

## BYLAWS OF

### TIMBERIDGE HOMEOWNERS ASSOCIATION, INC.

#### ARTICLE I

##### Name and Location

The name of the corporation is Timberidge Homeowners Association, Inc., hereinafter referred to as "the Association." The principal office of the Association shall be located at 7900 Raintree Lane, Matthews, North Carolina 28105, or at such other place as the Board of Directors may deem convenient or the affairs of the Association may require, provided that meetings of members and directors may be held at such place and location in the State of North Carolina as may be agreed upon by the majority of the Board of Directors.

#### ARTICLE II

##### Definitions

1. "Association" shall mean and refer to Timberidge Home-owners Association, Inc., a nonprofit corporation organized and existing under the laws of the State of North Carolina, its successors and assigns.

2. "Common Area(s)" shall mean and refer to any and all real property owned by the Association, or such other property to which the Association may hold title, whether in fee or for a term of years, for the nonexclusive use, benefit and enjoyment of the members of the Association subject to the provisions of the Declaration and the lease, if any, between the Association and Developer of the golf course and other recreational or open space land.

3. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions, and Restrictions applicable to the properties as recorded in the Office of the Register of Deeds for Mecklenburg County, North Carolina.

4. "Developer" shall mean and refer to Raintree Corp, a North Carolina corporation having a principal place of business at 7900 Raintree Lane, Matthews, North Carolina 28105, its successors and assigns.

5. "Lot" for the purposes of these Bylaws shall mean and refer to any plot of land to be used for single-family residential purposes and so designated on any subdivision plat or survey of Timberidge.

6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee interest in any lot which is a part of the Village of Timberidge, excluding, however, those parties having such interest merely as a security interest for the performance of an obligation.

7. "Properties" shall mean and refer to any and all **of** that certain real property now or which may hereafter be made subject to the Declaration as part of the subdivision being developed by Developer in Providence, Township, Mecklenburg County, North Carolina, which subdivision is and shall be commonly known as Timberidge, together with such additions as may hereafter be brought within the jurisdiction of the Association.

### ARTICLE III Membership

Section 1. Every person or entity who is the Owner of record of a fee interest in any Lot or who is purchasing one or more Lots under a contract or purchase agreement within the Properties shall be a member of the Association, subject to and bound by the Association's Articles of Incorporation, Bylaws, rules and regulations. The foregoing is not intended to include persons or entities who hold an interest in any Lot merely as security for the performance of an obligation. Ownership of such Lot shall be the sole qualification for membership. When any Lot is owned of record in joint tenancy or tenancy in common or by some other legal entity, or when two or more persons or other legal entity is purchasing one of more Lots under a contract or agreement of purchase, the membership as to such Lot(s) shall be joint and the right of such membership pertaining to voting power arising therefrom shall be exercised only as stipulated in Article V herein-below.

Section 2. During any period in which a member shall be in default in the payment of any annual, special or other periodic assessment levied by the Association, the voting rights and right to the use of the Common Areas or any other facilities which the Association may provide may be suspended by the Board of Directors until such assessment is paid. In the event of violation by a member of any rules or regulations established by the Board of Directors, such member's voting and use rights may be suspended by the Board after a hearing at which the general requirements of due process requirements shall be observed. Such hearing shall be held by the Board (or a committee thereof) after giving member 10 days prior written notice specifying each alleged violation and setting the time, place and date of the hearing. Determination of violation shall be made by a majority vote of the Board or the Committee thereof.

Section 3. No membership or initiation fee shall be charged, nor shall members be required to pay at any time any amount to carry on the business of the Association except to pay when due the charges, assessments and special assessments levied upon each member's Lot as specified in the Declaration, these Bylaws, or as the members of the Association may from time to time hereafter adopt.

#### ARTICLE IV Meetings of Members

Section 1. The first annual meeting of the members shall be held on \_\_\_\_\_, 1979, at such place and time as the Board of Directors shall provide in its notice to members, and each subsequent annual meeting of the members shall be held on the same day of the same month of each year thereafter. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday. If the annual meeting shall not be held on the day designated by these Bylaws, a substitute annual meeting may be called in accordance with the provisions of Section 2 of this Article. A meeting so called shall be designated and treated for all purposes as the annual meeting.

Section 2. Special meetings of the members may be called at any time by the President or by a majority of the Board of Directors, or upon written request of the members who are entitled to vote one-third (1/3) of the votes of each class of membership of the Association.

Section 3. Written notice of meetings stating the time and place of the meeting and in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) days before the date of the meeting, either personally or by mail, by or at the direction of the President, the Secretary or the person authorized to call the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the U.S. mails addressed to the member at his address as it appears on the records of the Association with the postage thereon prepaid.

Section 4. The presence in person or by proxy at the meeting of members entitled to vote, one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these Bylaws. A majority of the votes entitled to be cast by the members present in person or represented by proxy at such meeting at which a quorum is present shall be necessary for the adoption of any matter voted

upon by the members. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time without notice other than announcement at the meeting until a quorum as aforesaid shall be present or be represented; provided, however, that when a meeting is adjourned for more than 45 days from the date set forth in the original notice of meeting, notice of the adjourned meeting shall be given as in the case of an original meeting.

Section 5. At all meeting of members, each member may vote in person or by proxy. All proxies shall be in writing are filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot within the Properties.

## ARTICLE V Voting and Voting Rights

Section 1. The voting rights of the membership shall be appurtenant to the ownership of the Lot and shall otherwise be as set forth in the Declaration.

A. Each Lot designated as a Lot on which a single-family detached home is or may be constructed shall entitle the Owner(s) of said Lot to one (1) vote.

When two or more persons hold an interest (other than a leasehold or security interest) in any Lot, all such persons shall be members. The vote for such Lot shall be exercised by one of such persons as proxy and nominee for all persons holding an interest in a Lot and in no event shall more than one (1) vote be cast with respect to any Lot.

B. Any member who is delinquent in the payment of any charges duly levied by the Association against a Lot owned by such member shall not be entitled to vote until payment of all such charges, together with such reasonable penalties as the Board of Directors of the Association may impose, has been made.

C. Members shall vote in person or by proxy executed in writing by the member. No proxy shall be valid after eleven (11) months from the date of its execution or upon conveyance by the member of his Lot. A corporate member's vote shall be cast by the President of the member corporation or by any other officer or proxy appointed by the President or designated by the Board of Directors of such corporation.

D. Voting on all matters (except the election of directors, which shall be by written ballot) shall be by voice vote or by show of hands unless a majority of the members of each Class present at the meeting shall, prior to voting on any matter, demand a ballot vote on that particular matter. Where directors or officers are to be elected by the members, the solicitation of proxies **for** such elections may be conducted by mail.

## ARTICLE VI Property Rights

Section 1. Each member of the Association shall be entitled to the use and enjoyment of the Common Areas subject to the provisions of the Declaration and any lease to Developer of the golf course(s) and other recreational or open space land, or either. Any member may delegate his rights of enjoyment of the Common Areas and facilities to the members of his family, his tenants or contract purchasers who reside on his property. Such member shall notify the Secretary in writing of the name of any such delegate. The rights and privileges of such delegate are subject to suspension to the same extent as those of the member.

Section 2. Each member of the Association shall have such an interest in all of the property owned by the Association as is represented by the ratio of the number of votes to which said member is entitled to the total number of votes in the Association.

## ARTICLE VII Maintenance Charges

Section 1. Creation of the Lien and Personal Obligation of Assessments. By the Declaration each member is deemed to covenant to pay to the Association: (1) annual assessments or other periodic charges, and (2) special assessments as approved by the members. The annual and special assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall, to the extent permitted by law, be a continuing lien upon the property against which each such assessment is made to secure the payment of said assessments due and to become due. Each such assessment, together with such interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such property at the

time when the assessments feel due and shall not pass to his successors in title unless expressly assumed by them, which assumption shall not, however, relieve Owner of his personal obligation in event of nonpayment.

Section 2. Purpose of Assessments. The assessments paid to the Association

shall be used exclusively for the purpose of establishing and maintaining a fund which will be used to promote the recreation, health, safety, and welfare of the residents within Timberidge and in particular to pay for "the expense of maintaining the Common Areas and other facilities related to the use and enjoyment thereof. By way of illustration, but without limitation, the fund may be used for the following: lighting, improving, and maintaining streets and right-of-way areas dedicated for the common use of the Owners and occupants of Lots within Timberidge which are not maintained by any public authority; operating and maintaining storm water drains, now or hereafter constructed within the subdivision that are not or will not be under the direct supervision of the appropriate public authority; beautifying, maintaining and operating such greenways, playgrounds, parks and recreational areas as the Board of Directors deems appropriate; employing policemen and watchmen; providing for traffic control apparatus and equipment; for doing anything necessary or desirable in the opinion of the Board of Directors of the Association to keep the Common Areas of Timberidge neat and in good order and condition; and to provide such other common community services as the members of the Association shall decide are necessary or useful for the benefit, health and welfare of residents of Timberidge.

Section 3. Basis and Maximum of Annual Assessments. The maximums in annual assessments shall be limited as provided in the Declaration.

Section 4. Special Assessments. In addition to the annual assessments authorized above, the Association may levy at any time a special assessment as provided in the Declaration.

Section 5. Miscellaneous. The annual and special assessments, the date of commencement of annual assessment, and other matters relating to assessments are set forth in the Declaration.

ARTICLE VIII  
Board of Directors

Section 1. The business and affairs of this Association shall be managed by a Board of Directors which shall consist of not less than three (3) in number. At the inception of the Association, the Board shall consist of three (3) members named in the Articles of Incorporation, and thereafter the number directors shall be fixed by the Board.

Section 2. The first Board of Directors named in the Charter of the corporation shall serve for five (5) years. Only thereafter, directors shall be elected by ballot at the annual meeting of the members. Each director shall hold office until his death, resignation, removal, disqualification, or his successor is elected or appointed and qualified. Any vacancy may be filled at any time by a majority of the remaining directors, though less than a quorum, but a vacancy created by an increase in the authorized number of directors shall be filled only by election at an annual meeting or at a special meeting of members called for that purpose.

Section 3. The directors shall act only as a board, and the individual directors shall have no power as such a majority of the directors for the time being in office shall constitute a quorum for the transaction of business, but a majority of those present at the time and place of any regular or special meeting, although less than a quorum, may adjourn the same from time to time without notice until a quorum be at hand. The act of a majority of directors present at any time at which there is a quorum shall, be the act of the Board of Directors.

Section 4. The Board of Directors may, by resolution adopted by a majority thereof, designate one or more committees, each committee to include not less than two (2) directors as members thereof, which committees to the extent provided in said resolution, may have and may exercise, when the Board of Directors is not in session, the powers of the Board of Directors in the management of the affairs of the Association.

Section 5. The Board of Directors shall meet for the transaction of business at such time and place as may be designated from time to time by resolution of the Board. Regular meetings of the Board may be held without notice. Special meetings of the Board of Directors may be called by the President or by any two (2) members of the Board for any time and place, provided reasonable notice of such meetings shall be given to each member of the Board before the time appointed for such meeting. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting except where a director attends a meeting and objects thereat to the transaction of any business because the meeting is not lawfully called or convened.

Section 6. The Board of Directors may from time to time determine the order of business at its meetings. At all meetings of the Board, the President, or in his absence, the Chairman chosen by the directors present, shall preside.

Section 7. The Board of Directors, after the close of the fiscal year, shall submit to the members of the Association a report as to the condition of the Association and its property and shall submit also an account of the financial transactions of the past year.

Section 8. Subsequent to the time when directors are elected by members any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 9. No director shall receive compensation for any service he may render to the Association, provided, however, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 10. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

## ARTICLE IX Powers and Duties of the Board of Directors

Section 1. Powers. The Board of Directors shall have the power to:

(a) adopt and publish rules and regulations governing the use of the Common Areas and other facilities provided for the common use and benefit of Association members, and to establish penalties for the misuse thereof;

(b) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;

(c) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;



(d) enter into agreements with third parties in order to facilitate efficient operation of the Common Areas. It shall be the primary purpose of such agreements to provide for the administration, maintenance and repair, and operation of the Common Areas. The terms of said agreements shall be as determined by the Board of Directors to be in the best interest of the Association and Timberidge.

(e) employ a manager, an independent contractor, or such other employees as the Board deems necessary, and to prescribe their duties, to carry out and accomplish the purposes of the Association.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the members of the Association;

(b) supervise all officers agents and employees of this Association, and to see that their duties are properly performed;

(c) fix the amount of the annual or special assessments against each Lot as provided in the Declaration and send written notice of each assessment to every Association member at least thirty (30) days in advance of each annual or special assessment due date, subject, however, as to special assessments, the assent of the membership as herein-above provided;

(d) issue, or cause an appropriate officer to issue, upon demand by any person, a receipt setting forth whether or not any assessment has been paid; a reasonable charge may be made by the Board for the issuance of these certificates and such certificates, if issued, shall be conclusive evidence of payment of any assessment therein stated to have been paid; and

(e) cause the Common Areas to be maintained.

ARTICLE X  
Officers and Their Duties

Section 1. The officers of this Association shall be a President and one or more Vice Presidents, a Secretary, a Treasurer, and such other officers and assistant officers as the Board may from time to time deem necessary. Any two or more offices may be held by the same person, except the offices of President and Secretary and the offices of President and Vice President.

Section 2. The officers of the Association for the first five (5) years need not be members thereof. The officers of the Association shall be elected or appointed annually by the Board of Directors and each shall hold office for one (1) year unless he shall sooner die, resign or be removed, or otherwise disqualified to serve. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period have such authority, and perform such duties as the Board may from time to time determine.

Section 3. Any officer may be removed from office by the Board with or without cause. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignations shall take effect on the date of 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.

Section 4. A vacancy in any office may be filled in the manner prescribed for regular election or appointment. The officer elected or appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 5. The duties of the officers are as follows:

President

(a) The President shall be the chief executive officer of the corporation and shall perform such other duties as from time to time may be assigned to him by the Board; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, promissory notes, deeds and other such similar documents; and shall, in general, perform all duties incident to the office of President.

### Vice President

(b) The Vice President shall act in the place and stead of the President in the event of his absence/ inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

### Secretary

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses; and perform such other duties as required by the Board.

### Treasurer

(d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual accounting of the Association books to be made at the completion of each fiscal year; and shall prepare an annual budget and a statement of income -and ' expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

## ARTICLE XI Indemnification of Officers and Directors

The Association shall indemnify any and all persons who may serve or whom have served at any time as directors or officers of the Association against any and all expenses, including amounts paid upon judgments, counsel fees and amounts paid in settlement (before or after suit is commenced), actually and necessarily incurred by such persons in connection with the defense or settlement of any claim, action, suit or proceeding in which they, or any of them, are made parties, or a party, which may be asserted against them or any of them, by reason of being or having been directors or officers or a director or officer of the Association, except in relation to matters as to which any such director or officer or former director of officer or person

shall be adjudged in any action, suit, or proceeding guilty of willful and intentional negligence or misconduct in the performance of his duties to the Association. Provided however, that in the event of a settlement the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being in the best interest of the Association.

The provisions hereof shall be in addition to and not exclusive of any and all other rights to which any director or officer may otherwise be entitled under any law, bylaw, agreement vote of Association members or otherwise. In the event of death of the officer or director, the provisions hereof shall extend to his legal heirs, representative, successors and assigns. The foregoing rights shall be available whether or not such person or persons were in fact directors or officers at the time of incurring or becoming subject to such expenses, and whether or not the proceeding, claim, suit or action is based on matters which antedate the adoption of this Bylaw.

The invalidity or unenforceability of any provision of this Bylaw shall not affect the validity or enforceability of any other provision hereof.

## ARTICLE XII Corporate Seal

A corporate seal shall have engraved thereon the following:

Timberidge Homeowners Association, Inc.  
A Nonprofit Corporation  
SEAL  
1978 North Carolina

It shall remain in the custody of the Secretary and shall be by him affixed to all documents requiring the corporate seal of complete execution. An impression of the corporate seal is directed to be affixed to these Bylaws.

## ARTICLE XIII Books and Records

The books, records and papers of the Association shall at all times be subject to inspection by any Member during reasonable business hours. The Declaration, the Articles of Incorporation, and the Bylaws of the Association shall be available for inspection by any member of the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XIV  
Fiscal Year

The fiscal year of the Association shall begin on the first day of January and end on the thirty-first day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

ARTICLE XV  
Notice

Any notice required to be given by these Bylaws may be waived by the person entitled thereto before or after the time stated therein. Unless otherwise provided, whenever a notice shall be required by these Bylaws such notice shall be given in writing, and addressed to the person entitled thereto at his address as the same appears on the books of the Association, the time when such notice is mailed being deemed the time of the giving of such notice.

ARTICLE XVI  
Amendments

These Bylaws may be amended, at a regular or special meeting of the members of the Board of Directors, by a vote of a majority of a quorum of members of directors present in person or by proxy. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XVII  
Committees

An Architectural Committee, first appointed by the Developer to undertake the responsibilities set forth in the Declaration concerning the approval of plans, site approval and other matters set forth in the Declaration, shall be appointed in the manner provided in the Declaration. At any meeting of members, other committees may be established for purposes consistent with the Declaration and these Bylaws.

ARTICLE XVIII

Assets: Purpose

No part of the income of the Association shall inure to the benefit of any officer, director or member of the Association upon the dissolution of the Association, the assets thereof shall after all its liabilities and obligations have been discharge adequate provisions made therefor, be distributed or conveyed any association or associations organized for purposes similar:that of the Association, or to a government entity for maintenance.

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I certify that the foregoing is a true and accurate copy of the Bylaws adopted by the Board of Directors.

Robert R. Reed, Jr., Secretary

This the 4th day of October, 1978.

Resolution Adopted: 6/4/1991

Resolution Effective: 01/01/92

Subject: Annual Assessment Due Date

**RESOLUTION**

**Board of Directors**

**Timberidge Homeowners Association, Inc.**

RESOLVED, pursuant to Article VII, Section 5, of the By-laws and Article V, Section Nine, of the Declaration of Covenants, Conditions and Restrictions for Timberidge, henceforth and unless and until changed by the Board of Directors, the annual assessment shall be due and payable in the full annual amount on the first day of January of each year beginning with January 1, 1992; or as to any lots platted and subjected to a supplement to the Declaration of Covenants, Conditions and Restrictions for Timberidge after January 1 of each year, the annual assessment shall be due and payable in the full prorated annual amount on the first day of the month following the day upon which such lot became subject to such Declaration of Covenants, Conditions and Restrictions for Timberidge.

**CONSENT OF DIRECTORS  
OF  
TIMBERIDGE HOMEOWNERS ASSOCIATION, INC.  
TO ACTION WITHOUT MEETING**

WHEREAS, the present provisions of the By-Laws of the Timberidge Homeowners Association, Inc., provide for the election of directors on an annual basis; and

WHEREAS, in order to insure continuity in the management of the business and affairs of the Association, the Board of Directors is desirous of providing a method whereby the election of directors will be accomplished on a staggered basis; and

WHEREAS, Article XVI of the By-Laws of the Association authorize an amendment to such By-Laws by the Board of Directors;

NOW, THEREFORE, we, the undersigned, being all of the directors of Timberidge Homeowners Association, Inc., do hereby adopt the following resolution by signing our written consent thereto., the same being authorized by Article VIII, Section 10, of such By-Laws:

RESOLVED, effective with the election of directors at the 1986 annual meeting of the members of the Association, Article VIII of the Association's By-Laws shall be amended by deleting the same in its entirety and by substituting in the place thereof the following:

Section 1. The business and affairs of this Association shall be managed by a Board of Directors which shall consist of five (5) in number, divided into two classes. Class One consisting of three directors and Class Two consisting of two directors, the term of office of Class One directors expiring at the first annual meeting of the members after their election and the term of Class Two directors expiring at the second annual meeting of the members after their election. At each annual election of the directors after the first such classification and election to be held at the 1986 Annual Meeting of the members, directors chosen to succeed those whose terms expire shall be elected for a term of office to expire at the second annual meeting of the members after their election. In the event of the death, resignation, removal or disqualification of a director during his elected term of office, his successor shall be appointed to serve only until the expiration of the term of his predecessor.



Section 2. Notwithstanding anything contained herein to the contrary, in any instances where there exists a vacancy or vacancies in the Board of Directors, the remaining directors shall continue to manage the business and affairs of this Association so long as the Board of Directors consist of not less than three (3) in number.

Section 3. Except as otherwise provided in this Section 3 of Article VIII, directors shall be elected at the annual meeting of the members by ballot; and the persons who receive the highest number of votes shall be deemed to have been elected. Each director shall hold office until his death, resignation, removal, disqualification, or his successor is elected or appointed and qualified. Any vacancy may be filled at any time by a majority of the remaining directors, though less than a quorum, but a vacancy created by an increase in the authorized number of directors shall be filled only by election at an annual meeting or at a special meeting of members called for that purpose.

Section 4. The directors shall act only as a board, and the individual directors shall have no power as such. A majority of the directors for the time being in office shall constitute a quorum for the transaction of business, but a majority of those present at the time and place of any regular or special meeting, although less than a quorum, may adjourn the same from time to time without notice until a quorum be at hand. The act of a majority of directors present at any meeting at which there is a quorum shall be the act of the Board of Directors.

Section 5. The Board of Directors may, by resolution adopted by a majority thereof, designate one or more committees, each committee to include not less than two (2) directors as members thereof, which committees to the extent provided in said resolution, may have and may exercise, when the Board of Directors is not in session, the powers of the Board of Directors in the management of the affairs of the Association.

Section 6. The Board of Directors shall meet for the transaction of business at such time and place as may be designated from time to time by resolution of the Board. Regular meetings of the Board may be held without notice. Special meetings of the Board of Directors may be called by the President or by any two (2) members of the Board for any time and place, provided reasonable notice of such meetings shall be given to each member of the Board before the time appointed for such meeting. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting except where a director attends a meeting and objects thereat to the transaction of any business because the meeting is not lawfully called or convened.

Section 7. The Board of Directors may from time to time determine the order of business at its meetings. At all meetings of the Board, the President, or in his absence, the Chairman chosen by the directors present, shall preside.

Section 8. The Board of Directors, after the close of the fiscal year, shall submit to the members of the Association a report as to the condition of the Association and its property and shall submit also an account of the financial transactions of the past year.

Section 9. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be appointed by the remaining members of the Board.

Section 10. No director shall receive compensation for any service he may render to the Association, provided, however, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 11. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

RESOLVED FURTHER, that this resolution shall remain in effect until rescinded or modified by resolution of the Board of Directors of the Association.

This action is effective this the 14th day of November, 1985.

Colleen Carow  
Doug Leirmore  
Shannon Stober  
Sandy Hoard

TIMBERIDGE HOMEOWNERS ASSOCIATION, INC.  
INDEMNIFICATION RESOLUTION

Resolved that Article XI of this Association's by-laws be amended to read as follows:

That in addition to statutory provisions for indemnification of officers and directors and the provisions of these by-laws as previously enacted, this Association shall indemnify its officers, directors, and employees under the following provisions:

Any person who at any time serves or has served as a director, officer, or employee of this Association, or who, while serving as a director, officer, or employee of this Association, serves or has served, at the request of the Association, as a director, officer, partner, trustee, employee, or agent of another association, corporation, partnership, joint venture, trust, or other enterprise, or as a trustee or administrator under an employee benefit plan, shall have a right to be indemnified by this Association to the fullest extent permitted by law against (a) reasonable expenses, including attorneys' fees, incurred by him in connection with any threatened, pending, or completed civil, criminal, administrative, investigative, or arbitratve action, suit, or proceeding (and any appeal therein), whether or not brought by or on behalf of this Association, seeking to hold him liable by reason of the fact that he is or was acting in such capacity, and (b) reasonable payments made by him in satisfaction of any judgment, money decree, fine (including an excise tax assessed with respect to an employee benefit plan), penalty, or settlement for which he may have become liable in any such action, suit, or proceeding.

The Board of Directors of this Association shall take all such action as may be necessary and appropriate to authorize the Association to pay the indemnification required by this by-law, including, without limitation, making a determination that indemnification is permissible in the circumstances and a good faith evaluation of the manner in which the claimant for indemnity acted and of the reasonable amount of indemnity due him. The Board of Directors may appoint a committee or special counsel to make such determination and evaluation. To the

extent needed, the Board shall give notice to, and obtain approval by, the members of this Association for any decision to indemnify.

Any person who at any time after the adoption of this by-law serves or has served in the aforesaid capacity for or on behalf of the Association shall be deemed to be doing or to have done so in reliance upon, and as consideration for, the right of indemnification provided herein. Such right shall inure to the benefit of the legal representatives of any such person and shall not be exclusive of any other right to which such person may be entitled apart from the provision of this by-law.

5 signatures

September 8, 1992