

**ASSOCIATION BYLAWS FOR
TIMBER LANE ESTATES LOT OWNERS ASSOCIATION**

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**ASSOCIATION BYLAWS FOR
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**ARTICLE I
NAME OF THE CORPORATION**

The name of the corporation is Timber Lane Estates Lot Owners Association, (the “Association”).

**ARTICLE II
DEFINITIONS AND INTERPRETATION**

2.01 Definitions Defined in Restrictions. The words used in these Bylaws will be given their normal, commonly understood definitions, unless the terms are specifically defined in any applicable Declaration of Covenants and Restrictions, as amended, (collectively referred to herein as the “Restrictions” or “Declaration”) whereby the definitions in the Restrictions will control. In order to minimize repetition, some terms are capitalized to indicate that they have specific definitions.

2.02 Interpretation and Purpose of Bylaws. These Bylaws are to be interpreted by the law of the State of Michigan. The purpose of these Bylaws is to govern the Association, its Board of Directors, the Members and the relationship between the Association and the Subdivisions.

2.03 Controlling Law and Instruments. In conjunction with the Restrictions, these Bylaws are governed by the laws of the State of Michigan, including but not limited to the Nonprofit Corporation Act, Act 162 of 1982, as amended.

**ARTICLE III
MEETINGS AND ACTIONS OF MEMBERS**

3.01 Annual Meetings. The annual meeting of Members of the Association will be held in the month of May in Berrien County, Michigan, at such time and place as will be determined by the Board of Directors. The Board of Directors may, acting by a majority vote, change the date of the annual meeting in any given year, provided that at least one such meeting is held in each calendar year. Provided there are no objections, the President may vary the order of the business of the annual meeting. Requirements of the annual meeting shall include:

- (a) Reading of the minutes of the preceding meeting;
- (b) Report of the President;
- (c) Report of the Secretary;
- (d) Report of the Treasurer;
- (e) Transaction of other business;
- (f) Election of Directors; and
- (g) Adjournment.

3.02 Special Meetings. It will be the duty of the President to call a special meeting of the Members as directed by resolution of the Board of Directors. The President will also call a special meeting upon a petition signed by one-half (1/2) of the Members in number in good standing presented to the Secretary of the Association. Notice of any special meeting will state the time, place and purpose of such meeting. No business will be transacted at a special meeting except as stated in the notice.

3.03 Notice of Meetings. It shall be the duty of the Secretary (or other Association officer in the Secretary's absence) to serve a notice of each annual or special meeting, stating the time, place and purpose of the meeting, upon each Member, at least ten (10) days, but not more than sixty (60) days, prior to such meeting. The mailing, postage prepaid, of a notice to the representative of each Member to the address of the Lot shall be deemed notice served. Said notice may also be hand delivered to a Lot if the Lot address is designated as the voting representative's address and/or the Member is a resident of the Lot. Electronic transmittal of such notice may also be given in any such manner authorized by the person entitled to receive the notice which does not directly involve the physical transmission of paper which creates a record that may be retrieved and retained by the recipient and which may be directly reproduced in paper form by the recipient through an automated process.

3.04 Waiver of Notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Waiver of notice of a meeting of the Members will be deemed the equivalent of proper notice. Attendance at a meeting by a Member will be deemed waived by such Member of notice of the time, date, and place thereof, unless such a Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting also will be deemed waiver of notice of all business transacted at such meeting unless an objection on the basis of lack of proper notice is raised before the business is put to vote.

3.05 Quorum. The presence in person or by proxy of twenty (20%) percent of the lots qualified to vote shall constitute a quorum for holding a meeting of the Members of the Association, except for voting on questions specifically required herein to require a greater quorum. The written vote of any person furnished at or prior to any duly called meeting at which meeting said person is not otherwise present in person or by proxy, or by such date as is established for voting in cases where no meeting is held, shall be counted in determining the presence of a quorum with respect to the question upon which the vote is cast. Any Member who participates by remote communication in a meeting of Members of the Association, as provided in Section 3.13 below, shall also be counted in determining the necessary quorum.

3.06 Proxies and Absentee Ballots. At all meetings of Members, each Member may vote in person, by absentee ballot or by proxy. Votes may be cast by mail, fax, delivery, electronically (by any method not directly involving the physical transmission of paper, which creates a record that may be retrieved and retained by the Association and may be directly reproduced in paper form by the Association through an automated process), or any other method approved by the Association in advance of the vote. Cumulative voting shall not be permitted. Proxies and absentee ballots may be submitted as follows:

A. **Proxies** - A “proxy”, for purposes of these Bylaws, must be in writing that authorizes another Member to vote on behalf of the Member who is giving the proxy. A proxy must be signed by the Member giving the proxy and must list the date on which the proxy begins. No proxy is valid for longer than sixty (60) days, provided, however that the Member giving the proxy may indicate on the proxy that it is valid for a shorter period of time. Every proxy is revocable upon the filing of a written notice with the Association by the Member who gave the proxy stating that the proxy is revoked. A proxy is automatically revoked upon the conveyance by the Member of his or her Lot. All proxies must be filed with the Secretary of the Association prior to the start of a meeting to be utilized at a meeting of the Association. In the event of any conflict between two or more proxies purporting to cover the same voting rights, the later dated proxy will prevail unless both proxies are dated the same date, in which case both will be deemed invalid.

B. **Absentee Ballots** - An “absentee ballot” is a writing whereby a Member votes on a particular issue or for a Director of the Board of Directors by executing and filing an absentee ballot ahead of time and in accordance with any applicable Rules and Regulations. All absentee ballots must be in writing and filed with the Secretary. An absentee ballot will be valid for only one (1) meeting. Once a valid absentee ballot is filed with the Secretary, it will not be revocable except due to transfer or conveyance of the Lot involved. An absentee ballot will automatically be revoked if the Member conveys his or her Lot before the meeting involved.

No Member who has filed or cast an absentee ballot may authorize a proxy for the same vote. If there is a conflict between an absentee ballot and a proxy for a given vote, the absentee ballot will govern. The Board of Directors will be empowered to adopt reasonable rules and regulations regarding the form of the proxies and absentee ballots, as well as procedures for their utilization. If a conflict or ambiguity arises regarding the use of a proxy or absentee ballot, the Board of directors will be the final Judge. Proxies and absentee ballots will count towards a quorum of Members.

3.07 Adjournment of Meetings. If any meeting of the Association cannot be held because a quorum is not present, a majority of the Members who are present at such meeting may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. The quorum for each subsequent meeting will be reduced by one-half from the quorum requirement of the previously scheduled meeting. At the reconvened meeting, if a quorum is present, any business may be transacted which might have been transacted at the meeting originally called. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting will be given to Members in the manner prescribed for regular meetings. The Members present at a duly called or held meeting at which a quorum is initially present may continue to do business until adjournment, notwithstanding the withdrawal of some Members leaving less than a quorum, provided that any action taken is approved by at least a majority of the votes required to constitute a quorum.

3.08 Designation of Voting Representative and Lot Contact. Each Lot owner shall file a written notice with the Association designating the individual representative who will vote

at meetings of the Association and receive all notices and other communications from the Association on behalf of such Lot. The notice will state the name and address of the individual representative designated, identify the Lot or Lots owned, and the name and address of each person, firm, corporation, partnership, limited liability company, association, trust or other entity that is also an owner. The notice shall also provide an emergency contact phone number for the representative. Such notice will be signed and dated by each owner. The individual representative designated may be changed by the owner at any time by filing a new notice in the manner herein provided. At any meeting the filing of such written notice as a prerequisite to voting may be waived by the chairperson of the meeting.

3.09 Voting. Each Lot shall be entitled to one vote at any meeting of the Members. In addition to other remedies, the voting rights of any Member as a Member of the Association whose assessments or charges of any kind are past due will be suspended, as will the Member's rights to run for or serve as a director or officer of the Association.

3.10 Majority. For voting purposes, a majority means those votes by Members in good standing totaling more than fifty percent (50%) of the total eligible number of Lots. A vote requiring the approval of a majority (or other specified percentage) of the Members or Lots will be construed to mean, unless otherwise stated, a majority (or other specified percentage) of the votes cast by those qualified to vote; except that the affirmative vote of more than fifty (50%) percent of all Members qualified to vote is required for the removal of a director.

3.11 Conduct of Meetings. The President, or someone appointed by the President, will preside over all meetings of the Association, and the Secretary will keep the minutes of the meetings and record in a minute book, or electronically, all resolutions adopted and all other transactions occurring at such meetings. The Secretary may record any such meeting for the purpose of assisting in keeping the minutes. If a meeting is recorded, then thirty (30) days after the minutes of a meeting are approved the Secretary may destroy or otherwise dispose of any recordings created for the purpose of taking minutes.

3.12 Action Without Meeting (Members). Unless otherwise prohibited by Michigan law, any action required or permitted by law to be taken at a meeting of the Members, except for the election or removal of directors, may be taken by written vote of the Members or by ballot cast by mail without a meeting, in accordance with the following procedure:

- A. The Secretary will send written notice of the proposed action for which consent is requested to each Member entitled to vote at least ten (10) days prior to the deadline for returning the ballots or consents. The notice will be accompanied by a ballot or consent form which:
 - (i) describes the proposed action;
 - (ii) identifies the number of responses needed to meet the quorum requirements;
 - (iii) identifies the percentage of approvals necessary to approve the action;

- (iv) provides a place to indicate, in the case of a ballot, how the Member's vote is to be cast, or in the case of a consent, the Member's approval or disapproval of, or consent to the proposed action;
 - (v) provides a method of identifying the Member and the Lot for which the ballot is cast or consent is given, and in the case of a consent, a place for the Member's signature; and
 - (vi) indicates the address to which each completed forms should be returned and the time by which written votes must be received in order to be counted.
- B. The form of written vote will afford an opportunity to specify a choice between approval and disapproval of each matter and will provide that, where the Member specifies a choice, the vote will be cast in accordance with that choice. The proposed action will be deemed approved if ballots or consents approving the action are received from Members holding at least the minimum number of votes necessary to authorize such action at a meeting if all Members entitled to vote on the matter were present, and such ballots or consents will have the same force and effect as a vote of the Members at a meeting. The ballots or consents will be filed with the minutes of the Association. Within ten (10) days after receiving authorization for any action by written consent, the Secretary will give written notice to all Members entitled to vote fairly summarizing the material features of the authorized action.

3.13 Participation by Remote Communication. A Member may participate in a meeting of the Members by a conference telephone or by other means of remote communication through which all persons participating in the meeting may hear each other, if the Board determines to permit such participation and (a) the means of remote communication permitted are included in the notice of the meeting or (b) if notice is waived or not required. All participants shall be advised of the means of remote communication in use and the names of the participants in the meeting shall be divulged to all participants. Members participating in a meeting by means of remote communication are considered present in person and may vote at such meeting if all of the following are met: (a) the Association implements reasonable measures to verify that each person considered present and permitted to vote at the meeting by means of remote communication is a Member or proxy holder; (b) the Association implements reasonable measures to provide each Member and proxy holder a reasonable opportunity to participate in the meeting and to vote on matters submitted to the Members, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with the proceedings; and (c) if any Member or proxy holder votes or takes other action at the meeting by means of remote communication, a record of the vote or other action is maintained by the Association. A Member may be present and vote at an adjourned meeting of the Members by means of remote communication in the original meetings notice given. The Board may hold a meeting of the Members conducted solely by means of remote communication.

**ARTICLE IV
BOARD OF DIRECTORS**

4.01 Governing Body; Composition; Number of Directors. The affairs of the Association will be governed by a Board of Directors, each of whom will have one equal vote. The Board of Directors shall consist of seven (7) Directors. The determination of how many members shall sit on the Board of Directors shall be made by the Board of Directors for each year prior to the election of the incoming Directors.

4.02 Qualifications. The Directors must be Members. In the case of a Member who is not a natural person, any officer, director, partner, manager or trust officer of such Member will be eligible to serve as a Director unless otherwise specified by written notice to the Association signed by such Member; however, no Member may have more than one such representative on the Board at a time. Good standing will be deemed to include a Member who is not in default of any of the provisions of the Articles of Incorporation, the Restrictions, these Bylaws or any Rules and Regulations. A Member who is not in good standing will not be qualified to be elected or appointed as a Director of the Association. Any Director who is delinquent in any financial obligation owed to the Association, including late fees, will pay in full the amount due within sixty (60) days of the delinquency. During the period of delinquency, the Director will not be permitted to vote on any delinquency matter of another Member, including matters that may affect the Director's own Lot. If the Director does not comply with the delinquency cure time period, the Director will be deemed removed from the Board of Directors for the remainder of the Director's term and the vacancy will be filled in accordance with these Bylaws.

4.03 Term of Office. The term of each Director shall be two (2) years. At each annual meeting the Directors whose terms are expiring shall stand for election. At the first annual meeting following adoption of these Bylaws, the Members shall elect seven directors to the Board of Directors. The four elected directors receiving the four highest number of votes shall serve for initial two-year terms. The three elected directors receiving the next-highest number of votes shall serve an initial one-year term. In this way the Members shall elect either four or three directors at each annual meeting depending on the number of directors whose terms expire that year. All Directors shall hold office until their successors have been elected and hold their first meeting.

4.04 Elections and Election Procedures. Each Member may cast all votes assigned to the Member's Lot(s) for each officer position and each at-large position on the Board of Directors to be filled by such election. There will be no cumulative voting. The number of candidates equal to the number of positions to be filled receiving the greatest number of votes will be elected. Officers and Directors may be elected to serve any number of consecutive terms.

4.05 Removal of Directors by Members. At any regular or special meeting of the Association duly called and held, any one or more of the Directors may be removed with or without cause by the affirmative vote of more than fifty (50%) percent of all eligible Members, and a successor may then and there be elected to fill the vacancy thus created by the affirmative vote of a majority of votes cast by eligible Members. The quorum requirement for the purpose of filling such vacancy will be twenty percent (20%). Any Director whose removal has been proposed by

the Members will be given an opportunity to be heard at the meeting. All other vacancies shall be filled in accordance with Section 4.06.

4.06 Vacancies and Appointments. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Members of the Association will be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum. Each person so appointed will be a Director until the end of the term of the Director who was replaced and a successor is elected at such annual meeting of the Association.

4.07 Compensation. Directors will serve without compensation. Directors may be reimbursed for reasonable expenses incurred for the benefit of the Association only by unanimous consent of the Board of Directors.

4.08 Powers and Duties. The Board of Directors will have all powers necessary for the administration of the Association's affairs and for performing all responsibilities and exercising all rights of the Association as set forth in the Restrictions, as amended, Articles of Incorporation, these Bylaws, any Rules and Regulations, and as provided by law. The Board may do or cause to be done, without a vote of the membership, all acts and things except those as to which the Restrictions, Articles of Incorporation, these Bylaws, any Rules and Regulations or Michigan law require a vote of the membership. The duties of the Board will include, without limitation:

- A. To protect and enhance the individual and collective rights of the Members of the Association and to assure the protection of the natural environment of the Subdivisions in accordance with the Declarations. The "Subdivisions" being: (i) Timber Lane Estates, according to the Plat thereof, recorded in Liber 23 of Plats, page 25 of Berrien County Records; (ii) Timber Lane Estates No. 2, according to the Plat thereof, recorded in Liber 23 of Plats, page 35 of Berrien County Records; (iii) Timber Lane Estates No. 3, according to the Plat thereof, recorded in Liber 23 of Plats, page 50 of Berrien County Records; (iv) Timber Lane Estates No. 3, according to the Plat thereof, recorded in Liber 24 of Plats, page 5 of Berrien County Records; and (v) Timber Lane Estates No. 4, according to the Plat thereof, recorded in Liber 24 of Plats, page 15 of Berrien County Records. The "Declarations" being: (i) Declaration of Covenants and Restrictions for Replat of Timber Lane Estates, recorded February 7, 1980, in Liber 1121, Page 689, Berrien County Records; (ii) Declaration of Covenants and Restrictions for Replat of Timber Lane Estates No. 2, recorded February 11, 1980, in Liber 1121, Page 829, Berrien County Records; (iii) Declaration of Covenants and Restrictions for Replat of Timber Lane Estates No. 3, recorded July 30, 1986, in Liber 1271, Page 876, Berrien County Records; (iv) Declaration of Covenants and Restrictions for Replat of Timber Lane Estates No. 4, recorded February 29, 1988, in Liber 1334, Page 734, Berrien County Records; and (v) Amended Declaration of Covenants and Restrictions recorded October 20, 2000, in Liber 2084, Page 1129, Berrien County Records.
- B. To levy and collect dues from the Members of the Corporation and to use the proceeds thereof for the purposes of the Corporation including, but not limited to,

maintenance and repair of common areas, easements, entry way signs, landscaping of common areas and walkways;

- C. To provide for the preservation and enhancement of property values and amenities in the Subdivisions;
- D. To carry insurance, collect insurance proceeds and to allocate any insurance proceeds;
- E. To reconstruct, landscape or repair common areas of the Subdivisions after casualty;
- F. To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Corporation;
- G. To acquire, own, maintain, improve, buy, operate, manage, sell, convey, assign, mortgage, or lease any real or personal property including any lot in the Subdivisions and any easements, rights-of-way and licenses, either contiguous or not to the Subdivisions, on behalf of the Corporation in furtherance of any of the purposes of the Corporation;
- H. To grant easements, rights-of-entry, rights-of-way, and licenses to, through, over and with respect to the common areas of the Subdivisions on behalf of the Members of the Corporation in furtherance of any of the purposes of the Corporation and to dedicate to the public any portion of the common areas of the Subdivisions;
- I. To borrow money and issue evidences of indebtedness in furtherance of any and all of the purposes of its business and to secure the same by mortgage, pledge, or other lien;
- J. To make and enforce reasonable rules, regulation, resolutions, and/or policies concerning the use and enjoyment of the Subdivisions, including, but not limited to, building guidelines and restrictions;
- K. To enforce the provisions of these Bylaws including any amendments and/or restatements, the Amended and Restated Articles of Incorporation and the Declarations along with any Rules and Regulations of the Association as may be adopted;
- L. To sue in all courts, defend actions brought against the Association in all courts and to participate in all actions and proceedings whether judicial, administrative, arbitative or otherwise;
- M. To enter into agreements with public agencies concerning the nature and extent of maintenance of the Subdivisions; and

- N. To take any action required or permitted pursuant to the Declarations; and
- O. In general, to enter into any kind of activity; to make and perform any contract and to exercise all powers necessary, incidental or convenient to the administration, management, maintenance, repair, replacement and operation of the Association, including the Subdivisions and its common areas.

4.09 Selection of Professional Management Agent. The Board of Directors may employ for the Association a professional management agent at reasonable compensation established by the Board of Directors to perform such duties and services as the Board of Directors will authorize. The Board of Directors may delegate such powers as are necessary for the manager to assist the Board of Directors in performing its duties. In no event will the Board of Directors be authorized to enter into any contract with a professional management agent in which the maximum term is greater than three (3) years, or which is not terminable by the Association upon ninety (90) days' written notice to the other party.

4.10 Collection of Annual Dues. In accordance with Article VIII, Section 2 of the Amended Declaration of Covenants and Restrictions, the Board of Directors of the Association will establish an annual budget in advance for each fiscal year and such budget will project all expenses for the forthcoming year that may be required for the operation, management and maintenance of the Association and the Subdivisions, including a reasonable allowance for contingencies and reserves. Upon adoption of an annual budget by the Board of Directors, copies of the budget will be made available to each lot owner and the annual dues ("Annual Dues") for the year will be established based upon that budget. The failure to deliver a copy of the budget to each lot owner will not affect or in any way diminish the liability of any lot owner for any existing or future Annual Dues. Failure or delay of the Board of Directors to prepare or adopt a budget for any fiscal year will not constitute a waiver or release in any manner of a lot owner's obligation to pay Annual Dues. Annual Dues shall be paid to the Association on or before January 15 of each calendar year, unless a different due date is established by the Board of Directors. In the absence of any annual budget or adjusted budget, each Co-owner will continue to pay their Annual Dues at the rate established for the previous fiscal year until notified of any change which will not be due until at least ten (10) days after a budget is adopted.

ARTICLE V MEETINGS AND ACTIONS OF DIRECTORS

5.01 Regular Meetings. Regular meetings of the Board of Directors may be held at such times and places as will be determined by a majority of the Directors. At least three (3) such meetings will be held during each fiscal year. Notice of regular meetings of the Board of Directors will be given to each Director, personally, or by mail, facsimile, electronically or telephone at least five (5) days prior to the date of the meeting unless waived by said Director. Electronic transmission of such notice may also be given in any such manner authorized by the Director entitled to receive the notice which does not directly involve the physical transmission of paper, which creates a record that may be retrieved and retained by the Director, and which may be directly reproduced in paper form by the Director through an automated process.

5.02 Special Meetings. Special meetings of the Board of Directors may be called by the President upon three (3) days' notice to each Director. Special meetings of the Board of Directors will be called by the President or Secretary on the written request of three Directors.

5.03 Notice of Meetings. Notice of meetings of the Board will specify the time and place of the meeting, and, in the case of a special meeting, the nature of any business to be considered. The notice will be given to each director by:

- (i) personal delivery; or
- (ii) first class mail, postage prepaid; or
- (iii) telephone communication, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; or
- (iv) facsimile, computer or other electronic communication device, with confirmation of transmission.

All such notices will be given at the director's telephone number, fax number, electronic mail address or sent to the director's address as shown on the records of the Association. Notices of any special meetings of the Board may also be posted in a prominent place within the Community.

5.04 Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing or orally, waive notice of such meeting and such waiver will be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board will be deemed a waiver of notice by that Director of the time and place of any such meeting. If all the Directors are present at any meeting of the Board, no notice will be required and any business may be transacted at such meeting so long as notice was timely posted on the Association's bulletin boards.

5.05 Adjournment of Directors' Meetings. If any meeting of Directors cannot be held because a quorum is not in attendance, the Directors who are present may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called. The quorum for each subsequent meeting will be reduced by one-half from the quorum requirement of the previously scheduled meeting.

5.06 Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the Directors will constitute a quorum for the transaction of business. The acts of the majority of the Directors present at a meeting at which a quorum is present will be the acts of the Board of Directors. A Director will be considered present and may vote on matters before the Board by proxy, by teleconference, electronically or by any other method giving the remainder of the Board sufficient notice of the absent Director's vote and position on any given matter; provided however, that any vote not in writing is confirmed in writing not later than the next meeting of the Board. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting to a subsequent time upon twenty-four (24) hours' prior written notice delivered to all Directors not present. At any such adjourned meeting,

any business that might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the minutes will constitute the presence of such Director for purposes of determining a quorum. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

5.07 Conduct of Meetings. The President, or other Director appointed by the President in the absence of the President, will preside over all meetings of the Board, and the Secretary will keep a minute book of Board meetings, recording all Board resolutions and all transactions and proceedings occurring at such meetings. The Secretary may record any such meeting for the purpose of assisting in keeping the minutes. If a meeting is recorded, then thirty (30) days after the minutes of a meeting are approved the Secretary may destroy or otherwise dispose of any recordings created for the purpose of taking minutes.

5.08 Closing of Board of Directors' Meeting Minutes; Privileged Minutes. The Board of Directors, in its discretion, may close a portion or all of any meeting of the Board of Directors to the Members of the Association or may permit Members of the Association to attend a portion or all of any meeting of the Board of Directors. Any Member of the Association will have the right to inspect and make copies of, the approved minutes of the meetings of the Board of Directors; provided, however, that no Member of the Association will be entitled to review or copy any minutes of meetings of the Board of Directors to the extent that said minutes reference privileged communications between the Board of Directors and counsel for the Association, or any other matter to which a privilege against disclosure pertains under Michigan Statute, common law, the Michigan Rules of Evidence or the Michigan Court Rules.

5.09 Participation by Remote Communication. Members of the Board of Directors may participate in any meeting by means of telephone conference or other means of remote communication through which all persons participating in the meeting can communicate with the other participants. Participation in a meeting by such means constitutes presence in person at the meeting.

5.10 Action without Meeting. Any action required or permitted to be taken under authorization voted at a meeting of the board or a committee of the board may be taken without meeting if, before or after the action, all members of the board then in office or of the committee consent to the action in writing or by electronic transmission. The written consents will be filed with the minutes of the proceedings of the board or committee. The consent has the same effect as a vote of the board or committee for all purposes.

ARTICLE VI OFFICERS AND THEIR DUTIES

6.01 Officers. The principal officers of the Association will be President, Vice President, Secretary and Treasurer. The Directors may appoint such other officers as in their judgment may be necessary. The President must be a Member of the Board of Directors; however, the remaining officers need not be members of the Board of Directors or Members. A Member

that serves as an officer must be in good standing. Good standing will be deemed to include a Member who is not in default of any of the provisions of the Restrictions, Articles of Incorporation, these Bylaws or any Rules and Regulations of the Association. A Member in default will not be qualified to be elected or appointed as an officer of the Association. Any officer who is delinquent in any financial obligation owed to the Association, including late fees, will pay in full the amount due within sixty (60) days of the delinquency. If the officer does not comply with the delinquency cure time period, the Officer will be deemed removed from their position and the vacancy will be filled in accordance with these Bylaws.

A. **President.** The President will be the chief executive officer of the Association and will preside at all meetings of the Association and of the Board of Directors. The President will have all of the general powers and duties which are usually vested in the office of the President of an Association, including, but not limited to, the power to appoint committees from among the Members of the Association in the President's discretion as may be deemed appropriate to assist in the conduct of the affairs of the Association.

B. **Vice President.** The Vice President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to so do on an interim basis. The Vice President shall also perform such other duties as shall be imposed by the Board of Directors.

C. **Secretary.** The Secretary will keep the minutes of all Board of Directors and Association meetings, have charge of the corporate minute book, or equivalent electronic archival system, and of such books and papers as the Board of Directors may direct; and will, in general, perform all duties incident to the office of the Secretary.

D. **Treasurer.** The Treasurer will have responsibility for all Association funds and securities and will be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. The Treasurer will be responsible for the deposit of all monies and other valuable papers of the Association, in the name of and to the credit of the Association, in such depositories as may be designated by the Board of Directors. The Treasurer will sign all receipts and vouchers for payments made to the Association, render a statement of cash account, enter regularly in books of the Association and at all reasonable times exhibit the books and accounts to any Director of the Association.

6.02 Election of Officers and Term of Office. The officers of the Association shall be elected by the Board of Directors at the first meeting of the Board following each annual meeting of the Members to serve until their successors are elected.

6.03 Resignation and Removal. Upon the affirmative vote of a majority of the members of the Board of Directors, any officer may be removed by the Board of Directors either with or without cause and the successor to the removed officer may be elected at any regular meeting of the Board of Directors or at any special meeting of the Board called for such purpose.

6.04 Vacancies. Vacancies in the officers of the Association shall be filled by a vote of the majority of the remaining Directors, even though they may constitute less than a quorum. Each person so appointed shall be an officer until the end of the term of the officer who was replaced and a successor is elected at the next annual meeting of the Association.

6.05 Compensation. Compensation of officers is subject to the same limitations as Directors under Article IV of these Bylaws.

6.06 Duties. The officers will have such other duties, powers and responsibilities as authorized by the Board of Directors.

ARTICLE VII: INDEMNIFICATION OF OFFICERS AND DIRECTORS

7.01 Indemnification of Directors and Officers. Every Director and every officer of the Association will be indemnified by the Association against all expenses and liabilities, including reasonable attorney's fees and amounts paid in settlement incurred by or imposed upon the Director or officer in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal, to which the Director or officer may be a party or in which they may become by reason of their being or having been a Director or officer of the Association, whether or not they are a Director or Officer at the time such expenses are incurred, except in such cases wherein the Director or officer is adjudged guilty of willful or wanton misconduct or gross negligence in the performance of the Director's or officer's duties, and except as otherwise prohibited by law; provided that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the Director or Officer seeking such reimbursement or indemnification, the indemnification will apply only if the Board of Directors with the Director seeking reimbursement abstaining approves such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification will be in addition to and not exclusive of all other rights to which such Director or officer may be entitled. The Board of Directors will notify all Members of payment of any indemnification that it has approved at least ten (10) days before payment is made. The indemnification rights of this provision will be at all times construed to be consistent with those contained in the Articles of Incorporation of the Association.

7.02 Directors' and Officers' Insurance. The Association will provide liability insurance for every Director and officer of the Association and in such amounts as may reasonably insure against potential liability arising out of the performance of their respective duties. With the prior written consent of the Association, a Director or an officer of the Association may waive any liability insurance for such Director's or officer's personal benefit. No Director or officer will collect for the same expense or liability; however, to the extent that the liability insurance provided to a Director or officer was not waived by such Director or Officer and is inadequate to pay any expenses or liabilities otherwise properly indemnifiable, a Director or officer will be reimbursed or indemnified only for such excess amounts or other applicable statutory indemnification.

ARTICLE VIII: FINANCES AND INSPECTIONS

8.01 Fiscal Year. The fiscal year of the Association will be an annual period commencing on such date as may be initially determined by the Board of Directors. Absent such determination by the Board of Directors, the fiscal year of the Association will be the calendar year. The commencement date of the fiscal year of the Association will be subject to change by the Board of Directors for accounting reasons or other good cause.

8.02 Inspection of Books and Records of the Association. The Association will keep detailed books of account showing all expenditures and receipts of administration and any other expenses incurred by or on behalf of the Association. The non-privileged accounts, books, records, contracts, and financial statements concerning the administration and operation of the Association will be open for inspection by the Members, Members' mortgagees, prospective purchasers and prospective mortgagees during reasonable working hours. The Association will prepare and make available to each Member at least one (1) time a year a financial statement, the contents of which will be defined by the Association which may be distributed by electronic transmission given in any such manner authorized by the person entitled to receive the financial statement which does not directly involve the physical transmission of paper, which creates a record that may be retrieved and retained by the recipient, and which may be directly reproduced in paper form by the recipient through an automated process, or by making the report available for electronic transmission, provided that any Member may receive a written report upon request for a reasonable reproduction fee as determined by the Board of Directors.

ARTICLE IX: AMENDMENTS

The Members may at any meeting amend any of these Bylaws in accordance with the Nonprofit Corporation Act by the affirmative vote of a majority of the Members present or by proxy provided the substance of the proposed amendment must have been stated in the notice of meeting. The following procedures will be utilized for any such amendments:

- A. **Proposal.** The Board of Directors of the Association acting upon the vote of the majority of the Directors or by a written petition signed by one-third (1/3) or more of the Members may propose amendments to these Bylaws.
- B. **Meeting.** If any amendment is proposed, a meeting for consideration of the proposed amendment(s) will be called in accordance with these Bylaws.
- C. **Voting.** These Bylaws may be amended by the Members at any regular annual meeting or a special meeting called for such purpose by an affirmative vote of not less than a majority of Members present in person or by proxy.
- D. **Effective Date.** Any amendment to these Bylaws will become effective upon adoption by the presiding officer of the Association.
- E. **Binding.** A copy of each amendment to these Bylaws will be furnished to every Member of the Association after adoption; however, any amendment to these Bylaws that is adopted in accordance with this Article will be binding upon all

persons who have an interest in the Subdivisions regardless of whether such persons actually receive a copy of the amendment(s).

ARTICLE X: MISCELLANEOUS

10.01 Parliamentary Rules. Except as modified by board resolution, Robert's Rules of Order (current edition) will govern the conduct of Association proceedings when not in conflict with Michigan law, the Articles of Incorporation, the Restrictions, or these Bylaws.

10.02 Conflicts of Provisions. If there are conflicts between the provisions of Michigan law, the Articles of Incorporation, the Restrictions, these Bylaws, or Rules and Regulations, the following will be the order of priority (highest to lowest):

- A. Michigan law
- B. Articles of Incorporation
- C. Covenants and Restrictions, as amended by the Amended Declaration of Covenants and Restrictions recorded October 20, 2000, in Liber 2084, Page 1129, Berrien County Records
- D. Bylaws
- E. Rules and Regulations

10.03 Severability. In the event that any of the terms, provisions, or covenants of these Bylaws are held to be partially or wholly invalid or unenforceable for any reason whatsoever, such holding will not affect, alter, modify or impair in any manner whatsoever any of the other terms, provisions or covenants of such documents or the remaining portions of any terms, provisions or covenants which are held to be partially invalid or unenforceable.

[SIGNATURE AND ACKNOWLEDGMENT ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Association has caused these Bylaws to be executed the day and year first above written.

Timber Lane Estates Lot Owners Association, a Michigan non-profit corporation

By: _____
Name:
Its: President

STATE OF MICHIGAN)
)ss
COUNTY OF BERRIEN)

On this _____ day of _____, 2018, the foregoing Association Bylaws was acknowledged before me _____, President of the Timber Lane Estates Lot Owners Association, a Michigan nonprofit corporation, on behalf of and by authority of the corporation.

Notary Public,
_____ County, Michigan
My Commission Expires: _____
Acting in _____ County, Michigan

Drafted by:
Matthew W. Heron, Esq.
Hirzel Law, PLC
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