights

Membership and Voting Rights are governed by Article XII of the Declaration of Covenants & Restrictions.

Article VI

Property Rights and

Rights of Enjoyment of Common Property

Section 1. *Rights of Enjoyment.* Each Member shall be entitled to the use and enjoyment of property and facilities within the New Neighborhood development subject to limitations in the Declaration of Covenants & Restrictions and subject to rules and regulations promulgated by the Board of Directors from time to time.

Section 2. *Delegation of Rights.* Any Member may delegate his or her rights of enjoyment in the properties and facilities to members of his or her family who reside with the Member and to any tenant who resides on premises owned by a Member under a leasehold interest. Such Member shall notify the Secretary in writing of the name of any tenant. Guests of Members may use and enjoy the properties and facilities under the rules and regulations established from time to time by the Board of Directors.

Section 3. *Suspension of Rights.* The rights of family members, tenants and guests to use and enjoy the properties and facilities are subject to suspension on such terms and conditions and for such duration as the Board of Directors may determine, in the event that any family member, tenant or guest violates any of the rules and regulations of the Corporation or any provision of any Declaration of Covenants & Restrictions applicable to the Member. The rights of Members themselves to the use and enjoyment of the properties and facilities of the Corporation may likewise be suspended by the Board of Directors on account of any violation by the Member, his or her family, tenants or guests.

Article VII

Other Agreements and Irrevocable Restrictions

Section 1. *Other Agreements.* The New Neighborhood was approved by the Village of Empire as a planned unit development pursuant to the Village of Empire Zoning Ordinance. In obtaining approval for the New Neighborhood, various agreements between Quercus Alba, L.L.C. (the Developer) and the Village were executed. Those agreements include, but are not necessarily limited to, the *New Neighborhood Subdivision Planned Unit Development (PUD) Agreement*, the *Maintenance and Indemnification Agreement Regarding Privately Owned Public Sewers*, *Declaration of Covenants & Restrictions*, and the *New Neighborhood Stormwater Drainage Facilities and Open Space Maintenance Agreement*.

Section 2. *Reliance Upon Irrevocable Restrictions.* The restrictions upon use and the agreements made within these documents were a prerequisite and

necessary to obtain approval for the New Neighborhood; and the Village of Empire and the Developer relied upon those agreements prior to and in consideration of the establishment of the New Neighborhood. Therefore, the restrictions and agreements contained therein are not subject to amendment, modification, or revocation, unless specifically permitted within the respective document or agreement, or with prior written consent of the Village.

The *New Neighborhood Subdivision Planned Unit Development (PUD) Agreement* has been attached to these Bylaws as Exhibit _____.

The *Maintenance and Indemnification Agreement Regarding Privately Owned Public Sewers* has been attached to these Bylaws as Exhibit _____.

The *New Neighborhood Stormwater Drainage Facilities and Open Space Maintenance Agreement* has been attached to these Bylaws as Exhibit _____.

The *Declaration of Covenants & Restrictions* has been attached to these Bylaws as Exhibit _____.

Article VIII

Board of Directors

Section 1. Powers of the Board. Subject to the limitations contained in the Declaration of Covenants & Restrictions, the Articles of Incorporation, these Bylaws, or in any statute as to the action to be authorized or approved by the Members, all corporate powers shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be controlled by, the Board of Directors.

Section 2. Qualification. Directors must be Members of the Corporation or officers or partners of corporations or partnerships, which are Members of the Corporation.

Section 3. Number. The number of Directors shall be five (5). The Directors shall be determined annually by the membership at the annual meeting of the Corporation or at a special meeting called for such purpose.

Section 4. Nominations. The Members, at any annual or special meeting of the Members, may appoint or authorize the President to appoint a nominating committee, to consist of such number of Members as the Members or appointing officer may deem advisable, to consider and make nominations of persons to the Board of Directors.

Section 5. Term. The term of office of each Director shall be one (1) year and until the election and qualification of a successor.

Section 6. Elections. Directors shall be elected at the annual meeting of Members, but if the annual meeting is not held, or the Directors are not elected at the meeting, they may be elected at any special meeting of Members held for that purpose.

Section 7. Resignation, Removal and Vacancies. Any Director may resign at any time by giving written notice to the President, to the Secretary, or to the Board of Directors. The resignation shall take effect at the time specified in the notice. Unless otherwise specified, the acceptance of the resignation shall not be necessary to make it effective. If any Director tenders his or her resignation, to take effect at a future time, the Members shall have power to elect a successor to that office at such time as the resignation becomes effective.

Any Director may be removed for cause by a vote of a majority of all Members at a meeting of the Members called for that purpose.

Vacancies due to resignation, removal or death shall be filled by the Board of Directors at its next meeting following the resignation, removal or death of the Director.

No reduction of the numbers of Directors shall have the effect of removing any Director prior to the expiration of his or her term of office.

Section 8. Compensation. No Director shall be entitled to compensation for services as a Director.

Article IX

Meetings

Section 1. Place of Meeting. Meetings of the Members and Directors shall be held at the principal office of the Corporation, or at any place within or without the State designated from time to time by resolution of the Board of Directors. Any meeting shall be valid wherever held, if held by the written consent of all Members or Directors, respectively, given either before or after the meeting and filed with the Secretary of the Corporation.

Section 2. Meeting of the Members and Directors. The annual meeting of Members of the Corporation shall be held on the third Monday in March of each year, if not a legal holiday, and if a legal holiday, then on the succeeding business day. The annual organization meeting of the Board of Directors shall be held immediately following the annual meeting of Members. Regular meetings of the Board of Directors shall be held at such times and places as the Board shall designate from time to time.

Section 3. *Special Meetings.* Special meetings of the Members or of the Board of Directors may be called at any time by the President or by not less than one-third of the Members or Directors, respectively. If the President is absent or unable to act, special meetings may be called by any Vice President in place of the President.

Section 4. *Notice of Meetings; Waiver.* Notice of the annual meeting shall be given at least ten (10) days prior to the date of the meeting and notices of a special meeting shall be given at least five (5) days prior to the date of the meeting. Notice of a regular meeting of the Board of Directors shall be given at least five (5) days prior to the date of the meeting. Each notice shall specify the place, the day, and the hour of the meeting and, in the case of a special meeting, the general nature of the business to be transacted. Notice shall be given as provided in these Bylaws. Notices of adjourned meetings need not be given except when the adjournment is thirty (30) days or more. Notices shall be given by the Secretary, or, if the Secretary is absent or is unable or refuses to act, by any other officer of the Corporation. Notice may be waived either before, at, or after the meeting.

Section 5. *Quorum - Adjournment.* The presence of a majority of the Members or Directors respectively, entitled to vote shall constitute a quorum for the transaction of business. In the absence of a quorum, any meeting may be adjourned from time to time by the vote of a majority of the Members or Directors respectively, present at the meeting, but no other business may be transacted. At any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally noticed. The Members or Directors, respectively, 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 or Directors, respectively entitled to vote, leaving less than a quorum.

Section 6. *Consent to Meetings.* The transactions of any meeting, if a quorum is present, however called and noticed and wherever held, shall be valid as though at a meeting duly held after regular call and notice if, either before or after the meeting, each of the Members or Directors not present in person gives a waiver of notice as provided in these Bylaws. All such waivers shall be filed with the corporate records or made a part of the minutes of the meeting. Any action which under law may be taken at any meeting of the Board of Directors may be taken without a meeting if authorized by a writing signed by all the Directors and filed with the Secretary.

Section 7. *Organization.* At every meeting, the President or, in his or her absence, the Vice President shall act as Chairperson. The Secretary shall act as secretary of all meetings. In the absence of the Secretary at any meeting, the Chairperson of the meeting may appoint another person to act as secretary of the meeting.

Article X

Committees

Section 1. General. The Board of Directors may appoint such committees as the business of the Corporation may require.

Section 2. Design Review Committee. The New Neighborhood consists of five separate Property Owners' Associations. The New Neighborhood has been planned as and established with the purpose and intent that each of the five associations maintain continuity and similarity in design of the structures so that the New Neighborhood, consisting of five separate associations, reflects one cohesive development. To effect that purpose, a Design Review Committee will be established pursuant to the *Declaration of Covenants & Restrictions*, Articles III and IV. If the Design Review Committee ceases to exist for any reason or fails to function for any reason, one Director from the Board of Directors of each Association shall serve on the Design Review Committee, and in the absence of such a Board, the majority of lot owners within each Association shall elect an individual to serve on the Design Review Committee.

Article XI

Officers

Section 1. Number. The officers of the Corporation shall be a President, one or more Vice Presidents (as may be determined by the Board of Directors), a Secretary, a Treasurer, and such other officers as may be appointed in accordance with these Bylaws.

Section 2. Election, Term of Office and Qualifications. Each officer, except such officers as may be appointed in accordance with the provisions of Section 3 of this Article XI of these Bylaws, shall be chosen annually by the Board of Directors and shall hold office until a successor has been duly chosen and qualified, or until death, resignation or removal. All officers must be Members of the Corporation. The same person may occupy at the same time, any two or more offices, as the Board of Directors shall deem expedient, except that the same person shall not at the same time be both President and Vice President.

Section 3. Subordinate Officers. The Board of Directors may appoint such other officers or agents as the business of the Corporation may require, including one or more Assistant Treasurers, and one or more Assistant Secretaries, each of whom shall hold office for such period, and have such authority and perform such duties as are provided in these Bylaws or as the Board of Directors may from time to time determine. The Board of Directors may delegate any officer or committee the power to appoint any such subordinate officers, committees or agents.

Section 4. Removal. Any officer may be removed, either with or without cause, by vote of a majority of the whole Board of Directors at any meeting of the Board.

Section 5. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, or the President, or to the Secretary. The resignation shall take effect at the time specified in the notice; and, unless otherwise specified, acceptance of the resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office because of death, resignation, removal, or disqualification or any other cause, may be filled for the unexpired portion of the term by the Board of Directors.

Section 7. Compensation. No officer shall be entitled to compensation for services as an officer.

Section 8. President. The President shall be the chief executive officer of the Corporation and shall have general supervision over the business of the Corporation and over its several officers, subject however to the control of the Board of Directors. The President may sign and execute, in the name of the Corporation, any instruments authorized by the Board of Directors, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation; and, in general, shall perform all duties incident to the office of the chief executive officer of the Corporation, and such other duties as from time to time may be assigned by the Board of Directors. The President shall, whenever it may be necessary, prescribe the duties for officers and employees of the Corporation whose duties are not otherwise defined.

Section 9. Vice Presidents. At the request of the President, or in the absence or disability of the President, the Vice Presidents, in the order designated by the Board of Directors, shall perform all of the duties of the President and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice Presidents may also sign and execute, in the name of the Corporation, instruments authorized by the Board of Directors, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation; and shall perform such other duties as from time to time may be assigned by the Board of Directors or the President.

Section 10. Secretary. The Secretary shall:

- A. Certify and keep at the principal office of the Corporation, or such other place as the Board of Directors may order, the original or a copy of its Bylaws and Articles of Incorporation, as amended or otherwise altered to date.

B. Keep at the principal office of the Corporation, or such other place as the Board of Directors may order, a book of minutes of all Members and Directors' meetings with the time and place of holding the regular or special meetings and, if special, how authorized, the notices thereof given, and the names of those present at the meetings.

C. See that all notices are duly given in accordance with the provisions of these Bylaws as required by law, and in accordance with the *Declaration of Covenants & Restrictions*.

D. Be custodian of the records of the Corporation.

E. See that the books, reports, statements, and all other documents and records, required by law, are properly kept and filed.

F. Exhibit at all reasonable times to any Member or any Director, upon application, the Bylaws and minutes of proceedings of the Members and of the Directors of the Corporation.

G. In general, perform all duties incident to the office of the Secretary, and such other duties as from time to time may be assigned by the Board of Directors.

Section 11. Treasurer. The Treasurer, if so required by the Board of Directors, shall give a bond for the faithful discharge of duties in such sum, and with such sureties as the Board of Directors shall require. The Treasurer shall:

A. Have charge and custody of, and be responsible for, all funds and securities to the Corporation, and deposit all such funds in the name of the Corporation in such banks, trust companies or other depositories as shall be selected by the Board of Directors.

B. Keep and maintain adequate correct accounts of the Corporation's properties and business transactions, including an account of its assets, liabilities, receipts, disbursements, gains, losses, capital and surplus.

C. Exhibit at all reasonable times the books of account and records to any Member or to any Director during business hours at the office of the Corporation where such books and records are kept.

D. Render a statement of the condition of the finances of the Corporation at all meetings of the Board of Directors, and a full financial report at the annual meeting of the Board.

E. Receive, and give receipt for, monies due and payable to the Corporation from any source whatsoever.

F. In general, perform all the duties incident to the office of the Treasurer, and such other duties as from time to time may be assigned by the Board of Directors.

G. Collect annual and/or special assessments charged or levied by the Association in accord with the Articles or Bylaws of the Association or charged or levied pursuant to the *New Neighborhood Subdivision Planned Unit Development (PUD) Agreement*, the *Maintenance and Indemnification Agreement Regarding Privately Owned Public Sewers*, *Declaration of Covenants & Restrictions*, and the *New Neighborhood Stormwater Drainage Facilities and Open Space Maintenance Agreement*.

Article XII

Fiscal Year

Section 1. Fiscal Year. The fiscal year of the Corporation shall be January 1st - December 31st.

Article XIII

Proxies

Section 1. Proxies. At all meetings of Members, each Member may be entitled and may vote in person or by proxy.

Section 2. Form. All proxies shall be in writing and filed with the Secretary. Every proxy shall automatically cease upon suspension or termination of the Member's membership rights in the Corporation.

Article XIV

Notices

Section 1. Notice, Waiver of Notice. Whenever any notice is required to be given to any Member or to any Director by statute or by these Bylaws, whether at a meeting or for some other purpose, notice may be delivered personally or sent to such Member or Director by mail, facsimile, telegram or other form of written communication, charges prepaid, addressed to the address shown on the records of the Corporation, or if it is not so shown on such records or is not readily ascertainable, at the place of the principal office of the Corporation. In case such notice is mailed, transmitted by facsimile or telegraphed, it shall be deemed given at the time when it is deposited in the United States mail, transmitted by facsimile or delivered to the telegraph company.

Whenever any notice is required to be given to any Member or Director by statute or by these Bylaws, whether of a meeting or for some other purpose, any Member and any Director may waive the notice in any manner. All waivers (or written records of the waivers) shall be filed with the records of the Corporation.

Article XV

Indemnification

Section 1. *Indemnification in Actions Other than Those by or in the Right of the Corporation.* This Corporation hereby indemnifies any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal, other than an action by or in the right of the Corporation, by reason of the fact that the person is or was a director, officer, employee, or agent of the Corporation, or is or was serving at the request of the Corporation as a Director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, business corporation, partnership, joint venture, trust, or other enterprise, whether for profit or not for profit, against expenses including attorneys' fees, judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with the action, suit or proceeding if the person acted in good faith and in a matter the person reasonably believed to be in or not opposed to the best interests of the Corporation or its Members, and with respect to any criminal action or proceeding, if the person had no reasonable cause to believe that conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not of itself create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in or not opposed to the best interests of the Corporation or its Members, and, with respect to any criminal action or proceeding, had reasonable cause to believe that the conduct was unlawful.

Section 2. *Indemnification in Actions by or in the Right of the Corporation.* This Corporation hereby indemnifies any person who was or is a party to or is threatened to be made a party to a threatened, pending, or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that the person is or was a director, officer, employee, or agent of the Corporation, or is or was serving at the request of the Corporation as a Director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, business corporation, partnership, joint venture, trust, or other enterprise whether for profit or not against expenses, including actual and reasonable attorneys' fees, and amounts paid in settlement incurred by the person in connection with the action or suit if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Corporation or its Members. However, indemnifications shall not

be made for a claim, issue, or matter in which the person has been found liable to the Corporation unless and only to the extent that the court in which the action or suit was brought has determined upon application that, despite the adjudication of liability but in view of all circumstances of the case, the person is fairly and reasonably entitled to indemnification for expenses which the court considers proper.

Section 3. Expenses and Determination. To the extent that a Director, officer, employee, or agent of the Corporation has been successful on the merits or otherwise in defense of an action, suit, or proceeding referred to in Section 1 or 2 above, or in defense of a claim, issue, or matter in the action, suit, or proceeding, the party shall be indemnified against expenses, including actual and reasonable attorneys' fees, incurred in connection with the action, suit, or proceeding and in any action, suit, or proceeding brought to enforce the mandatory indemnification provided in this section. An indemnification under Section 1 or 2 above, unless ordered by a court, shall be made by the Corporation only upon a determination that indemnification of the director, officer, employee, or agent is proper in the circumstances because the person has met the applicable standard of conduct set forth in Sections 1 and 2. This determination shall be made in any of the following ways:

- A. By a majority vote of a quorum of the board consisting of Directors who were not parties to the action, suit or proceeding.
- B. If the quorum described above is not obtainable, then by a majority vote of a committee of Directors who are not parties to the action.
- C. By independent legal counsel in a written opinion.
- D. By a majority vote of all of the Members.

If a person is entitled to indemnification under Section 1 or 2 above for a portion of expenses including attorneys' fees, judgment, penalties, fines, and amounts paid in settlement but not for the total amount thereof, the Corporation shall indemnify the person for the portion of the expenses, judgment, penalties, fines, or amounts paid in settlement for which the person is entitled to be indemnified.

Section 4. Limitation on Liability. Each Director of this Corporation, who qualifies as a "volunteer director" as that term is defined in the Michigan Non-Profit Corporation Act ("Act"), specifically section 110(2), as amended, being MCL 450.2110(2), shall not be personally liable to the Corporation or its Members for monetary damages for breach of the Director's fiduciary duty, except for the following:

- A. A breach of the director's duty of loyalty to the Corporation or its Members.

- B. Acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law.
- C. A violation of section 551(1) of the Act, as amended.
- D. A transaction from which the Director derived an improper personal benefit.
- E. An act or omission that is grossly negligent.

Article XVI

Assessments

Section 1. The Corporation shall be funded by assessments on each lot within the Association, regardless of whether the lot owner has become a Member at the time of the assessment. The procedure for assessments is set forth in the Declaration of Covenants & Restrictions, XIII.

Article XVII

Amendments

Section 1. Amendments. Unless otherwise stated herein, in the Articles of Incorporation, or in another document which binds the Association or any of its Members, any of these Bylaws may be altered, amended, or repealed, and new Bylaws may be adopted at any annual or special meeting of the Members, by the affirmative vote of a majority of Members entitled to vote, provided they are not in contravention of the *Articles of Incorporation*, the *Declaration of Covenants & Restrictions*, or any other agreements binding the Association or any of its Members the authority to adopt or repeal, and amend Bylaws other than a Bylaw amendment changing the qualifications, classifications or term of office of Members or Directors, is hereby expressly, although not exclusively, delegated to the Board of Directors, and, with the foregoing exception, any of these Bylaws may be altered, amended or repealed or any new Bylaw may be adopted by the affirmative vote of a majority of the whole Board of Directors at any meeting of the Board of Directors.

Section 2. Conflicting Provisions. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in case of any conflict between the Declaration of Covenants & Restrictions and these Bylaws, the Declaration of Covenants & Restrictions shall control.

I certify that these are the Bylaws duly adopted by me as the incorporator of the Corporation, this _____ day of _____, 2002.