

BYLAWS
OF
RIDGEWOOD FALLS GARDEN CLUB, INC.

This Instrument Prepared by:
Valerie L. Tolbert, Attorney At Law
ZOLLINGER, GRUBER, THOMAS & CO.
P.O. Box 2985
6370 Mt. Pleasant St. NW
North Canton, Ohio 44720-0985
(330) 497-2886

12620-1

TABLE OF CONTENTS

ARTICLE I – THE ASSOCIATION	1
Section 1 Name and Nature of Association	1
Section 2 Membership	1
Section 3 Voting Rights	1
Section 4 Majority	2
Section 5 Proxies	2
Section 6 First Meeting of Members	2
Section 7 Order of Business	3
ARTICLE II – BOARD OF MANAGERS	4
Section 1 Qualifications	4
Section 2 Number of Board Members	4
Section 3 Election of Board of Managers by Members Prior to the First Annual Meeting	4
Section 4 Election of Board of Managers by Members: First Annual Meeting	4
Section 5 Election of Board of Managers from and after the First Annual Meeting	4
Section 6 Organization Meeting	5
Section 7 Regular Meetings	5
Section 8 Special Meetings	5
Section 9 Actions in Writing Without a Meeting	5
Section 10 Quorum: Adjournment	5
Section 11 Powers and Duties	6
Section 12 Removal of Board Members	6
Section 13 Vacancies	7
Section 14 Compensation	7
ARTICLE III – OFFICERS	7
Section 1 Election and Designation of Officers	7
Section 2 Term of Office; Vacancies	7
Section 3 President	7
Section 4 Vice President	7
Section 5 Secretary/Treasurer	7
Section 6 Other Officers	8
Section 7 Delegation of Authority and Duties	8
Section 8 No Compensation to Officers	8
ARTICLE IV – GENERAL POWERS OF THE ASSOCIATION	8
Section 1 Payments	8
Section 2 Rules and Regulations	9
Section 3 No Active Business to be Conducted for Profit	9
Section 4 Levying Fines	9

ARTICLE V – DETERMINATION AND PAYMENT OF ASSESSMENTS	10
Section 1 Payment of Dues or Assessments	10
Section 2 Preparation of Estimated Budget	10
Section 3 Budget for First Year	10
Section 4 Failure to Prepare Annual Budget	10
Section 5 Books and Records of Association	10
Section 6 Status of Funds Collected by Association	10
Section 7 Annual Statements	11
Section 8 Annual Audit	11
Section 9 Remedies for Failure to Pay Dues or Assessments	11
ARTICLE VI – INDEMNIFICATION	11
Section 1 In General	11
Section 2 Advance of Expenses	11
Section 3 Indemnification Not Exclusive; Insurance	12
Section 4 Indemnification by Members	12
Section 5 Cost of Indemnification	12
ARTICLE VII – GENERAL PROVISIONS	12
Section 1 Service of Notices on the Board of Managers	12
Section 2 Service of Notices on Devisees and Personal Representatives	12
Section 3 Non-Waiver of Covenants	12
Section 4 Agreements Binding	12
Section 5 Severability	13
Section 6 Amendments	13
Section 7 Captions	13

BYLAWS
OF THE RIDGEWOOD FALLS GARDEN CLUB, INC.

The purpose of the within Bylaws is to provide for the establishment of a Homeowners' Association for the enforcement of the Restrictive Covenants of Ridgewood Falls Subdivision and Ridgewood Falls Condominiums, and to provide for the maintenance, preservation and architectural control of specific property located in Ridgewood Falls Subdivision and the Ridgewood Falls Condominiums. This purpose shall be accomplished on a non-profit basis, and no part of the earnings of the Association shall inure to the benefit of any private person, firm, corporation, association or organization. Every person or entity who is a record owner of a fee or undivided fee simple interest in a Lot or Unit within Ridgewood Falls Subdivision, and every owner of a Unit in Ridgewood Falls Condominiums shall be a member of the Corporation and shall be subject to the covenants, provisions or regulations contained in these Bylaws and shall be subject to any restriction, condition or regulation hereinafter adopted by the Association.

ARTICLE I
THE ASSOCIATION

Section 1. Name and Nature of Association. The Association is an Ohio corporation not for profit and is called the Ridgewood Falls Garden Club, Inc.

Section 2. Membership. Every person or entity, who is a record owner of a fee or undivided fee simple interest in a Lot within Ridgewood Falls Subdivision, and every owner of a Unit in Ridgewood Falls Condominium shall be a member of the Corporation and is herein called "an Owner." The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of a Lot or Unit, and the transfer of a Lot or Unit shall automatically transfer membership in the Corporation to the transferee. Voting members shall be by Lot or Unit, that is, the Owner(s) of one Lot or Unit shall be entitled to one (1) vote. The interest of a Member in the assets of the Corporation is not subject to assignment, whether voluntary or involuntary, or by operation of law, except as an appurtenant interest in the transfer of the Lot or Unit for which such membership is held.

Section 3. Voting Rights. On any question on which the vote of a Member is permitted or required, the Member shall be entitled to one (1) vote per Lot owned by the Member and one (1) vote per Unit. In the case of a Lot owned or held in the name of a corporation, limited liability company, a trustee, a partnership, or any other legal entity, a certificate signed by said Member shall be filed with the Secretary/Treasurer of the Association naming the person authorized to cast a vote for such Lot or Unit, which certificate shall be conclusive of their right to represent the entity until a subsequent substitute certificate is filed with the Secretary/Treasurer of the Association. If such certificate is not on file, the vote of such corporation, limited liability company, trustee, partnership, or other legal entity shall not be considered nor shall the presence of such Member at a meeting be considered in determining whether the quorum requirement for such meeting has been met. Fiduciaries and minors who are owners of record of a Lot or Unit may vote their respective interests as a Member. If two or more persons, whether fiduciaries, tenants in common or otherwise, own undivided interests in a Lot or Unit, each may exercise that proportion of the voting power that is equivalent to their respective proportionate interests in said Lot. When any fiduciary or other legal representative of a Member has furnished to the Association proof, satisfactory to it, of his authority, he may vote as though he were the Member. The vote of the Association with respect to any Lots or Units owned by the Association shall be determined by the Board.

Section 4. Majority. Except as otherwise provided in these Bylaws, all actions taken by the Members of the Association shall require the affirmative vote of a majority of the voting power of the Association present at a meeting at which a quorum is present.

Section 5. Proxies. Members may vote or act in person or by proxy. The person appointed as proxy need not be a Member of the Association. Designation by a Member or Members of a proxy to vote or act on his or their behalf shall be made in writing to the Secretary/Treasurer of the Association (or if there is no Secretary/Treasurer, then with the person conducting the meeting for which the proxy is given) at or before the meeting and shall be revocable at any time by actual notice to the Secretary/Treasurer of the Association by the Member or Members making such designation. Notice to the Association in writing or in open meeting of the revocation of the designation of a proxy shall not affect any vote or act previously taken or authorized. The presence at a meeting of the person appointing a proxy does not revoke the appointment.

Section 6. First Meeting of Members.

- (a) First Meeting. The first meeting of the Members of the Association shall be held upon written notice given by the initial Board of Managers in accordance with Subsection (d) of this Section 7.
- (b) Annual Meeting. The annual meeting of Members of the Association for the election of Members of the Board of Managers, the consideration of reports to be laid before such meeting, and the transaction of such other business as may properly be brought before such meeting shall be held in April of each year at such place in Summit or Stark County as may be designated by the Board and specified in the notice of such meeting. The time and date of such meeting shall also be specified in such notice. At the annual meeting, the President and Secretary/Treasurer shall present a written report for the year just ending to the Members, which report shall be read to the Members. The annual meeting shall be presided over and conducted by the President or in his absence, the Vice President.
- (c) Special Meeting. Special meetings of the Members of the Association may be held on any business day, including Saturday, when called by the President of the Association or by the Board of Managers of the Association or by Members entitled to exercise at least fifty percent (50%) of the voting power of the Association. Upon request in writing delivered either in person or by certified mail to the President or the Secretary/Treasurer of the Association by any persons entitled to call a meeting of Members, such officer shall forthwith cause to be given to the Members entitled thereto notice of a meeting to be held on a date not less than seven (7) or more than sixty (60) days after the receipt of such request as such officer may fix. Said Notice shall contain a statement regarding the topic(s) to be discussed. If such Notice is not given within thirty (30) days after the delivery or mailing of such requests, the persons calling the meeting may fix the time of the meeting and give notice thereof. Each special meeting shall be called at a time and place specified by the Board of Managers in Summit or Stark County as shall be specified in the notice of meeting. The business to be transacted at a special meeting shall be limited to the items of business indicated on the notice.

- (d) Notices of Meetings. Not less than seven (7) nor more than sixty (60) days before the day fixed for a meeting of the Members of the Association, written notice stating the time, place and purpose of such meeting shall be given by or at the direction of the Secretary/Treasurer of the Association or any other person or persons required or permitted by these Bylaws to give such notice. The notice shall be given by personal delivery or by mail to each Member of the Association who is an owner of a Lot or a Unit of record as of the day next preceding the day on which notice is given. If mailed, the notice shall be addressed to the Members of the Association at their respective addresses as they appear on the records of the Association. Notice of the time, place and purposes of any meeting of Members of the Association may be waived in writing, either before or after the holding of such meeting, by any Members of the Association, which writing shall be filed with or entered upon the records of the meeting. The attendance of any Member of the Association 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.
- (e) Quorum; Adjournment. Except as may be otherwise provided by law, at any meeting of the Members of the Association, the Members of the Association entitled to exercise twenty-five percent (25%) of the voting power of the Association present in person or by proxy shall constitute a quorum for such meeting; provided, however, that no action required by law, or by these Bylaws to be authorized or taken by a designated percentage of the voting power of the Association may be authorized or taken by a lesser percentage; and provided further, that the Members of the Association entitled to exercise a majority of the voting power represented at a meeting of Members, whether or not a quorum is present, may adjourn such meeting from time to time; if any meeting is adjourned, notice of such adjournment need not be given if the time and place to which such meeting is adjourned are fixed and announced at such meeting.

Section 7. Order of Business. The order of business at all meetings of the Members of the Association shall be as follows:

- (a) Calling of meeting to order.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of Officers.
- (e) Reports of Committees.
- (f) Election of Inspectors of election.
- (g) Nomination and election of Members of the Board of Managers.
- (h) Unfinished and/or old business.
- (i) New Business.
- (j) Adjournment.

The order of business at each special meeting shall be that business specified in the notice therefore.

ARTICLE II

BOARD OF MANAGERS

Section 1. Qualifications. Except as otherwise provided herein, all Managers of the Board of Managers (herein called "Managers" or "Board") shall be Members; spouses of Members; partners, agents or employees of partnerships owning a Lot or Unit; officers, directors, trustees, agents or employees of corporations, limited liability company, or associations owning a Lot or Unit; or fiduciaries, officers, agents or employees of fiduciaries owning a Lot or Unit. If a Member of the Board of Managers shall cease to meet such qualifications during his term, he shall thereupon cease to be a Member of the Board and his place on the Board shall be deemed vacant. No single Lot or Unit may be represented on the Board by more than one (1) person at any time.

Section 2. Number of Board Members. Subject to such limitations as are or may be imposed by Chapters 1702 or these Bylaws, as any of the same may be lawfully amended from time to time, all power and authority of the Association shall be exercised by the Board of Managers consisting of not less than three (3) Managers, in accordance with Section 3 hereof.

Section 3. Election of Board of Managers by Members Prior to the First Annual Meeting. The Board initially shall be those three (3) persons named in the Articles of Incorporation of the Association. No later than one (1) year following the filing of the Articles of Incorporation, the initial Board of Managers shall call a meeting and the Association shall meet and the Members shall elect three (3) managers to serve for a term of one (1) year.

Section 4. Election of Board of Managers by Members: First Annual Meeting. The Initial Board of Managers shall within one (1) year following the filing of the Articles of Incorporation, call a meeting and the Association shall meet (herein referred to as the "First Annual Meeting"), and the Members shall elect all three (3) Members of the Board to serve for a term of one (1) year. Immediately after such election the term of all persons previously designated as the initial Board shall automatically terminate; provided, however, that such persons shall be eligible for election to the Board. The persons so elected at the First Annual Meeting shall take office upon such election and shall serve for a term of one (1) year, which shall automatically terminate following the election of the Board of Managers at the Second Annual Meeting of the members.

Section 5. Election of Board of Managers from and after the First Annual Meeting. The Board of Managers shall be elected at the annual meeting of Members of the Association, but if the annual meeting is not held or Board Managers are not elected thereat, they may be elected at a special meeting called and held for that purpose. Such election shall be by written secret ballot whenever requested by any Member of the Association, but, unless such request is made, the election may be conducted in any manner approved at such meeting.

Any Member of the Board of Managers elected or designated prior to the First Annual Meeting shall hold office for a term not to exceed one (1) year after his election or designation. Commencing with the First Annual Meeting, Members of the Board of Managers shall be elected for a term of one (1) year. Thereafter, commencing with the Second Annual Meeting, Members of the Board of Managers shall be elected for such terms so that the terms of office of at least one (1) of the Board Managers shall expire each year. Accordingly, at the Second Annual Meeting of the Association, one (1) Board Manager shall be elected for a term of one (1) year, one (1) Board Manager shall be elected for a term of two (2) years and one (1) Board Manager shall be elected for a term of three (3) years.

All Members of the Board of Managers shall be elected in accordance with the provisions of this Article II. At meetings of the Association subsequent to the First Annual meeting, which are called for the purpose of electing the Board Managers, Members of the Board of Managers shall be elected for terms of three (3) years or to complete an unfinished term.

Except as otherwise provided herein, each Member of the Board of Managers shall hold office until the expiration of their term and until their successor is elected, or until their earlier resignation, removal from office or death. Any Member of the Board of Managers may resign at any time by oral statement to that effect made at a meeting of the Board or by a writing to that effect delivered to the Secretary/Treasurer of the Association; such resignation shall take effect immediately or at such other time as the Board of Managers may specify.

Each Member of the Association may cast as many of their votes as there are Members of the Board of Managers to be elected. By way of example, if one (1) Member of the Board of Managers is to be elected, a Member of the Association shall have the right to cast a maximum of one (1) vote. The candidates receiving the greatest number of votes shall be elected and those receiving the highest percentages of the total vote cast shall serve for the longest terms. Tie votes shall be decided by drawing of lots or by a flip of a coin.

Section 6. Organization Meeting. Immediately after each annual meeting of Members of the Association, the newly elected Managers and those Managers whose terms hold over shall hold an organizational meeting for the purpose of electing officers and transacting any other business. Notice of such meeting need not be given to the membership.

Section 7. Regular Meetings. Regular meetings of the Board of Managers may be held at such times and places as shall be determined by a majority of the Board of Managers, but at least one (1) such meetings shall be held during each fiscal year.

Section 8. Special Meetings. Special meetings of the Board of Managers may be held at any time upon call by the President or any two Managers. Written notice of the time and place of each such meeting shall be given to each Manager either by personal delivery or by mail, telegram or telephone at least two (2) days before the meeting, which notice must specify the purpose(s) of the meeting; provided, however, that attendance of any Manager at any such meeting without protesting the lack of proper notice (prior to or at the commencement of the meeting) shall be deemed to be a waiver by them of notice of such meeting or such notice may be waived in writing either before or after the holding of such meeting by any Manager, which writing shall be filed with or entered upon the records of the meeting. The business to be transacted at a special meeting shall be limited to the items of business indicated on the notice.

Section 9. Actions In Writing Without a Meeting. All actions, except removal of officers, which may be taken at a meeting of the Board, may be taken without a meeting with the unanimous consent in writing of all of the Members of the Board of Managers. Such writing, signed by each Manager, shall be filed with the minutes and Proceedings of the Board.

Section 10. Quorum; Adjournment. A quorum of the Board of Managers shall consist of a majority of the Managers then in office; provided that a majority of the Managers present at a meeting duly called, whether or not a quorum is present, may adjourn such meeting from time to time. If any meeting is adjourned, notice of such adjournment need not be given if the time and place to which such meeting is adjourned are fixed and announced at such meeting. At each meeting of the Board of Managers at which a quorum is present, all questions and business shall be determined by a majority vote of those present, except as may be otherwise expressly provided in these Bylaws.

Section 11. Powers and Duties. Except as otherwise provided by law or these Bylaws, all power and authority of the Association shall be exercised by the Board. Subject to the limitations prescribed by law or these Bylaws, the Board, for and on behalf of the Association, may do the following:

- (a) Maintenance, repair and replacement of the Subdivision and Condominium Property.
- (b) Enforce the Deed Restrictions encumbering any phase of Ridgewood Falls Subdivision or Ridgewood Falls Condominiums as set forth in the Deed or Deeds recorded at the Stark County Recorders Office.
- (c) Levy of Dues or Assessments against the Members and the collection of same.
- (d) Designation, hiring and dismissal of the personnel necessary for the maintenance and operation of the Subdivision and Condominium Property.
- (e) Purchase or otherwise acquire, lease as lessee, hold, use, lease as lessor, sell, exchange, transfer, and dispose of property of any description or any interest therein.
- (f) Make contracts.
- (g) Borrow money, and issue, sell, and pledge notes, bonds, and other evidence of indebtedness of the Association, provided, however, if such borrowing is in excess of \$3,500, the prior approval of the Members of the Association entitled to exercise a majority of the voting power of the Association shall be obtained at a special meeting duly held for such purpose.
- (h) Employ a managing agent to perform such duties and services as the Board may authorize.
- (i) Employ lawyers and accountants and other professionals to perform such legal, accounting and other professional services as the Board may authorize.
- (j) Adopt Rules and Regulations.
- (k) Do all things permitted by law and exercise all power and authority within the purposes stated in these Bylaws or incidental thereto.
- (l) Do all such things as may be necessary and advisable to maintain the beautification and values of the property located in Ridgewood Falls Subdivision and Ridgewood Falls Condominiums.

Section 12. Removal of Board Members. Except as otherwise provided herein the Managers of the Board elected by the Members may remove a Member of the Board of Managers elected by the Members and thereby create a vacancy in the Board at a regular meeting or at a special meeting, at which a quorum is present, if such Board Manager sought to be removed has been found to be of unsound mind by Court Order, is physically incapacitated,

adjudicated a bankrupt, fails to attend three consecutive meetings of the Board, is convicted of a felony or a crime of moral turpitude, regularly fails to carry out the duties assigned to them, or is in arrears in their assessments owed to the Association. In any such case, a successor to such Manager so removed may be elected at the same meeting. Said Successor Manager shall serve until the next annual election of Board Managers. Any Manager whose removal has been proposed shall be given an opportunity to be heard at such meeting.

Section 13. Vacancies. Except as otherwise provided herein, a vacancy in the Board may be filled by a majority vote of the remaining Board Managers until the next annual election, and any Manager elected at any such meeting of Members of the Association shall serve until the next annual election of Board Managers and until their respective successors are elected and qualified to serve out the balance of the original term.

Section 14. Compensation. The Board of Managers shall not receive any salary or compensation for their services, as such, provided nothing herein contained shall be construed to preclude any Manager from having dealings with the Association in any other capacity and receiving compensation therefor.

ARTICLE III

OFFICERS

Section 1. Election and Designation of Officers. At the first meeting of the Board in each year the Board of Managers shall elect a President, a Vice President, and Secretary/Treasurer, each of who shall be a Member of the Board of Managers. The Board of Managers may also appoint an Assistant Secretary/Treasurer and such other officers as in their judgment may be necessary who are not Members of the Board of Managers but who are Members of the Association.

Section 2. Term of Office; Vacancies. The officers of the Association shall hold office until the next organizational meeting of the Board of Managers and until their successors are elected, except in case of resignation, removal from office or death. The Board of Managers may, by a majority vote of the Managers then in office, remove any officer at any time with cause. The determination of cause shall be in the sole discretion of the Board of Managers. Any vacancy in any office may be filled by the Board of Managers.

Section 3. President. The President shall be the chief executive officer of the Association and shall conduct all meetings of the Association and the Board of Managers. He shall preside at all meetings of the Board of Managers. Subject to directions of the Board of Managers, the President shall have general executive supervision over the business and affairs of the Association. He may execute all authorized deeds, easements, contracts and other obligations of the Association and shall have such other authority and shall perform such other duties as may be determined by the Board of Managers or otherwise provided for in these Bylaws. The President shall have the power to appoint committees from among the Board of Managers and other Members as he may deem necessary to assist with the affairs of the Association.

Section 4. Vice President. The Vice President shall perform the duties of the President whenever the President is unable to act and shall have such other authority and perform such other duties as may be determined by the Board of Managers.

Section 5. Secretary/Treasurer. The Secretary/Treasurer shall also keep the minutes of meetings of the Members of the Association and of the Board of Managers, shall give notices of meetings of the Members of the Association and of the Board of Managers as required by law, or by these Bylaws or otherwise, and shall have such authority and shall perform such other

duties as may be determined by the Board of Managers. The Secretary/Treasurer shall receive and have in charge all money, bills, notes and similar property belonging to the Association, and shall do with the same as may be directed by the Board of Managers. The Secretary/Treasurer and the President, or in the President's absence any other officer, shall write and sign checks for the legitimate expenses of the Association as authorized by the Board. The Secretary/Treasurer shall keep accurate financial accounts and hold the same open for the inspection and examination of the Managers, and shall have such authority and shall perform such other duties as may be determined by the Board of Managers.

Section 6. Other Officers. The Assistant Secretary/Treasurer, if any, and any other officers whom the Board of Managers may appoint, shall, respectively, have such authority and perform such duties as may be determined by the Board of Managers.

Section 7. Delegation of Authority and Duties. The Board of Managers is authorized to delegate the authority and duties of any officer to any other officer and generally to control the action of the officers and to require the performance of duties in addition to those mentioned herein.

Section 8. No Compensation to Officers. The officers of the Association shall receive no compensation for their services.

ARTICLE IV

GENERAL POWERS OF THE ASSOCIATION

Section 1. Payments. The Association, for the benefit of all Members, shall pay for the following:

- (a) Utility Service any Common Element or Facility. Members shall share equally in the cost of any utilities necessary for any Common Element or Facility;
- (b) Insurance. The Board may require a policy or policies for various kinds of insurance commonly necessary for the operation of a Homeowner's Association, in an amount to be determined by the Association, the amount of which insurance shall be reviewed annually;
- (c) Wages and Fees for Services. The services of any person or firm employed by the Association;
- (d) Care of Subdivision or Condominium Property. Landscaping, gardening, painting, cleaning, tuck pointing, maintenance, decorating, repair and replacement of any Common Element or Facility as the Association shall determine are necessary and proper, and properly deeded to the Association;
- (e) Additional Expenses. Any other materials, supplies, labor, services, maintenance, repairs, structural alterations, insurance or assessments which the Association is required to secure or pay for pursuant to the terms of these Bylaws or by law of which in its opinion shall be necessary or proper;

- (f) Limitations on Capital Additions and Improvements. The Associations' powers hereinabove enumerated shall be limited in that the Association shall have no authority to acquire and pay for any acquisitions, capital additions and improvements, or structural alterations other than for purposes of repairing or restoring portions of entrances having a total cost not in excess of \$3,500, nor having an aggregate cost in any one (1) calendar year period in excess of \$3,500, without in each case the prior approval of the Members of the Association entitled to exercise fifty percent (50%) of the voting power of the Association provided, however, the limitations of expenditures by the Association contained in this Section shall not apply to repair of the property due to casualty loss, emergency repairs immediately necessary for the preservation and safety of the property or for the safety of persons or to avoid suspension of any necessary services.

Section 2. Rules and Regulations. The Board of Managers, by vote of the Managers entitled to exercise a majority of the voting power of the Board, may adopt such reasonable rules and regulations and from time to time amend the same supplementing the rules and regulations set forth in these Bylaws as they may deem advisable for the maintenance, conservation and beautification of the Subdivision and Condominium Property, and for the health, comfort, safety and general welfare of the Members. Written notice of such rules and regulations shall be given to all Members. In an action or proceeding brought by the Association against a Member to enforce such rules or regulations, the Association shall be entitled to collect costs of suit and reasonable attorneys' fees from such Member. In the event such supplemental rules and regulations shall conflict with any provisions of these Bylaws, these Bylaws shall control.

Section 3. No Active Business to be Conducted for Profit. Nothing herein contained shall be construed to give the Association authority to conduct an active business for profit on behalf of all the owners or any of them.

Section 4. Levying Fines. The Association may levy fines against appropriate Members for violations of these Bylaws or Rules established by the Association to govern the conduct of such Members. Said right shall include the right to assess charges for the cost of enforcement of Rules and Regulations, including reasonable attorney fees. Notwithstanding the foregoing, in the event of a dispute between the Board and any Lot or Unit Owner, said dispute shall include, but not be limited to, disputes related to fines, application of the Rules and Regulations, and citations/warnings for Rule violations or failure to pay dues and assessments, the Lot or Unit Owner shall have the right to appeal said fine to the Board for further consideration. The Lot or Unit Owner shall, within fifteen (15) days from the date they receive notice of a fine, Rule violation or warning letter, shall send written Notice to the Board which specifically states the Lot or Unit Owner's position and the facts to support their dispute. Upon receipt of the Notice, the Board shall set a hearing date, said hearing date shall be within sixty (60) days from the date of the Notice, at which time the Lot or Unit Owner shall have an opportunity to present their position to the Board. The Board shall then vote as to whether or not the fine, citation, or violation shall stand. In the event the Board rules that the fine was proper, said fine shall be due and payable immediately. In the event the Board rules that the fine or citation was improper, the fine, citation or warning shall be removed or withdrawn and shall no longer be owed to the Association. In the event the Board and Lot or Unit Owner cannot settle their dispute by an agreement between them, the matter shall first be submitted to arbitration in accordance with and pursuant to the Arbitration Law of Ohio then in effect (presently Chapter 2711 of the Ohio Revised Code), by a single, independent arbitrator selected by the Board. Said arbitration shall be binding. In the event of any dispute between the Lot or Unit Owner and the Board as to the application of these restrictions or any rule or regulation to any particular circumstance, the party aggrieved shall submit a complaint in writing to the Board specifying the dispute. The Board shall set a time, date, and place for a hearing thereon within sixty (60) days

thereafter, and give written Notice to each party thereof no less than three (3) days in advance. The Board shall thereupon hear such evidence on the dispute at the Board deems proper and render a written decision on the matter to each party within thirty-(30) days thereafter. No action in a court of law may be instituted by either party to such a dispute unless arbitration pursuant hereto has first been had.

ARTICLE V

DETERMINATION AND PAYMENT OF ASSESSMENTS

Section 1. Payment of Dues or Assessments. Following the establishment of the Association and prior to the preparation of the budget in accordance with Section 2 of this Article V, quarterly or annual dues or assessments as determined by the Board of Managers shall be paid by Members, in an amount estimated by the Board of Managers as being sufficient to cover the expenses of administration, maintenance, repairs of the entrances and other expenses. The Board of Managers shall set the date by which such dues or assessments shall be due.

Section 2. Preparation of Estimated Budget. Each year on or before December 1st, the Association shall estimate the total amount necessary to pay all of its costs which will be required during the ensuing calendar year, together with a reasonable amount considered by the Association to be necessary for a reserve for contingencies, and shall on or before December 15th notify owners in writing as to the amount of such estimate, with reasonable itemization thereof. On or before the date of the annual meeting of each calendar year, the Association shall prepare an itemized accounting of its expenses for the preceding calendar year actually incurred and paid together with a tabulation of the amounts collected and showing the net amount over or short of the actual expenditures plus reserves. Said accounting shall be available for inspection by any Member upon written request to Secretary/Treasurer. Any amount accumulated in excess of the amount required for actual expenses shall be retained as reserves and shall in no event be deemed profits, not available, except on dissolution of the Association for distribution to Members and any net shortage shall be added to the amount of the dues or assessments required for the following year.

Section 3. Budget for First Year. When the first Board of Managers elected hereunder takes office, the Association shall determine its estimated cash requirement for the period of one (1) year. The Board of Managers shall determined the fiscal year.

Section 4. Failure to Prepare Annual Budget. The failure or delay of the Association to prepare the annual estimate shall not constitute a waiver or release in any manner of any Member's obligation to pay their dues or Assessments.

Section 5. Books and Records of Association. The Association shall keep full and correct books of account and the same shall be open for inspection by any Member or any representative of a Member duly authorized in writing, at such reasonable time or times as may be requested by the Member and that the books can be made available. Upon ten (10) days' notice to the Board of Managers and upon payment of a reasonable fee, any Member shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such Member.

Section 6. Status of Funds Collected by Association. All funds collected hereunder shall be held and expended solely for the purposes designated herein, and (except for such special assessments as may be levied hereunder against less than all of the Members, and for such adjustments as may be required to reflect delinquent or prepaid assessments) shall be deemed to be held for the use, benefit and account of all of the Members.

Section 7. Annual Statements. Within one hundred twenty (120) days after the end of each calendar year of the Association, the Board shall prepare a financial statement consisting of: (a) a balance sheet containing a summary of the assets and liabilities as of the date of such balance sheet; and (b) a statement of the income and expenses for the period commencing with the date marking the end of the period for which the last preceding statement of income and expenses required hereunder was made and ending with the date of said statement, or in the case of the first such statement, from the date of formation of the Association to the date of said statement. Said statement shall be available for inspection by the Members of the Association upon written request to the Secretary/Treasurer. The financial statement for the Association shall have appended thereto a certificate signed by the President or the Vice President or Secretary/Treasurer of the Association to the effect that the financial statement presents fairly the financial position of the Association and the results of its operations.

Section 8. Annual Audit. The books of the Association shall be reviewed once a year by the Board of Managers. Each such review shall be completed prior to each annual meeting. If requested by three or more Managers of the Board of Managers, such review may be made by a Certified Public Accountant.

Section 9. Remedies for Failure to Pay Dues or Assessments. If any Member is in default in the payment of the aforesaid dues, assessments or fines for ten (10) days, the Members of the Board of Managers shall suspend the Member from the Association until said payment is made. The Board of Managers shall have the power to suspend the voting rights during any period in which such Member shall be in default in the payment of any assessment levied by the Association.

ARTICLE VI INDEMNIFICATION

Section 1. In General. The Association shall indemnify any Manager of the Board, officer, employee, or agent of the Association or any former Manager of the Board, officer, employee or agent of the Association and/or its or their respective heirs, executors and administrators, against reasonable expenses, including attorneys' fees, judgments, decrees, fines, penalties or amounts paid in settlement actually and necessarily incurred by him in connection with the defense of any pending or threatened action, suit, or proceeding, criminal or civil, to which he is or may be made a party by reason of being or having been such Manager of the Board, officer, employee or agent of the Association, provided it is determined in the manner hereinafter set forth (a) that such Manager of the Board, officer, employee or agent of the Association was not, and is not, adjudicated to have been negligent or guilty of misconduct in the performance of his duty to the Association, (b) that such Manager of the Board acted in good faith in what he reasonably believed to be in the best interest of the Association, (c) that, in any matter the subject of a criminal action, suit or proceeding, such Board Manager had no reasonable cause to believe that this conduct was unlawful, and (d) in case of settlement, that the amount paid in the settlement was reasonable. Such determination shall be made either by the Managers of the Board of the Association acting at a meeting at which a quorum consisting of Managers of the Board who are not parties to or threatened with any such action, suit or proceeding is present, or, in the event of settlement, by a written opinion of independent legal counsel selected by the Managers of the Board.

Section 2. Advance of Expenses. Funds to cover expenses, including attorneys' fees, with respect to any pending or threatened action, suit, or proceeding may be advanced by the Association prior to the final disposition thereof upon receipt of an undertaking by or on behalf of the recipient to repay such amounts unless it shall ultimately be determined that he is entitled to indemnification hereunder.

Association prior to the final disposition thereof upon receipt of an undertaking by or on behalf of the recipient to repay such amounts unless it shall ultimately be determined that he is entitled to indemnification hereunder.

Section 3. Indemnification Not Exclusive; Insurance. The indemnification provided for in this Article VI shall not be exclusive, but shall be in addition to any other rights to which any person may be entitled under the Articles of Incorporation, Rules and Regulations of the Association, any agreement, any insurance provided by the Association, or otherwise. The Association may purchase and maintain insurance on behalf of any person who is or was a Manager of the Board, officer, agent or employee of the Association against any liability asserted against him or incurred by him in any such capacity or arising out of his status as such whether or not the Association would have the power to indemnify him against such liability under the provisions of this Article.

Section 4. Indemnification by Members. The Manager of the Board and officers of the Association shall not be liable to the Members for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Members shall indemnify and hold harmless each of the Managers of the Board and officers of the Association against all contractual liability to third parties arising out of contracts made on behalf of the Association except with respect to any such contracts made in bad faith or contrary to the provisions of these Bylaws. It is intended that the Managers of the Board and officers of the Association shall have no personal liability with respect to contracts entered into on behalf of the Association. Every agreement made by any Manager of the Board, officer, employee or agent of the Association, on behalf of the Association, shall provide that such Manager of the Board, officer, employee or agent of the Association, as the case may be, is acting only as agent for the Association and shall have no personal liability thereunder.

Section 5. Cost of Indemnification. Any sum paid or advanced by the Association under this Article VI shall constitute a Common Expense and the Association and the Board shall have the power to raise and the responsibility for raising, by special assessment or otherwise, any sums required to discharge its obligations under this Article VI.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

ARTICLE VII
GENERAL PROVISIONS

Section 1. Service of Notices on the Board of Managers. Notices required to be given to the Board of Managers or to the Association may be delivered to any Manager of the Board of Managers or officer of the Association either personally or by mail addressed to such Member or officer at his Lot.

Section 2. Service of Notices on Devisees and Personal Representatives. Notices required to be given any devisees or personal representatives of a deceased owner may be delivered either personally or by mail to such party at his, her or its address appearing on the records of the court wherein the estate of such deceased owner is being administered.

Section 3. Non-Waiver of Covenants. No covenants, restrictions, conditions, obligations or provisions contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

Section 4. Agreements Binding. All agreements and determinations lawfully made by the Association in accordance with the procedures established in these Bylaws shall be deemed to be binding on all Members, and their respective heirs, executors, administrators, successors and assigns.

Section 5. Severability. The invalidity of any covenant, restriction, condition, limitation or any other provision of these Bylaws, or any part of the same, shall not impair or affect in any manner the validity or enforceability, or affect the rest of these By-Laws.

Section 6. Amendments. Provisions of these Bylaws may be amended by the Members at a meeting held for such purpose by the affirmative vote of those entitled to exercise not less than seventy-five percent (75%) of the voting power.

Section 7. Captions. The captions used in these Bylaws are inserted solely as a matter of convenience and shall not be relied upon and/or used in construing the effect or meaning of any of the text hereof.

WHEREOF, The Drees Company, acting in its capacity as Developer, has caused this instrument to be executed on this 18th day of March, 2004.

THE DREES COMPANY
By: *Stephen Tuckerman*
Stephen Tuckerman, Division President

STATE OF OHIO)
COUNTY OF STARK) ss

BEFORE ME, a Notary Public in and for said County and State aforesaid, personally appeared **The Drees Company**, by **Stephen Tuckerman**, its Division President, who acknowledged that he did sign the foregoing instrument and that the same is his free act and deed individually and as such officer and the free act and deed of said corporation.

GIVEN, under my hand and Notarial Seal this 18th day of March 2005.

Mary M. Bohus
Notary Public



MARY M. BOHUS
Notary Public, State of Ohio
My Commission Expires 12-7-07
Recorded in Stark County

EXHIBIT "A"
TO
RIDGEWOOD FALLS SUBDIVISION
&
RIDGEWOOD FALLS CONDOMINIUMS

SUBDIVISION PHASE I

Recorded at 199902037069

<u>LOT NO.</u>	<u>PARCEL NO.</u>
1	031-11B-21-129
2	031-11B-21-130
3	031-11B-21-131
4	031-11B-21-132
5	031-11B-21-133
6	031-11B-21-134
7	031-11B-21-135
8	031-11B-21-136
9	031-11B-21-137
10	031-11B-21-138
11	031-11B-21-139
12	031-11B-21-140
13	031-11B-21-141
14	031-11B-21-142
15	031-11B-15-051
16	031-11B-15-052
17	031-11B-21-143
18	031-11B-21-144
19	031-11B-21-145
20	031-11B-21-146
21	031-11B-21-147
22	031-11B-21-148
23	031-11B-21-149
24	031-11B-21-150
25	031-11B-21-151
26	031-11B-21-152
27	031-11B-21-153
28	031-11B-21-154

12620-17

SUBDIVISION PHASE II*Recorded at 200202009760***LOT NO.**

49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
Block H

PARCEL NO.

031-11B-16-028
031-11B-16-029
031-11B-16-060
031-11B-16-061
031-11B-16-062
031-11B-16-063
031-11B-16-064
031-11B-16-065
031-11B-16-066
031-11B-16-067
031-11B-16-068
031-11B-16-069
031-11B-16-070
031-11B-16-071
031-11B-16-072
031-11B-16-073
031-11B-16-074
031-11B-16-075
031-11B-16-076
031-11B-16-077
031-11B-16-030
031-11B-16-031
031-11B-16-078

SUBDIVISION PHASE III*Recorded at 200402009760***LOT NO.**

29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44

PARCEL NO.

031-11B-21-176
031-11B-21-177
031-11B-15-053
031-11B-15-054
031-11B-15-055
031-11B-15-056
031-11B-15-057
031-11B-15-058
031-11B-16-010
031-11B-16-011
031-11B-16-012
031-11B-16-013
031-11B-16-014
031-11B-16-015
031-11B-16-016
031-11B-16-017

120020-18

SUBDIVISION PHASE III (continued)

LOT NO.

45
46
47
48
Block E
Block F
Block G

PARCEL NO.

031-11B-16-018
031-11B-16-019
031-11B-16-020
031-11B-16-021
031-11B-15-059
031-11B-16-022
031-11B-16-023

SUBDIVISION PHASE IV

Recorded at 200502011889

LOT NO.

71
72
73
74
75
76
Block I

PARCEL NO.

031-11B-15-079
031-11B-15-080
031-11B-15-081
031-11B-15-082
031-11B-15-083
031-11B-15-084
031-11B-16-106

CONDOMINIUM

Recorded at 199902040063

UNIT NO.

Phase 8-2004PL000007

1
2

031-11B-21-196
031-11B-21-197

Phase 2-2000PL000038

3
4
5
6

031-11B-21-165
031-11B-21-166
031-11B-21-167
031-11B-21-168

Phase 1- 1999PL000193

7
8
9
10

031-11B-21-160
031-11B-21-161
031-11B-21-162
031-11B-21-163

Phase 3-2001PL00011

11
12
13
14

031-11B-21-170
031-11B-21-171
031-11B-21-172
031-11B-21-173

12020-18

CONDOMINIUM(continued)

<u>UNIT NO.</u>	<u>PARCEL NO.</u>
Phase 5-2003PL000040	
15	031-11B-21-181
16	031-11B-21-182
Phase 4-2002PL000132	
17	031-11B-21-178
18	031-11B-21-179
Phase 3-2001PL000111	
19	031-11B-21-174
20	031-11B-21-175
Phase 5-2003PL000040	
21	031-11B-21-183
22	031-11B-21-184
Phase 10-2004PL000145	
23	031-11B-21-211
24	031-11B-21-212
Phase 7-2003PL000131	
41	031-11B-21-192
42	031-11B-21-193
Phase 9-2004PL000111	
43	031-11B-21-198
44	031-11B-21-199
45	031-11B-21-200
46	031-11B-21-201
52	031-11B-21-195
Phase 6A-20034PL000130	
53A	031-11B-21-188