



BYLAWS OF THE SAVANNAH GREEN HOMEOWNERS

ASSOCIATION OF URBANA, INC.

As adopted by the Board of Directors on August 21, 2004

ARTICLE I. NAME, ORGANIZATION, REGISTERED AGENT, ETC.

SECTION 1. NAME. The name of this corporation shall be "The Savannah Green Homeowners Association of Urbana, Inc." (the "Association")

SECTION 2. ORGANIZATION. The Association is a nonprofit corporation organized under the Illinois General Not For Profit Corporation Act of 1986 (the "NFPCA"), 805 ILCS 105/101.01, et seq., for the purpose of transacting any or all lawful business for which nonprofit corporations may be incorporated under the NFPCA; provided, however, that such business shall be performed at all times to qualify as a "homeowners association" (as such term is defined in section 528(c)(1) of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder (the "Code")) in order to be exempt from income tax pursuant to section 528(a) of the Code.

SECTION 3. REGISTERED OFFICE AND AGENT. The Association shall continuously maintain in the State of Illinois a registered office and a registered agent whose business is identical with such registered office and may have other offices within or without the state.

SECTION 4. EFFECTIVE DATE. These Bylaws and any amendment thereto shall become effective upon adoption by the Board of Directors.

SECTION 5. DEFINITIONS. All capitalized terms not defined herein shall have the meanings ascribed to them in that certain Declaration of Covenants, Restrictions and Easements for Savannah Green of Urbana, Phase 1 through Phase 5 (the "Declaration"), as it may be amended from time to time.

ARTICLE II. MEMBERS

SECTION 1. DEFINITION OF MEMBER. The term "member" shall include every person who is a record OWNER of any LOT in the SUBDIVISION. If more than one person holds record ownership in or with respect to any particular LOT, all such persons shall be members and the vote for such LOT shall be exercised as such persons may determine, but in no event shall more than one vote be cast with respect to any LOT in the SUBDIVISION. Membership is appurtenant to and inseparable from ownership of a LOT in the SUBDIVISION.

SECTION 2. VOTING RIGHTS. Members shall be entitled to exercise one vote at an annual meeting of members for the purpose of electing directors. Members shall also be entitled to exercise one vote at an annual meeting or special meeting of members in each matter submitted for vote and requiring membership approval as provided by the Declaration. Members shall have no other vote in the governance of the Association.

ARTICLE III. MEETINGS OF THE MEMBERS

SECTION 1. ANNUAL MEETINGS. An annual meeting of the members shall be held for the purpose of electing directors and for the transaction of other business that may come before the meeting. The first

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annual meeting of the members shall be held within one year from the date of incorporation of the Association and each subsequent regular annual meeting of the members shall be held no later than 120 days after the close of the Association's fiscal year at a date and time to be determined by the Board of Directors; provided, however, that the failure of the Association to hold an annual meeting at the date and time specified herein shall not affect the validity of any action taken by or on behalf of the Association.

The Board of Directors may fix any place as the place for holding any annual meeting of the members.

SECTION 2. SPECIAL MEETINGS. Special meetings may be called by the President of the Association, or, if there be no President, by a resolution of a majority of the Board of Directors or upon a petition signed by at least a majority of the members. The person or persons authorized to call special meetings of the members may fix any place as the place for holding any special meeting of the board called by them.

SECTION 3. NOTICE OF MEETINGS. It shall be the duty of the Secretary of the Association to mail by first-class or registered mail or to cause to be delivered to each member of record a written notice stating the place, date, and hour of any meeting of members. With respect to each LOT, notice shall be mailed or delivered to the street address of such LOT, unless the member who is the OWNER of such LOT shall have previously designated an alternative address by notice in writing to the Secretary of the Association. Written notice shall be delivered to each member entitled to vote at such meeting not less than ten (10) nor more than thirty (30) days before the date of such meeting, or, in the case of a removal of one or more directors, a merger, consolidation, or dissolution, or a sale, lease, or exchange of assets, not less than twenty (20) nor more than sixty (60) days before the date of the meeting. In case of a special meeting or when required by statute or by these bylaws, the purpose for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting, except as stated in the notice.

SECTION 4. ADJOURNMENT OF MEETINGS. If any meetings of the members of the Association cannot be held because a quorum is not present, then 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 date of the original meeting. Any meeting of the members at which a quorum is present may also be adjourned to such future date as may be approved by the members 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 without further notice.

SECTION 5. FIXING OF RECORD DATE. For the purpose of determining the members entitled to notice of or to vote at any meeting of members, or in order to make a determination of members for any other proper purpose, the board of directors of the corporation may fix in advance a date as the record date for any such determination of members, such date in any case to be no more than sixty (60) days and, for a meeting of members, not less than five (5) days, or in the case of a merger, consolidation, or dissolution or a sale, lease, or exchange of assets, not less than twenty (20) days before the date of such meeting. If no record date is fixed for the determination of members entitled to notice of or to vote at a meeting of members, the date on which notice of the meeting is delivered shall be the record date for such determination of members. When determination of members entitled to vote at any meeting of members has been made, such determination shall apply to any adjournment of the meeting.

SECTION 6. QUORUM. The presence, in person or by proxy, of 10% of the members entitled to cast a vote on a matter shall constitute quorum at all meetings of the members. The members at a duly called or

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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.

SECTION 7. PROXIES.

(a) At all meetings of the members, each member may vote in person or by proxy. All proxies shall be in writing, executed, dated and filed with the Secretary before the appointed time of the meeting. Every proxy shall be revocable and shall automatically cease upon the conveyance by the member of his or her LOT, or upon receipt of notice by the Secretary of the death or incompetence of a member, or of written revocation, or upon the expiration of eleven (11) months from the date of the proxy.

(b) The Secretary of the meeting shall have discretion in good faith to reject any vote, consent, waiver or proxy appointment if he or she has a reasonable basis for doubt about the validity of the signature thereupon or about the signatory's authority to sign for the member or to cast a vote. Any action taken by the Secretary in accordance with this section shall not subject the Association or the Secretary to liability for damages to any member as a consequence of the acceptance or rejection. Any action by the Association based upon such acceptance or rejection is valid unless a court of competent jurisdiction determines otherwise.

SECTION 8. NOMINATION AND ELECTION OF DIRECTORS. Nominations for election to the Board of Directors may be made by a Nominating Committee or other procedures established by the Board of Directors. Nominations may also be made from the floor by members at the annual meeting. At any meeting of the members at which one or more directors have been nominated for election, the persons receiving the largest number of votes shall be elected. All votes cast for election of directors at the annual meeting shall be by secret written ballot.

SECTION 9. APPROVAL OF OTHER MATTERS. Unless a greater vote is required by the Articles of Incorporation, the Declaration or applicable law, a proposal shall be approved by the members if the number of votes cast in favor of such proposal at such meeting (whether in person or by proxy) exceed the number of votes cast against such proposal.

ARTICLE IV. BOARD OF DIRECTORS

SECTION 1. GENERAL POWERS. The affairs of the Association shall be managed by or under the direction of its board of directors.

SECTION 2. NUMBER AND QUALIFICATIONS. The number of directors shall be seven (7). Directors must be members of the Association and residents of the SUBDIVISION. The number of directors may be decreased to not fewer than three (3) or increased to no more than seven (7) from time to time by amendment of this section. No decrease shall have the effect of shortening the term of an incumbent director.

SECTION 3. TENURE. The initial Board of Directors shall be set forth in the Articles of Incorporation.

The initial Board of Directors shall serve until June 30, 2004 or until their successors are elected, whichever occurs first. The first Board of Directors seated after the initial board shall be classified into two classes. Class one shall consist of directors who are appointed as officers. Class two shall consist of non-officer directors. Those directors in class one shall serve a term of two years. Those directors in class two shall serve a term of one year. All subsequently elected directors shall not be classified and

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shall serve a term of two years. Directors may serve only three terms consecutively, excluding terms for which a director is appointed.

SECTION 4. REGULAR MEETINGS. No less than four regular meetings of the board of directors shall be held during each fiscal year and no less than one regular meeting shall be held each fiscal quarter. The Board of Directors may fix any place as the place for holding any regular meeting of the directors.

SECTION 5. SPECIAL MEETINGS. Special meetings of the board of directors may be called by or at the request of the president or any two directors. The person or persons authorized to call special meetings of the board may fix any place as the place for holding any special meeting of the board called by them.

SECTION 6. NOTICE. All directors shall be given at least seven (7) days' notice of the date of a regular meeting and at least three (3) and no more than sixty (60) days notice of special meetings except that no special meeting of directors may remove a director unless written notice of the proposed removal is delivered to all directors at least twenty (20) days prior to such meeting. Notice of meetings may be given personally or by first class mail, electronic mail, or facsimile transmission and shall be deemed given when mailed or when the electronic mail or facsimile transmission is sent, addressed to the director at his or her business or residence address, or sent to the director's previously provided facsimile number or previously provided electronic mail address. Neither the business to be transacted at, nor the purpose of, any meeting of the Board of Directors need be specified in the notice (or waiver of notice) of such meeting except in the following cases: the removal or election of directors; the removal or election of officers; amendments to these Bylaws, or amendments to the Articles of Incorporation.

SECTION 7. QUORUM.

(a) Subject to Art. 4 § 7(b), a quorum for the transaction of any business shall be a majority of the directors then in office; provided, however, that if there are less than three members of the Board of Directors then in office (but only with respect to action taken pursuant to Art. 4 § 7(b)), all must be present for a quorum. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of one or more directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If any meeting cannot be held because a quorum is not present, a majority of the directors who are present at such meeting may adjourn the meeting to a date, time and place that may be then or subsequently determined. 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 without further notice.

(b) With respect to the appointment of persons to fill one or more vacancies on the Board of Directors, if the number of remaining directors then in office is greater than or equal to three, the remaining directors then in office may meet to fill the vacancy and to transact any other business that may be brought before the Board of Directors, but only to the extent permitted or not prohibited by the Declaration. If the number of remaining directors then in office is less than three, the remaining directors then in office may meet solely to fill the vacancy in accordance with Art. 4 § 9 notwithstanding the fact that the quorum requirement set forth in Art. 4 § 7(a) may not be met with respect to such meeting, provided, however, that such directors may not transact any other business until there are at least three directors present at such meeting.

SECTION 8. MANNER OF ACTING. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors, unless the act of a greater number is required by statute, these bylaws, or the articles of incorporation. No director may act by proxy on any matter.

SECTION 9. VACANCIES. Vacancies created by a resolution of the Board of Directors to increase the number of directors or by the death, removal, resignation, or incapacity of any member of the Board of Directors may be filled by the affirmative vote of a majority of the directors then remaining in office, even though less than a quorum. Each person so appointed shall serve the unexpired portion of the term.

SECTION 10. RESIGNATION AND REMOVAL OF DIRECTORS. A director may resign at any time upon written notice to the Board of Directors. One or more of the directors may be removed with or without cause, by the affirmative vote of a majority of the directors then in office present and voting at a meeting of the board of directors at which a quorum is present.

SECTION 11. INFORMAL ACTION BY DIRECTORS. Any action required to be taken at a meeting of the Board of Directors, or any action that may be taken at a meeting of the Board of Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by a majority of the directors and filed with the minutes of the proceedings of the Board of Directors. An action by written consent taken solely to fill vacancies on the Board of Directors will be effective if adopted by the vote required by Art. 4 § 9.

SECTION 12. PRESUMPTION OF ASSENT. A director of the corporation who is present at a meeting of the board of directors at which action on any corporation matter is taken shall be conclusively presumed to have assented to the action taken unless his or her dissent shall be entered in the minutes of the meeting or unless he or she shall file his or her written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered or certified mail to the secretary of the corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

SECTION 13. ATTENDANCE OF NON-DIRECTOR MEMBER

(a) All meetings of the Board of Directors shall be open to all Members, but Members who are not directors may not participate in any discussion or deliberation unless expressly authorized by the Board of Directors.

(b) The Board of Directors may determine to exclude some or all non-director Members attending the meeting from such meeting for "cause". "Cause" shall be deemed to include, without limitation, the discussion of or voting upon any business that involves the particular Member or Members to be excluded, provided that, prior to exclusion, the Member shall be given a reasonable opportunity to be heard at the meeting.

(c) The Board may adjourn a meeting and reconvene in an executive session outside the presence of non-director Members, in order to discuss and vote upon matters that the Board reasonably believes to be of a sensitive or personal nature. The Board may determine whether to inform the non-director Members of the nature of the business to be considered in the executive session.

SECTION 14. DIRECTOR POWER AND DUTIES. The Board of Directors shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration thereof, and, as provided by law, may do all acts and things as are not directed by the Declaration, the Articles of Incorporation or these Bylaws directed to be done and exercised exclusively by the Members.

In addition to the duties imposed by the Declaration, the Articles of Incorporation or these Bylaws, the Board of Directors shall have the power to and be responsible for the following, without limitation:

- (a) preparing and adopting an annual budget;
- (b) levying dues assessments (and interest for nonpayment of assessments) and establishing methods for the collection thereof;
- (c) providing for the maintenance, care and upkeep of all areas which are under the MAINTENANCE responsibility of the Association;
- (d) designating, hiring and dismissing the personnel necessary for the operation of the Association, and, where appropriate or permissible, providing for the compensation of such personnel and for the purchase of equipment, supplies and material to be used by them in the performance of their duties;
- (e) keeping all monies of the Association in a bank depository approved by it, and using the proceeds to administer the Association;
- (f) opening of bank accounts on behalf of the Association and designating the signatories required, and establishing policies and procedures for the deposit of funds thereto and the disbursement of funds therefrom;
- (g) enforcing by all legal means the provisions of the Declaration, these Bylaws and the rules and regulations adopted by the Board of Directors, and bringing any proceedings instituted on behalf of or against any OWNER or OWNERS concerning the Association;
- (h) obtaining and carrying insurance against casualties and liabilities, if deemed necessary by the Board of Directors, and paying the premium cost thereof;
- (i) paying the cost of all services rendered to the Association or its Members that are not directly chargeable to the OWNERS;
- (j) hiring appropriate accounting, legal and tax advisors as deemed necessary or desirable by the Board of Directors;
- (k) contracting in the name of and on behalf of the Association;
- (l) exercising for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the members by other provisions of these Bylaws, the Articles of Incorporation or the Declaration;

and

- (m) borrowing money as deemed necessary, but only as approved by a supermajority of the members of the Association and shall not exceed the minimum amount to complete a task.

SECTION 15. COMPENSATION. The directors of the Association shall not be entitled to any compensation for their services.

ARTICLE V. OFFICERS

SECTION 1. OFFICERS. The officers of the corporation shall be a president, a vice president, a treasurer, a secretary, and such other officers as may be elected or appointed by the board of directors. Officers whose authority and duties are not prescribed in these bylaws shall have the authority and perform the duties prescribed, from time to time, by the board of directors.

SECTION 2. ELECTION AND TERM OF OFFICE. The officers of the corporation shall be elected annually by the board of directors at the regular annual meeting of the board of directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Vacancies may be filled or new offices created and filled at any meeting of the board of directors. Each officer shall hold office until his or her successor shall have been duly elected and shall have qualified, until his or her death, or until he or she shall resign or shall have been removed in the manner hereinafter provided. Election of an officer shall not of itself create contract rights.

SECTION 3. PRESIDENT. The president shall be the principal executive officer of the corporation. Subject to the direction and control of the board of directors, he or she shall be in charge of the business and affairs of the corporation; he or she shall see that the resolutions and directives of the board of directors are carried into effect except in those instances in which that responsibility is assigned to some other person by the board of directors; and, in general, he or she shall discharge all duties incident to the office of president and such other duties as may be prescribed by the board of directors. He or she shall preside at all meetings of the members and of the board of directors. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the corporation or a different mode of execution is expressly prescribed by the board of directors or these bylaws, he or she may execute for the corporation any contracts, deeds, mortgages, bonds, or other instruments that the board of directors has authorized to be executed, and he or she may accomplish such execution either under or without the seal of the corporation and either individually or with the secretary, any assistant secretary, or any other officer thereunto authorized by the board of directors, according to the requirements of the form of the instrument.

He or she may vote all securities that the corporation is entitled to vote except as and to the extent such authority shall be vested in a different officer or agent of the corporation by the board of directors.

SECTION 4. VICE PRESIDENT. The vice president (or in the event there be more than one vice president, each of the vice presidents) shall assist the president in the discharge of his or her duties as the president may direct and shall perform such other duties as from time to time may be assigned to him or her by the president or the board of directors. In the absence of the president or in the event of his or her inability or refusal to act, the vice president (or in the event there be more than one vice president, the vice presidents, in the order designated by the board of directors, or by the president if the board of directors has not made such a designation, or in the absence of any designation, then in the order of their seniority of tenure) shall perform the duties of the president and, when so acting, shall have all the powers of and be subject to all the restrictions on the president. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the corporation or a different mode of execution is expressly prescribed by the board of directors or these bylaws, the vice president (or any of them if there is more than one) may execute for the corporation any contracts, deeds, mortgages, bonds, or other instruments that the board of directors has authorized to be executed, and he or she may accomplish such execution either under or without the seal of the corporation and either individually or with the secretary, any assistant secretary, or any other officer thereunto authorized by the board of directors, according to the requirements of the form of the instrument.

SECTION 5. TREASURER. The treasurer shall be the principal accounting and financial officer of the corporation. He or she shall (a) have charge of and be responsible for the maintenance of adequate books of account for the corporation; (b) have charge and custody of all funds and securities of the corporation, and be responsible therefor, and for the receipt and disbursement thereof; and (c) perform all the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him or her by the president or by the board of directors. If required by the board of directors, the treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the board of directors shall determine.

SECTION 6. SECRETARY. The secretary shall (a) record the minutes of the meetings of the members and of the board of directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these bylaws or as required by law; (c) be a custodian of the corporate records and of the seal of the corporation; (d) keep a register of the post office address of each member which shall be furnished to the secretary by such member; and (e) perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him or her by the president or by the board of directors.

ARTICLE VI. COMMITTEES, COMMISSIONS, AND ADVISORY BOARDS

SECTION 1. COMMITTEES. The Board of Directors, by resolution adopted by a majority of the directors in office, may designate one or more committees, each of which will consist of two or more directors and such other persons as the Board of Directors designates, provided that a majority of each committee's members are directors. The committees, to the extent provided in said resolution and not restricted by law, shall have and exercise the authority of the board of directors in the management of the corporation; but the designation of such committees and the delegation thereto of authority shall not operate to relieve the board of directors, or any individual director, of any responsibility imposed on it, him, or her by law; however, a committee may not:

- (a) Adopt a plan for the distribution of the assets of the corporation, or for dissolution;
- (b) Approve or recommend to members any act this Act requires to be approved by members, except that committees appointed by the board or otherwise authorized by the bylaws relating to the election, nomination, qualification, or credentials of directors or other committees involved in the process of electing directors may make recommendations to the members relating to electing directors;
- (c) Fill vacancies on the board or on any of its committees;
- (d) Elect, appoint or remove any officer or director or member of any committee, or fix the compensation of any member of a committee;
- (e) Adopt, amend, or repeal the bylaws or the articles of incorporation;
- (f) Adopt a plan of merger or adopt a plan of consolidation with another corporation, or authorize the sale, lease, exchange or mortgage of all or substantially all of the property or assets of the corporation, or
- (g) Amend, alter, repeal or take action inconsistent with any resolution or action of the board of directors when the resolution or action of the board of directors provides by its terms that it shall not be amended, altered or repealed by action of a committee.

SECTION 2. COMMISSIONS OR ADVISORY BODIES. Commissions or advisory bodies not having and exercising the authority of the Board of Directors in the corporation may be designated or created by the

Board of Directors and shall consist of such persons as the Board of Directors designates. A commission or advisory body may or may not have directors as members, as the board of directors determines. The commission or advisory body may not act on behalf of the corporation or bind it to any actions but may make recommendations to the board of directors or to the officers of the corporation.

SECTION 3. TERM OF OFFICE. Each member of a committee, advisory board, or commission shall continue as such until the next annual meeting of the members of the corporation and until his or her successor is appointed, unless the committee, advisory board, or commission shall be sooner terminated, or unless such member be removed from such committee, advisory board, or commission by the board of directors, or unless such member shall cease to qualify as a member thereof.

SECTION 4. CHAIR. One member of each committee, advisory board, or commission shall be appointed chair.

SECTION 5. VACANCIES. Vacancies in the membership of any committee, advisory board, or commission may be filled by appointments made in the same manner as provided in the case of the original appointments.

SECTION 6. QUORUM. Unless otherwise provided in the resolution of the board of directors designating a committee, advisory board, or commission, a majority of the whole committee, advisory board, or commission shall constitute a quorum, and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee, advisory board, or commission.

SECTION 7. RULES. Each committee, advisory board, or commission may adopt rules for its own government not inconsistent with these bylaws or with rules adopted by the board of directors.

SECTION 8. INFORMAL ACTION. The authority of a committee may be exercised without a meeting if a consent in writing, setting forth the action taken, is signed by all the members entitled to vote.

ARTICLE VII. CONTRACTS, CHECKS, DEPOSITS, AND FUNDS

SECTION 1. CONTRACTS. The Board of Directors may authorize any officer or officers or agent or agents of the corporation, in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

SECTION 2. All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers or agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the treasurer or an assistant treasurer and countersigned by the president or a vice president of the corporation.

SECTION 3. DEPOSITS. The Board of Directors may appoint any bank, trust company or other depository having its principal office in the United States as fiscal agent of the Association and delegate to such bank, trust company or other depository the custody and routine management of the Association's funds, subject to the direction and supervision of the Board of Directors. The directors may likewise delegate to such a bank, trust company or other depository or to an investment manager or advisor the powers and duties to invest and reinvest the Association's funds subject to the direction and supervision of the directors.

SECTION 4. GIFTS. The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the corporation.

ARTICLE VIII. BOOKS AND RECORDS

The Association shall keep correct and complete books and records of account, and it shall also keep minutes of the proceedings of the Board of Directors and of committees having any of the authority of the Board of Directors, and shall keep at its registered or principal office a record giving names, addresses and telephone numbers of the Board of Directors.

ARTICLE IX. FISCAL YEAR

The fiscal year of the Association shall be from November 1 through October 30 of each year.

ARTICLE X. WAIVER

Whenever any notice is required to be given under the provisions of the General Not For Profit Corporation Act of Illinois or under the provisions of the articles of incorporation or the bylaws of the corporation, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Attendance at any meeting shall constitute waiver of notice thereof unless the person at the meeting objects to the holding of the meeting because proper notice was not given.

ARTICLE XI. AMENDMENTS

The power to alter, amend, or repeal the bylaws or adopt new bylaws shall be vested in the Board of Directors unless otherwise provided in the articles of incorporation or the bylaws. Such action may be taken by supermajority vote at a regular or special meeting for which written notice of the purpose shall be given. The bylaws may contain any provisions for the regulation and management of the affairs of the corporation not inconsistent with law or the articles of incorporation.

ARTICLE XII. CONFLICTS WITH OTHER PROVISIONS

Should any provision of these Bylaws conflict with or contradict any provision in the Articles of Incorporation or the Declaration, as they may be amended from time to time, then the provisions in such other documents shall govern, and the conflicting provision in these Bylaws shall be null and void and treated as if such provision had been stricken from these Bylaws.

ARTICLE XIII. LIQUIDATION

Upon liquidation or cessation of the activities of the Association, the Board of Directors shall determine by a majority vote of the membership of the Board of Directors the manner in which the property and assets of the Association are to be distributed, in accordance with the NFPCA.

ARTICLE XIV. DIRECTOR CONFLICTS OF INTEREST

- (a) If a transaction is fair to the corporation at the time it is authorized, approved, or ratified, the fact that a director of the corporation is directly or indirectly a party to the transaction is not grounds for invalidating the transaction.
- (b) In a proceeding contesting the validity of a transaction described in subsection a of this Article, the person asserting validity has the burden of proving fairness unless the material facts of the transaction and the director's interest or relationship were disclosed or known to the board of directors and the board or committee authorized, approved, or ratified the transaction by the affirmative votes of a majority of disinterested directors even though the disinterested directors were less than a quorum.
- (c) The presence of a director who is directly or indirectly a party to the transaction described in subsection a of this Article or a director who is otherwise not disinterested may be counted in determining whether a quorum is present but may not be counted when the board of directors or a committee then takes action on the transaction.
- (d) For purposes of this Article, a director is "indirectly" a party to a transaction if the other party to the transaction is an entirety in which the director has a material financial interest or of which the director is an officer, director, or general partner.

Ratified August 21, 2004 by the Board of Directors:

John Farney

Howard Loar

Dona Greene

Keith Hill

Zack Stork

Shawn Kohler