

B Y - L A W S

of

HIGHGATE "ON THE GREEN" ASSOCIATION

ARTICLE IV

MEMBERSHIP

Section 1. Definition of Membership. Membership in the Association shall be mandatory for each lot owner. A lot owner shall be defined as every person or entity who or which is a record owner of a fee or undivided fee interest in any lot included within the purview of this Association, but not including owners who have sold their interest under executory land contract. During such time as such a land contract is in force, the land contract vendee shall be considered to be the member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot as defined herein shall be the sole qualification for membership.

Section 2. Suspension of Membership. During any period in which a member shall be in default in the payment of any annual or special assessment levied by the Association, the voting rights and right to use of the recreational facilities of such member may be suspended by the Board of Directors until such assessment has been paid. Such rights of a member may also be suspended, after notice and hearing, for a period not to exceed ninety (90) days, for violation of any rules and regulations established by the Board of Directors governing the use of the Common Area and facilities.

ARTICLE V

VOTING RIGHTS

The Association shall have two (2) classes of voting membership:

Class A. Class A members shall be all those owners as defined in Article IV, with the exception of the Declarant. Class A members shall be entitled to one (1) vote for each Lot in which they hold the interest required for membership by Article IV. When more than one (1) person holds such interest in any Lot, all such persons shall be members. The vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Class B member shall be the Declarant. The Class B member shall be entitled to three (3) votes for each Lot in which it holds the interest required for membership by Article IV. Membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever first occurs:

- (a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or
- (b) on January 1, 1973.

ARTICLE VI

PROPERTY RIGHTS; RIGHTS OF ENJOYMENT

Section 1. Members' Easements of Enjoyment. Every member shall have a right and easement of enjoyment in and to the Common Area and such easement shall be appurtenant to and shall pass with the title to every assessed Lot, subject to the right of the Association to make and enforce reasonable regulations pertaining to the use and maintenance of the Common Area, which regulations shall be binding upon the members.

Section 2. Use of Common Area. All residents of the Properties and guests accompanying said residents shall have equal access to the Common Area.

ARTICLE VII

BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of nine (9) directors, who need not be members of the Association.

Section 2. Election. At the first annual meeting the members shall elect three (3) Directors for a term of one (1) year, three (3) Directors for a term of two (2) years, and three (3) Directors for a term of three (3) years; and at each annual meeting thereafter the members shall elect three (3) Directors for a term of three (3) years.

Section 3. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE VIII

MEETING OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at least Annually without notice, at such place and hour as may be fixed from time to time by Resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than twenty-four (24) hours notice to each Director.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE IX

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who

shall be a member of the Board of Directors, and two (2) or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting, and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE X

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

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

- (a) Adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof.
- (b) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration.
- (c) Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

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

- (a) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting, when such statement is requested in writing by one-fourth ($\frac{1}{4}$) of the Class A members who are entitled to vote;
- (b) Supervise all officers, agents and employees of this Association and see that their duties are properly performed;
- (c) As more fully provided herein, and in the Declaration, to:
 - (1) Fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period, as hereinafter provided, and
 - (2) Send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period.
- (d) Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

- (c) Procure and maintain adequate liability and hazard insurance on property owned by the Association;
- (f) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and
- (g) Cause the Common Area to be maintained.

ARTICLE XI

COMMITTEES

The Board of Directors shall appoint a Nominating Committee, as provided in these By-Laws, and may appoint such other committees as deemed appropriate in carrying out the purposes of the Association.

ARTICLE XII

MEMBERS' MEETING

Section 1. Annual Meeting. The annual meeting of the Association shall be held during the month of August in each year beginning with the year 1970, on such date and time and at such place as shall be determined by the Board of Directors, and specified in the notice thereof.

Section 2. Order of Business of Annual Meeting. The order of business at the annual meeting of the members shall be as follows:

- (a) Roll call
- (b) Reading of notice and proof of mailing
- (c) Reading of minutes of last preceding meeting
- (d) Report of President
- (e) Report of Secretary
- (f) Report of Treasurer
- (g) Election of Directors
- (h) Transaction of other business
- (i) Adjournment

Provided that, in the absence of any objection, the presiding officer may vary the order of business at his discretion.

Section 3. Special Meetings. Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth ($\frac{1}{4}$) of all of the votes of the entire membership, or who are entitled to vote one-fourth ($\frac{1}{4}$) of the votes of the Class A membership.

Section 4. Notice of Meetings of Members. At least fifteen (15) days prior to the date of any meeting, written notice of the time and place of such meeting shall be mailed by first class mail to each member entitled to vote at such meeting at his address shown on the records of the Association. The notice of a special meeting shall state the matters to be considered and no action may be taken on any matter not set fourth in the notice of special meeting.

Section 5. Quorum. Ten (10%) per cent of each class of voting memberships in person or by proxy shall constitute a quorum for the transaction of business at any members' meeting. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 6. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his lot.

ARTICLE XIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The Officers of this Association shall be a President and Vice-President, who shall at all times be members of the Board of Directors, a Secretary, and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of Officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The Officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may from time to time determine.

Section 5. Resignation and removal. Any Officer may be removed from office with or without cause by the Board. Any Officer may resign at any time by giving written notice to the Board, the President or Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled in the manner prescribed for regular election. The Officer elected to such vacancy shall serve for the remainder of the term of the Officer he replaces.

Section 7. Multiple Offices. The offices of the Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

- (a) President - The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.
- (b) Vice-President - The Vice-President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall

exercise and discharge such other duties as may be required of him by the Board.

- (c) Secretary - The Secretary shall record the votes and keep the Minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.
- (d) Treasurer - The Treasurer shall receive and deposit in appropriate bank accounts all moneys of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE XIV

ASSESSMENTS

By the provisions of Article V of the Declaration, each member is deemed to covenant and agree to pay an annual maintenance charge to the Association. The provisions of said Article are hereby incorporated into these By-Laws by reference and made a part hereof.

ARTICLE XV

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, including the Agreement for Planned Unit Residential Development between the Declarant and the City of Wixom, the Articles of Incorporation, and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XVI

AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy, except that the Federal Housing Administration or the Veterans Administration shall have the right to veto amendments while there is Class B membership.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control, and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XVII

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.