

BYLAWS
OF
TANGLEWOOD COURT HOMEOWNERS' ASSOCIATION

ARTICLE I

NAME

The name of the corporation is TANGLEWOOD COURT HOMEOWNERS' ASSOCIATION, hereinafter referred to as the Association. Meetings of the Association shall be held at a site determined by the current Association Board.

The fiscal year of the Association shall begin on the first day of June and end on the last day of May of each year.

ARTICLE II

ASSOCIATION PURPOSES AND POWERS

Section 1. The Association has been organized for the following purposes and is hereby vested with the following powers:

- (a) All those purposes and powers listed and enumerated in Article III of the Articles of Incorporation of the Association, which Article is hereby made a part hereof by reference.
- (b) The Association shall have the power to mortgage the Common Area only to the extent authorized under the Declaration. The total debts of the Association, including the principal amount of such mortgages, outstanding at any time, shall not exceed the total of two (2) years' assessments current at that time, provided that authority to exceed said maximum in any particular case may be given by an affirmative majority vote of the members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be delivered to all members no less than ten (10), nor more than fifty (50), days in advance and shall set forth the purpose of the meeting.

Section 2. The quorum for any action requiring a vote of the membership shall be as follows: at the meeting duly called as provided to cast sixty percent (60%) of all of the votes shall constitute a quorum. If the required quorum is not forthcoming, another meeting shall be called within sixty (60) days.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. An annual meeting of the members shall be held in June, at a time, date, and location designated by the Board at the April board meeting.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the President or by any two or more members of the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all the votes of the entire membership.

Section 3. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be revocable and shall automatically cease upon sale by the member of his/her Residential Lot.

ARTICLE IV

BOARD OF DIRECTORS – SELECTION – TERM OF OFFICE

Section 1. Number. The affairs of the Association shall be managed by a Board of Directors of five (5) members. Directors must be owners of a unit. No more than two (2) directors may be non-resident owners.

Section 2. Term of Office. At each annual meeting the members shall elect directors for a term of one year.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his/her successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. A majority of the directors shall have the right to take any action in the absence of a meeting. Any action so approved shall have the same effect as though taken at a meeting of the directors and shall be recorded in the minutes of the succeeding meeting.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors at least sixty (60) days prior to each annual meeting of the members. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Association members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election, the members or their proxies may cast, with respect to any vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected.

- (a) All elections to the Board of Directors shall be made on a written ballot which shall:
 - (i) set forth the name of those nominated by the Nominating Committee for such vacancies;
 - (ii) contain a space for a write-in vote by the members for each vacancy.

Sample ballots shall be prepared by the Secretary and presented to the members with the minutes of the May meeting.

- (b) Voting shall occur at the Annual Meeting in June.
- (c) Members unable to attend the Annual Meeting may request a ballot(s) from the Secretary at any time prior to the Annual Meeting. In order for the ballot(s) to be counted it must be in the hands of the Secretary at least ten (10) days prior to the date of the Annual Meeting. The ballots returned to the Secretary must be in a sealed envelope bearing the name and address of the absentee voter, not to be opened prior to the election.

ARTICLE VI

MEETING OF DIRECTORS

Section 1. Meetings. Meetings of the Board shall be held as determined by the current Board. Date, time, and place of the next meeting shall be included in the minutes of the prior board meeting. All members of the Association are invited and encouraged to participate in discussion at any meeting of the Board of Directors.

Section 2. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

- (a) adopt and publish rules and regulations governing the use of the Common Area, Living Units, and the personal conduct of the members, co-owners and their guests;
- (b) suspend the voting rights of a member during any period in which such member shall be in default in the payment of any dues or assessment levied by the Association;
- (c) exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;
- (d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;
- (e) employ the services of a manager or other independent contractors as they deem necessary, and to prescribe their duties. Certificate of insurance will be required to be provided by all independent contractors providing services to Tanglewood Court. Any expenditure exceeding One-Thousand (1000) dollars will require competitive bids and Board approval for acceptance, with requirement of a signed contract before work begins. Board will contract the services of an independent accountant to prepare the annual tax returns.

- (f) cause the exterior and interior of Living Units belonging to an Owner to be maintained as may be made necessary due to acts or omissions of any Owner of a Living Unit;

Section 2. Duties. It shall be the duty of the Board of Directors to:

- (a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the members who are entitled to vote;
- (b) supervise all officers, agents and contractors of the Association, and to see that their duties are properly performed;
- (c) as more fully provided in the Declaration, to:
 - (1) fix the amount and send written notice of the monthly dues assessment against each Residential Lot at least thirty (30) days in advance of such assessment;
 - (2) foreclose the lien against any property for any assessments or other sums not paid within ninety (90) days after the due date or to bring action at law against the person personally obligated to pay the same.
- (d) issue, or to cause an officer to issue, upon demand of any authorized persons, a certificate setting forth whether or not any assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (e) procure and maintain adequate liability and hazard and other insurance on property owned by the Association;
- (f) cause all officers having fiscal responsibilities to be bonded, as it may deem appropriate;
- (g) cause the Common Area to be maintained as well as maintain sewer and other underground utilities located in Tanglewood Court as provided by the Declaration.

Section 3. Reserve Fund. The Board of Directors shall have the power and authority to administer, as part of the annual monthly dues assessment, such sums of money as they shall determine necessary to provide for the payment of future Maintenance.

Section 4. Capital Improvements Fund. The Board of Directors shall have the power and authority to administer the Capital Improvements assessment funds as they shall determine necessary.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of the Association shall at all times be members of the Board of Directors and shall consist of a President, a Vice-President, a Secretary, and a Treasurer, and such other officers as the Board may from time to time create by resolution.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the newly-elected Board of Directors, immediately following each annual meeting of the members of the Association.

Section 3. Term. Each officer shall hold office for one (1) year unless he/she shall sooner resign, or shall be removed, or otherwise be disqualified to serve. Officers may serve consecutive terms.

Section 4. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, by delivery to the President or the Secretary. Such resignation shall take effect on the date of receipt of notice or at any later time specified therein. The acceptance of such resignation shall not be necessary to make it effective.

Section 5. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 6. Multiple Offices. Any Board member may hold multiple offices except that the offices of President and Treasurer may not be held by the same Board member.

Section 7. Duties. The duties of the officers are as follows:

- (a) **PRESIDENT.** The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes of the Association.
- (b) **VICE PRESIDENT.** The Vice President shall act in the place of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board. The Vice President shall sign the

signature card at the financial institution so that he/she may co-sign checks and promissory notes in the absence of the President.

- (c) SECRETARY. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; distribute minutes to all Homeowners within seven (7) days after each meeting; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members and Owners of the Association together with their addresses; and shall perform such other duties as required by the Board.
- (d) TREASURER. The Treasurer shall supervise the receipt and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; co-sign all checks and promissory notes; keep proper books of account; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting.

ARTICLE IX

COMMITTEES

The Board of Directors shall appoint a Nominating Committee which shall act as the Election Committee. The Board of Directors shall appoint an Audit Committee consisting of two Association members who are not currently serving on the Board of Directors. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose and function.

Section 1. The Nominating Committee shall have the duties and functions described in Article V hereof.

Section 2. The Audit Committee shall have the duties of examining the books and records of the Association and preparing a report to be presented at the annual meeting. This audit will include examination of bank statements and other financial transactions, including but not limited to, comparing checks with invoices and examining tax returns.

Section 3. It shall be the duty of each committee to receive concerns from members on any matter involving Association functions, duties and activities within its field of responsibility, and to discharge duties assigned to it by the Board of Directors, these Bylaws or the Declarations. It shall resolve such concerns in a manner it deems appropriate or refer them to a director or officer of the Association.

ARTICLE X

BOOKS AND RECORDS

The books, records and papers of the Association shall be subject to inspection by any member. Contact any Board member for access to these records for inspection. If ownership of a unit changes, it shall be the responsibility of the current owner to provide the new owner with copies of the Declarations, the Articles of Incorporation, the Bylaws, and the Rules and Regulations.

ARTICLE XI

LANDLORDS/NON-RESIDENT OWNERS

Section 1. Responsibilities of Landlords.

- (a) Provide to tenants the following:
 - (i) Rules and Regulations
 - (ii) Mailbox key
 - (iii) Seasonal Reminders
 - (iv) Resident Directory
- (b) Provide the Secretary with a receipt signed by the tenant acknowledging they have received these items.

Section 2. Proof of insurance on units you own is required of all homeowners in the Declarations. Provide to the Secretary a copy of the declarations page of your insurance coverage on the unit(s) you own within thirty (30) days of the origination or renewal of each policy.

Section 3. Landlord will provide to the Secretary within ten (10) days of occupancy by a new tenant, tenant contact information including names of occupants, telephone number(s), and emergency contact information.

ARTICLE XII

AMENDMENTS

These Bylaws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of the voting members present in person or by proxy. The notice of any such meeting proposing an amendment to these Bylaws shall set forth such an amendment in full.

In case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declarations and these Bylaws or Articles of Incorporation, the Declarations shall apply.

President

Secretary

Date