

BYLAWS
OF
ROCHESTER GLENS ASSOCIATION

Article I
NAME OF ASSOCIATION

The name of this organization shall be the Rochester Glens Association (hereinafter referred to as the "Association").

Article II
OBJECTIVES OF ASSOCIATION

Section 2.01. OBJECTIVES. The objectives of this Association shall be (i) the promotion and preservation of the individual and collective best interests of the homeowners in Rochester Glens Subdivision, Avon Township, Oakland County, Michigan, and (ii) the maintenance of Rochester Glens Subdivision as a first class residential development. This Association shall be a non-profit organization and accordingly any net income which may result from the operation thereof shall be utilized solely for and shall inure to the common benefit of all of the owners of lots in Rochester Glens Subdivision.

Section 2.02. NO PARTISAN POLITICS. This Association shall at no time engage in any form of partisan politics whatsoever.

Section 2.03. POWERS. This Association shall, within the limits authorized by its Board of Directors as hereinafter provided, have the power with respect to matters affecting the common interest of the members thereof: (i) To encourage and promote the character of Rochester Glens Subdivision as residential property of the highest character. (ii) To exercise all of the powers and authority of the Association as described and set forth in the Declaration of Restrictions for Rochester Glens Subdivision dated May 14, 1975, and recorded in Liber 6514, Page 200, Oakland County Records, as such Restrictions may be amended from time to time. Without limitation of the foregoing, the Association is organized among other things: to establish and enforce annual maintenance charges; to represent its members before governmental boards or bodies; to promote social and recreational activities; to invest and deal with monies of the Association not immediately required in such manner as from time to time may be determined; and to purchase or otherwise acquire and to hold and deal with such property, real, personal and mixed, as may be necessary or convenient in connection with any of the foregoing purposes. No payment shall be made from the funds of the Association to or for the use of any officer, director or member of the Association, or any other individual; provided, however that the foregoing shall not be construed so as to preclude payment to any person for actual services or expenses incurred in connection with the activities of the Association or other ordinary and necessary expenses. (iii) To provide coordination and assistance to all governmental authorities having jurisdiction over fire protection, police protection and other

governmental activities with respect to all property within Rochester Glens Subdivision. (iv) The Association also has such other powers as are now or may hereafter be granted to a non-profit corporation by Act No. 327 of the Public Acts of 1931, as amended.

Article III
MEMBERSHIP AND VOTING RIGHTS

Section 3.01. MEMBERSHIP. Every person or entity who or which is a record owner of a fee or undivided fee interest in any lot in the Rochester Glens Subdivision shall be members of the association, but not including any owner who or which has sold its interest under executory land contract. During such time as a land contract is in force, the land contract vendee shall be considered to be the member of the Association. There shall be a total of 173 members of the Association as of the date of adoption of these Bylaws.

Section 3.02. VOTING RIGHTS. (A) The association shall have two classes of voting membership:

Class A - Class A members shall be all those owners as defined above, with the exception of League Housing Foundation, or its successor (as grantor under the Restrictions). Class A members shall be entitled to one vote for each lot in which they hold the interest required for membership. When more than one person holds any such interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any one lot.

Class B - Class B members shall be League Housing Foundation, or its successor. The Class B membership shall be entitled to five votes for each lot in which League Housing Foundation, or its successor, holds the interest required for membership.

(B) Every person holding a membership in the Association shall be entitled to vote at meetings of the Association; provided that (i) all the dues and special assessments theretofore assessed against such member with respect to his/her lot have been fully paid, (ii) if there be more than one person owning legal title to a lot, such persons shall collectively be entitled to only one membership and vote with respect to said lot, and (iii) if more than one lot shall be owned by the same person, that such person shall be entitled to a vote for each lot owned.

Article IV
DUES AND ASSESSMENTS

Section 4.01. ANNUAL DUES. The Board of Directors and officers of the Association shall prepare and submit to the members of the Association at the annual meeting thereof a proposed annual budget for the Association for the ensuing fiscal year, which budget shall recite all anticipated expenditures of a general and recurring nature. Such budget shall be subject to the approval by vote of a majority of the members present at such annual meeting, and if such budget is not so approved, the same may be modified or amended by the vote of a majority of

the members in attendance at such meeting, in which event said revised budget shall thereupon become the approved budget for the ensuing fiscal year. The annual dues (annual charge) of the Association shall be determined by dividing the annual budget by the number of memberships in the Association; provided that in no event shall the annual dues of the Association be less than Ten Dollars (\$10.00) or more than Seventy-Five Dollars (\$75.00) per membership in the Association, except that such annual dues may be altered with the approval and consent in writing of fifty-one percent (51%) of the members.

Section 4.02. ASSESSMENTS. Items of expenditure of the Association which are not general and reoccurring in nature shall not be included in the annual budget of the Association, but rather shall be deemed to be items of special assessment, and accordingly shall be submitted in writing by the Board of Directors of the Association to all the members of the Association and the same shall be subject to the written approval of two-thirds ($\frac{2}{3}$) of the members of the Association eligible to vote. The ballot with respect to any such special assessment shall be mailed by the Secretary of the Association or his designate to all members of the Association entitled to vote, and such ballots shall clearly recite the purpose of the proposed special assessment, the entire cost of the project involved, the cost per membership in the Association, financing arrangements, if any, the date by which such special assessment must be paid (if other than as provided in Section 4.03 hereof), if approved by the members, and the specific date by which the ballot must be returned to a designated address or location, which date shall be not less than fifteen (15) days from the date such ballot is mailed by the Secretary of the Association or his designate. It shall be the responsibility of each member of the Association to make certain that his ballot is returned to the designated address or location if he desires his vote to be counted with respect to such special assessment. All ballots not returned to the designated address or location within the time specified therein shall be deemed negative votes with respect to the special assessment involved.

Section 4.03. PAYMENT. Annual dues of the Association with respect to the budget for the ensuing fiscal year of the Association shall be paid by April 1 of the year in which such dues become due; any dues unpaid at that time shall thereafter be subject to interest at the rate of seven percent (7%) per annum. Special assessments, approved as aforesaid by two-thirds ($\frac{2}{3}$) of the members of the Association eligible to vote, shall be due and payable within thirty (30) days after the mailing to members of written notice of the passage of such special assessment by the Treasurer of the Association, unless a longer period of time for payment is specified in such notice. All payments of dues and/or special assessments shall be made to the Treasurer of the Association and deposited into the account of the Association.

Article V MEETINGS

Section 5.01. ANNUAL MEETING. The annual meeting of the Association shall be held on the second Wednesday in the month of March in each year.

Section 5.02. ORDER OF BUSINESS OR ANNUAL MEETING. The order of business at the annual meeting of the members shall be as follows: (i) roll call, (ii) reading of Notice and proof of mailing, (iii) reading of Minutes of last preceding meeting, (iv) report of President, (v) report of Secretary, (vi) report of Treasurer, (vii) new business other than election of officers and directors, (viii) election of officers and directors, and (ix) adjournment. Provided that in the absence of any objection, the presiding officer may vary the order of business at his discretion.

Section 5.03. SPECIAL MEETINGS. Special meetings of the Association shall be held whenever called by the President of the Association or any three (3) members of the Board of Directors of the Association. A special meeting of the Association shall also be called by the Secretary of the Association upon the written request therefor by twenty percent (20%) of the members of the Association eligible to vote.

Section 5.04. QUORUM AND MANNER OF ACTION. One-fourth ($\frac{1}{4}$) of the members of the Association entitled to vote at the time of any meeting of the Association, present in person or by written proxy delivered to the Secretary prior to the meeting, shall be necessary and sufficient to constitute a quorum for the transaction of business. The vote of a majority of the members present at the time of such vote, if a quorum is present at the time of such vote, shall be the act of the Association, except as may be otherwise required by these Bylaws. A majority of the members present, whether or not a quorum is present, may by resolution adjourn any meeting of the Association to another place and time, from time to time, for a period not exceeding fourteen (14) days in any one case.

Section 5.05. PROXIES. Every person entitled to vote at a meeting of members or to express consent or dissent without a meeting may authorize another person or persons to act for him by proxy. Every proxy must be in writing and signed by the member. No proxy shall be valid after the meeting for which it is given.

Section 5.06. TIME, PLACE AND PURPOSE OF MEETINGS. Written notice of every meeting of the Association, stating the time, place and purpose thereof, shall be given to all members eligible to vote by the Secretary of the Association not less than seven (7) days prior to the date of such meeting.

Article VI BOARD OF DIRECTORS

Section 6.01. MANAGING BODY. The business and affairs of the Association shall be managed by the Board of Directors of the Association.

Section 6.02. NUMBER, QUALIFICATIONS AND TERM OF OFFICE. The initial Board of Directors as designated in the Articles of Incorporation shall manage the affairs of the Association until the successor Board of Directors is elected at the first annual meeting of members convened pursuant to these Bylaws. The successor Board of Directors shall consist of

seven (7) persons, four (4) of whom shall be the officers of the Association, and one (1) of whom shall be the most recent past President of the Association. Any member of the Association shall be eligible to become a director of the Association provided that his/her dues and special assessments have been paid in full. The elected directors shall hold office until their respective successors shall have been elected and qualified, or until death, resignation or removal.

Section 6.03. ELECTION. Except as otherwise provided by these Bylaws, the directors of the Association shall be elected by the members at the annual meeting of the Association held on the second Wednesday in the month of March each year. The entire number of directors to be elected shall be voted for at one and the same time and not separately. Such election shall be by ballot whenever requested by any person eligible to vote at such meeting; but, unless so requested, such election may be conducted in any manner approved by the members at such meeting.

Section 6.04. MEETINGS OF DIRECTORS. Regular meetings of the Board of Directors shall be held at such times and places as the majority of the Board of Directors may from time to time determine; provided, however, that there shall be not less than three (3) regular meetings of the Board of Directors annually.

Section 6.05. QUORUM AND MANNER OF ACTION. A majority of the directors in office at the time of any meeting of the Board of Directors, present in person, shall be necessary and sufficient to constitute a quorum for the transaction of business. The vote of a majority of the directors present at the time of such vote, if a quorum is present at the time of such vote, shall be the act of the Board of Directors, except as otherwise required by statute or the Articles of Incorporation. A majority of the directors present, whether or not a quorum is present, may by resolution adjourn any meeting to another place and time, from time to time, for a period not exceeding fourteen (14) days in any one case. If the directors shall severally and/or collectively consent in writing to any act taken or to be taken by the Association, such action shall be valid Association action as though it had been authorized at a meeting of the Board of Directors.

Section 6.06. COMPENSATION. Each director of the Association shall serve without fee or compensation of any kind; provided, however, that nothing herein contained shall be construed to preclude any director from serving the Association in any other capacity and receiving compensation therefor or from receiving reimbursement from the Association for expenses incurred by him/her for or on behalf of the Association.

Section 6.07. REMOVAL OF DIRECTORS. At any annual or special meeting of the Association called for the purpose of removing any director, such director may, by the vote of the majority of all members eligible to vote, be removed from office for or without cause.

Section 6.08. RESIGNATIONS. Any director may resign at any time by giving written notice thereof to the Board of Directors or the President of the Association. Such resignation

shall take effect at the time specified in such notice; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6.09. VACANCIES. Any newly created directorships and vacancies occurring on the Board of Directors by reason of death, resignation, retirement, disqualification or removal shall be temporarily filled by a vote of a majority of the directors then in office, although less than a quorum. Unless a successor director is elected by a vote of the members at a special meeting called for such purpose, any director elected by the Board of Directors to temporarily fill a vacancy shall hold office for the unexpired portion of the term of his predecessor.

Section 6.10. ORGANIZATION OF BOARD MEETING. At each meeting of the Board of Directors, the President of the Association, or in his absence, a director chosen by a majority of the directors present, shall act as chairman of the meeting. The Secretary of the Association, or in his absence, any person appointed by the chairman of the meeting, shall act as secretary of the meeting.

Article VII OFFICERS

Section 7.01. OFFICERS. The elected officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer. The President or the Board of Directors may also appoint such other officers and agents as may from time to time appear to be necessary or advisable in the conduct of the affairs of the Association. No more than one office may be held by the same person. Officers of the Association shall consist of members of the Association whose dues and special assessments have been fully paid.

Section 7.02. ELECTION. The officers of the Association shall be elected at the annual meeting of the Association held on the second Wednesday in March in each year, and every member eligible to vote shall have the right to vote in person for such officers. Not less than one (1) month prior to the said March meeting of the Association, the Board of Directors of the Association shall appoint a nominating committee consisting of three (3) members of the Board of Directors. It shall be the duty of such nominating committee to prepare a slate of nominees for officers of the Association, and said slate shall be submitted in writing to all of the members of the Association at least ten (10) days prior to the March meeting of the Association at which said election is to take place. Additional nominations shall be accepted from the floor at the time of such meeting. The nominee for the office in question receiving the largest number of votes shall be declared elected and he shall serve for a term of one (1) year beginning with the date of such meeting and ending with the date of the special meeting of the Association held on the second Wednesday in March of the following calendar year, and until his successor shall have been elected and shall have qualified, or until death, resignation or removal. In the event of a tie, an immediate run off election shall be held as to the nominees thus tied, unless one of such nominees withdraws. Such election shall be by ballot whenever requested by any person

eligible to vote at such meeting; but, unless so requested, such election may be conducted in any manner approved by the members at such meeting.

Section 7.03. RESIGNATION AND REMOVAL. Any elected or appointed officer of the Association may resign at any time by giving written notice thereof to the Board of Directors or the President of the Association. Such resignation shall take effect at the time specified in such notice, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. At any annual or special meeting of the members of the Association called for the purpose of removing any officer, such officer may, by the vote of the majority of the members eligible to vote, be removed from office for or without cause.

Section 7.04. VACANCIES. Any newly created office and vacancies occurring in any office of the Association by reason of death, resignation, retirement, disqualification or removal shall be temporarily filled by a vote of a majority of the Board of Directors. Unless a successor officer is elected by a vote of the members at a special meeting of the Association called pursuant to these Bylaws, any officer elected by the Board of Directors to temporarily fill a vacancy shall hold office for the unexpired portion of the term of his predecessor.

Section 7.05. COMPENSATION. Each officer of the Association shall serve without fee or compensation of any kind; provided, however, nothing herein contained shall be construed to preclude any officer from serving the Association in any other capacity and receiving compensation therefor or from receiving reimbursement from the Association for expenses incurred by him/her for or on behalf of the Association.

Section 7.06. THE PRESIDENT. The President of the Association shall be the chief executive officer of the Association, and, with the concurrence of the Board of Directors, shall have general and active charge, control and supervision of all of the business and affairs of the Association and shall see that all orders and resolutions of the Association and the Board of Directors are carried into effect. The President shall act as chairman at all meetings of the Board of Directors and the Association. The President shall have general authority to execute contracts in the ordinary course of business of the Association in the name and on behalf of the Association; to cause the employment or appointment of such employees and agents of the Association as the conduct of the business of the Association may require, and to fix their compensation; to remove or suspend any such employee or agent for or without cause; and, in general, to exercise all of the powers generally appertaining to the office of president of an association such as Rochester Glens Association.

Section 7.07. THE VICE PRESIDENT. During the absence or disability of the President, the Vice President of the Association shall exercise all the functions of the President, and in addition shall have such powers and discharge such duties as may be assigned to him from time to time by the Board of Directors or the President.

Section 7.08. THE SECRETARY. The Secretary of the Association shall attend all meetings of the Association and the Board of Directors and shall record all votes and the minutes of all proceedings in a book to be kept for that purpose and shall, when requested, perform like duties for all committees appointed by the President. He shall attend to the giving of notice of all meetings of members and Board of Directors and committees. He shall keep and account for all books, documents, papers and records of the Association, except those for which some other officer or agent is properly accountable. He shall generally perform all the duties appertaining to the office of secretary of an association. In the absence of the Secretary, such person as shall be designated by the President shall perform his duties.

Section 7.09. THE TREASURER. The Treasurer of the Association shall have the care and custody of all of the funds of the Association and shall deposit the same in such banks or other depositories as the Board of Directors, or any officer or officers, or any officer and agent jointly, duly authorized by the Board of Directors, shall, from time to time, direct or approve. He shall keep a full and accurate account of all monies received and paid on account of the Association and shall render a statement of his accounts whenever the President or the Board of Directors shall require. He shall perform all other necessary acts and duties in connection with the administration of the financial affairs of the Association, and shall generally perform all the duties usually appertaining to the office of treasurer of an association. When required by the Board of Directors, he shall give bonds for the faithful discharge of his duties in such sums and with such sureties as the Board of Directors shall approve, the cost of which bonds shall be paid by the Association. In the absence of the Treasurer, such person as shall be designated by the President shall perform his duties.

Article VIII COMMITTEES

Section 8.01. APPOINTMENT AND POWERS. The President of the Association, with the concurrence of the Board of Directors, shall appoint such committees as shall be deemed necessary or advisable in the efficient operation of the business and affairs of the Association, and such committees shall have such powers and duties as may be specifically authorized in writing by the President. The President shall also appoint an individual to act as chairman of any such committee.

Section 8.02. TERM OF OFFICE. Any committee so appointed shall continue in existence at the pleasure of the President, but in no event beyond the expiration of the term of office of the President who appointed such committee.

Section 8.03. RESIGNATION AND REMOVAL. Any committee member may resign at any time by giving written notice thereof to the President, and such resignation shall take effect at the time specified in such notice; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any committee member may be removed from office by the President or the Board of Directors for or without cause.

Section 8.04. COMPENSATION, VACANCIES AND QUALIFICATION. Each member of a committee shall serve without fee or compensation of any kind; provided, however, that nothing herein contained shall be construed to preclude any member of a committee from serving the Association in any other capacity and receiving compensation therefor or from receiving reimbursement from the Association for expenses incurred by him/her for or on behalf of the Association. Any vacancies occurring on any committee by reason of death, resignation, retirement, disqualification or removal shall be filled by the President of the Association if he so elects. All members of committees shall be members of the Association whose dues and assessments have been paid in full.

Article IX
ANNUAL BUDGET

The officers and directors of the Association elected by the Association shall have the responsibility of preparing the annual budget for the Association for the one (1) year period beginning with the next following July 1, and shall present the same, together with any proposed special assessments, to the members at the annual meeting of the Association. A copy of such annual budget shall be furnished to all members of the Association not less than ten (10) days prior to the annual March meeting of the Association.

Article X
MISCELLANEOUS

Section 10.01. FISCAL YEAR. The fiscal year of the Association shall begin on January 1 in each year.

Section 10.02. REGISTERED OFFICE. The registered office of the Association shall be designated from time to time by the President, providing that the same shall at all times be one of the residences in Rochester Glens Subdivision, except for the initial registered office provided in the Articles of Incorporation.

Section 10.03. INCORPORATION. Rochester Glens Association shall be registered as a non-profit corporation with the State of Michigan and appropriate Articles of Incorporation shall be filed with the State to complete such registration.

Section 10.04. PARLIAMENTARY PROCEDURE. All meeting of the Association and the Board of Directors thereof shall be conducted in accordance with the forms, rules and regulations set forth in Robert's Rules of Order.

Section 10.05. AMENDMENTS. These Bylaws may be amended or repealed in whole or in part at a meeting of the Association called for the purpose of so amending or repealing the same by the vote, in person at such meeting, of a majority of members of the Association

eligible to vote. Notice of the proposed amendment or repeal shall be given to all members of the Association at least thirty (30) days prior to the scheduled date of the meeting of the Association at which the same shall be voted upon. Any member of the Association whose dues and assessments are current may propose to the President an amendment to or repeal of the Bylaws and upon receipt thereof the President shall call a special meeting of the Association for the purpose of considering the same, at which time the proposal shall be voted upon, all pursuant to these Bylaws.

Section 10.07. INDEMNIFICATION. The Association shall indemnify any and all of its directors and officers or former directors and officers (and the heirs, executors and administrators of all such persons) against expenses actually and necessarily incurred by them in connection with the defense of any action, suit or proceeding in which they, or any of them, are made parties, or a party, by reason of being or having been directors or a director or officers or an officer of the Association, except in relation to matters as to which any such director or officer or former director or officer or person shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of his/her duty and to such matters as shall be settled by agreement predicated on the existence of such liability. The foregoing requirement of indemnification shall not exclude any member of the board or officer from any other rights of indemnification or otherwise to which such person may be entitled as a matter of law.

Section 10.08. DECLARATION OF RESTRICTIONS. This Association and the members hereof hereby ratify and confirm and agree to be bound by the Declaration of Restrictions for Rochester Glens Subdivision as recorded in Liber 6514, Page 200, Oakland County Records. In the event of any conflict arising between these Bylaws and the Declaration of Restrictions for Rochester Glens Subdivision the terms of the Declaration of Restrictions shall be deemed to be controlling.