

THE HIGHLAND CHASE LANDOWNERS ASSOCIATION

BY-LAWS

ARTICLE I

MEMBERS AND AUTHORITY

SECTION 1 - DESIGNATION, CLASSES AND QUALIFICATION OF MEMBERS. The Members of the Corporation shall consist of those owners of an interest in the Common Area as described in the Declaration of which these By-Laws are a part. The foregoing is not intended to include persons or entities who hold an interest as security for the performance of an obligation or indebtedness.

Membership shall be appurtenant to and may not be separated from ownership of the parcel of property owned by each Member (the "Lot"), and transfer of the Lot shall automatically transfer membership in the Association to the transferee. Membership arises simultaneously with the closing of the transaction whereby the purchaser acquired his, her or its interest in the Lot; provided, however, that such Member shall not become a voting Member of the Corporation until the deed for such Lot is properly filed of record.

If a Member is more than thirty (30) days delinquent in payment of any sums due to the Corporation for assessments or otherwise, such Member shall not be entitled to vote on any matter properly submitted to the Members for a vote until such Member's account is made current.

SECTION 2 - AUTHORITY OF THE MEMBERS. Except as otherwise specifically provided in the Declaration, the Articles of Incorporation or in these By-Laws, the Members shall: fix the number, class, qualifications and voting rights of Members; nominate, elect, remove, and fill vacancies in the Trustees of the Corporation; approve amendments to the Articles of Incorporation and these By-Laws; develop, as the Members deem appropriate, policies and guidelines for mutual and consistent guidance and operation of the Corporation; and exercise such other powers of the Members of the Corporation as are necessary, appropriate, and consistent with law, with the Articles of Incorporation, and with these By-Laws.

SECTION 3 - ANNUAL MEETING. The annual meeting of the Members shall take place on a date in May or June selected by the Board of Trustees.

SECTION 4 - SPECIAL MEETINGS. A majority of the Members, the President, or any two (2) officers of the Corporation may call a special meeting of the Members. Upon delivery of a written request stating the time and purpose or purposes of the meeting to the Secretary of the Corporation, said person shall cause notice to be given to the Members as provided below.

SECTION 5 - NOTICE OF MEETINGS. Not less than ten (10) days before the date fixed for an annual meeting or forty-eight (48) hours before the date fixed for a special meeting, written notice stating the date, time, place, and, in case of a special meeting, the purposes of such meeting, shall be given by or at the direction of the Secretary of the Corporation or of the other person or persons calling the same. Such notice shall be to the Members entitled to notice of the meeting at their respective addresses as they appear on the records of the Corporation by personal delivery, mail, telegram or other written media.

SECTION 6 - QUORUM; ADJOURNMENT. Except where the Declaration, the Articles of Incorporation, these By-Laws or the laws of the State of Ohio provide otherwise, at any meeting of Members, the Members present at a properly and duly called meeting shall constitute a quorum for such meeting; provided, however, that no action required by law, by the Declaration, by the Articles of Incorporation, or by these By-Laws to be authorized or taken by the designated proportion of the Members may be authorized or taken by a lesser proportion.

SECTION 7 - LOCATION OF MEETINGS. All meetings of the Members shall be held in Summit County, Ohio, or at such other place within the State of Ohio, as the Members shall determine.

SECTION 8 - WAIVER OF NOTICE. Notice of the time, place, and purposes of any meeting of the Members may be waived in writing by any Member entitled to notice of such a meeting either before, at or after the holding of such meeting. The attendance of any Member entitled to notice of such a meeting at any such 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 of notice of such meeting.

SECTION 9 - VOTING. Except as otherwise provided in these By Laws, each Member shall be entitled to exercise one (1) vote upon any matter properly submitted to such Member for its vote. Any Member may be represented and considered present at any meeting of Members or vote thereat and exercise any other rights by proxy or proxies appointed by a writing signed by such Member. At any meeting at which a quorum is present, all matters which came to a vote of the Members acting alone shall be determined by not less than a majority of the votes cast, except where a greater proportion is required by law, the Declaration, the Articles of Incorporation, or the By-Laws.

SECTION 10 - ACTION WITHOUT A MEETING. Any action which may be authorized or taken at a meeting of the Members may be authorized or taken without a meeting with the affirmative vote and approval of, and in a writing or writings signed by, all of the Members who would be entitled to notice of a meeting for such purpose and empowered to vote on such matter, which writing or writings shall be filed with or entered upon the records of the Corporation.

SECTION 11 - MEMBERSHIP BOOK. The Corporation shall keep a membership book containing the name and address of each Member, and the date of admission to membership.

SECTION 12 - MEETING HELD THROUGH COMMUNICATIONS. Any meeting of the Members of this Corporation may be held through communications equipment if all persons participating can hear each other and participation in a meeting pursuant to this Section shall constitute presence at such meeting.

SECTION 13 – ORGANIZATION OF MEETINGS.

- (1) Presiding Officer. The President or, in such person's absence, the Vice President of the Corporation shall call all meetings of the Members to order and shall act as Chairman thereof. If both are absent, the Members shall select a Chairman.
- (2) Minutes. The Secretary of the Corporation or, in such person's absence, a person appointed by the Chairman of the meeting, shall act as Secretary of the meeting and shall keep and make a record of the proceedings thereat.

SECTION 14 - ORDER OF BUSINESS. The order of business at all meetings of the Members, unless waived or otherwise determined by a vote of a majority of the Members present in person, shall be as follows:

1. Call meeting to order.
2. Selection of Chairman and/or secretary, if necessary.
3. Proof of notice of meeting and presentment of affidavit thereof.
4. Roll call, including filing of proxies with Secretary.
5. Reading, corrections, and approval of previously unapproved minutes.
6. Reports of officers and committees.
7. If annual meeting, or meeting called for that purpose, election of Trustees.
8. Unfinished business.
9. Consideration of all other matters that properly come before the meeting.
10. Adjournment.

ARTICLE II

TRUSTEES

SECTION 1 - AUTHORITY AND DUTIES. Subject to the provisions of Article I, the Board of Trustees shall have general supervision and charge of the operation, property, affairs, and finances of the Corporation. Without limiting the generality of the foregoing, the Board of Trustees shall:

- (a) elect the officers of the Corporation;
- (b) cause a full report concerning the affairs of the Corporation to be rendered to the Members at any annual meeting of the Members;
- (c) obtain insurance coverage no less than that required pursuant to the Declaration;
- (d) enforce the covenants, conditions, and restrictions set forth in the Declaration;
- (e) repair and maintain the Common Area (as defined in the Declaration);
- (f) establish, enforce, levy and collect assessments as provided in the Declaration;
- (g) adopt and publish rules and regulations governing the use of the Common Area and establish penalties for the infraction thereof;
- (h) suspend the voting rights of a Member during a period in which such Member shall be in default in the payment of any assessment levied by the Corporation; such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for each infraction of published rules and regulations or of any provisions of the be Articles of Incorporation, these By-Laws or the Declaration;
- (i) authorize the officers to enter into one or more management agreements in order to facilitate the efficient operation of the Common Area (it shall be the primary purpose of such management agreements to provide for administration, management, repair and maintenance as provided in the Declaration, and the receipt and disbursement of funds as may be authorized by the Board of Trustees). The terms of any management agreements shall be as determined by the Board of Trustees to be in the best interest of the Corporation.

SECTION 2 - NUMBER TERM OF OFFICE, ELECTION AND QUALIFICATIONS. The authorized number of Trustees shall be determined by the Declaration. The Board of Trustees shall include those persons elected by the Members. Each Trustee shall hold office until his successor is elected and qualified, or until his earlier resignation or removal from office. Except as otherwise

provided in these By-Laws, there shall be no limit on the number of terms a Trustee may serve. Trustees may be elected at the annual meeting of Members, but when the annual meeting is not held, or Trustees are not elected thereat, they may be elected at a special meeting called and held for such purpose. Any Trustee, by notice in writing to the Board of Trustees, may resign at any time, which resignation shall be effective upon receipt of such notice by the President.

SECTION 3 - QUALIFICATIONS. All Trustees shall be Members of the Corporation.

SECTION 4 - REMOVAL. Any Trustee shall automatically be removed from office without further action, upon his ceasing to be a Member for any reason. A Trustee can be removed, with or without cause, by vote of the Members.

SECTION 5 – ANNUAL MEETING. The annual meeting of the Board of Trustees shall take place immediately after the adjournment of the annual meeting of the Members. The purpose of the annual meeting shall be to elect the officers of the Corporation, receive the report of officers and committees of the Board of Trustees, and transact such other business as may properly come before the meeting.

SECTION 6 - REGULAR MEETINGS. In addition to the annual meeting, the Board of Trustees shall hold regular meetings, as the Board of Trustees deems appropriate, on such dates and at such times as the Board of Trustees shall determine. The Board of Trustees shall provide appropriate notice regarding regular meetings specifying the times and places for such meetings, as determined by the Board of Trustees. The purpose of regular meetings of the Board of Trustees shall be to receive reports from officers and committees of the Corporation, if any, approve or disapprove actions by the Corporation requiring action by the Board of Trustees, if any, and to consider and act upon any other matter which is necessary or appropriate for action by the Board of Trustees.

SECTION 7 - SPECIAL MEETINGS. A majority of the Trustees, the President, or the Vice President may call a special meeting of the Board of Trustees.

SECTION 8 - NOTICE OF MEETINGS. At least forty-eight (48) hours prior to an annual meeting, a regular meeting or a special meeting of the Board of Trustees, notice stating the date, time place, and in the case of a special meeting, the purpose or purposes of the meeting, shall be given to the Trustees by or at the direction of the Secretary of the Corporation or of the person or persons calling the same. Such notice shall be given to the Trustees personally or by telephone or by written notice which shall be given by personal delivery, mail, telegram or other written media addressed to the Trustees at their respective addresses as they appear on the records of the Corporation.

SECTION 9 - PLACE OF MEETING. All meetings of the Board of Trustees shall be held at the principal place of business of the Corporation or at any other place, within the State of Ohio, as the Board of Trustees shall determine.

SECTION 10 - QUORUM; VOTING; ADJOURNMENT. Except as otherwise provided in these By-Laws, the presence of not less than a majority of the Trustees of the Corporation serving as Trustees shall constitute a quorum for the transaction of business. Any Trustee related by consanguinity or marriage to persons employed or to be employed by the Corporation shall abstain from voting on all matters directly pertaining to such persons. The act of not less than a majority of the Trustees present and voting at a meeting at which a quorum is present shall be the act of the Board of Trustees, unless otherwise expressly provided by the Articles of Incorporation or these By-Laws. After a quorum has been established at a meeting of the Board of Trustees, the subsequent withdrawal of Trustees from the meeting so as to reduce the number of Trustees present at any meeting to fewer than the number required for a quorum shall not affect the validity of any action taken by the Board of Trustees at the meeting or any adjournment thereof. Not less than a majority of the Trustees present, whether or not a quorum exists, may adjourn any meetings of the Board of Trustees to another time and place.

SECTION 11 - WAIVER OF NOTICE. Notice of the time, place, and purposes of any meeting of the Board of Trustees may be waived in writing either before, at, or after the holding of such meeting. The attendance of any Trustee at any such 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 such Trustee of notice of such meeting.

SECTION 12 - 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 and approval of, and in a writing or writings signed by, all of the Trustees empowered to vote on such matter (s), which writing or writings shall be filed with or entered upon the records of the Corporation.

SECTION 13 - ORGANIZATION OF MEETINGS.

- (1) Presiding Officer. The President, or in such person's absence, the Executive Vice President of the Corporation shall call all meetings of the Trustees to order and shall act as Chairman thereof. If both are absent, the Trustees shall select a Chairman.
- (2) Minutes. The Secretary of the Corporation or, in such person's absence, a person appointed by the Chairman of the meeting shall act as Secretary of the meeting and shall keep and make a record of the proceedings thereat.

SECTION 14 - MEETINGS HELD THROUGH COMMUNICATIONS EQUIPMENT. Meetings of the Board of Trustees may be held through communications equipment if all persons participating can hear each other, and such participation shall constitute presence at such meeting.

SECTION 15 - ORDER OF BUSINESS. The order of business at all meetings of the Board of Trustees, unless waived or otherwise determined by a vote of a majority of the Trustees present in person, shall be as follows:

1. Call meeting to order.

2. Selection of Chairman and/or Secretary, if necessary.
3. Proof of notice of meeting and presentment of affidavit thereof.
4. Roll call, including filing or proxies with Secretary.
5. Reading, corrections and approval of previously unapproved minutes.
6. Reports of officers and committee.
7. If annual meetings, or meeting called for that purpose, election of Officers.
8. Unfinished business.
9. Consideration in sequence of all other matters that properly came before the meeting.
10. Adjournment.

SECTION 16 - COMPENSATION. Unless otherwise determined by the Members, no Trustee shall receive compensation for any service rendered to the Corporation as a Trustee. However, any Trustee may be reimbursed for his or her actual expenses incurred in the performance of the duties incident to being a Trustee of the Corporation.

ARTICLE III

COMMITTEES

SECTION 1 - COMMITTEES. The Board of Trustees shall establish a Building and Grounds Committee and shall from time to time establish such other committees as shall be deemed appropriate. Such committees shall have such purposes and powers as are provided in the resolution of the Board of Trustees establishing the same.

SECTION 2 - TERM OF OFFICE. Each member of a committee shall continue in office until such person's successor is appointed unless the committee of which he or she is a member shall be sooner terminated by the Board of Trustees or until his or her sooner resignation or removal as a Trustee or committee member. An affirmative vote of not less than a majority of the Board of Trustees may remove, with or without cause, any member of a committee of the Board of Trustees.

SECTION 3 - COMMITTEE MEETINGS. Meetings of any committee of the Board of Trustees shall be called by the chairman of such committee by giving notice of such meeting through the office of the President setting forth the time and place of such meeting at least forty-eight (48) hours prior to such meeting. Unless otherwise provided in these By-Laws, a majority of the

members of any committee shall constitute a quorum for the transaction of business and action by a majority of those committee members at any meeting at which a quorum is present shall constitute action by such committee.

SECTION 4 - ACTION WITHOUT A MEETING. Any action which may be taken at a meeting of a committee may be authorized or taken without a meeting by written action of all members of such committee, which written action shall be filed with the records of such committee.

SECTION 5 - MEETINGS HELD THROUGH COMMUNICATIONS EQUIPMENT. Meetings of any committee of the Board of Trustees may be held through communications equipment if all persons participating can hear each other and such participation shall constitute presence at such meeting.

ARTICLE IV

OFFICERS

SECTION 1 - DESIGNATION AND ELECTION OF OFFICERS. The Board of Trustees shall elect a President, a Vice President, a Secretary, a Treasurer, and such other officers and assistant officers as the Board of Trustees may elect from time to time. All of the Officers of the Corporation shall be Members or in the immediate family of a Member. The President and the Vice President shall be Trustees of the Corporation, but no other officer need be a Trustee. No person shall hold more than two offices, provided, however, that no person may serve both as President and Vice President. Officers shall be nominated and elected at a meeting of the Board of Trustees by not less than a majority vote of the Trustees. Subject to Article IV, Section 2 hereof, officers shall hold office until the date fixed in accordance with these By-Laws for the annual meeting of the Board of Trustees next following the election of such officers and until their successors are elected and qualified.

SECTION 2 - TERM OF OFFICE; REMOVAL; VACANCIES. The officers of the Corporation shall hold office until their successors are elected and qualified, except in case of resignation, removal from office (with or without cause in the sole discretion of the Board of Trustees), or death. The Board of Trustees may remove any officer at any time with or without cause with the affirmative vote of not less than a majority of the Trustees. Any vacancy in any office may be filled by the Board of Trustees for the balance of the term of the resigned, removed or deceased officer.

SECTION 3 - POWERS AND DUTIES. All officers, as between themselves and the Corporation, shall respectively have such authority and perform such duties as are customarily incident to their respective offices, and as may be specified from time to time by the Board of Trustees, regardless of whether such authority and duties are customarily incident to such office. In the absence of any officer of the Corporation, or for any other reason the Board of Trustees may deem sufficient, the Board of Trustees may delegate the powers or duties of such officer, or any

of them, to any other officer or to any Trustee. The Board of Trustees may from time to time delegate to any officer authority to appoint and remove subordinate officers and to prescribe their authority and duties.

ARTICLE V

CONFLICTS

SECTION 1 - RIGHT OF INDEMNIFICATION. The Corporation shall indemnify any Member, Trustee, officer, employee or agent of the Corporation to the fullest extent provided by, or permissible under, Section 1702.12 of the Ohio Revised Code; and the Corporation is hereby specifically authorized to take any and all further action to effectuate any indemnification of any person which any Ohio corporation may have power to take, by any vote of the disinterested Trustees, by an agreement, or otherwise. This section of the By-Laws of the Corporation shall be interpreted in all respects to expand such power to indemnify to the maximum extent permissible to any Ohio corporation with regard to the particular facts of each case, and not in any way to limit any statutory or other power to indemnify or right of any individual to indemnification.

SECTION 2 - PURCHASE OF INSURANCE. The Corporation may purchase and maintain insurance on behalf of any person who is or was a Member, Trustee, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a member, director, trustee, partner, officer, or employee of another corporation (whether non-profit or for profit), partnership, joint venture, trust, or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Corporation would have to power to indemnify him against such liability under the provisions of this Article or of the Ohio Nonprofit Corporation Law.

ARTICLE VII

BOOKS, RECORDS AND ACCOUNTS

The Corporation shall keep correct and complete books and records of account. The Corporation shall also keep minutes of the proceedings of the Members, the Board of Trustees, and committees of the Board of Trustees. All funds of the Corporation shall be deposited in an account or accounts credited to and in the name of the Corporation, and no disbursements therefrom shall be made except upon checks for withdrawal orders bearing the signature or signatures specified by resolution of the Board of Trustees.

ARTICLE VIII

FISCAL YEAR

The fiscal year of the Corporation shall begin on the first day of July and end on the 30th day of June each year or any other period as deemed appropriate by the Board of Trustees.

ARTICLE IX

AMENDMENTS

These By-Laws may be amended, or a new By-Laws may be adopted, by the Members at a meeting held for such purpose, by the affirmative vote of a majority of the Members present, if a quorum is present, or by the unanimous written consent of all of the Members of the Corporation.