

By-Laws

SECTION ONE. DECLARATION; OBJECTIVES; APPLICABILITY

Section 1.1. Declaration.

Coventry Hills Homeowners Association is the Association to which reference is made in the Conditions and Restrictions filed in the Office of the Recorder of Stark County, Ohio for the several Phases of Coventry Hills Allotment.

Section 1.2. Objectives.

The objectives of the Coventry Hills Homeowners Association shall be as enumerated in the Conditions and Restrictions filed of public record for the several phases of the allotment, to-wit: the enforcement of the conditions and restrictions for the allotment, and the several phases thereof, as same are filed in the Office of the Recorder of Stark County; the ownership and maintenance of common areas and property entrusted to or owned by the Association; the maintenance of vacant property and streets as the Association may deem advisable; and the preservation and maintenance of the general well-being of the allotment.

Section 1.3. Applicability.

These Bylaws are binding upon all present or future Owners and/or Occupants in the Coventry Hills Allotment. Upon the acquisition, use or occupancy of any Lot by any person, these Bylaws shall be deemed accepted and ratified by such person.

SECTION TWO. MEMBERSHIP AND VOTING RIGHTS.

Section 2.1. Membership.

The members of the Association shall include, and shall be limited to, the owners of lots in Coventry Hills Allotment.

Section 2.2. Voting Rights.

Each member shall be entitled to exercise a number of votes equal to the number of lots owned by that member at the time of the vote. If co-owners of a particular lot cannot mutually agree on how their vote shall be cast, no vote shall be cast with respect to such lot notwithstanding the percentage of ownership held by the individual co-owners thereof.

Unless otherwise provided herein, the affirmative vote of a majority of the votes present at a meeting at which a quorum is present shall be necessary for the authorization or taking of any action voted upon by the members. Members who are unable to attend the annual meeting may authorize another member to vote for them by using a proxy. This proxy must be signed by the absent member. The proxy must be presented when the member signs in at the annual meeting. (Revision 1)

Section 2.3 Revocation of Voting Rights.

Any member who has been issued a notice of default regarding payment of an assessment levied pursuant to these Bylaws shall not be in good standing and shall not be entitled to vote during any period in which the default continues.

SECTION THREE. MEETINGS OF MEMBERS; QUORUM.

Section 3.1. Annual Meeting.

The annual meeting of members for the purpose of electing officers and for the transaction of such other business as may properly come before the meeting shall be held on the third Monday of January of each year, or at such other date as may be determined by the President.

Section 3.2. Special Meetings.

The Secretary of the Association shall call a special meeting of the members (i) when directed by the President of the Association, or (ii) upon presentation to the Secretary of a petition signed by members holding at least thirty-three percent (33%) of the total votes of the Association.

Section 3.3. Quorum; Adjournment.

Members present in person holding at least twenty percent (20%) of the total votes of the members of the Association shall constitute a quorum for any annual meeting or special meeting. Whether or not a quorum is present, the members entitled to exercise a majority of voting power represented at a meeting may adjourn that meeting without notice other than by announcement at the meeting.

Nothing herein contained shall be construed to affect the authority of the officers of the Association to conduct business at their discretion, as provided in Section 4.3 herein below.

Section 3.4. Notice of Meeting; Waiver.

Written notice of each meeting of members shall be given not less than fifteen (15) nor more than sixty (60) days before it is to be held. Such notice shall specify the date, time and place of the meeting, and, in the case of a special meeting, shall specify the purpose of the meeting.

Any member may waive notice of a meeting either by attendance in person at such meeting or by doing so in writing in advance of such meeting.

Section 3.5. Action by Association Without Meeting.

Any action that may be taken at a meeting of the members may be taken without a meeting if written approval and consent, setting forth the action authorized, shall be signed by members having a majority of the total votes of the Association. Such written consent shall be filed with or entered upon the books of the Association.

SECTION FOUR. OFFICERS.

Section 4.1 Remuneration and Election of Officers.

The officers of the Association shall be a President, a Vice President, a Secretary, Treasurer Auditor, and two board-members for a total of five officers and two board-members(Revision 1). All of the authority of the Association shall be exercised by or under the direction of said officers. Any matters requiring a vote of the officers shall be decided by a two-thirds majority thereof, unless otherwise specified herein. The members shall elect the officers at each annual meeting. All officers shall be members in good standing of the Association and shall hold office for a term of one year. Officers may serve more than one term, and may serve consecutive terms, without limitation. The members may remove any officer at any time, with or without cause, by a vote of seventy-five percent (75%) of the members present at a special meeting at which a quorum is present, called for the purpose of voting upon the removal of such officer. The members may fill any vacancy in any office, occurring from whatever cause, by majority vote of the members at a meeting where the issue of filling such vacancy shall arise.

No fee or compensation shall be paid by the Association to any officer for his or her services as an officer.

Section 4.2 Duties of Officers.

The duties of the officers of the Association shall be as follows:

A. President

The President shall preside at all meetings of the members and shall sign any contracts, documents, or other papers requiring the signature of a representative of the Association, and shall have such other and further executive authority as shall be

reasonably necessary and proper to carry out the duties and powers vested in the Association by these Bylaws and/or the Covenants and Restrictions of the allotment and its several phases.

B. Vice President.

The Vice President shall have the powers of the President in the absence or incapacity of the President or when there is a vacancy in the office of President.

C. Secretary

The secretary of the association is responsible for keeping and maintaining a record of all meetings of the board and the membership and is the custodian for most of the official records of the association. The position of secretary is not simply a clerical position. As the custodian for the minutes and other official records of the association, the secretary is responsible for insuring access to those records by the members of the association and their authorized representatives.

D. Treasurer

The treasurer shall collect, safeguard, and make periodic reports of all funds collected in the name of the Association. When the association has a manager or management company that actually handles the funds on a daily basis, the treasurer's duties will include overseeing the appropriate people to ensure that the financial records and reports are properly kept and maintained. Unless the by-laws otherwise specify, the treasurer is responsible for coordinating the development of the proposed annual budget and for preparing and giving the annual financial report on the financial status of the association.

E. Auditor

The Auditor is primarily the person responsible for checking the accuracy of the Secretary's meeting records along with confirming that the treasurer's financial records and reports are valid and correct. The auditor is also responsible for updating and posting all the minutes of meetings on the official HOA website.

F. Two Board Members

Section 4.3 Meetings.

The officers shall meet at their discretion to conduct the business of the Association in accordance with these Bylaws and the covenants and restrictions applicable to the allotment. Notice of meetings shall be as agreed between the officers and a quorum at such meetings shall consist of two-thirds of the elected officers.

SECTION FIVE. ASSESSMENTS.

Section 5.1 Budget; Annual Assessments.

Not later than December of each year, the officers of the Association shall estimate the amount of the common expenses of the Association for the next calendar year and prepare a budget based upon same. The estimated budget may include an amount to be deposited in a reserve for contingencies, deferred maintenance, and unexpected or extraordinary expenses. Based upon the estimated budget, the officers shall fix the amount of the annual assessment for each Lot.

The amount of the annual assessment to be charged to each Lot shall be determined by dividing the amount shown on the budget by the total number of Lots in the Coventry Hills Allotment and all of its phases.

Section 5.2 Special Assessments.

The officers may levy special assessments in any year, subject to obtaining approval by vote of the members at a special meeting called for such purpose. The vote required to approve such special assessment shall be not less seventy-five percent (75%) of the members present and voting at such meeting; provided, however, that a quorum of the members shall be present.

Section 5.3 Payment of Assessments.

The annual assessment shall be payable by the owner of each Lot not later than April 1 of the calendar year in which same is levied by the officers. Special assessments, if approved, shall be due and payable on the date specified by the officers. As provided by the Conditions and Restrictions of the several phases of Coventry Hills Allotment, the

Association may place a "Notice of Lien" against any lot whose owner fails to pay the annual assessment as provided herein. Such Notice shall constitute a lien against the said lot in the amount of the unpaid assessment and shall accrue interest on the unpaid balance at the rate often percent (10%) per annum until paid in full.

SECTION SIX. MISCELLANEOUS PROVISIONS.

Section 6.1 Indemnification.

To the extent permitted by law, the Association shall indemnify any officer, employee, agent or volunteer of the Association who is, or is threatened to be, made a party to any threatened or pending action or litigation (other than an action or suit by or in the right of the Association) by reason of the fact that he or she is or was serving in the foregoing capacity, against expenses reasonably incurred by him or her in connection with said proceeding, if he or she acted in good faith and in a manner reasonably believed to be in the best interests of the Association with respect to such proceeding.

Any indemnification hereunder shall be made by the Association only as authorized in specific instances upon a determination that indemnification is proper. This determination shall be made by majority vote of the members at a meeting at which a quorum is present and the issue of such indemnification is properly brought before the membership.

Section 6.2 Amendment.

These Bylaws may be amended at any meeting of the members at which the issue is properly brought before the membership. In the first year following formation of the Association., any such amendment must be approved by members holding a majority of the votes of those present at a meeting which has a quorum of the members. In subsequent years such amendments must be approved by at least two-thirds of the total votes of the members present at a meeting at which a quorum is present.

Section 6.3 Right of Approval.

Notwithstanding anything to the contrary contained in the Covenants and Restrictions

of Coventry Hills Allotment and its several phases, Developer herewith grants, conveys, cedes and assigns to the Association, upon execution of these Bylaws, all rights of approval and enforcement of the foregoing Covenants and Restrictions; excepting, however, that Developer shall retain until the final lot has been sold, and construction thereon completed, the right of approval of the initial plan of design and construction for any and all new residential construction within the allotment. The purpose of the foregoing reservation of initial approval is to maintain uniformity and quality of design and construction within the Coventry Hills Allotment and its several phases.

Revision 1 approved at the annual meeting on January 24, 2005.