

EXHIBIT C

SECOND AMENDED AND RESTATED

BYLAWS

OF

PIONEER RIDGE HOMEOWNERS' ASSOCIATION, INC.

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SECOND AMENDED AND RESTATED BYLAWS

OF

PIONEER RIDGE HOMEOWNERS' ASSOCIATION, INC.

ARTICLE I

GENERAL

Section 1. Preliminary Statement of Scope and Effect. These Bylaws are attached to and made part of the Declaration. These Bylaws provide for the establishment of a community association to govern, manage, operate, and administer the Common Elements for the benefit, use, and enjoyment of the Owners and residents living within Pioneer Ridge in the manner provided by the Declaration and these Bylaws. All present or future Owners, Occupants, guests, or tenants, any of their employees, or any other Person who might use the facilities of the Property in any manner, are subject to the covenants, provisions, and regulations contained in these Bylaws, and are also subject to any restrictions, conditions, or regulations adopted by the Association's Board of Directors. The mere acquisition or rental of any of the Living Unit or Lot located within the Property, or the mere act of occupancy of any Living Unit will constitute acceptance and ratification of the Declaration and these Bylaws.

Section 2. Name of the Association. The Association's name is "Pioneer Ridge Homeowners' Association, Inc.," which is a nonprofit corporation under the laws of the State of Ohio ("Association").

Section 3. Principal Office and Permanent Records. The Board will designate the place or location of the Association's principal office. The Board will designate a method, whether electronic or hard copy, and a location for the storage of the Association's permanent files, including the Association's books and records. Upon the expiration of any Director's term, the outgoing Director has an affirmative duty to contact either the succeeding Director or the Community Association Manager to arrange for the delivery of the Association's permanent files to the incoming or succeeding Director or to the management company within ten business days of the change of Director position.

Section 4. Definitions. Capitalized terms used in these Bylaws have the same meanings ascribed to them in the Declaration and, if not defined in the Declaration, the meaning ascribed to the term where it first appears in these Bylaws.

ARTICLE II

THE ASSOCIATION

Section 1. Membership. When a Person acquires title to a Lot, the Person becomes an Owner and automatically becomes an Association Member. Membership terminates upon the sale or other disposition by the Owner of their Lot, at which time the new Owner automatically becomes an Association Member. Any Person or entity who holds interest in a Living Unit or Lot merely as security for the payment of money or performance of an obligation is not a Member.

Section 2. Voting Rights.

(a) **One Vote Per Lot/Good Standing.** There is one voting Owner for each of the Lots comprising the Property. The Owner is entitled to cast one vote per Lot. However, the Owner must be in Good Standing to vote on any Association issue or matter other than proposed amendments to the Declaration or these Bylaws. Any provision in the Declaration or these Bylaws requiring the vote and approval of the Association's voting power means and refers to the Association's voting power that is in Good Standing unless specifically stated otherwise.

(b) **Voting Rights of Multiple Owners of Lots.** If more than one Person owns a Lot, they are entitled collectively to cast only one vote to exercise the voting power of the Lot as the voting power may not be divided among plural owners. The maximum number of votes is 585. In the case of plural ownership of a Lot, or in the case of the Lot owned or held in the name of a corporation, partnership, fiduciary, trust, or nominee, a Certificate signed by the Owner(s) must be filed with the Association naming the Person authorized to cast votes for the Lot. The Certificate is conclusive until a subsequent substitute Certificate is filed with the Association. If a Certificate is not on file, the vote of the corporation, partnership, fiduciary, trust, or nominee will not be considered nor will the presence of the Owner at a meeting be considered in determining whether the quorum requirements for the meeting have been met. If a Lot is

owned as tenants in common, joint tenants, or tenants by the entireties, no Certificate need be filed with the Association naming the Person authorized to cast votes for the Lot, and either Person, but not both, may vote in person or by proxy and be considered in determining if the quorum requirement has been met at any Association meeting, unless prior to the meeting either Person has notified the Association in writing that there is a disagreement as to who will represent their Lot at the meeting, in which case the Certificate requirement set forth above will apply. If no Certificate is filed with respect to that Lot and they are unable to agree upon their ballot on any subject at any meeting, they lose their right to vote on the subject.

Section 3. Voting. Prior to sending the notice for any meeting, as required by Section 4(c) below, and depending on the conduct of the meeting as determined by the Board in accordance with Section 4(e) below, voting will be conducted by one of the following methods:

(a) **Voting in Person or by Proxy.** For meetings that are held in person and provide for physical attendance, Owners may vote in person or by proxy. The person appointed as proxy need not be a Member of the Association. Each proxy will be executed in writing by the Owner entitled to vote and must be returned to the Association by regular mail, hand delivery, electronic mail, or other method of delivery provided for or permitted by the Board. Every proxy will automatically cease upon conveyance of the Lot by the Owner, but will not be valid after the expiration of 12 months after it is made, unless it specifies the date on which it is to expire or provides for an additional length of time for the proxy to continue in force.

(b) **Voting by Mail and Electronic Voting Technology.** For meetings that are held using Authorized Communications Equipment, voting will be conducted by mail or through the use of Electronic Voting Technology that is approved by the Board. All matters to be voted on at a meeting utilizing Authorized Communications Equipment must be sent to the Owners no later than the date the meeting notice is sent to the Owners in accordance with Section 4(b) and (c) below. Voting by mail or by use of Electronic Voting Technology is voting at the meeting, as if the Owner were physically present.

(c) **Voting in Person, by Proxy, by Mail, and by Electronic Voting Technology.** For meetings that are held in person and provide for physical attendance, voting may be conducted in person or by proxy, as provided for in

Section 3(a) above, and in addition the Board may also authorize the Owners to vote by mail or by Electronic Voting Technology as provided for in Section 3(b) above.

Regardless of voting method, any ballots received subsequent to calling the meeting to order will be held invalid. Any costs associated with voting, including mailing costs, printing, Authorized Communications Equipment and Electronic Voting Technology costs and subscriptions, are Common Expenses. The Board may adopt any additional regulations, procedures, or Rules and Regulations as may be necessary to effectuate the intent and purpose of this voting provision to provide for the use of the desired voting method.

Section 4. Meetings of the Association.

(a) **Annual Meeting.** The Association's Annual Meeting for the determination of the election of directors, the consideration of reports to be laid before the meeting, and the transaction of other business as is set forth in the meeting notice, will be held at a date, time, and place within the fourth quarter of each year as the Board determines and as stated in the meeting notice.

(b) **Special Meetings.** Special Association meetings may be held on any business day when called by the President, by Majority of the Board acting with or without a meeting, or by Owners entitled to exercise at least 25 percent of the Association's voting power. Upon written request delivered either in person or by certified mail to the President or the Secretary by any Person(s) entitled to call a special Association meeting, the officer must set the date, time, and place for the special meeting and cause notice of the meeting to be given to all Owners in accordance with Section 4(c) below. If the notice is not given within 30 days after the receipt of the request, the Person(s) requesting the special meeting may fix the date, time, and place of the meeting and give notice of the meeting to all Owners in accordance with Section 4(c) below. No business other than that specified in the call and as set forth in the notice will be considered at any special meeting. The order of business at each special meeting will be as specified in the notice or agenda for the special meeting.

(c) **Notice of Meetings.** Not less than 15 nor more than 60 days before the day fixed for an Association meeting, notice stating the date, time, place, and purpose of the meeting will be given to all Owners by or at the direction of the Secretary or any other Person(s) required or permitted by these Bylaws to give

the notice. Notice will be addressed to the Owners at their respective last known address(es) as they appear on the Association records. Notice of the date, time, place, and purpose(s) of any Association meeting may be waived in writing, either before or after the holding of the meeting, by any Owner, which writing will be filed with or entered upon the records of the meeting. The attendance of any Owner at any meeting without protesting any lack of proper notice, prior to or at the commencement of the meeting, is a waiver by the Owner of notice of the meeting.

If the meeting is held by Authorized Communications Equipment, the meeting notice must include any applicable links, access codes, password, telephone numbers, and/or other pertinent information that is necessary to allow the Owner to participate at the meeting by the Authorized Communications Equipment.

(d) **Quorum and Adjournment.** The Owners in Good Standing, who are present either in person or by proxy at a physical meeting providing for in person attendance or that attend by using the method of Authorized Communications Equipment approved by the Board for meetings that are held by Authorized Communications Equipment, constitute a quorum for the transaction of business to be considered at any Association meeting. Ballots submitted by mail or by Electronic Voting Technology, as defined in Section 3 above also will count that Lot towards the quorum. The Board of Directors may adopt procedures and guidelines to permit the Association to verify that the person attending, either in person or by Authorized Communications Equipment, is an Owner that is eligible to vote and to maintain a record of any vote. A Majority of the Owners in person or by proxy may, at any time, adjourn the meeting to another date. If any meeting is adjourned, notice of adjournment need not be given if the date, time, and place to which the meeting is adjourned are announced at the meeting.

(e) **Conduct of Meetings.** The Board will adopt Rules and Regulations for the conduct of all Association meetings.

(1) Prior to the meeting notice being sent to the Owners in accordance with Section 4(c) above, the Board will determine whether the meeting will be conducted physically so that the Owners may attend in person, or using Authorized Communications Equipment.

(2) If Authorized Communications Equipment is used, the persons utilizing the Authorized Communications Equipment must have the ability to communicate with the other participants to indicate their motion, vote, or statement, provided that the president, chair, or other person designated by the Board moderating the meeting, may silence or mute the Authorized Communications Equipment utilized by Owners to attend the meeting, unless the Owner is voting or has been recognized by the meeting chair or moderator to participate in the meeting. The meeting chair or moderator has the authority to decide and determine all procedural motions or other procedural matters to be decided at the meeting, including points of order and adjournment. The Board's purpose or reason for not conducting an in-person meeting and instead having a meeting by Authorized Communications Equipment must be documented in the Board's meeting minutes.

(f) **Order of Business at Annual Meetings.** The order of business at all Association annual meetings must be as follows:

- (1) call meeting to order
- (2) demonstrate proof of notice of meeting or waive notice
- (3) consider minutes of preceding meeting
- (4) present officers' reports
- (5) vote or tabulate votes
- (6) announce election results
- (7) adjourn

(g) **Minutes of the Meetings.** Minutes will be taken at all Association meetings. At the first regular Board meeting after an Association annual or special meeting, the Board will review and approve the minutes for the Association meeting. Copies of the approved minutes will be available for inspection by Owners upon reasonable request at the Association's office, or as kept by the Secretary. Association minutes approved by the Board may be amended or modified with the approval of a Majority of the Owners in attendance, by person or proxy, at the next Association meeting at which a quorum is established.

Section 5. Actions Without A Meeting. Any actions, except an action for the removal of a Director, which may be taken at an Association meeting, may be taken without a meeting with the approval of, in writing(s) signed by Owners having the

percentage of voting power required to take any action as if the same had been taken at a meeting. The writing(s) will be filed with the Secretary.

ARTICLE III

BOARD OF DIRECTORS

Section 1. Board of Directors. The Board constitutes for all purposes the Board of Directors as provided for under Chapter 5312.

Section 2. Number and Qualification.

(a) The Board will consist of five or seven Persons, each of whom must be an Owner, or the spouse of an Owner, an occupant, and must be in Good Standing.

(b) If an Owner is not an individual, that Owner may nominate any principal, member of a limited liability company, partner, trustee, officer, or current employee of that Owner to serve on the Board.

(c) A trustee or a qualified beneficiary of a trust which owns the Living Unit is also eligible to serve as a Director if documentation identifying the person as the trustee, co-trustee, or beneficiary of the trust is given to the Board.

(d) No Living Unit may represent a Majority of the Board of Directors on the Board at the same time without a written resolution of the Board prior to the election.

(h) Directors must agree to sign and abide by any code of conduct or code of ethics (or both) that the Board may adopt from time to time. Directors are at all times bound by the code of ethics, whether or not signed by a given Director.

Section 3. Applications and Nominations.

(a) Nominations for election to the Board will be submitted to the Board by written application. All applicants who are qualified in accordance

with Section 2 above, will be nominated as candidates. Policies and procedures including application, processes, deadline, content and announcement and introduction of candidates to the Owners by meeting or otherwise will be determined by the Board.

(b) If there are fewer nominees than vacancies, the Board must nominate additional Member(s) to be elected prior to the ballots being sent to the Owners so that there are, a sufficient number of nominees to fill all Board vacancies that are up for election.

(c) Nominations must be made prior to the notice of any meeting where the election of Directors is to be held is sent in accordance with Section 4(b) above, so that the voting information containing all the candidates' names, their applications, and informational sheets containing each candidate's biographical information and affirming their candidacy, can be transmitted to the Owners no later than the sending of the meeting notice. The Board will determine the size limitations for the informational sheet.

Section 4. Election of Directors.

(a) The election of Directors will be by secret ballot, submitted either in person, by proxy, by mail, or by Electronic Voting Technology, as determined by the Board pursuant to Article II, Section 4(e) above. If there are an equal number of candidates as there are vacancies and the terms for the open positions are equal, the Association will not send ballots to the Owners and the candidates will automatically be elected to the Board of Directors at the annual meeting.

(b) Regardless of the voting method employed, the Board must adopt safeguards and procedures to maintain the integrity of the voting process including keeping a record of each Lot that has voted, ensuring there is only one vote per Lot, and that the content of the vote remains secret.

(c) All ballots will list the number of Director positions up for election, the terms, and the names of the nominated candidates.

(d) For the election of Directors, if voting takes place in person, Owners or their proxies may use their vote to elect as many candidates as there are vacancies and as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes will be elected.

Ties will be determined by lot or flip of a coin by the chair or moderator of the meeting. Cumulative voting is not permitted.

The Board will adopt policies and procedures to effectuate the nomination and election process. The Board itself, or by and through its managing agent is responsible for confirming all nominated candidates meet the qualifications to serve as a Director. The Board itself or by and through the Association's managing agent, will select two Owners or Occupants to serve as inspectors of the election. Inspectors will observe the counting of the votes and will certify that the voting results are accurate. The Board itself or by and through the Association's managing agent will also select no more than four persons to: (i) receive all ballots cast regardless of method, (ii) count and tabulate the votes of each ballot cast, (iii) verify the results of the election, and (iv) communicate the results to the chair or moderator of the meeting. Inspectors will also communicate to the meeting chair or moderator their certification of the accuracy of the vote count. The chair or moderator will announce the election results at the meeting, will ensure the results are reflected in the meeting minutes, and will ensure the election results are provided to all Owners no later than fifteen days after the meeting and will post the election results in the Community Center.

Section 5. Term of Office; Resignations.

(a) **Term of Office.** Each Director takes office immediately after the annual meeting at which they are elected. Each Director holds office until the expiration of their designated term and until their successor is elected, or until their earlier resignation, removal from office, or death.

All Directors will be elected to serve three-year terms with staggered elections to facilitate either a 2-2-1 or a 2-2-3 rotation, depending on the number of Directors as provided in Sections 2 and 3 above.

(b) **Resignations.** Any Director may resign at any time either by oral statement to that effect made at a Board meeting or in writing to that effect delivered to the Secretary. The resignation will take effect immediately or at any other time as the resigning Director may specify. The office of a Director who resigns or who is no longer qualified to serve, automatically and immediately becomes vacant. The remaining Directors, though less than a Majority, may, by

a vote of a Majority of their number, fill any vacancy for the remaining unexpired term.

Section 6. Modification of Number of Directors; Vacancies.

(a) Directors will be elected at each annual meeting of Members of the Association or at a special meeting called for the purpose of election. At the annual or special meetings of Members for the purpose of election, only persons nominated as candidates are eligible for election as Directors.

(b) The Board may submit a written ballot to Owners to vote on the proposed increase or reduction in the number of Directors, in which case a Majority of the Association's total voting power must affirmatively consent to approve the proposal. The approval of a motion or consent to the proposal to change the number of Directors will in no event act to decrease the length of the term of any Director whose term is not expiring as of the meeting date at which the motion is approved, or approval of the proposal is reached.

(c) The terms of the elected Board of Directors will be staggered as necessary to comply with Section 5 above.

(d) In the event of any vacancy or vacancies on the Board, the remaining Director(s), by a Majority vote of their number, may appoint an Association Member(s) in Good Standing to fill any vacancy(ies) for the remainder of the unexpired term.

Section 7. Meetings of Directors.

(a) **Organizational Meetings.** Immediately after each annual meeting, or any special Association meeting for the election of Directors, the newly elected Director(s) and those Directors whose terms hold over, must hold an organizational meeting for the purpose of electing officers and transacting any other business. Notice of the meeting need not be given.

(b) **Regular Meetings.** Regular meetings of the Board may be held at times and places as determined, from time to time, by Majority of the Board, but at least six regular meetings must be held during each fiscal year, with no more than one regular meeting held per calendar month. Notice of each meeting will be given in accordance with Section 7(f) below.

(c) **Special Meetings.** Special meetings of the Board may be held at any time, after notice in accordance with Section 7(f) below, upon call by the President or a Majority of the other Directors.

(d) **Open Meetings.** Except for Executive Sessions referred to in Section 9(e) below, and the hearings held pursuant to Declaration Article XII, Section 12.3(b), Board meetings will be open to all Members, but Members may not participate in any discussion or deliberation unless permission to speak is requested and granted on their behalf by a Board Member. In that case, the President may limit the time any Member may speak.

(e) **Executive Session.** The Board may, with approval of a Majority of a Board quorum, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, contract negotiations, litigation in which the Association is or may become involved, and other business of a similar nature. The nature of all business to be considered in executive session will first be announced in open session.

(f) **Notice of Meetings.** Notice of the date, time, place, and purpose(s) of each Board meeting will be given to Members and each Director by or at the direction of the Secretary or by the Person(s) calling the meeting. Notice may be given in any manner or method permitted by Ohio law and the Declaration, and with sufficient time to allow the Director receiving it a reasonable opportunity to attend the meeting. The notice will, in all events, be deemed to have been proper if given to each Director at least 48 hours prior to the meeting. The giving of notice is waived by any Director who attends and participates in the meeting and may also be waived in writing, or by electronic mail by any Director either before or after the meeting. Unless otherwise indicated in the notice for the meeting, any business may be transacted at any organizational, regular, or special Board meeting.

(g) **Meeting Agenda.** The President will establish the agenda for each Board meeting. The agenda may be modified, in whole or in part, by a Majority vote of the Directors present at the Board meeting.

(h) **Conduct of Board Meetings.** Any Board meeting may be held in person or by any method of communication, including electronic or

telephonically, if each Director can hear (or simultaneously read if in electronic format), participate, and respond to every other Director.

(i) **Quorum; Adjournment.** A Majority of the Board constitutes a quorum for the transaction of business, except that a Majority of the Directors in office constitutes a quorum for filling a Board vacancy. Whenever less than a quorum is present at the time and place appointed for any Board meeting, a Majority of those present may adjourn the meeting from time to time until a quorum is present. At each meeting of the Board at which a quorum is present, all questions and business are determined by a Majority vote of those present, except as may be otherwise expressly provided in the Declaration or in these Bylaws.

(j) **Meeting Minutes.** Minutes must be taken at or for all Board meetings. Copies of the Board approved minutes, except for those taken during closed executive sessions, are to be posted electronically or as kept by the Secretary.

(k) **Actions Without a Meeting.** Except for removal of officers, in lieu of conducting a meeting, the Directors may take action with the unanimous written consent of the Directors. The written consents must be reflected in or filed with the Board's meeting minutes.

Section 8. Removal of Directors.

(a) **By the Board.** The Board, by a Majority vote, may remove any Director and create a vacancy on the Board, if the Director has been found to be of unsound mind by order of court, files for bankruptcy or has been adjudicated bankrupt, is or has been convicted of a felony for theft or other theft-related crime, including larceny, forgery, false pretenses, fraud, embezzlement, conversion, or any conspiracy related to any theft-related crime, at any time in the past, or convicted of a felony for any other type of crime within the last 10 years, is physically incapacitated in a manner that prohibits the Director from voting or participating in Board meetings, fails to attend three consecutive regular Board meetings, is no longer in Good Standing, or no longer meets any other qualification requirement set forth in Section 2 above. The Board may appoint any qualified (as defined in Section 2 above) Owner to fill the vacated Board position for the remainder of the unexpired term.

(b) **By the Association.** At any Association meeting duly called at which a quorum is present, Owner(s) may remove any one or more Directors with or without cause by the vote of Owners entitled to exercise at least two-thirds of the Association's total voting power. A successor to any removed Director may be elected at the same meeting to serve the unexpired term for each removed Director. Any Director, whose removal has been proposed, must have an opportunity to speak and be heard at the meeting prior to the vote of their removal.

Section 9. Regulations. The Board may adopt regulations consistent with the Declaration and these Bylaws, for the government of its actions, including the process for nomination and election of Directors.

Section 10. Powers. The Board will exercise all power and authority of the Association except as otherwise provided by law, the Declaration, or these Bylaws. The Board is responsible for the reasonable maintenance, repair, and replacement of the Common Elements. To carry out the purposes of the Property, subject to the limitations prescribed by law, the Declaration, or these Bylaws, the Board, for and on behalf of the Association, may:

(a) take all actions deemed necessary or desirable to comply with all requirements of law, the Articles of Incorporation, the Declaration, and these Bylaws

(b) hire and fire managing agents, attorneys, accountants, and other independent professionals and employees to perform the duties and services the Board may authorize

(c) commence, defend, intervene in, settle, or compromise any civil, criminal, land use planning, or administrative action or proceeding that is in the name of, or threatened against, the Association, the Board, or the Property, or that involves two or more Owners, Living Units or Lots, impacts zoning or otherwise relates to matters affecting the Association

(d) enter into contracts and incur liabilities relating to the operation of the Property

(e) enforce all provisions of the Declaration, these Bylaws, covenants, conditions, restrictions, Rules and Regulations, and Articles of Incorporation governing the Lots, Living Units, Common Elements, and Property

(f) adopt and promulgate Rules and Regulations, with due notice to the Owners, as the Board deems advisable, for:

(1) the maintenance, conservation, and beautification of the Property; or

(2) the health, comfort, conduct, safety, and general welfare of the Owners and Occupants; or

(3) the operation and use of the Property, Common Elements, Living Units or Lots in whole or in part.

In the event the Rules and Regulations conflict with any provisions of the Declaration or these Bylaws, the provisions of the Declaration and these Bylaws govern.

(g) grant easements, leases, licenses, and concessions through, under, or over the Common Elements

(h) purchase or otherwise acquire, lease as lessee, invest in, hold, use, encumber, sell, exchange, transfer, and dispose of real or personal property of any description or any interest therein subject to Article VIII, Section 5 below

(i) establish, enforce, levy and collect fees or Other Charges for the use, rental, or operation of the Common Elements or for services provided to Owners

(j) provide for or allow the use of the Association or its agent or representative's personnel and facilities, for the operation or administration of any charter or social organization comprised solely of Association members, including collecting and disbursing funds, use of software and equipment

(k) impose reasonable charges to the Owner for preparing, recording, or copying the Declaration, these Bylaws, or amendments, as well as

reasonable charges for the handling of refinancing or resale certificates, documentation, or statements of unpaid Assessments

(l) authorize entry to any portion of the Property by designated individuals when conditions exist that involve an imminent risk of damage or harm to Common Elements, Living Units, or to the health or safety of the Owners or Occupants of the Living Units or other Living Units

(m) borrow money, issue, sell or pledge notes, bonds, or other evidences of indebtedness of the Association, assign, without limitation, the Association's right to present or future income, including the right to receive insurance proceeds, and other income or compensation as collateral for any monies borrowed, and assign the Association's lien rights, and execute related documents, with the prior approval of a Majority of the Association's voting power that is present, in person or by proxy, at an Association meeting or with the written consent of at least a Majority of the Association's total voting power outside of a meeting

(n) establish, in the Board's sole determination, standards, or procedures for the suspension of the voting rights of an Owner, or right of the Owner or the Owner's Occupant to use any amenities, when the Owner is more than 60 days delinquent in the payment of any Assessment or Other Charges to the Association or has caused an infraction of the published Rules and Regulations or any provisions of the Declaration, these Bylaws, or the Articles of Incorporation;

(o) invest excess funds in investments that meet standards for fiduciary investments under Ohio law

(p) pay the taxes and assessments levied against the Property the Association owns; and,

(q) exercise on behalf of this Association all other powers, duties, and authority vested in or delegated to this Association pursuant to the Declaration, these Bylaws, and Chapter 5312, unless expressly reserved to the Members by other provisions of these Bylaws or the Declaration.

Section 11. Committees. The Board will, by resolution, appoint a Design Review Committee and a Finance Committee as provided in these Bylaws or the

Declaration. In addition, the Board may, by resolution, provide for any standing or special committees, or charter organization or club as it deems desirable, and discontinue them at its discretion. The Board will approve of all standing or special committee charters, agreements, policies, and procedures and will appoint all committee chairs with recommendations from current committee members. All committee members should be Members in Good Standing. Each committee only has the powers and may perform duties consistent with these Bylaws, or as the Board may delegate to the committee. Each committee must keep full records of its proceedings and transactions and make them available to the Owners. Each committee will fix its own Rules and Regulations of procedure subject to approval of the Board. The committee must meet at the call of the President or of any two members of the committee. The provisions of Section 7(f) above relating to the notice required to be given of Board meetings, also applies to meetings of each committee. A Majority of the members of a committee constitutes a quorum. The Board may add any Person to a committee and remove any committee member as the Board determines.

Section 12. Fidelity Coverage. Any person who controls or disburses Association funds must furnish or otherwise be covered by reasonable fidelity, crime, or dishonesty insurance or bonds. A “person who controls or disburses association funds” means any individual with authority or access to sign checks, conduct electronic transfers, or otherwise withdraw funds from any Association account or deposit. This can include the President, Secretary, Treasurer, or any other Board member, any Association employee, a bookkeeper, if any, and managing agent, if any, including the management company’s principals and employees. The Association will pay the premiums on the bond(s) or insurance as a Common Expense. The Board will determine the appropriate amount of the bond or insurance taking into account the cost of the bond or insurance, the maximum amount of funds held by the Association at any time during the fiscal year plus three months of operating expenses, and the requirements of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration, the Veterans Administration, or similar institutions. The insurance required by this Section must:

- (a) be the property of and for the sole benefit of the Association;
- (b) protect against theft, embezzlement, misappropriation, or any other unauthorized taking or loss of Association funds;

(c) include in its definition of “employee” the manager and the managing agent, if any, of the Association’s funds or provide for this inclusion by an endorsement to the policy;

(d) name the Association as the insured party;

(e) include a provision requiring the issuer of the policy to provide a ten-day written notice to the Association’s President or manager in the event of cancellation or substantial modification of the policy; and,

(f) show the Association’s manager or managing agent, if any, as the designated agent on the policy. If there is a change in the Association’s manager or the managing agent, then within ten days of the effective start date, the new manager or managing agent must notify the insurer of the change.

Section 13. Compensation. Directors will serve without compensation. Any Director may be reimbursed for their actual expenses incurred in the performance of their duties, as solely determined by the remaining Directors. If any Director, Director’s spouse, immediate family member (defined as any parent, child, or sibling of the Director), or any Occupant of the Director’s Living Unit, seeks to be retained to perform services for the Association for compensation, the respective Director must disclose the conflict of interest and completely abstain from the Board’s decision-making process. If a Majority of the Directors have a financial interest in the particular matter, the Board must submit the matter to the Owners for approval by a Majority of the disinterested Owners.

Section 14. Alcohol. The Board is not permitted to levy any assessment or expend any Association funds to purchase or furnish alcohol including beer, wine, or spirits without first acquiring a liquor license or other permit required in accordance with Ohio law.

ARTICLE IV

OFFICERS

Section 1. Election and Designation of Officers. At the first meeting of the Board held after the annual meeting of the Owners, the Board will elect a President,

Vice President, Secretary, and Treasurer, and other officers as the Board determines, each of whom must be a member of the Board. An officer must be an Owner, or the spouse of an Owner. Any two officers, other than that of the President and Vice President, may be held by the same Person, but no officer may execute, acknowledge, or verify any instrument in more than one capacity. The Board may also appoint an executive committee as it determines.

Section 2. Term of Office. The Association's officers hold office at the pleasure of the Board, and unless sooner removed by the Board, until the organizational meeting of the Board following the next annual meeting of the Association and until their successors are chosen and qualified. The Board may fill a vacancy in any office, however created.

Section 3. Removal and Resignation. The Board may remove any officer at any time, with or without cause, by a Majority vote of the Directors then in office. Any officer may resign at any time by giving written notice to the President or the Secretary. Resignation automatically takes effect on the date of receipt of the notice or at any later time specified.

Section 4. Duties. Unless the Board otherwise determines, the duties of the officers are as follows:

(a) **President.** The President is the chief executive officer of the Association. The President will preside at all Association and Board meetings, which power the President may assign or delegate as the President decides. Subject to the Board's direction, the President has general executive supervision over the business and affairs of the Association. The President may execute all authorized deeds, contracts, and other obligations of the Association and has all the powers and duties prescribed by law. The President also has other authority and will perform other duties as the Board may, from time to time, assign to the President or as otherwise provided for in the Declaration or in these Bylaws.

(b) **Vice President.** The Vice President will perform the duties conferred upon the Vice President by these Bylaws or as may, be assigned by the Board or the President from time to time. At the request of the President, or in the President's absence or disability, the Vice President will perform all the duties of the President, and when performing has all the power of the President with like authority of the President.

(c) **Secretary.** The Secretary will record votes and keep minutes of all the proceedings of the Members of the Association and of the Board and will make proper record of the same, which will be attested by the Secretary; has authority to execute all deeds, contracts, and other obligations of the Association requiring the Secretary's signature; will keep the books as may be required by the Board, including current records of the Lot owners and addresses; and will perform other further duties as may from time to time be assigned by the Board.

(d) **Treasurer.** The Treasurer has general supervision of all finances. The Treasurer will receive and have charge of all money, bills, notes, documents, and similar Property belonging to the Association, and will do with the same as the Board may, from time to time, require. The Treasurer will keep or cause to be kept adequate and correct financial accounts of the Association's business transactions, including accounts of its assets, liabilities, receipts, expenditures, profits, and losses, together with other accounts as may be required, and hold the same open for the inspection and examination of the Board; and the Treasurer will perform other duties as from time to time may be assigned by the Board.

Section 5. Assistants and Other Officers. The Board in its judgment may, from time to time, create offices and appoint other officers and assistant officers necessary. These officers and assistant officers are not members of the Board but are Members of the Association. Each officer(s) assistant(s) holds office at the pleasure of the Board and will perform duties as the Board may prescribe; however, they will not have any voting power unless they are a Director and will not be included in executive sessions unless specifically invited.

Section 6. Delegation of Duties. In the absence of any officer of the Association, or for any other reason as the Board may desire, the Board may delegate the powers or duties, or any of them, of the officers as set forth in this Article, to any other officer or to any Director or to the Association's managing agent, lawyer, accountant, other professional, or committee as the Board decides. In addition, the Board is generally authorized to control the action of the officers and to require the performance of duties in addition to those mentioned above.

ARTICLE V

INDEMNIFICATION

Section 1. Indemnification of Directors, Officers, and Committee Members.

The Association must indemnify and defend (as provided below): (a) any current or former Director, (b) any current or former Association officer or assistant officer, (c) any current or former Association committee member, or (d) any of the Director's, officer's, or committee member's respective heirs, executors, and administrators, assistant officer against reasonable expenses, including attorneys' fees, judgments, decrees, fines, penalties, or amounts paid in settlement, actually and necessarily incurred by them in connection with the defense of any pending or threatened action, suit, or proceeding, criminal or civil, derivative or third party, to which they are or may be made a party by reason of being or having been the Director, officer, assistant officer or committee member provided it is determined, in the manner set forth below, that (i) the Director, officer, assistant officer or committee member was not and is not adjudicated to have been grossly negligent or guilty of misconduct in the performance of their duty to the Association; (ii) the Director, officer, or committee member acted in good faith in what they reasonably believed to be in, or not opposed to, the Association's best interest; (iii) in any criminal action, suit, or proceeding, the Director, officer, or committee member had no reasonable cause to believe that their conduct was unlawful and is not convicted of theft or other theft related crime, including larceny, forgery, false pretenses, fraud, embezzlement, conversion, or any conspiracy related to any theft related crime; and (iv) in case of settlement, the amount paid in the settlement was reasonable.

The above determination required will be made by written opinion of an independent legal counsel the Board chooses. Notwithstanding the opinion of legal counsel, to the extent that a Director, officer, or committee member is successful in defense of any action, suit, or proceeding, or in the defense of any claim, issue, or matter, as the Board verifies, they will, in that event, be indemnified and reimbursed for any costs and expenses, including legal fees, incurred in the defense. Any defense the Association provides will be by legal counsel the Association's insurance carrier selects or, if not selected by the Association's insurance carrier, a Majority of the Directors excluding the accused or threatened Director(s). If a Majority of the Directors cannot agree on legal counsel or if all the Directors are accused or threatened in any action, the Board will appoint a special committee of three Owners to select legal counsel to defend the Directors.

Section 2. Advance of Expenses. The Association may advance funds to cover expenses, including attorneys' fees, with respect to any pending or threatened action, suit, or proceeding prior to the final disposition upon receipt of a request to repay the amounts.

Section 3. Indemnification Not Exclusive; Insurance. The indemnification provided for in this Article is not exclusive but is in addition to any other rights to which any Person may be entitled under the Articles of Incorporation, the Declaration, these Bylaws, or Rules and Regulations, any agreement, any insurance provided by the Association, the provisions of Chapter 1702 and its successor statutes, or otherwise. The Association must purchase and maintain insurance on behalf of any Person who is or was a Director, officer, assistant officer or committee member against any liability asserted against them or incurred by them in the capacity or arising out of their status as a Director, officer, assistant officer or committee member.

Section 4. Directors, Officers, and Committee Members Liability. The Association's Directors, officers, assistant officers and committee members are not personally liable to the Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Association's and Owners' indemnification includes all contractual liabilities to third parties arising out of contracts made on the Association's behalf, except with respect to any contracts made in bad faith or contrary to the provisions of the Declaration or these Bylaws. Every contract or agreement approved by the Board and made by any Director, officer, assistant officer or committee member is made only in the Director, officer, assistant officer or committee member's capacity as a representative of the Association and has no personal liability under the contract or agreement (except as an Owner).

Section 5. Cost of Indemnification. Any sum paid or advanced by the Association under this Article constitutes a Common Expense. The Board has the power and the responsibility to raise, by Special Assessment or otherwise, any sums required to discharge the Association's obligations under this Article. However, the liability of any Owner arising out of the contract made by Director, officer, assistant officer or committee member, or out of the aforesaid indemnity in favor of the Director, officer, assistant officer or committee member, is limited to the proportion of the total liability as the Owner's pro rata share bears to the total interest all the Owners as Association Members.

ARTICLE VI

FISCAL YEAR

The fiscal year of the Association ends on the 31st day of December of each year or on another day as may be fixed from time to time by the Board.

ARTICLE VII

ASSESSMENTS

Section 1. Accounts. The Board will create and charge the Association's receipts and expenditures to accounts under the following classification as is appropriate, all of which expenditures are Common Expenses:

(a) **Current Expenses.** Current expenses include all receipts and expenditures within the year for which the budget is made, including a reasonable allowance for or reserves for operating contingencies and working funds, except expenditures chargeable to reserves for replacements, for additional improvements to operations.

(b) **Reserves for Major Repairs and Replacements.** Reserves for major repairs and replacements include funds for major repairs or replacements of the Common Elements required because of damage, depreciation, or obsolescence.

Section 2. Determination of Assessments. The Board will fix and determine from time to time the sum(s) necessary and adequate for the Common Expenses. Common Expenses include the expenses described in the Declaration and Section 1 above, the carrying out of the powers and duties of the Association enumerated in Article VIII below, and any other expenses designated from time to time by the Board

Section 3. Notice and Payment of Assessments. When the Board determines the amount of any Assessment, the Board will notify each of the affected Owners of the Assessment. All Assessments are payable to the Association. The Association may provide Owners the opportunity for electronic, automatic monthly payments of their Assessment if the Board determines it is in the best interest of the Association. Common Assessments will be levied against Owners in an amount not less than

required to provide funds in advance for payment of all of the anticipated current Common Expenses and for all of the unpaid Common Expenses previously incurred.

Section 4. Obligation to Pay Assessments. Each Owner must pay their proportionate share of the Common Expenses as assessed against the Owners, the share of which must be allocated equally among all the Living Units and Lots. Payment of any other Assessment will be made in amounts and at times as the Board may determine. The obligation to pay any Assessment is a separate and independent covenant on the part of each Owner. No diminution or abatement of Assessments or set-off can be claimed or allowed by reason of any alleged failure of the Association or Board to take some action or perform some function required to be taken or performed by the Association or Board under the Declaration or these Bylaws, or for inconvenience, discomfort, or dislocation arising from the making of repairs or improvements that are the Association's responsibility, or from any action taken to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority.

Section 5. Preparation of Budget; Annual Assessments. Prior to the annual meeting, the Board will prepare a budget that is based on its estimate of the total amount the Board determines to be necessary and proper for the operation, maintenance, care, alteration and improvement of the Property, subject to the limitations set forth in the Declaration and these Bylaws (the "estimated cash requirement") which includes the amount that will be required for the ensuing fiscal year to pay the Common, Landscape and Villa expenses, including a reasonable reserves for operating contingencies and reserves for major repairs and replacements. The total amount of the estimated cash requirement will become, and is the basis for, an Annual Assessment against the Lot, with the share of the Assessment against each Lot to be the proportionate share. The Assessment will be due and payable by each Owner during the ensuing fiscal year, in one annual lump sum, or quarterly or monthly installments, as the Board stipulates.

(a) **Budget Shortfall.** At the Annual Meeting, the Board will notify the Owners of the budget including the total amount of revenues and expenditures and the estimated cash requirement. A copy of the budget will be sent to each Owner within 30 days of the Annual Meeting. If the amount of the annual budget is determined to be inadequate for any reason, including non-payment of any Owner's Assessment, the Board may assess the deficiency against the reserves for operating contingencies, or assess the deficiency against the Lots. The Board will give notice of the additional Assessment to all

Owners indicating the reasons for the additional Assessment, the amounts payable by each Owner, and the adjusted monthly amounts reflecting the additional Assessment thereafter payable by each Owner.

(b) **Budget Surplus.** If, at any time, the Association has accumulated an operating surplus during the fiscal year, the surplus must, at the Board's sole discretion, be credited toward reserves for operating contingencies, or for reserves for major repairs and replacements, or credited to the installments next due from Owners under the current year's Assessment until exhausted. Interest earned on any reserves, savings, Assessments, or other fees or monies held by the Association must be first charged against the Association expenses as the Board determines is in the Association's best interest, and then to other purposes as the Board determines.

Section 6. Year End Financial Summary. On or before the date of the Annual Meeting, the Board will supply all Owners with an itemized accounting of the Common Expenses for the preceding fiscal year actually incurred and paid, together with a tabulation of the amounts collected in accordance with the budget estimate(s) provided, by Special Assessments, or otherwise, and showing the net amount over or short of the actual expenditures plus reserves.

Section 7. Reserves for Major Repairs and Replacements. The Board will build up and maintain a reasonable capital reserves to finance the cost of major repair or replacement of the components of the Property the Association is to maintain. The reserves are to be funded by the portion of the Annual Assessment earmarked in the annual budget for the reserves, provided that the amount set aside annually for reserves must not be less than the amount adequate to repair and replace major capital items in the normal course of operations without the necessity of Special Assessments, unless the reserve requirement is waived annually by the Owners exercising not less than a Majority of the Association's voting power in writing. Any interest earned on the reserve fund accounts will be accumulated in the reserve account. Extraordinary expenditures incurred in any year which were not originally included in the estimated cash requirement for such year may, at the Board's discretion, be charged first against such reserves, unless the reserves have been previously allocated for a specific item. Upon the sale of a Living Unit or Lot by any Owner, that Owner has no right to any portion of the funds in the reserve account; nor does any Owner have any claim against the Association with respect thereto. The Board may allocate a portion of the reserves to a particular item by a duly made, seconded, and approved motion that explicitly uses the word "allocate." Allocated

reserves accumulated from prior years may only be expended for the allocated item unless there is an excess of allocated funds for any given item as evidenced by a professional reserve study or approved by a Majority vote of the entire Association. If any funds remain after the expenditure of allocated funds on the specified allocated item, the excess funds will become part of the general reserve.

Section 8. Failure to Prepare Annual Budget or Make Current Assessments.

The failure or delay of the Board in the preparation of any annual budget or in the giving of notice to Owners, or any delay in the making of Assessments against Owners, or any of them, does not constitute a waiver or release in any manner of the Owner to pay their proportionate share of the Common Expenses, including reserves, whenever the same is determined and assessed. In the absence of any annual estimate of Common Expenses, including required reserves, or of any Assessments for the Common Expenses, Owners will continue to pay the Assessments at the existing rate established for each Owner then in effect, until the first maintenance payment becomes due, in accordance with a new Assessment covering the current period duly made by the Board in the manner above provided in this Article.

Section 9. Books and Records.

(a) The Association will maintain correct and complete books and records of account that specify the receipts and expenditures relating to the Common Elements and other common receipts and expenses, records showing the allocation, distribution, and collection of the profits, losses, and expenses among and from the Owners, minutes of the Association and Board meetings, and records of names and addresses of the Owners and Occupants (the "Association's Records").

(b) The Board may adopt Rules and Regulations establishing reasonable standards for the examination and copying of the Association's Records, which may include standards and limitations governing the type of documents that are subject to examination or copying, limitations on the use and distribution of the records, the times and locations at which the documents may be examined or copied, and a reasonable fee for the examination or copying of the documents. In the absence of any Rules and Regulations, any Owner or their Eligible Mortgagee, or by any representative of an Owner duly authorized, may, for reasonable purposes, during normal business hours and following a reasonable, prior written request to the Board, examine or copy the Association's Records, subject to a reasonable fee and the provisions of Chapter 5312. The

reasonable fee can include copying, handling, mailing, labor, and inspection oversight costs. Within 10 days of a written request to the Board and upon payment of a reasonable fee, any Owner will be furnished a statement of their account setting forth the amount of any unpaid Assessments or Other Charges due and owing from the Owner. Any questions or concerns about an Owner's account, the Association's Records, including any aspect of the Association's income, expenses, or other financial matter, or the administration, maintenance, or operation of the Association or the Property must be submitted to the Board in writing, or through the Association's community association manager or its management company, if any.

(c) The Association will not permit examining or copying of any of the following from books, records, or minutes, or any other documents pertaining to the following, unless expressly approved by the Board:

(1) information that pertains to property-related personnel matters;

(2) communications with legal counsel or attorney work product pertaining to potential, threatened, or pending litigation or other property-related matters under attorney-client privilege;

(3) information pertaining to contracts or transactions currently under negotiation, or information that is contained in a contract or other agreement containing confidentiality requirements and that is subject to those requirements;

(4) information that relates to the enforcement of the Declaration, these Bylaws, or Rules and Regulations against an Owner; or

(5) the disclosure of information prohibited by state or federal law.

Section 10. Status of Funds Collected by Association. All funds collected are to be held and expended solely for the purposes designated in the Declaration, these Bylaws, or Ohio law, and, except for Assessments as may be levied against less than all of the Owners and for adjustments as may be required to reflect delinquent or prepaid Assessments, are deemed to be held for the use, benefit, and account of all of the

Owners. All sums collected by the Association from Assessments may be commingled in a single fund or divided into more than one fund, bank, or investment accounts as determined by the Board and the sum of each fund will be delineated or will be distinguishable.

Section 11. Financial Review or Annual Audit. The Board will cause a formal review or audit of the Association's financial records to be performed annually by a certified public accountant. Each review or audit is to be completed within 180 days following the end of the fiscal year. Within 30 days of the Board's completed review of the audit or review, or upon receipt of the review or audit report, the Board will notify all Owners of the completion of the review or audit and instructions on how each Owner may request and receive a copy of the review or audit report at no charge to the Owner.

ARTICLE VIII

GENERAL POWERS OF ASSOCIATION

Section 1. Payments as Common Expenses. The Association, for the benefit of all of the Owners, will acquire and pay for out of the Association's funds all Common Expenses arising with respect to, or in connection with, the Property. The expenses of the Association may include the following:

(a) **Utilities and Related Facilities.** The cost of water, waste removal, electricity, gas, heat, or any other utility service for the Common Elements, Living Units, and Lots that are not separately metered or otherwise directly charged. In the event any utility or related service of any kind or nature that is not furnished to all Owners, Lots or Living Units, is paid by the Association, the Association will charge monthly to the Owner of the Living Unit or Lot, an estimated cost for the usage. However, the Board may discontinue payments of the utility service at any time, in which case each Living Unit or Lot Owner is responsible for direct payment of their share of the expense as the Board determines. The Board has the further right and authority to set standards as to the reasonable amount of use of any utility service assessed as a Common Expense or Other Charge, which may be applied equally to all Owners as set forth in the Declaration, and to then levy additional Assessments against any Living Unit or Lot Owner to reimburse the Association for excessive use of any

utility service by the Living Unit or Lot Owner in amounts as determined by the Board.

(b) **Casualty Insurance.** Premiums upon a policy(ies) of hazard and fire insurance, with extended coverage, vandalism and malicious mischief endorsements, as provided in the Declaration. The Board will review the amount of the insurance annually.

(c) **Liability Insurance.** Premiums upon a policy(ies) insuring the Association, the Directors and officers, the community association manager or managing agent, and the Owners and Occupants against any liability to the public or to the Owners, their tenants, invitees, and licensees, incident to the ownership and use of the Common Elements, as provided in the Declaration, the limits of which policy(ies) the Board will review annually.

(d) **Other Insurance.** Premiums for other insurance, including fidelity bonds or insurance, effected in accordance with the provisions of the Declaration or these Bylaws.

(e) **Workers' Compensation.** The cost(s) of workers' compensation insurance to the extent necessary to comply with any applicable laws.

(f) **Wages and Fees for Services.** The wages and fees for services of any Person the Association employs, including the services of any Person to act as a community association manager or managing agent for the Property, the services of any Person required for the maintenance or operation of the Property, and legal and accounting services necessary or proper in the operation of the Property or the enforcement or interpretation of the Declaration, these Bylaws, and Rules and Regulations, and for the organization, operation, and enforcement of the rights of the Association.

(g) **Care of Property.** The cost of landscaping, gardening, snow removal, painting, cleaning, maintenance, decorating, repair, and replacements of the portions of the Common Elements that the Association is responsible for, as provided for in the Declaration, and the furnishings and equipment for the portions of the Common Elements, all as the Board determines are reasonably necessary and proper, and the Board has the exclusive right and duty to acquire the same for the portions of the Property.

(h) **Certain Maintenance of Living Units or Lots.** In addition to the provisions and requirements contained in the Declaration, the cost of the maintenance, repair, or replacement of any Lot or Living Unit or other item of Owner responsibility as defined in the Declaration, including the costs of correction for any violation of the Declaration or Rules and Regulations, if the maintenance, repair, or replacement is necessary, in the Board's sole discretion, for safety, aesthetics, uniformity, or to protect the Common Elements or any Lot or Living Unit, and the Owner responsible has failed or refused to perform the maintenance, repair, or replacement within a reasonable amount of time, as determined by the Board, after written notice of the necessity has been given to the Owner. The Board will levy a Special Assessment against the Owner for the cost of the maintenance, repair, or replacement.

(i) **Discharge of Mechanic's Liens.** Any amount necessary to discharge any mechanic's lien or other encumbrance that may, in the Board's opinion, constitute a lien against any part of the Property and that arose by virtue of the Board's authorization or direction. Where one or more Owners are responsible for the existence of the lien or for the work or labor authorized or directed by the Board, the Association may pay or otherwise discharge the lien, but the responsible Owner(s) is jointly and severally liable for the costs and expenses of discharging it, and any costs and expenses incurred by the Association by reason of the lien(s) will be specially assessed against the Owner(s).

(j) **Additional Expenses.** The cost and expense of any other materials, supplies, furniture, labor, services, maintenance, repairs, insurance, or Assessments that the Association is required or permitted to secure or pay for in accordance with the terms of the Declaration and these Bylaws or by law or which, in the Board's opinion, are necessary or proper for the reasonable maintenance and operation of the Property as a first class property or for the enforcement or interpretation of the Declaration, these Bylaws, or the Rules and Regulations.

Section 2. Special Services. The Board may arrange for the provision of any special services and facilities for the benefit of the Owners and Occupants as may desire to pay for same, including cleaning, maintenance, repair, and replacement of Living Units, or any part or component of the Living Units, or Lots and provision of other special services, or recreational, educational, medical, or maintenance facilities and any concessions. The Board will determine the cost and fees for any special services and facilities, which may be charged directly to participating Owners or their Occupants.

The services and facilities may be furnished on a concession basis or other basis in accordance with a fee a contractee or licensee pays to the Association for the right to maintain certain facilities upon the Common Elements and charge the users of the services or facilities a fee for their use. User charges may be billed separately to each Owner benefited thereby, or, may be added to the Owner's share of the Common Expenses, or as otherwise determined, and collected as a part thereof. Nothing in these Bylaws requires the establishment of user charges under this Section and the Board may elect to treat all or any portion thereof as Common Expenses. In the event any special services and facilities create a surplus these funds will be added to the maintenance or reserves funds as the Board determines.

Section 3. Acquisition, Sale or Exchange of Real Property. Whenever the Board determines to acquire, lease, sell, or exchange real property, or any interest in real property, located outside of the Property, the Board must submit the acquisition, lease, or exchange to a vote of the Owners and, upon the affirmative vote of the Owners entitled to exercise not less than a Majority of the Association's voting power, the Board may proceed with the acquisition, lease, sale, or exchange, in the Association's name and on behalf of all Owners, and the costs and expenses incident to the acquisition, lease, sale, or exchange constitute part of the Common Expenses.

Section 4. No Active Business to be Conducted for Profit. The Association does not have the authority to conduct an active business for profit on behalf of all the Owners or any of them; but, this does not preclude the Association from entering into contracts, licenses, marketplace advertisement fees, concession agreements, and the like, affecting parts or uses of the Common Elements, which result in the production of income for the Association, or from making arrangements of the types described in this Section.

Section 5. Utility Contracts. In addition to the authority provided for in Section 1(a) above, the Board, on the behalf of the Association and the Owners, individually and collectively, may negotiate and enter into contracts or other agreements with any utility service provider to provide for the services and service rates to and for the Property, including the Living Units, as the Board determines is in the best interest of the Association or Owners as a whole, whether or not the services are included or paid for as a Common Expense, or paid directly by the Owners.

Section 6. Insured Contractors. For any work or services to be performed on the Property, the Association will only retain and contract with licensed (as required by the State of Ohio or any other government entity having jurisdiction over the Property)

contractors, firms, and other Persons that maintain and keep workers' compensation and liability insurance in the minimum amounts as may be required by the State of Ohio, any other government entity having jurisdiction over the Property, and the Board.

Section 7. Applicable Laws.

- (a) Chapter 5312, Ohio Planned Community Act;
- (b) Chapter 1702, Ohio Nonprofit Corporation law;
- (c) The Declaration;
- (d) These Bylaws;
- (e) The Articles of Incorporation;
- (f) The Rules and Regulations; and,
- (g) The Design Guidelines.

Each applicable law must be attempted to be interpreted as a harmonious whole, and the Association is subject to and governed by all of the laws, documents, and Rules and Regulations. In the event of any direct inconsistency in any provisions in any of the foregoing, the provisions, in the law or document first above listed must be given priority. However, all inconsistencies between or among the permissive provisions of Chapter 5312 and Chapter 1702, and any provisions of any documentation or Rules and Regulations listed later, must be resolved in favor of the documents or Rules and Regulations listed later.

ARTICLE IX

AMENDMENTS

These Bylaws may be amended as set forth in Declaration Article XIII.

ARTICLE X

NOTICES AND OTHER ACTIONS AND COMMUNICATIONS

All notices required or permitted under the Declaration or these Bylaws, to the Association, the Board, or Owners must be delivered in accordance with Declaration Article XV.

ARTICLE XI

GENERAL PROVISIONS

Section 1. Non-Waiver of Covenants. No covenants, restrictions, conditions, obligations, or provisions contained in these Bylaws are abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches that may occur.

Section 2. Agreements Binding. All agreements and determinations lawfully made by the Association, through the Board, in accordance with the procedure established in the Declaration and these Bylaws are binding on all Owners, their successors, heirs, and assigns.

Section 3. Mortgagees. Upon written request to the Board, the holder of any duly recorded mortgage or trust deed against any Lot will be given a copy of any and all notices permitted or required by the Declaration or these Bylaws to be given to the Owner whose Lot is subject to the mortgage or trust deed. Any Eligible Mortgagee may, from time to time, request in writing a written statement from the Board setting forth any and all unpaid Assessments due and owing from its mortgagor Owner with respect to the Living Unit subject to the lien of its mortgage and the request will be complied with within 20 days from receipt of the request.

Section 4. Severability. The invalidity of any covenant, restriction, condition, limitation, or any other provision of these Bylaws, or of any part of same, will not impair or affect in any manner the validity, enforceability, or effect of the balance of these Bylaws.

EXHIBIT D

ORIGINAL DECLARATION

Declaration of Covenants, Conditions, Restrictions and Easements of Pioneer Ridge recorded at Lorain County Records, Instrument No. 2005111477, on or about November 18, 2005.

First Amendment to the Declaration of Covenants, Conditions, Restrictions and Easements of Pioneer Ridge recorded at Lorain County Records, Instrument No. 2006146411, on or about June 1, 2006.

Second Amendment to the Declaration of Covenants, Conditions, Restrictions and Easements of Pioneer Ridge recorded at Lorain County Records, Instrument No. 2006-0169408, on or about October 6, 2006.

Third Amendment to the Declaration of Covenants, Conditions, Restrictions and Easements of Pioneer Ridge recorded at Lorain County Records, Instrument No. 2009-0301280, on or about June 30, 2009.

Fourth Amendment to the Declaration of Covenants, Conditions, Restrictions and Easements of Pioneer Ridge recorded at Lorain County Records, Instrument No. 2010-0323501, on or about January 26, 2010.

Fifth Amendment to the Declaration of Covenants, Conditions, Restrictions and Easements of Pioneer Ridge recorded at Lorain County Records, Instrument No. 2011-0364553, on or about February 16, 2011.

Sixth Amendment to the Declaration of Covenants, Conditions, Restrictions and Easements of Pioneer Ridge recorded at Lorain County Records, Instrument No. 2012-0402785, on or about February 22, 2012.

Seventh Amendment to the Declaration of Covenants, Conditions, Restrictions and Easements of Pioneer Ridge recorded at Lorain County Records, Instrument No. 2013-0470273, on or about July 17, 2013.

Eighth Amendment to the Declaration of Covenants, Conditions, Restrictions and Easements of Pioneer Ridge recorded at Lorain County Records, Instrument No. 2014-0494493, on or about February 4, 2014.

Amended and Restated Declaration of Covenants, Conditions, Restrictions and Easements of Pioneer Ridge recorded at Lorain County Records, Instrument No. 2014-0521956, on or about October 10, 2014.