

no alternative improvements are authorized, then and in that event such property shall be restored to its natural state and maintained as an undeveloped portion of the Common Areas by the Neighborhood Association in a neat and attractive condition.

(g) Borrowing money and issuing evidences of indebtedness in furtherance of any or all of the purposes of the Neighborhood Association, and to secure the same by mortgage, pledge or other lien or property owned by the Neighborhood Association; provided, however, that any such action shall also be approved by affirmative vote of sixty percent (60%) of all of the members of the Neighborhood Association.

(h) Collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve, opening bank accounts on behalf of the Neighborhood Association and designating the signatories required, and using the proceeds to administer the Neighborhood Association; provided, however, that any reserve fund may be deposited, in the Board of Trustees' best business judgment, in depositories other than banks.

(i) Making and amending Rules

(j) Keeping books with detailed accounts of the receipts and expenditures affecting the Neighborhood Association and its administration, specifically the maintenance and repair expenses and any other expenses incurred. Such books and vouchers accrediting the entries thereupon shall be available for examination by the members, their duly authorized agents, accountants, or attorneys, during general business hours on working days at the time and in a manner that shall be set and announced by the Board for the general knowledge of the members. All books and records shall be kept in accordance with generally accepted accounting practices.

(k) Creating such committees as it deems necessary, convenient or desirable and to appoint persons thereto for the purpose of implementing the administration of the Neighborhood Association and to delegate to such committees any functions or responsibilities which are not required by law to be performed by the Board of Trustees.

(l) Asserting, defending or settling claims, lawsuits or other demands or disputes on behalf of all members in connection with the Common Areas. The Board of Trustees shall provide at least a ten (10) day written notice to all members of actions proposed by the Board with regard thereto.

Section 6. Vacancies. Vacancies in the Board of Trustees which occur by any reason other than the removal of a Trustee by a vote of the members of the Neighborhood Association shall be filled by vote of the majority of the remaining Trustees even though they may constitute less than a quorum. Each person so elected shall be a Trustee until a successor is elected at the next annual meeting of the members of the Neighborhood Association.

Section 7. Removal. At any regular or special meeting of the Neighborhood Association duly called with due notice of the removal action proposed to be taken, any one or more of the Trustees may be removed with or without cause by the affirmative vote of more than fifty percent (50%) of the voting power of the members represented at the meeting and a



successor may then and there be elected to fill any vacancy thus created. The quorum requirement for the purpose of filling such vacancy shall be the normal thirty-three and one-third percent (33-1/3%) requirement set forth in Article VIII, Section 4. Any Trustee whose removal has been proposed by the members shall be given an opportunity to be heard at the meeting.

Section 8. Regular Meetings. Regular meetings of the Board of Trustees may be held at such times and places as shall be determined from time to time by a majority of the Trustees, but at least two (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Trustees shall be given to each Trustee personally, by mail, telephone or telegraph, at least ten (10) days prior to the date named for such meeting.

Section 9. Special Meetings. Special meetings of the Board of Trustees may be called by the President on three (3) days' notice to each Trustee given personally, by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Trustees shall be called by the President or Secretary in like manner and on like notice on the written request of two (2) Trustees.

Section 10. Waiver of Notice. Before or at any meeting of the Board of Trustees, any Trustee may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Trustee at any meeting of the Board shall be deemed a waiver of notice by such Trustee of the time and place thereof. If all the Trustees are present at any meeting of the Board of Trustees, no notice shall be required and any business may be transacted at such meeting.

Section 11. Quorum. At all meetings of the Board of Trustees a majority of the Trustees shall constitute a quorum for the transaction of business, and the acts of the majority of the Trustees present at a meeting at which a quorum is present shall be the acts of the Board of Trustees. If, at any meeting of the Board of Trustees, less than a quorum is 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 Trustees not present. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a Trustee in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such Trustee for purposes of determining a quorum.

Section 12. Conduct of Meetings. The President shall preside over all meetings of the Board of Trustees, and the Secretary shall keep a minute book of the Board of Trustees, recording therein all resolutions adopted by the Board of Trustees and a record of all transactions and proceedings occurring at such meeting. Meetings may be conducted by telephone and shall be considered as any other meeting, provided all Trustees are able through telephone connection to hear and to be heard.

Section 13. Open Meetings. Subject to the provision of Sections 14 and 15 of this Article, all meetings of the Board of Trustees shall be open to all members of the Neighborhood Association, but members other than Trustees may not participate in any discussion or deliberation unless permission to speak is requested on his or her behalf by a member of the Board of Trustees. In such case, the President may limit the time any member may speak.



Section 14. Executive Session. The Board of Trustees may, with approval of a majority of a quorum, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Neighborhood Association is or may become involved, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

Section 15. Action Without a Formal Meeting. Any action to be taken at a meeting of the Board of Trustees or any action that may be taken at a meeting of the Board may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Trustees and such consent shall have the same force and effect as a unanimous vote. An explanation of the action taken shall be posted at a prominent place or places within the Common Areas within three (3) days after the written consents of all the members of the Board have been obtained.

Section 16. Fidelity Bonds. The Board of Trustees may require that all officers and employees of the Neighborhood Association handling or responsible for the funds of the Neighborhood Association furnish adequate fidelity bonds. The premiums on such bonds shall be expenses of administration of the Neighborhood Association.

ARTICLE VIII

OFFICERS

Section 1. Officers. The principal officers of the Neighborhood Association shall be a President, a Secretary, and a Treasurer. The Board of Trustees may appoint an Assistant Treasurer, an Assistant Secretary and such other officers as the Trustees, in their judgment, may deem necessary. The President, Secretary and Treasurer shall be elected from among the members of the Board of Trustees.

(a) President. The President shall be the chief executive officer of the Neighborhood Association. The President shall preside at all meetings of the Neighborhood Association and of the Board of Trustees and shall 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 Neighborhood Association, from time to time, as the President may deem appropriate to assist in the conduct of the affairs of the Neighborhood Association.

(b) Secretary. The Secretary shall: (i) keep the minutes of all meetings of the Board of Trustees and the minutes of all meetings of the members of the Neighborhood Association; (ii) shall have charge of such books and papers as the Board of Trustees may direct; and (iii) shall, in general, perform all duties incident to the office of Secretary.

(c) Treasurer. The Treasurer shall have responsibility for the Neighborhood Association's funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Neighborhood Association. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Neighborhood Association, and in such



depositories as may, from time to time, be designated by the Board of Trustees.

Section 2. Election. The officers of the Neighborhood Association shall be elected annually by the Board of Trustees at the organizational meeting of each new Board and shall hold office at the pleasure of the Board.

Section 3. Removal. Upon affirmative vote of a majority of the members of the Board of Trustees, any officer may be removed, either with or without cause, and a successor elected, at any regular meeting of the Board of Trustees or at any special meeting of the Board called for such purpose. No such removal action may be taken, however, unless the matter shall have been included in the notice of such meeting. The officer who is proposed to be removed shall be given an opportunity to be heard at the meeting.

Section 4. Duties. The officers shall have such other duties, powers and responsibilities as shall, from time to time, be authorized by the Board of Trustees.

Section 5. Agreements, Contracts, Deeds, Easements, Leases, Checks. All agreements, contracts, deeds, easements, leases, checks, and other instruments of the Neighborhood Association shall be executed by any two (2) officers of the Neighborhood Association or by such other person or persons as may be designated by resolution of the Board.

ARTICLE IX

INDEMNIFICATION OF OFFICERS AND TRUSTEES

Every Trustee and officer of the Neighborhood Association shall be indemnified by the Neighborhood Association against all expenses and liabilities, including counsel fees, to the extent provided for in the Articles of Incorporation of the Corporation. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Trustee or officer may be entitled. At least ten (10) days prior to payment of any indemnification which it has approved, the Board of Trustees shall notify all members thereof. Further, the Board of Trustees is authorized to carry officers' and trustees' liability insurance covering acts of the officers and Trustees of the Neighborhood Association in such amounts as it shall deem appropriate.

ARTICLE X

AMENDMENTS

Section 1. Proposal. Amendments to these Regulations may be proposed by the Board of Trustees of the Neighborhood Association acting upon the vote of the majority of the Trustees or proposed by members holding at least one-third (1/3) of the voting rights of the Neighborhood Association, by instrument in writing signed by them.

Section 2. Meeting. Upon any such amendment being proposed, a meeting for consideration of the same shall be duly called in accordance with the provisions of these Regulations.



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Section 3. Voting by Board of Trustees. These Regulations may be amended by an affirmative vote of a majority of the Board of Trustees, provided that such amendments do not materially alter or change the rights of owners, mortgagees or other interested parties.

Section 4. Voting by Members. These Regulations may be amended by the members at any regular annual meeting or a special meeting called for such purpose by an affirmative vote of members holding at least two-thirds (2/3) of all of the voting rights of the Neighborhood Association. Consent from the Township of Richfield shall be obtained if any public interest is affected. A person causing or requesting an amendment to these Regulations shall be responsible for costs and expenses of the amendment except for amendments based upon a vote of a prescribed majority of members, the costs of which are expenses of administration.

Section 5. The Developer. Prior to the first annual meeting of members, these Regulations shall be recorded in the Office of the Summit County Recorder, and they may be amended prior to that meeting by the first Board of Trustees upon proposal of amendments by the Developer.

Section 6. Effective Date. Any amendment to these Regulations shall become effective upon the recording of such amendment in the office of the Summit County Recorder.

Section 7. Binding. A copy of each amendment to the Regulations shall be furnished to every member of the Neighborhood Association and the Association after adoption; provided, however, that any amendment to these Regulations that is adopted in accordance with this Article shall be binding upon all persons who have an interest in the Neighborhood irrespective of whether such persons actually receive a copy of the amendment.

ARTICLE XI

RIGHTS RESERVED TO THE DEVELOPER

Any or all of the rights and powers granted or reserved to the Developer herein, including the right and power to approve or disapprove any act, use or proposed action or any other matter or thing, may be assigned by it to any other entity or to the Neighborhood Association. Any such assignment or transfer shall be made in accordance with the Declaration by appropriate instrument in writing in which the assignee or transferee shall join for the purpose of evidencing its acceptance of such powers and rights, and such assignee or transferee shall thereupon have the same rights and powers as herein given and reserved to the Developer. Except as provided below, and other than rights of membership in the Neighborhood Association by virtue of ownership of any Living Units, any rights and powers reserved by or granted to the Developer shall terminate, if not sooner assigned to the Neighborhood Association, at the conclusion of the final phase of construction in the Development. The immediately preceding sentence dealing with the termination of certain rights and powers granted or reserved to the Developer is intended to apply, insofar as the Developer is concerned, only to the Developer's rights to approve and control the administration of the Development and shall not, under any circumstances, be construed to apply to or cause the termination and expiration of any real property rights granted or reserved to the Developer or its successors and assigns (including, but not limited to, access easements, utility easements and all other easements created and reserved in any document which shall not be terminable in any manner hereunder and which shall be



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governed only in accordance with the terms of their creation or reservation and not hereby).

ARTICLE XII

SEVERABILITY

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

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John A Donofrio, Summit Fiscal Officer

EXHIBIT H
CODE OF REGULATIONS
FOR
THE WOODS NEIGHBORHOOD HOMEOWNERS ASSOCIATION, INC.

ARTICLE I
GENERAL

SECTION 1. Name and Nature of the Association. The name of the Association shall be The Woods Neighborhood Homeowners Association, Inc., and shall be an Ohio nonprofit corporation.

SECTION 2. Membership. Each owner upon acquisition of title to a Lot shall automatically become a member of the Association (a "Member"). Such Membership shall terminate upon the sale or other disposition by such Member of his or her Lot ownership, at which time the new Owner of such Lot shall automatically become a Member of the Association.

SECTION 3. Definitions. The terms used in this Code of Regulations shall have the same meaning as set forth in the Declaration of Covenants, Conditions, Easements and Restrictions of Glencairn Forest made as of the 10th day of May, 1994 (the "Declaration") as subsequently amended -, unless the context shall prohibit.

ARTICLE II
MEETINGS OF MEMBERS

SECTION 1. Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as may be designated by the Board of Trustees either in Richfield Township, Summit County, Ohio or as convenient thereto as possible and practical.

SECTION 2. Annual Meetings. The first meeting of the Members, whether a regular or special meeting, shall be held within one (1) year from the date of incorporation of the Association. The next annual meeting shall be set by the Board so as to occur no later than thirty (30) days before the close of the Association's fiscal year. Subsequent annual meetings of the Members shall be held within thirty (30) days of the same day of the same month of each year thereafter at an hour set by the Board. The annual meeting of the Members shall be held at a date and time as set by the Board.

SECTION 3. Special Meetings. The President may call special meetings. In addition, it shall be the duty of the President to call special meetings of the Association if so directed by resolution of a majority of a quorum of the Board of Trustees or a written petition signed by at least twenty-five (25%) percent of the total votes of the Association. The notice of special meetings shall state the date, time and place of such meeting and the purpose thereof. No business shall be transacted at special meetings except as stated in the notice.



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SECTION 4. Notice of Meetings. It shall be the duty of the Secretary to mail or cause to be delivered to the Owner of record of each Lot a notice of each annual or special meetings of the Association stating the purpose of the special meetings, as well as the time and place where it is to be held. If an Owner wishes notice to be given at an address other than his or her Lot, he or she shall designate such address by written notice to the Secretary. The mailing or delivering of a notice of a meeting in the manner provided in this Section shall be considered service of notice. Notices shall be served not less than ten (10) nor more than sixty (60) days before a meeting.

SECTION 5. Waiver of Notice. Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after the holding of such meeting. Attendance of any Member at any meeting without protesting, prior to or at the commencement of the meeting, the lack of proper notice shall be deemed to be a waiver by him or her of such meeting.

SECTION 6. Adjournment of Meetings. If any meetings of the Association cannot be held because a quorum is not present, a majority of the Members who are present at such meeting, either in person or by proxy, 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. At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted. If a time and place of the adjourned meeting are not fixed by those in attendance at the original meeting, or if for any reason a new date is fixed for the adjourned meeting after adjournment, notice of the time and place of the adjourned meeting shall be given to Members in the manner prescribed for regular meetings.

Those present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, provided that any action taken shall be approved by at least a majority of Members required to constitute a quorum.

SECTION 7. Voting Rights. Each Lot shall have one vote. If only one of several Owners for a Lot is present at a meeting of the Association, that Owner is entitled to cast the vote allocated to that Lot. If more than one of the Owners is present, the vote allocated to that Lot may be cast only in accordance with the agreement of a majority in interest of the Owners. There is majority agreement if any one of the Owners casts a vote allocated to that Lot without protest being made promptly to the person presiding over the meeting by any of the other Owners of the Lot. The Association may adopt rules regarding deadlocks. No votes allocated to a Lot owned by the Association may be cast. Voting at elections and votes on other matters may be conducted by mail.

Unless expressly reserved and the Association is notified of such reservation, a land contract vendee as defined in Chapter 5313 of the Revised Code, shall be deemed the proxy of a land contract vendor for purposes of this section.



SECTION 8. Proxies. A vote allocated to a Lot may be cast pursuant to a proxy duly executed by an Owner. If a Lot is owned by more than one person, each Owner of the Lot may vote or register protest to the casting of votes by the Owners of a Lot through a duly executed proxy. An Owner may revoke a proxy given pursuant to this section only by actual notice of revocation to the person presiding over a meeting of the Association. A proxy is void if it is not dated or purports to be revocable without notice. Except as hereinafter provided, a proxy shall terminate one year after its date, unless it specifies a shorter time. If a first mortgagee has been designated a proxy under the terms of a first mortgage covering the Lot, its presentation to the Board of a copy of the mortgage shall be notice of the proxy designation, and if the mortgage so states, of the irrevocability of that designation. Written notice to the Board or notice in a meeting of a revocation of a proxy designation shall not affect any vote or act previously taken. Each proxy shall automatically cease upon conveyance of the Lot.

SECTION 9. Majority of Owners. As used in this Code of Regulations, the term majority shall mean those votes, Owners, Members or other group as the context may indicate totaling more than fifty (50%) percent of the total number.

SECTION 10. Quorum. Except as otherwise provided in these Code of Regulations or in the Declaration, those Members present in person or by proxy shall constitute a quorum at all meetings of the Association. Any provision in the Declaration concerning quorums is specifically incorporated herein.

SECTION 11. Conduct of Meetings. The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in the minute book all resolutions adopted, as well as a record of all transactions occurring thereat.

SECTION 12. Action Without A Meeting. Any action which may be authorized or taken at a meeting of the members, except the election of Board members, may be authorized or taken without a meeting with the affirmative vote or approval, and in writing or writings signed by not less than a majority of the Members. Any such writing shall be entered into the minute book of the Association.

**ARTICLE III
BOARD OF TRUSTEES**

SECTION 1. Governing Body. Except as otherwise provided by law, the Articles of Incorporation, the Declaration or this Code of Regulations, all of the authority of the Association shall be exercised by or under the direction of the Board of Trustees.

SECTION 2. Number and Qualification of Trustees. The Board of Trustees in the Association shall consist of three (3) persons and shall be those named in the Articles of Incorporation or other such person or persons as may be substituted by the Developer pursuant to Article VIII, Section 8 hereof. At such time as the Owners are entitled to elect one member of the Board, the Board of Trustees shall be expanded to consist of four (4) persons and expanded to

five (5) pursuant to such Section. Except those appointed by the Declarant, all Trustees must be Owners. The spouse of an Owner is qualified to act as a Trustee if both the Owner and the spouse occupy the Lot. No person and his or her spouse may serve on the Board at the same time.

SECTION 3. Nomination of Trustees. Except for Trustees selected by the Declarant, nominations for election of the Board of Trustees shall be made by a Nominating Committee. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board, and two (2) or more Members of the Association. The Nominating Committee shall be appointed by the Board at each annual meeting of the Members to serve from the close of such annual meeting until the close of the next annual meeting. The Nominating Committee shall make as many nominations for election to the Board as it shall in its discretion determine but in no event less than the number of vacancies or terms to be filled. Nominations shall be permitted from the floor. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes.

SECTION 4. Election of Trustees. The Trustees shall be elected at each annual meeting of the Members of the Association or at a special meeting called for the purpose of electing Trustees. At a meeting of Members of the Association at which Trustees are to be elected, only persons nominated as candidates shall be eligible for election as Trustees and the candidates receiving the greatest number of votes shall be elected. The Board may adopt rules regarding nominations and procedure for elections. Election to the Board shall be by secret written ballot and at such elections, the Members or their proxies may cast, in respect to each vacancy, such voting power as they are entitled to exercise under the provisions of the Declaration.

SECTION 5. Term of Office; Resignations. Except for those Trustees appointed by the Declarant, each Trustee shall hold office for a term of two (2) years and until his or her successor is elected, or until his or her earlier resignation, removal from office, or death. It is intended by these Code of Regulations that the terms of the Trustees shall be staggered with three (3) Trustees being elected in odd numbered years and two (2) Trustees being elected in even numbered years. The initial terms of the Trustees elected by the Owners shall be adjusted to carry out this intent.

Any Trustee may resign at any time by oral statement to that effect made at a meeting of the Board of Trustees or in writing to that effect delivered to the Secretary of the Association, such resignation to take effect immediately or at such other time as the Trustee may specify. In the event of death or resignation of a Trustee, his or her successor shall be selected by a majority of the remaining members of the Board and shall serve for the unexpired term of the predecessor.

SECTION 6. Compensation. Members of the Board of Trustees shall serve without compensation, except that they may be reimbursed for actual expenses incurred on behalf of the Association.

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SECTION 7. Removal of Trustees. Except for those appointed by the Declarant, at any regular or special meeting of the Association duly called, any one or more of the members of the Board of Trustees may be removed, with or without cause, by a majority vote of the Members, and a successor may then and there be elected to fill the vacancy thus created. A Trustee whose removal has been proposed shall be given at least ten (10) days notice of the calling of the meeting and the purposes thereof and shall be given an opportunity to be heard at the meeting. Additionally, any Trustee who has three (3) unexcused absences from Board meetings or who is delinquent in payment of an Assessment for more than twenty (20) days may be removed by a majority vote of the Trustees at meeting, a quorum being present.

SECTION 8. Organization Meetings. The first meeting of the Board of Trustees following each annual meeting of the Members shall be held within ten (10) days thereafter at such time and place as shall be fixed by the Board.

SECTION 9. Regular Meetings. Regular meetings of the Board of Trustees may be held at such time and place as shall be determined from time to time by a majority of the Trustees, but at least four (4) such meetings shall be held during each fiscal year with at least one (1) per quarter.

SECTION 10. Special Meetings. Special meetings of the Board of Trustees shall be held when called by written notice signed by the President or Secretary of the Association, or by any two (2) Trustees. The notice shall specify the time and place of the meeting and the nature of any special business to be considered.

SECTION 11. Notice of Meetings; Waiver. Notice of the time and place of each meeting of the Trustees, whether regular or special, shall be given to each Trustee by one of the following methods: (a) personal delivery; (b) written notice by first class mail, postage prepaid; (c) by telephone communication, either directly to the Trustee or to a person at the Trustee's home or place of business who would reasonably be expected to communicate such notice promptly to the Trustee; (d) by facsimile transmission or (e) by electronic mail. All such notices shall be given or sent to the Trustee's address or telephone number as shown on the records of the Association. Notice sent by first class mail shall be deposited into a United States mailbox, at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, facsimile transmission, or electronic mail shall be given at least seventy-two (72) hours before the time set for the meeting.

Waiver of notice of meetings of the Trustees shall be deemed the equivalent of proper notice. Any Trustee may, in writing, waive notice of any meeting of the Board, either before or after the holding of such meeting. Such writing shall be entered into the minutes of the meeting. If any Trustee attends a meeting without protesting the lack of proper notice, either prior to or at the commencement of the meeting, then such Trustee shall be deemed to have waived notice of such meeting.

SECTION 12. Quorum of the Board of Trustees. At all meetings of the Board of Trustees, a majority of the Trustees shall constitute a quorum for the transaction of business,



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and the votes of a majority of the Trustees present at a meeting at which a quorum is present shall constitute the decision of the Board. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of the Trustees, if any action taken is approved by at least a majority of the required quorum for that meeting. Notice of adjournment of a meeting need not be given if the time and place to which it is adjourned are fixed and announced at such meeting. At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted.

SECTION 13. Conduct of Meetings. The President shall preside over all meetings of the Board of Trustees, and the Secretary shall keep the minutes of the meeting and record in the minute book all resolutions adopted, as well as a record of all transaction occurring thereat.

SECTION 14. Open Meetings. All meetings of the Board of Trustees shall be open to all Members of the Association, but Members other than the Trustees may not participate in any discussion or deliberation unless expressly so authorized by a majority of a quorum of the Board.

SECTION 15. Executive Session. The Board may, with approval of a majority of a quorum, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, or orders of business of similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

SECTION 16. Action Without A Meeting. Any action which may be authorized or taken at a meeting of the Board of Trustees may be authorized or taken without a meeting with the affirmative vote or approval, and in writing or writings signed by all the Trustees. Any such writing shall be entered into the minute book of the Association. An explanation of the action taken shall be posted at a prominent place or places within the Property within three (3) days after written consents of all the Board members have been obtained.

SECTION 17. Voting By Trustees. A Trustee who is present at a meeting of the Board or any committee meeting when corporate action is taken shall be deemed to have assented to the action taken unless:

- a) He or she objects at the beginning of the meeting (or promptly upon arrival) to holding it or transacting business at the meeting;
- b) His or her dissent or abstention from the action taken is entered in the minutes of the meeting; or
- c) He or she delivers written notice of his or her dissent or abstention to the presiding officer of the meeting before its adjournment or to the Association immediately after



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adjournment of the meeting. This right of dissent or abstention shall not be available to a Trustee who votes in favor of the action taken.

**ARTICLE IV
OFFICERS**

SECTION 1. Officers. The officers of the Association shall be a President, Vice President, Secretary and Treasurer. The Board of Trustees may elect such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board. Any two or more offices may be held by the same person, excepting the offices of President and Secretary. The President and Treasurer shall be elected from among members of the Board of Trustees.

SECTION 2. Election; Term of Office; Vacancies. The officers of the Association shall be elected annually by the Board of Trustees at the first meeting of the Board following each annual meeting of the Members, as herein set forth in Article III. A vacancy in any office arising because of death, resignation, removal or otherwise may be filled by the Board for the unexpired portion of the term.

SECTION 3. Removal. Any officer may be removed by the Board of Trustees whenever in its judgment the best interests of the Association would be served thereby.

SECTION 4. Powers and Duties. The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time be specifically conferred or imposed by the Board. The President shall be the chief executive officer of the Association. The Treasurer shall have the primary responsibility for the preparation of the budget and may delegate all or part of the preparation and notification duties to a finance committee, management agent or both.

SECTION 5. Resignation. Any officer may resign at any time by giving written notice to the Board of Trustees, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

**ARTICLE V
COMMITTEES**

SECTION 1. General. Committees to perform such tasks and to serve for such periods as may be designated by a resolution adopted by a majority of the Trustees present at a meeting at which a quorum is present are hereby authorized. Such committees shall perform such duties and have such powers as may be provided in the resolution. Each committee shall be



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composed as required by law and operate in accordance with the terms of the resolution of the Board designating such committee or with rules adopted by the Board and to the full extent permitted by law.

SECTION 2. Executive Committee. The Board of Trustees may, by resolution adopted or signed by all of the Trustees, appoint an Executive Committee to consist of three (3) Trustees. The Board may delegate any or all of its duties to such committee. Any resolution or writing appointing such committee must acknowledge the responsibility of all of the Trustees for the operation and administration of the Association.

SECTION 3. Architectural Review Board. The Board of Trustees may appoint an Architectural Review Board which shall be responsible for plan approval in accordance with Section 5.5 (a) (iii) of the Declaration. In addition, the committee shall develop and promulgate architectural standards and guidelines with respect to those matters that are within the Association's authority to regulate.

ARTICLE VI DETERMINATION AND PAYMENT OF ASSESSMENTS

SECTION 1. Adoption of Budget. It shall be the duty of the Board to prepare and adopt a budget covering the estimated Common Expenses of the Association for the coming fiscal year. The budget shall also include a capital contribution or reserve in accordance with a capital budget separately prepared. After adoption of the budget, the Board shall cause the summary of the budget and the Assessments to be levied against each Lot for the following year to be delivered to each Owner. Such summary shall be delivered at least thirty (30) days prior to the start of the fiscal year. The budget and Assessments shall take effect on the first day of the fiscal year.

SECTION 2. Capital Budget and Contribution. The Board shall annually prepare a capital budget, which shall take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Board shall set the required capital contribution, if any, in an amount sufficient to permit meeting the projected capital needs of the Association, as shown on the capital budget, with respect to both amount and timing by annual assessments over the period of the budget. The capital contribution required shall be fixed by the Board and included within the budget and assessment, as provided in Section 1 of this Article. A copy of the capital budget shall be distributed to each Owner in the same manner as the operating budget.

SECTION 3. Assessments. The following Assessments are hereby established.

a. **Annual General Assessment.** There is hereby established an "Annual General Assessment" for the purpose of funding the Neighborhood Expenses of the Association. The Neighborhood Expenses shall include among other things,



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- Declaration;
- i. operation, maintenance, repair and replacement as required by this
 - ii. the cost of any insurance required by this Declaration;
 - iii. reasonable reserves for contingencies and replacement;
 - iv. administrative, accounting, legal and management fees;
 - v. payment of the assessment due the master association pursuant to the Declaration;
- v. and all other costs and liabilities incurred by the Association in the exercise of its powers and duties pursuant to this Declaration.

b. **Working Capital Fund; Initial Assessment.** At the time of closing of a Sublot from a Builder, the purchaser of such Sublot shall be assessed the sum of \$250.00 as such purchaser's initial capital contribution to the working capital fund of the Association. This Assessment shall be used by the Association for its operating expenses. Such Assessment is not an advance payment of the Annual General Assessment, and it will not be held in any sort of trust or reserve account. Neither Declarant, Developer nor Builder shall be subject to or required to pay such Working Capital Fund Assessment.

c. **Special Assessment.** There is hereby established a Special Assessment for:

- i. repairing or restoring damage or destruction to the Common Areas;

d. **Computation and Payment of Annual General Assessment.** The Annual General Assessment shall be computed and levied in accordance with the budget adopted by the Board pursuant to the Code of Regulations. This Assessment shall be effective as to each Sublot on the first day of the Association's fiscal year. The initial Annual General Assessment as to each Sublot shall commence on the first day of the month following the earlier of (i) its conveyance to an Owner other than a Builder; or (ii) occupation of the Living Unit. The initial Annual General Assessment shall be prorated on a monthly basis to the end of the Association's fiscal year, and shall be collected at closing of the conveyance of the Sublot from the Builder. So long as there has been no default in payment of the Assessment, it shall be payable in annual installments due on the first day of each fiscal year. The Board shall have the power from time to time to adopt such billing, collection and payment procedures, charges and other payment time schedules as it deems appropriate. Declarant, Developer and Builder shall not be subject to or required to pay the Annual General Assessment.



e. **Maximum Annual Assessment.** Beginning with the recording of this Declaration and until December 31, 2003, the maximum Annual General Assessment shall be One Thousand Eighty (\$1,080.00) Dollars. Beginning with Assessments levied as of January 1, 2004, and annually thereafter, the Board, without a vote of the Owners, may increase or decrease the Annual General Assessment. If the Board increases the Annual General Assessment, then, within Thirty (30) days of notice of such increase, Members in good standing exercising Ten (10%) percent of the voting power of the Association may petition the Board for a special meeting of the Association to reconsider such increase. At such meeting, the Members in good standing, in person or by proxy, exercising sixty-six and two thirds (66 2/3%) percent of voting power of the Association, may vote to reduce the increase by any amount therein proposed, but not lower than the previous years maximum amount.


f. **Allocation of Assessments.** The Neighborhood Expense Liability of each Sublot shall be its portion of the Neighborhood Expense. The Neighborhood Expense Liability and the Annual General Assessment shall be allocated equally to each Sublot. The other Assessments shall be allocated as applicable to the respective Sublots and as determined by the Board. Declarant, Developer and Builder shall not be subject to or required to pay any Common Expense Liability.

SECTION 4. Petition for Reconsideration of Budget Increase. If the Board receives a petition for reconsideration of budget increase as set forth in Section 6.8 of the Amendment, then the Board shall forthwith call a special meeting of the Members. At such meeting, the Members in good standing, in person on by proxy, exercising at least sixty-six and two thirds (66 2/3%) percent of voting power of the Association, may vote to reduce the increase by any amount proposed in the petition, but not lower than the previous year's budget.

SECTION 5. Failure to Adopt Budget. The failure or delay of the Board to adopt a budget as provided herein shall not constitute a waiver or release of the obligation of an Owner to pay the Assessments. In such event, the Assessments based upon the budget last adopted shall continue until such time as the Board adopts a new budget.

SECTION 6. Lien for Assessments. All Assessments set forth herein shall be a lien and a charge on the Sublots in accordance with Article X of the Declaration.

SECTION 7. Remedies for Default. If an Owner is in default of payment of an Assessment, the Board may exercise any or all of the remedies as set forth in Article XI of the Declaration. The Board may authorize the Association to bid its interest at any foreclosure sale and to acquire, hold, lease, mortgage and convey any Lot.

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**ARTICLE VII
ASSOCIATION MAINTENANCE RESPONSIBILITY**

SECTION 1. Common Areas, Exclusive Common Areas. The Association shall maintain, preserve administer, and improve the Common Areas in substantial compliance with the master plan for the subdivision and subject to the zoning regulations of Richfield Township. This Common Area maintenance shall include: grass cutting and landscaping; maintenance, repair and replacement of the private streets and entrway lighting and irrigation. The Association shall snow plow the driveways and lead walks located in the Exclusive Common Areas. This obligation of the Association shall continue so long as there are Exclusive Common Areas within the Association that require maintenance and administration as required by the regulations of Summit County and Richfield Township. The Owner shall be responsible for routine maintenance (except snowplowing), repair and replacement of the driveways and lead walks.

SECTION 2. Access to Sublots. For the purpose solely of performing the maintenance required or authorized herein, the Association, through its duly authorized agents or employees, or subcontractors, shall have the right, after reasonable notice to the Owner, to enter upon any Sublot at reasonable hours on any day.

**ARTICLE VIII
MISCELLANEOUS**

SECTION 1. Fiscal Year. The Association may adopt any fiscal year as determined by the Board.

SECTION 2. Parliamentary Rules. Except as may be modified by Board resolution establishing modified procedures, Robert's Rules of Order (current edition) shall govern the conduct of Association proceedings when not in conflict with Ohio law, the Articles of Incorporation, the Declaration, or this Code of Regulations.

SECTION 3. Conflicts. If there are conflicts or inconsistencies between the provisions of Ohio law, the Articles of Incorporation, the Declaration, and these Code of Regulations, the provisions of Ohio law, the Amendment, the Articles of Incorporation, and this Code of Regulations (in that order) shall prevail.

SECTION 4. Books and Records.

a. **Inspection by Members.** The membership book, account books and minutes of the Association, the Board and any committee shall be made available for inspection and copying by any Member or by his or her duly appointed representative at any reasonable time

and for a purpose reasonably related to his or her interest as a Member at the office of the Association or at such other place within Summit County, Ohio, as the Board shall prescribe.

b. **Rules for Inspection.** The Board shall establish reasonable rules with respect to:

i. notice to be given to the custodian of the records by the Members desiring to make the inspection;

ii. hours and days of the week when such inspection may be made;

iii. payment of the cost of reproducing copies requested by a Member.

c. **Inspection by Trustees.** Every Trustee shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a Trustee includes the right to make extracts and copies of documents at the expense of the Association.

SECTION 5. Notices. Unless otherwise provided in this Code of Regulations, all notices, demands, bills, statements, or other communications under this Code of Regulations shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by first class mail, postage prepaid:

if to a Member, at the address which the Member has designated in writing and filed with the Secretary or, if not such address has been designated, at the address of the residence of such Member; or

if to the Association, the Board of Trustees, or the Managing Agent, at the principal office of the Association or the Managing Agent, if any, or at such other address as shall be designated by the Board with written notice to the Members.

SECTION 6. Amendment. Except as otherwise provided by law or the Amendment, this Code of Regulations may be amended by the Members in accordance with the provisions of Section 13.2 of the Amendment.

SECTION 7. Financial Review. A review of the accounts of the Association shall be made annually in the manner as the Board of Trustees may decide, provided, however, after having received the Board's report at the annual meeting, the Owners, by majority vote, may require the accounts of the Association to be audited as a Common Expense by a public accountant.



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SECTION 8. Developer Control Of The Association.

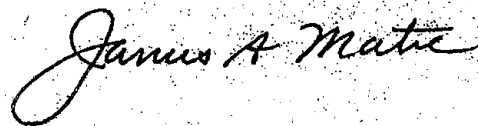
a. Appointment of Trustees and Officers. As the agent of Glencairn L.L.C., Innovative Contractors and Building Service, Inc., an Ohio corporation ("Innovative"), shall have the right to appoint and remove the members of the Board and the Officers of the Woods Neighborhood Homeowners' Association during the "control Period" which commences upon the recording of this Code of Regulations and shall terminate no later than the earlier of:

i. Sixty (60) days after the conveyance of seventy-five (75%) percent of the Sublots to owners other than Glencairn, L.L.C. or its affiliates;

ii. Seven (7) years after recording of this Code of Regulations.

b. Transition of Control. Not later than sixty (60) days after the conveyance of twenty-five (25%) percent of the Sublots in the Woods Neighborhood to owners other than Glencairn, L.L.C. or its affiliates, one Owner shall be elected to the Board by a vote of Owners other than Glencairn, L.L.C. or its affiliates, or any Builder, at which time no less than four (4) persons shall constitute the Board. Not later than sixty (60) days after the conveyance of fifty (50%) percent of the Sublots to Owners other than Glencairn, L.L.C. or its affiliates or any Builder, an additional Owner shall be elected to the Board by a vote of Owners other than Glencairn, L.L.C. or its affiliates, or any Builder, at which time no less than five (5) persons shall constitute the Board. Glencairn, L.L.C. or its affiliates, or Innovative, may voluntarily surrender the right to appoint and remove trustees and officers before the termination of the period set forth above. In that event, Glencairn, L.L.C. or its affiliates or Innovative may require, for the duration of that period, that specified actions of the Association or the Board be approved by Glencairn, L.L.C. or its affiliates or Innovative before they become effective. Such voluntary termination shall be evidenced by a recorded instrument executed by Glencairn, L.L.C. or its affiliates setting forth the termination of right to appoint and the actions that require the approval of Glencairn, L.L.C. or its affiliates or Innovative."

Adopted this 8th day of July, 2003.



James A. Matre, Sole Incorporator



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