

FIRST REVISED AND RESTATED CODE OF REGULATIONS
OF
BENT TREE ASSOCIATION, INC.

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ARTICLE I: DEFINITIONS

Section 1. In General. Any terms defined in the Covenants and Restrictions (or “Declaration”) imposed upon, and set forth or referred to in the deeds given by the Developer to convey premises in the Bent Tree Subdivisions, Strongsville, Ohio, shall have the same meaning when used in this Code of Regulations unless the context shall prohibit or unless otherwise expressly defined herein.

Section 2. Additional Definitions.

- a. “Board of Trustees” shall mean and identify the Board of Trustees of the Association.
- b. “Membership” shall mean and identify the Members of the Association, collectively. The act of the Membership shall be any action taken, or authorization given, by the specified proportion or number of voting Members in accordance with law, the Articles of Incorporation of the Association, and this Code of Regulations.
- c. “Initial Trustees” – provision omitted in Restated Version.
- d. “Initial Annual Meeting” – provision omitted in Restated Version.

Section 3. Catchall. Any and all references to the Declaration herein shall identify the most recent version of the Declaration, whether revised, restated, or otherwise amended, that is of record. Any terms not therein defined, as instructed within Article I, Section 2, shall derive their meaning consistent with Revised Code Chapter 5312 or their common meanings.

ARTICLE II: MEMBERSHIP

Section 1. Qualifications; Classification. Each Owner of a Lot or Living Unit in the Bent Tree Subdivisions, Strongsville, Ohio, shall be a Member of the Association for so long as such ownership continues; provided, however, that any natural person, corporation or entity who holds title to any Lot or Living Unit solely as a mortgagee or secured party in connection with the payment of money or the performance of an obligation shall not be a member.

Membership within the Association shall consist of one class, Class A, and the Developer’s Class B Membership is hereby deleted.

Class A Membership shall be appurtenant to and may not be separated from ownership of a Lot or Living Unit. A Class A Member, or in the stead of said Member, a tenant or lessee thereof who is in residence upon said Member’s Lot or Living Unit, and the immediate household and guests of such Member, or tenant or lessee, as the case may be, may use the Common Properties and any facilities thereon, but only in connection with the single-family use of each Lot or Living Unit, only by one family in respect of each Lot or Living Unit, and only by such guests as may be permitted by Rules and Regulations established by the Association in accordance herewith.

Section 2. Termination of Membership and Suspension of Privileges. Membership in the Association shall continue only so long as the Member is the Owner of one or more Lots or Living Units and shall terminate automatically upon the cessation of such ownership.

A Member's right and the right of any other person derived therefrom to use the Common Properties may be suspended as follows:

- a. By the Board of Trustees, upon the failure of the Member to pay any assessment or charge imposed by the Board of Trustees of the Association pursuant to the authority granted by Article IX of this Code of Regulations within thirty (30) days after written notice that such Member is in default (as that term is defined in Article IX, Section 6, hereof) with respect to such charge or assessment has been given to such Member, and such suspension shall remain in effect for so long as such default is not cured;
- b. By the Membership, at any regular meeting or at any special meeting called for such purpose, upon the occurrence of any of the following:
 - i. Disorderly or offensive conduct, as defined by a resolution of the Board of Trustees, on the part of the Member, his immediate household or any of his guests which takes place upon the Common Properties; or
 - ii. Any material violation of any Rule or Regulation established by the Board of Trustees relative to the use of the Common Properties.

Suspension pursuant to Subsection (b) shall require the affirmative vote of three-quarters (3/4) of the votes present in person or proxy at such meeting, and, in addition to or as part of any notice to be given pursuant to this Code of Regulations for such meeting, any Member whose suspension is to be acted upon shall be invited in writing to appear at such meeting and speak on his own behalf. The duration of such suspension shall be the greater of sixty (60) days or so long as the conduct which provides the basis for such suspension continues; provided, however, that such sixty-day period may be decreased to such lesser time as is established pursuant to voting on said suspension.

Suspension of a Member for any of the foregoing reasons shall not preclude the imposition of further suspensions for subsequent offenses.

Section 3. Membership Book. The Association shall keep a Membership Book containing the name and current physical residential and, if applicable, electronic address of each Member and the date of admission to Membership, and upon termination of Membership, the date of and the facts relating to such termination shall be entered in the Membership Book.

ARTICLE III: VOTING RIGHTS

Except as otherwise provided in this Code of Regulations, each Member of record as of noon of the business day immediately preceding the date on which notice of a meeting of the members is to be given pursuant to Article IV, Section 3 hereof is entitled to vote at such meeting in accordance with the following:

Section 1. Classes of Votes. The Association shall have one class of voting Membership, and all Members shall be entitled to one (1) vote for each Cluster Site owned by them.

The Developer's Class B Membership is hereby omitted.

Section 2. One Vote Per Lot. The vote allocated to a Lot or Living Unit shall be cast by or on behalf of the Member or Members whose membership is established by that Lot or Living Unit. In the event that more than one Member is eligible to cast the votes allocated by this section, then any such Member may cast as they determine, provided such Member is present at the meeting in person or by proxy. No Lot or Living Unit shall be entitled to more than one (1) vote.

Section 3. Presentation by Ballot. Any issue submitted to vote by the membership shall be by secret ballot. The Board of Trustees shall provide, by drop-off or mail, ballots, with a self-addressed return envelope to the Secretary, to all of the membership eligible to vote, with notice of the meeting thirty (30) days in advance of any meeting involving vote by the Membership.

Section 4. Inspectors of Election. All membership ballots shall be written and provide for the separation of name and subplot from vote before counting of votes. Two members drawn at random, or volunteered from the floor, shall verify the vote count by the board once names have been verified for eligibility and duplication. The vote of any individual member shall not be revealed to the Board or to the Membership. Said inspectors of election shall certify the number of the aggregate affirmative and negative results, which is to be published in the next subsequent newsletter after the vote.

Section 5. Proxies. Any Member may be represented at any meeting of the Membership to exercise any rights by proxy, signed by said Member and filed with the Secretary of the Association prior to or at the meeting. Said proxy (or proxies) shall be valid only for the meeting for which it is given or any re-adjournment thereof. All proxies shall be revocable and shall automatically be revoked should the Member issuing such proxy attend the meeting. A proxy shall terminate at the same time the issuer's ownership interest in a Lot or Living Unit extinguishes, or as otherwise indicated herein.

Section 6. Action by Majority. All reference in this Code of Regulations to votes of Members shall mean votes cast in accordance with this Article. Unless otherwise required by law, the Articles of Incorporation, or this Code of Regulations, the affirmative vote or a majority of the votes present in person or by proxy at a meeting at which there is a quorum shall be necessary for the authorization or taking of any action by the Membership.

ARTICLE IV: MEETINGS OF MEMBERS

Section 1. Annual Meeting. The annual meeting of the Members of the Association for the election of Trustees of the Board and the transaction of such other business as may properly be brought before such meeting shall be held within the City of Strongsville, as may be designated by either the Board or the President and specified in the notice of such meeting, at seven o'clock

p.m. or at such other time as may be designated by the Board or the President as specified in the notice of the meeting. Such annual meeting of the Members of the Association shall be held within the third quarter of each year.

Section 2. Special Meetings. A special meeting of the Membership shall be held on the call of the President, Vice President, or Secretary of the Association when any such officer deems it necessary or desirable, or when requested to do so in writing signed by Members holding 25% or more of the votes of the Membership, or by a majority of the Trustees by action with or without meeting. Calls for special meetings shall designate the time, place, and purpose thereof; and no business not mentioned in the call shall be considered at any special meeting. Special meetings may be held at any place in Strongsville, Cuyahoga County, Ohio.

Section 3. Notice. Unless otherwise provided by law, the Covenants and Restrictions, the Articles of Incorporation of the Association, or this Code of Regulations, the Secretary of the Association shall give written notice of the annual or any special meeting not less than ten (10) nor more than sixty (60) days prior thereto to each Member entitled to vote thereat at his address as it appears in the Membership Book or as supplied by such Member to the Association for purposes of notice. All such notices shall state the time, place, and purpose (or purposes) of the meeting and, if Trustees are to be elected thereat, the number of vacancies to be filled and the names of candidates nominated to fill such vacancies by the Board of Trustees or the Nominating Committee of the Association. Any Member who attends any such meeting without protesting the lack of proper notice prior to or at the commencement of the meeting shall be deemed to have waived notice of such meeting.

Section 4. Quorum. The presence at any meeting of the Membership, in person or by proxy, of Members holding not less than one-fourth (1/4) of the aggregate voting power of the Membership shall constitute a quorum. If there shall be no quorum at the time for which any meeting shall have been called, the meeting may be adjourned from time to time by a majority of notice other than by announcement at the meeting, until a quorum shall attend. At any resumption of an adjourned meeting, any business may be transacted which might have been transacted if the meeting had been held as originally called.

ARTICLE V: TRUSTEES

Section 1. Number, Qualifications, and Election. The affairs of the Association shall be managed by a board of at least three (3), but not more than five (5), Trustees, all of whom must be Members of the Association. Trustees shall be elected at each annual meeting, or if not then, at a special meeting called for the purpose of electing Trustees. The election may be by written, oral, or electronic ballot in accordance with such procedure as the Board of Trustees shall adopt from time to time. Persons receiving the largest number of votes shall be elected.

Nominations may be made from the floor by Members attending said meeting, provided the nominee's consent has been obtained and may be verified. The Board of Trustees or a Nominating Committee, prior to giving of notice of the meeting at which Trustees are to be elected, may nominate candidates for the offices of Trustees whose term is to expire that year.

Each candidate for the office of Trustee shall be a natural person, or, in the case of a corporation or partnership which is a Member, duly authorized to represent a Member, in good standing of the Association. A partnership or a corporation owning more than one Lot or Living Unit, shall be entitled to designate a separate representative for each Lot or Living Unit owned for purposes of this Section 1.

No employee or contractor to the Bent Tree Homeowners Association shall hold any position (trustee or officer) on the Board of Trustees during their employment or contract period.

Section 2. Terms of Office. The term of office of the Trustees shall be two (2) years, and shall be organized such that at least one (1) Trustee is elected each year. In no single year shall all elected Trustees be new Trustees of the Association. Each Trustee shall serve until his term expires and his successor is elected and qualified or until the earlier vacating of his office pursuant to Section 3 of this Article.

Section 3. Vacancies; Removal. The office of a Trustee shall be deemed vacant upon the death, removal, or resignation of said Trustee or at such time as said Trustee no longer meets the qualifications necessary to hold such office specified in Section 1 of this Article. Any Trustee may be removed from office, with or without cause, and the vacancy created thereby filled, by the affirmative vote of a majority of the voting power of the Membership at a special meeting of Members called for such purpose. Any Trustee may resign at any meeting, or at any other time by giving written notice to the Board of Trustees. The Board of Trustees shall appoint an interim Trustee to fill any vacancy created by the removal of a Trustee which is not filled at the time of such removal by the Membership or any other vacancy as promptly as is reasonable by the vote of a majority of the remaining Trustees then in office. Such interim Trustee shall serve until the next succeeding annual meeting of the Membership, at which, if any of the term respecting such vacancy remains unexpired, a successor Trustee shall be nominated and elected as hereinbefore provided to serve such remainder. The Trustee appointed by the Trustees to serve the interim period until such annual meeting may be elected to complete the term respecting such vacancy, and a Trustee elected by the Members to complete a term respecting a vacancy may be elected to a regular term of office as Trustee upon the expiration of his term as a successor Trustee. If no Trustees remain, the Members shall elect an entire Board in the same manner as any annual meeting at which there is a quorum present, such meeting being called for that purpose. During any period that such vacancy exists, the remaining Trustees shall continue to act with the powers and authority of the full Board of Trustees.

Section 4. Compensation of Trustees. No Trustee shall be entitled to, or shall receive, any compensation for attendance at meetings of the Board of Trustees or for other services rendered to the Association as Trustee or as a member of a committee of the Board of Trustees; provided, however, that the Board of Trustees may authorize the reimbursement to any Trustee of expenses necessarily incurred by him in the performance of his duties as Trustee.

Section 5. Meetings of Trustees. An annual meeting of the Board of Trustees shall be held immediately following each annual meeting of the Membership. Other regular meetings of the Board of Trustees shall be held at such specified regular time and place and at such intervals as shall be fixed by the Board of Trustees. Special meetings of the Board of Trustees may be held upon call of the President, the Vice President, or the Secretary, and shall be called upon request of any three (3) Trustees. All meetings of the Board of Trustees shall be held at any place in Cuyahoga County, Ohio.

Section 6. Notice of Meeting. Notice of the time and place of the annual meeting of the Board of Trustees and any special meeting of the Board of Trustees shall be served upon, mailed, or emailed to each Trustee at his address as it then appears upon the records of the Association, at least three (3) days prior to the time of the meeting. No notice shall be required for regular meetings of the Board of Trustees provided that the meeting at which the regular time and place for such regular meetings was fixed, was duly called and held, and copies of the minutes of such meeting were sent to each member of the Board not present thereat; otherwise, notice of regular meetings shall be given in the same manner as for annual and special meetings. Notice of the time and place of any meeting of the Board of Trustees may be waived, in writing, either before or after the holding of the meeting. The attendance of any Trustee at a meeting without protesting, prior to or at the commencement of the meeting, the lack of proper notice shall be deemed a waiver of the notice of the meeting.

Section 7. Quorum. To constitute a quorum at any meeting of the Board of Trustees there shall be present not less than one-half (1/2) of the Trustees then in office, but if at any meeting of the Trustees there is present less than a quorum, a majority of those present may adjourn the meeting from time to time until a quorum shall attend without any notice other than by announcement at said meeting. Each Trustee at the time any vote or action of the Board of Trustees is taken upon any matter shall be entitled to cast one vote with respect thereto. The act of a majority of the Trustees present at a meeting at which a quorum is present is the act of the Board of Trustees. No trustee may vote by proxy.

Section 8. Duties and Powers of Trustees. The Board of Trustees shall have general charge of the affairs, business, property, and assets of the Association. It shall be the duty of the Trustees to provide for the execution and discharge of the functions and responsibilities of the Association set forth in the Covenants and Restrictions and to carry out the other aims and purposes of the Association, including, without limitation, the following:

- (a) To provide by rule for regular and special meetings of the Board of Trustees and the methods of transacting business thereat. Roberts Rules of Order will be followed to conduct all meetings where the membership is present. Formal minutes will be kept by the Secretary or a designate in the Secretary's absence, for all meetings. Such minutes will be available to any member for review upon request, subject to reasonable copying expenses to be paid by the requesting member. The Board shall accept motions from the floor from any member who holds eligible voting status, except at the annual meeting or special meetings. Such motions, if seconded, shall be tabled for further information or voted upon by the Board and the affirmative and negative vote results of all Board votes shall be published, without names, in the next subsequent newsletter after the "vote".

- (b) To establish uniform, reasonable rules governing the use of the Common Properties by Members and guests, including, by way of example and not limitation, the setting of reasonable admission fees and other fees for such use, and the conditions under which and extent to which persons other than Members, may be permitted to use such property;
- (c) To provide for the operation, maintenance, construction, repair, and replacement of common recreational and landscaped areas and facilities of the Association, and for the protection of the Association's property, real estate, equipment, and recreational facilities; to purchase additional equipment and other items deemed advisable (excluding real estate); and to provide for the Association, its members, and their guests in the use of the Association's property and facilities. The total of Board disbursements may not exceed available funds in the same budget year. A single capital improvement in excess of \$5,000.00, not otherwise mandated by Local, County, State, or Federal law, must be approved by the affirmative vote of the majority of the eligible Members voting. A minimum of three (3) competitive bids must be solicited before any annual or other contractor award is made.
- (d) To exercise on behalf of the Association such rights of approval as may be required or permitted by this Code of Regulations or in the Covenants and Restrictions;
- (e) To levy annual dues and/or propose special assessments when appropriate in accordance with Article IX hereof against each Lot and Living Unit and to collect and disburse the same;
- (f) To specify in accordance with the provisions of Article II, Section 2, hereof, by general Rule or by Resolution in a particular instance, infractions which constitute grounds for the suspension from use of the Association's property;
- (g) To supervise compliance with and, when necessary, to enforce the Covenants and Restrictions, the Rules and Regulations promulgated by the Board of Trustees, the provisions of the Articles of Incorporation of the Association and the provisions of this Code of Regulations;
- (h) To bring suit, at law and in equity, to enforce the restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of the Covenants and Restrictions or this Code of Regulations;
- (i) To prepare, or cause to be prepared a roster of the Lots and Living Units in the Bent Tree Subdivisions and a list showing the status of payment of assessments applicable thereto, which roster and list shall be open to inspection by any Member;
- (j) To require the bonding of all officers and other persons regularly handling Association funds, the premiums for which shall be paid by the Association;

- (k) To provide for the publication and distribution to Members of Rules and Regulations, Notices, and other information (including, in the discretion of the Board of Trustees, general social information of interest to Members); and
- (l) To inform new residents of their privileges and obligations as Owners of a Lot or Living Unit.

Section 9. Action Without a Meeting. Any action which may be authorized or taken at a meeting of the Members or of the Trustees, as the case may be, may be authorized or taken without a meeting with the affirmative vote or approval of, and in a writing signed by, all of the Members or all of the Trustees, as the case may be, who would be entitled to notice of a meeting for such purpose, or, in the case of Members, such other proportion or number of voting members, not less than a majority, as the Articles of Incorporation, Declaration, or Bylaws permit. Any such writings shall be filed with or entered upon the records of the corporation. Any certificate with respect to the authorization or taking of any action which is required to be filed in the office of the Secretary of State shall recite that the authorization or taking of such action was in a writing or writings approved and signed as specified in this section. This section is authorized consistent with Section 1702.25 of the Ohio Revised Code.

ARTICLE VI: OFFICERS

Section 1. Election and Qualifications of Officers. The Board of Trustees at each annual meeting of the Board or, if not thereat, at any meeting of Trustees called for such purpose shall elect the following officers, each to serve at the pleasure of the Board until the next annual meeting of the Board of Trustees and until his successor is elected and qualified or until his earlier death or removal from office – a President, a Vice President, a Secretary, and a Treasurer, and such other additional Vice Presidents and officers or assistant officers as the Board of Trustees may deem necessary. The President shall be a Trustee, but the remaining officers need not be either Trustees or Members. Vacancies in any of the above-named offices shall be filled by the Board of Trustees for the unexpired term within thirty (30) days after the occurrence thereof. No officer shall be entitled to, or shall receive, any compensation for services rendered to the Association as an officer; provided, however, that the Board of Trustees may authorize the reimbursement to any officer of expense necessarily incurred by him in the performance of his duties as an officer. Should only three (3) individuals preside on the Board, two (2) offices may be filled by one (1) Trustee, except that the President cannot perform a second Officer position.

Section 2. The President. The President shall preside at all meetings of the Membership and the Board of Trustees, be permitted to sign all checks and notes of the Association, and perform generally all duties usual and incident to such office, and such other and further duties as may from time to time be required of him by the Membership or the Board of Trustees. He shall be, ex officio, a member of all committees.

Section 3. The Vice-President. The Vice-President shall be permitted to sign all checks and notes of the Association (except those signed by the President), perform generally all duties usual and incident to such office, such other and further duties as may from time to time be required of him by the Membership, the Board of Trustees, or the President and all the duties of the President in the case of the latter's absence or disability. In case both the President and Vice President are absent or unable to perform their duties, the Board of Trustees may appoint a President pro tempore.

Section 4. The Secretary. The Secretary shall keep or cause to be kept the Membership Book in accordance with Article II, Section 3 hereof, a record of the names and addresses of all Trustees, the date each Trustee became such and upon termination of a trusteeship for any cause, the date thereof and the facts relating thereto, and an accurate record of all proceedings at meetings of the Membership, of the Board of Trustees, and of Committees. He shall give all notices required by law or by this Code of Regulations. He shall keep a proper secretary's book, which may be included in the book containing the minutes of proceedings of the Membership, Board of Trustees, and Committees, and record therein all minutes of the meetings of the Membership, the Board of Trustees, and Committees, and such other matters as shall be proper and necessary. He generally shall perform all duties usual and incident to such office and such other and further duties as may be required of him by the Membership, the Board of Trustees, or the President.

Section 5. The Treasurer. The Treasurer shall receive and safely keep all monies and funds belonging to the Association. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Trustees; provided, however, that a resolution of the Board of Trustees shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board of Trustees. The Treasurer, in conjunction with the President or Vice President, shall be permitted to sign all checks and notes of the Association. Proper vouchers shall be taken for all disbursements. He shall keep an accurate account of the finances of the Association, and all such accounts shall be open for inspection by the Board of Trustees or any committee of Members appointed for the purpose by the Membership. He shall make or cause to be made an annual audit of the Association books at the completion of each fiscal year, prepare an annual budget, an annual income statement and an annual balance sheet statement to be submitted to the Membership at each annual meeting thereof and shall render an account of the standing of the Association at such meeting and at such other times as the Board of Trustees may require. He shall perform generally all duties usual and incident to such office and such other and further duties as may be required of him by the Membership, Board of Trustees, or the President. He shall give bond in amount and with sureties to the approval of said Board of Trustees for the faithful performance of his duties, the premium for which shall be paid by the Association.

Section 6. Removal. Any officer may be removed from office, with or without cause, by the affirmative vote of a majority of the Trustees. The President shall be removed from office upon ceasing to be a Trustee.

Section 7. Delegation of Duties. In the absence of any officer of the Association, or for any other reasons the Board of Trustees may deem sufficient, the Board may delegate, from time to time, any and all powers and duties of such officer to any other officer or to any Trustee.

ARTICLE VII: COMMITTEES

Section 1. Committees of Trustees. The Board of Trustees may from time to time create a committee or committees of Trustees who shall serve at the pleasure of the Board to act in the intervals between meetings of the Board of Trustees and may delegate to such committee or committees all or any portion of the authority of the Board of Trustees other than that of filling any vacancy on the Board of Trustees or any committee of the Trustees. No committee shall consist of less than three (3) Trustees. The Trustees shall appoint the members of any such committee and may appoint one or more Trustees as alternate members of any such committee, who may take the place of any absent member or members at any meeting or such committee. Without limiting the generality of the foregoing, the Board of Trustees specifically may create the following committees:

- a. Executive Committee. The Board of Trustees may create and define the powers and duties of an Executive Committee. Such committee shall include the President. Except as aforesaid and except to the extent that its powers are limited by the Board of Trustees, the Executive Committee during the intervals between the meetings of the Board of Trustees shall possess and may exercise, subject to the control and direction of the Board of Trustees, all of the powers of the Board of Trustees with respect to the management and control of the affairs of the Association regardless of whether such powers are specifically conferred by this Code of Regulations. All actions taken by the Executive Committee shall be reported to the Board of Trustees at the first meeting of the Board thereafter.
- b. Nominating Committee. The Board of Trustees may create one or more nominating committees which shall propose to the Membership nominees for Trustees and to the Board nominees for officers, each such committee proposing nominees for such offices as the Board of Trustees shall direct.
- c. Architecture and Design Committee. The Board of Trustees may create an Architecture and Design Committee. The Association shall act through the Board of Trustees or, in lieu thereof, said Committee to exercise any and all rights granted it by and to fulfill any and all responsibilities incumbent upon it under the Covenants and Restrictions, particularly Article VI thereof, with respect to the approval or disapproval of proposals, plans, designs, specifications and applications submitted by an Owner concerning: the location, placement, design, erection, construction, reconstruction, alteration, or retention of certain structures; structural alteration or maintenance of exteriors; care and landscaping of grounds; and certain uses of a Lot or Living Unit, all as set forth in the Covenants and Restrictions. When acting in this capacity, the Board of Trustees or the Committee shall enter all

decisions rendered in the minutes of the meeting, and a copy of the pertinent extracts of such minutes shall be given to said Owner. The Board of Trustees or the Committee shall have the right to establish reasonable rules and regulations for the submission and consideration of and the taking of action upon such required documentation as it is required to pass upon by this Code of Regulations or the Covenants and Restrictions. All such plans, designs, proposals, specifications, and applications shall be submitted in writing and shall set forth in reasonable detail such information as the Board of Trustees or the Committee requires, including without limitation, the dimensions, type and style of, and the materials to be used to construct any structure subject to review pursuant hereto. Any approval of any particular application, design, plan, specification, or proposal shall not be a waiver of the right to reject any similar or identical application, design, plan, or proposal thereafter. In the event the Committee or the Board of Trustees fails to initiate its review of any such plan, design, proposal, specification, or application within ninety (90) days after the same has been submitted to it, approval will be deemed rejected, and this Article will not be considered as having been complied with.

In addition, the Committee may advise the Board of Trustees regarding any proposals, programs, or activities which come to its attention and which may affect the residential value of the Lots and Living Units in the Bent Tree Subdivisions.

Section 2. Committees Including Non-Trustees. The Board of Trustees may from time to time create a committee or committees which may include persons who are not Trustees to make investigations, evaluations, recommendations, and reports to the Board of Trustees. The Board of Trustees shall appoint the members, at least one of whom shall be a Trustee, of any such committee to serve at the pleasure of the Board. None of the powers of the Board of Trustees may be exercised by any such committee. Without limiting the generality of the foregoing, the Board of Trustees specifically may create the following committees:

- a. Recreation Committee. The Recreation Committee shall advise the Board of Trustees on all matters pertaining to the recreational program and activities of the Association and shall perform such other functions as the Board of Trustees, in its discretion, determines.
- b. Maintenance Committee. The Maintenance Committee shall advise the Board of Trustees on all matters pertaining to the maintenance, repair, or improvement of the Common Properties of the Association, and shall perform such other functions as the Board of Trustees, in its discretion, determines.
- c. Audit Committee. The Audit Committee shall supervise any audit of the Association's books and approve the annual budget, income statement and balance sheet statement to be presented to the Membership at its regular annual meeting. The Treasurer shall be an ex officio member of this Committee.

Section 3. Committee Procedures. Each committee shall keep a record and account of its proceedings and transactions. Except as otherwise required by this Code of Regulations, all actions by any Committee shall be reported to the Board of Trustees at the Board's meeting next succeeding such action, and shall be subject to control, revision, and alteration by the Board of

Trustees; provided that no rights of third persons shall be prejudicially affected thereby if the original action of the committee was within the scope of its authority and responsibility. Each committee shall fix its own rules of procedure and shall meet as provided by such rules, by resolution of the Board of Trustees or at the call of the President. Unless otherwise provided by such rules or such resolution, the provisions of Article V, Section 6, relating to the notice required to be given for special meetings of the Board of Trustees shall also apply to meeting of each committee. A committee may act without a meeting in writing, by email, or by telephone with written confirmation, but no such action without a meeting shall be effective unless concurred in by all members of the committee. Vacancies in each committee shall be filled by the Board of Trustees or as the Board may provide.

ARTICLE VIII: INDEMNIFICATION AND INSURANCE

Section 1. Authorization. The Association shall indemnify in accordance with and to the extent permitted by the terms and provisions of Ohio Revised Code 1702.12(E), as the same may be amended from time to time, any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that he is or was a Trustee or officer of the Association, or is or was serving at the request of the Association, as a Trustee, director, officer, employee, or agent of another corporation (domestic or foreign, non-profit or for profit), partnership, joint venture, trust, or other enterprise.

Each employee, and each retired employee, who is or has been party to a written employment agreement with the Association (excluding agreements to which such employee is only indirectly a party, such as labor union contracts) may be indemnified in the same manner and to the same extent as provided above for a Trustee or officer.

The indemnification provided by this Section shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under the Articles of Incorporation of the Association, this Code of Regulations, any agreement or vote of the Membership or disinterested Trustees, or otherwise, both as to the action in his official capacity and as to action in another capacity while holding such office, shall continue as to a person who has ceased to be a Trustee, officer, employee or retired employee and shall inure to the benefit of the heirs, executors, and administrators of any person entitled thereto.

Section 2. Insurance. The Association may purchase and maintain insurance on behalf of any person who is or was a Trustee, officer, employee, or designated agent of the Association, or is or was serving at the request of the Association as a Trustee, director, officer, employee, or designated agent of another corporation (domestic or foreign, non-profit or for profit), partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this Article or of Chapter 1702 of the Ohio Revised Code.

ARTICLE IX: ASSESSMENTS

Section 1. Creation of Lien and Personal Obligations for Assessments. The Association shall have the power to levy pursuant to the authority granted it by the Covenants and Regulations (1) annual assessments or charges and (2) special assessments, such assessments to be established and collected as hereinafter provided. Any annual or special assessments, together with such interest, costs, and reasonable attorneys fees as are imposed in accordance with this Article, all of which shall be deemed to be a constituent part of such assessment, shall be, as provided herein, a charge on the land and a continuing lien upon the Lot or Living Unit of said Member against which each such assessment is made and shall bind such Lot or Living Unit in the hands of the then Owner or Owners, and his or their heirs, devisees, personal representatives, successors in title, and assigns. Each such assessment, together with said interest, costs, and reasonable attorneys fees shall also be the personal obligation of such Owner or Owners of the Lot or Living Unit at the time when the assessment falls due. The personal obligation for assessments which are due and payable shall pass to any successor in title who shall be deemed to have expressly assumed such obligation upon the purchase of such Lot or Living Unit. Each Member who is personally obligated to pay any annual and/or special assessment levied in accordance herewith shall be notified promptly in writing of the levy of such annual and/or special assessment and the amount said Member is to pay, and said notice may be provided electronically to an address provided by the Member to the Board for such purpose. No Member shall be relieved of any liability for the assessments provided for herein by the non-use of the Common Properties of the Association, whether voluntary or by reason of a suspension of privileges pursuant to Article II hereof, or by the fact that there is no one residing on the Lot or Living Unit which is subject to the assessment.

Section 2. Purpose of Annual Assessments. The annual assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the Membership and, in particular, to defray the expenses incurred for the construction, repair, operation, replacement, and maintenance of the recreational and landscaped areas and facilities on the Common Properties, for the provision of services related to the use and enjoyment of such Common Properties, and for administering the affairs of the Association, including, but not limited to, the payment of taxes and insurance thereon, the cost of repair, replacement and additions thereto, and the cost of labor, equipment and materials in connection with the management, operation, and supervision thereof.

Section 3. Levy of Annual Assessment. The annual assessment for the following year shall be levied annually by the Board of Trustees, prior to the date of the annual meeting of the Membership, in such amount as in its discretion shall be reasonably necessary to meet expenses anticipated during the ensuing year and to accumulate reasonable reserves for future operating expenditures. The Members may, by exercising not less than a majority of the voting power of the Association, waive the reserve requirement annually.

At said annual meeting of the Membership, the amount of the annual assessment for the following year as levied by the Board of Trustees may be increased or decreased by the affirmative vote of the majority of those Members present at the annual meeting in person or by proxy. The annual assessment shall be the same amount for each Lot or Living Unit irrespective of size and location.

Section 4. Special Assessments for Capital Improvements. Anything in this Article to the contrary notwithstanding, in addition to the assessments authorized above, the Association may levy a special assessment in the same amount for each Lot or Living Unit applicable to a specified number of years for the purposes of: defraying in whole or in part the cost of any construction, reconstruction, repair, or replacement of a capital improvement upon the Common Properties, including fixtures and personal property related thereto; making other capital expenditures, including without limitation, the acquisition of additional property for use as Common Properties, and defraying emergency, operating, maintenance, or repair costs and any deficit which remains in any year after the funds generated by the annual assessment for such year have been exhausted; provided, however, that any such special assessment shall have the assent of two-thirds (2/3) of the voting power of the Membership at a meeting noticed thirty (30) days in advance of the date of said meeting stating that a special assessment for a stated purpose or purposes will be considered and voted upon at such meeting.

Section 5. Due Dates of Assessments. The annual assessment shall be due and payable on or before March 1 of the year for which it is levied. The due date of any special assessment or installment thereof shall be fixed in the Resolution of the Membership authorizing such assessment, and written notice of such special assessment or installment thereof shall be given to each Owner subject to thereto thirty (30) days in advance of such due date.

Section 6. Effect of Nonpayment of Assessments; Remedies of the Association. If any assessment or installment thereof levied in accordance herewith is not paid within sixty (60) days after the same has become due and payable, then such assessment or installment shall be deemed to be in default. Any assessment or installment which shall be deemed to be in default shall be subject to a late charge of Twenty-Five Dollars (\$25.00) and shall bear interest beginning sixty (60) days after the due date thereof at the rate of ten percent (10%) per annum or at such other rate as may be set by the Board of Trustees, and in addition there shall be added to the amount of such assessment any costs of collection including but not limited to reasonable attorneys fees, and all of the foregoing shall be a charge upon each Lot or Living Unit subject thereto. Such default shall constitute the grant of a lien to the Association upon such Lot or Living Unit and upon the ownership interest of any Owner of such Lot or Living Unit. Upon the occurrence of such default, the Association may immediately file a Notice of Lien with respect thereto stating the amount due, signed by the President and Secretary of the Association and duly acknowledged and witnessed, in the office of the Recorder of Cuyahoga County, Ohio. The Association shall give written notice of such default to any Member who is in arrears if the amount owed is not paid within thirty (30) days of such notice, the Association may bring an action at law against the Owner or Owners personally obligated to pay the same or to foreclose the lien against the Lot or Living Unit, or pursue both remedies, and there shall be added to the amount of such assessment the interest due and the costs of collection, including without limitation, the cost of preparing and filing a complaint in such action or actions and reasonable attorneys fees, and in the event a judgment is obtained, such judgment shall include the assessment as above provided and a reasonable attorneys fee award fixed by the court together with the costs of the action.

Statements with respect to the existence and amount of unpaid liens and assessments on any Lot or Living Unit shall be provided by the Association to any prospective purchaser or mortgagee of

said Lot or Living Unit upon request. All payments shall be applied consistent with R.C. § 5312.11(B).

Section 7. Exempt Property. The following property shall be exempted from the assessments and liens described herein:

- a. All properties to the extent of any easement or other interest therein dedicated and accepted by the local public authority and devoted to public use;
- b. The Common Properties and the Cluster Housing Properties (except with respect to any assessment levied or lien imposed on any undivided fee interest therein concomitant with the assessment levied against or imposition of a lien on any Living Unit); and
- c. All properties exempted from taxation by the laws of the State of Ohio, upon the terms and to the extent of such legal exemption.

Notwithstanding any other provisions herein, no Lot or Living Unit devoted to dwelling use shall be exempt from said assessments or liens.

ARTICLE X: OPERATION OF COMMON PROPERTIES

Section 1. The Association shall have the power:

- a. To borrow money for the purpose of improving the Common Properties and in aid thereof to mortgage said properties. In the event of default upon any such mortgage, the mortgagee shall have a right, after taking possession of such properties, to charge admission and other fees as a condition to the continued enjoyment by the Members, and, if necessary, to open the enjoyment of such properties to a wider public until the mortgage debt is satisfied, whereupon the possession of such properties shall be returned to the Association and all rights of the Members shall be fully restored;
- b. To take such steps as are reasonably necessary to protect the Common Properties against foreclosure, including without limitation, to exercise all rights that would be granted to a mortgagee in accordance with Subsection “a”;
- c. To issue annual permits to non-Members for the use of all or part of the Common Properties; and
- d. To dedicate and transfer all or any part of the Common Properties to any municipality or any public agency, authority, or utility.

Section 2. Any such power enumerated in Section 1 of this Article may be exercised for such purposes, upon such terms and subject to such conditions as may be determined by the Trustees; provided, however, that any such action of the Trustees shall be approved and ratified at a meeting of the Members by the affirmative vote of Members entitled to exercise two-thirds (2/3) of the voting power of the Membership.

ARTICLE XI: GENERAL PROVISIONS

Section 1. The Association shall have no seal.

Section 2. Member Information. Each Member and Trustee, upon becoming such, shall forthwith advise the Secretary of the Association of his then address and likewise shall promptly report any change in address or any change in his/her status as such.

Section 3. Construction. Whenever the context shall so require, the singular shall mean the plural, the male gender shall include the female gender and/or the neuter and vice versa.

Section 4. Fiscal Year. The Association's fiscal year shall be determined by the Board of Trustees from time to time.

Section 5. Notice. Any notice, instrument, or communication which by the provisions of this Code of Regulations is required or permitted to be given or served shall be deemed to have been sufficiently given or served by personal delivery to the party for whom it is intended or to his residence, or by being deposited, postage prepaid, registered or certified mail, return receipt requested, in the United States mail, addressed to the party for whom it is intended at the physical or electronic address, as appropriate under the circumstances, shown in the Membership Book or supplied by such party to the Association for purpose of notice. Any such notice shall be effective upon such service, and any period of time based on such notice shall commence upon such service, except that when service is made by mail as provided herein, two days shall be added to any such period of time.

Section 6. Repeals and Amendments. The Code of Regulations may be repealed, modified, amended, or added to consistent with Article VII of the Declaration. Such votes shall be cast and accepted in accordance with Article III of this Code of Regulations.

Section 7. Precedence of Covenants and Restrictions. Notwithstanding any other provision in this Code of Regulations to the contrary, to the extent that any provision hereof conflicts in any manner with the Covenants and Restrictions of the Declaration, the Declaration shall govern, and no action shall be taken by or on behalf of the Association and no repeal, amendment of any provision hereof or addition of a provision hereto shall be permitted which would conflict with the Declaration.