

BY LAWS OF
LONG LAKE MEADOWS HOMEOWNERS ASSOCIATION
A MICHIGAN NON-PROFIT CORPORATION

Sec. 1. Name and Organization. This organization, named in its Articles of Incorporation as "LONG LAKE MEADOWS HOMEOWNERS ASSOCIATION" (hereinafter called "Association"), is a Michigan non-profit corporation with a perpetual corporate term, organized and existing pursuant to appropriate enabling legislation.

Sec. 2. Office. The registered office of the Association shall be maintained in the County of Oakland, State of Michigan, and may be changed from time to time by resolution of the Board of Directors.

Sec. 3. Purposes. The purposes and powers of the Association are as follows:

3.1. To supervise, maintain and establish rules and regulations governing the use of the Subdivision, lots, Common Areas, storm water retention areas and discharge restriction system and rear yard drains.

3.2. To interpret, implement and enforce the Building and Use Restrictions ("Restrictions") recorded in Liber 10260, Pages 140 through 147, and in Liber 10494, Pages 311 through 318, Oakland County Records.

3.3. To operate, maintain, manage, improve, preserve and administer the Subdivision, Common Areas, storm water retention areas and discharge restriction system and rear yard drains within the Subdivision in accor-

dance with these By-Laws and Restrictions.

3.4. To promote the welfare of its members by maintaining and beautifying the Subdivision, promoting and advancing the interests of the Owners, establishing programs and policies to improve the Subdivision and assist the Owners.

3.5 To engage in all activities incidental to the above purposes which are not forbidden by the laws of the State of Michigan.

Sec. 4. Membership. The members of the Association shall include all of the owners of the lots comprising Long Lake Meadows Subdivision No. 1, as recorded in Liber 197, Pages 25 through 29 and Long Lake Meadows Subdivision No. 2, as recorded in Liber 201, Pages 23 through 25, both in Oakland County Records. The term "Owners", for the purposes of this Section, shall include an owner or co-owner in fee simple and, in the case of an executory land contract of sale, the land contract vendee or co-vendee. The term "Owner" shall not include any mortgagee, unless and until such mortgagee shall have acquired fee simple title pursuant to foreclosure proceedings or conveyance in lieu of foreclosure.

Sec. 5. Meeting of Members.

5.1. Meetings of members shall be held annually on a date, time and place which shall be designated by the Board of Directors for the purpose of electing the members of the Board of Directors and to transact such

other business as shall be stated in the written notice of the meeting.

5.2. Special meetings of the members may be called at the request of a majority of the Board of Directors, or upon written petition filed with the President setting forth the purpose or purposes of such special meeting signed by not less than 10% of the members in good standing. The Board of Directors shall fix the date, time and place for holding of such special meeting.

5.3. Notice of meetings of members shall be given by first class mail or by personal delivery or other means reasonably calculated to give notice to each member at his residence address at least five (5) days prior to the date of such meeting. Such notice shall state the purpose or purposes of such meeting. Notice by mail shall be effective when deposited into a United States Postal Service receptacle located in Oakland County, Michigan.

5.4. The presence, in person, by absentee ballot, or by proxy representing twenty (20) lots shall constitute a quorum for holding a meeting of the Association. In the absence of a quorum, no business may be transacted at any meeting, but the members present, by majority vote, may adjourn the meeting without further notice. The acts of a majority of the members present

at a meeting at which a quorum is present shall be the official act of the members.

5.5. Members shall be entitled to one (1) vote for each lot in which they hold the interest required for membership. When more than one (1) 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 (1) vote be cast with respect to any one (1) lot.

Sec. 6. Board of Directors. The property and the lawful business of the Association shall be held, controlled and managed by a Board of Directors consisting of not less than five (5) or more than ten (10) members; provided, however, that during the initial period of organization by Elro Corporation, the Board of Directors shall be elected by the members and shall hold office for a period of two (2) years or until their respective successors are duly elected and qualified. One-half of the Directors shall have terms which expire on even number years, and one-half of the Directors shall have terms which expire on odd number years. The Board of Directors shall establish or adjust the initial term, or any subsequent term of any Director, determine the number of Directors with terms expiring in odd or even years when there is an odd number of Directors and shall take such other necessary action to implement this provision. Directors shall be members of the Association in good standing.

Sec. 7. Meeting of Board of Directors.

7.1. Meetings of the Board of Directors may be called by or at the request of the President or any two (2) Directors. The person or persons calling meetings of the Board of Directors shall fix the place, date and time for the holding of such meeting.

7.2. Notice of meetings of the Board of Directors shall be given at least two (2) days previously thereto by written notice delivered personally to each Director at his residence address. Any director may waive notice of any meeting in writing.

7.3. A majority of the number of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Sec. 8. Vacancies, Board of Directors. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining Directors, though less than a quorum of the Board of Directors is present. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

Sec. 9. Officers. The officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer.

Sec. 10. Election, Term of Office. The officers of the

Association shall be elected by the Board of Directors. Each officer shall hold office for a period of one (1) year or until the officer's successor shall have been duly elected and shall have qualified.

Sec. 11. Removal. Any officer may be removed by majority vote of the Board of Directors whenever in its judgement the best interests of the Association will be served thereby.

Sec. 12. Vacancies, Officers. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, shall be filled by the Board of Directors for the unexpired portion of the term.

Sec. 13. President. The President shall be the principal executive officer of the Association and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Association. The President shall, when present, preside at all meetings of the members and the Board of Directors. The President may sign, with the Secretary, when authorized by the Board of Directors, any deeds, mortgages, bonds, contracts or other instruments which the Board of Directors has authorized to be executed. In general, the President shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors by resolution from time to time.

Sec. 14. Vice President. In the absence of the President or in the event of the President's death, inability or refusal to act, the Vice President shall perform the duties of the

President, and when so acting, shall have all the powers and be subject to all of the restrictions upon the President. The Vice President shall perform such other duties as from time to time be assigned to him or her by the President or by the Board of Directors.

Sec. 15. Secretary. The Secretary shall keep the minutes of the proceedings of the members and of the Board of Directors in one or more books provided for that purpose and shall see that all notices are given in accordance with the provisions of these By-Laws or as required by law. The Secretary shall be custodian of the Association records and shall keep a register of members with their addresses and shall sign, with the President or Vice President, any documents or written instruments which have been authorized to be executed by resolution of the Board of Directors. The Secretary shall in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

Sec. 16. Treasurer. The Treasurer shall have charge and custody of and be responsible for all funds of the Association, shall receive and give receipts for money due and payable to the Association from any source whatsoever and shall deposit all such moneys in the name of the Association in such banks as shall be selected in accordance with the provisions of these By-Laws. All checks drawn upon Association accounts shall be signed by the Treasurer and one additional officer of the Asso-

ciation. The Treasurer shall keep detailed books of account for all expenditures and receipts and shall prepare income and expense statements and a balance sheet at least annually. The Treasurer shall in general perform all of the duties as may from time to time be assigned to him or her by the President or by the Board of Directors.

Sec. 17. Dues and Assessments.

17.1. The Board of Directors of the Association shall adopt an annual budget of the costs and expenses to be incurred by the Association to fulfill its purposes, which budget shall include an adequate allowance for the maintenance of the Common Areas, storm water retention areas and discharge restriction system and rear yard drains within the Subdivision. The Board of Directors shall levy upon the Owners of each lot, on a "per lot" basis annual assessments and special assessments, when necessary, to fund the budget and pay all administration and operating expenses of the Association.

17.2. Administration and operation expenses shall include all costs and expenses incurred in connection with the Common Areas and Subdivision, including, but not limited to: (a) operating, maintaining, improving and preserving the Subdivision, Common Areas, storm water retention areas and discharge restriction system and rear yard drains within the Subdivision, (b)

examining plans and enforcing the Building & Use Restrictions; (c) operating the Association, including the payment of postage, rental of meeting quarters, payment of legal fees, accounting, secretarial and clerical expense, liability and property damage insurance and any other necessary insurance, filing and franchise fees and any other expenses necessary or incidental to the operation of the Association, (d) doing all things necessary or advisable in the opinion of the Board of Directors necessary or incidental to fulfilling the purposes of the Association.

17.3. The Board of Directors shall advise the Owners of each lot of the amount of the annual assessment and any special assessment and the date upon which payment is due. No Owner may obtain an exemption from liability for annual assessments and special assessments by waiving the use or enjoyment of the Common Areas or Subdivision or by the abandonment of such Owner's lot. All annual assessments and special assessments shall constitute an obligation which is binding upon and shall run with each lot in the Subdivision. Any Owner failing to timely pay such annual assessments and special assessments shall be a delinquent member and not in good standing.

17.4. In the event of non-payment of any annual assessment or special assessment when due, the

Association shall have the right to exercise any one or more of the following remedies including all remedies permitted at law or in equity without such constituting an election of remedies:

A. Upon a resolution of the Board of Directors, expel and dismiss any delinquent member from membership in the Association resulting in the forfeiture of all rights and privileges incident to such membership. The delinquent member shall be given written notice by certified mail of the date upon which such forfeiture shall become effective unless the delinquent member pays in full all delinquent annual assessments or special assessments on or before such date.

B. File a lien upon such lot by recording the appropriate lien with the Oakland County Register of Deeds.

C. Enforce the collection of the delinquent annual assessment and special assessment by suit at law for a money judgment and/or by the foreclosure of the lien securing payment in the same manner that real estate mortgages may be foreclosed by actions under Michigan law. The expenses incurred in collecting unpaid annual assessments and special assessments, including interests, costs and attorneys' fees and any other expenses paid by the Association to protect its

lien, shall be chargeable to the delinquent Owner and shall be secured by the lien upon such Owner's lot.

Sec. 18. Insurance. The Association shall carry public liability and property damage insurance and such other insurance determined to be necessary by the Board of Directors in amounts and with insurance companies as determined by the Board of Directors. Each member shall be deemed to appoint the Association as his or her true and lawful attorney-in-fact to act in connection with all matters concerning the maintenance and distribution of such insurance, including the execution of all documents and releases of liability in connection therewith.

Sec. 19. Indemnification. Every person who is or has been a Director or Officer of the Association or any agent of the Association designated by resolution of the Board of Directors to be entitled to indemnification, including the personal representatives of any such deceased person, shall, to the full extent now or hereafter permitted by law, be indemnified by the Association against any and all liability and reasonable expense (including, but not limited to attorneys' and accountants' fees, inspections costs, travel, transcripts, disbursements, settlement amounts, judgements, fines or penalties) paid or incurred by him or her in connection with or in the settlement of or resulting from any claim, action, suit or proceeding (whether by or in the name of the Association or otherwise), civil, criminal, administrative or investigative, including any appeals relating thereto, in which he or she may be involved or threa-

tened to be involved, as a party or otherwise by reason of his or her being or having been a Director, Officer or Agent of the Association or by reason of any action taken or not taken in the course and scope of his or her function as such Officer or Agent or capacity as such Director; provided, however, such action was taken in good faith and without reasonable cause to believe his or her conduct was unlawful. This right of indemnification shall be in addition to any other rights to which any such Director, Officer or Agent may be entitled as a matter of law. The intention of this Section is to provide indemnification with the broadest and most inclusive coverage permitted by law either at the time of the act or omission indemnified against or permitted at the time of carrying out such indemnification.

Sec. 20. Architectural Committee. The Association shall appoint an Architectural Committee to approve the plans and specifications for all dwellings and appurtenant structures or any other buildings, structures, aerials, antennas, fences, landscaping or other improvements ("Improvements"), altered, constructed or modified on any Lot.

Sec. 21. Amendments. These By-Laws may be altered, amended or repealed and new By-Laws may be adopted by the Board of Directors at any regular or special meeting of the Board of Directors.

Sec. 22. Copies to Members. Copies of these By-Laws and any amendments thereto shall be made available to the members upon request.

Sec. 23. Dissolution. The Association may be dissolved only upon the written consent of two-thirds of the Association Members. Written notice of a proposal to dissolve, setting forth the reasons therefor and the disposition to be made of the assets, shall be mailed to each member or the member's designated representative at least ninety (90) days in advance of any such action. Upon dissolution of the Association, the assets of the Association shall be dedicated to an appropriate public agency or educational institution to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Association. In no event shall any of the assets revert to the members.

Sec. 24. Construction. The Board of Directors shall have power to construe these By-Laws and its decision with respect to their construction shall be final.

Sec. 25. Severability. In the event that any of the terms, provisions or covenants of these By-Laws are held to be partially or wholly invalid or unenforceable for any reason whatsoever, such holdings shall not affect, alter, modify or impair in any manner whatsoever the remaining terms, provisions or covenants which shall continue to be valid and enforceable.

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