

WILLOWBROOK FARM HOMEOWNERS ASSOCIATION

AMENDED BYLAWS

ARTICLE I

ADOPTION PURSUANT TO THE SECOND AMENDED AND RESTATED DECLARATION OF EASEMENTS, COVENANTS AND RESTRICTIONS

These Amended Bylaws of the Willowbrook Farm Homeowners Association, a Michigan nonprofit corporation (the "Association"), are adopted pursuant to the Second Amended and Restated Declaration of Easements, Covenants and Restrictions for the Willowbrook Farm Subdivisions, recorded at Liber 27299, Page 001 of the Oakland County Records, as it may be amended from time to time (the "Declaration"), which is incorporated herein by reference. Any terms defined in the Declaration, as amended, shall have the same definition in these Bylaws. These Bylaws are also adopted pursuant to the Michigan Nonprofit Corporations Act, Act 162 of the Public Acts of 1982, as amended (the "Act"), and shall be subject to its provisions.

ARTICLE II - MEMBERSHIP

Membership shall be determined in accordance with the terms of the Declaration.

ARTICLE III - MEETINGS OF MEMBERS

SECTION 1. PLACE OF MEETING. All meetings of the Members of the Association shall be held at the registered office or at such other place within the State of Michigan as determined by the Board of Directors.

SECTION 2. ANNUAL MEETINGS OF MEMBERS. Annual Meetings of Members of the Association shall be held at such date and time as the Board of Directors shall direct. Meetings shall be conducted in accordance with Sturgis Code of Parliamentary Procedure, Robert's Rules of Order or some other recognized manual of parliamentary procedure, when not otherwise in conflict with the Articles of Incorporation, the Declaration, these Bylaws, or any statutes. The officers shall present the financial report for the fiscal year immediately preceding and, if such report is not complete in time for that meeting, the President is authorized to extend up to thirty (30) days. At said meeting, the Members shall elect a Board of Directors and shall transact such other business as may properly be brought before the meeting. If the annual meeting is not held on the date designated therefore, or within the thirty (30) days following presidential adjournment, the Board shall cause the meeting to be held as soon thereafter as reasonably possible.

SECTION 3. NOTICE OF MEETING OF MEMBERS. Unless otherwise provided for in the Declaration, written notice of the time, place and purposes of a meeting of the Members shall be given not less than ten (10) days, nor more than sixty (60) days, before the date of the meeting, either personally or by mail or e mail, to each Member

of record entitled to vote at the meeting. When a meeting is adjourned to another time or place, it is not necessary to give notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken and at the adjourned meeting only such business is transacted as might have been transacted at the original meeting. However, if, after the adjournment, the Board of Directors fixes a new record date for the adjourned meeting, a notice of adjourned meeting shall be given to each Member of record on the new record date who shall otherwise be entitled to vote at the meeting.

SECTION 4. LIST OF MEMBERS ENTITLED TO VOTE. A Board member having charge of the membership records of the Association shall make and certify a complete list of the Members entitled to vote at the Members' meeting or any adjournment thereof. The list shall:

- (a) be produced at the time and place of the meeting;
- (b) be subject to inspection by any Member during the whole time of the meeting; and
- (c) Members must be in good standing to be eligible to vote, to be elected to the Board of Directors, or to participate in the Meeting. "Good standing" means that the Member is current in the payment of assessments and is otherwise not in default of the Bylaws or the Declaration.

SECTION 5. SPECIAL MEETING OF MEMBERS. It shall be the duty of the president to call a special meeting of the Members as directed by resolution of the Board of Directors or upon a petition signed by one-third (1/3) of the Members presented to the secretary of the Association. Notice of any special meeting shall be prepared and mailed by the secretary of the Association. The Notice shall state the time and place of such meeting and the purposes thereof. No business shall be transacted at a special meeting except as stated in the notice

SECTION 6. QUORUM. The presence in person or by proxy by more than twenty-five (25%) percent of the Members entitled to vote at any meeting shall constitute a quorum for the transaction of business. The members present at a duly called or 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. If the required quorum is not present, the meeting may be called, subject to the same notice requirement, and the required quorum at the subsequent meeting shall -be those present in person or by proxy who comprise at least ten (10%) of the Members entitled to vote. No subsequent meeting with reduced quorum requirements shall be held more than thirty (30) days after the meeting in which there was no quorum.

SECTION 7. VOTING. Each Owner shall be entitled to one (1) vote for each Lot (as defined in the Declaration) owned by him. If membership is held by two (2) or more persons as joint tenants or tenants-in-common, the vote for that Lot shall be exercised by the person designated in writing by the joint tenants or tenants-in-common. In no event shall more than one (1) vote be cast with respect to any one (1) lot. The name of the designated representative shall be provided to the Association in writing at least

ten (10) days prior to any meeting at which said Designee intends to vote. If no person has been designated in writing, the vote shall be cast as follows:

- (a) If only one (1) joint tenant or tenant in common votes that act binds all.
- (b) If more than one (1) joint tenant or tenant in common votes, the vote shall be cast as the majority determines.
- (c) If the joint tenants or tenants in common are equally divided as to how the vote shall be cast, a court having jurisdiction in an action brought by any of the joint tenants or tenants in common or by any beneficiary may appoint an additional person to act with the joint tenants or tenants in common in such matter, and the vote shall be cast by the majority of such joint tenants or tenants in common and such additional person.

For all actions by the Membership, unless otherwise required by the Declaration, these Bylaws or any statute, a simple majority vote for which Members are present and voting at a properly called and duly constituted meeting shall be sufficient. A vote may be cast in writing or orally or electronically. A member in default in the payment of assessments or other sums due to the Association shall not be entitled to vote at any meeting of the Association.

SECTION 8. RECORD DATE FOR DETERMINATION OF MEMBERS. For the purpose of determining Members entitled to notice of, and to vote at, a meeting of the Members, or an adjournment thereof, or to express consent or dissent to a proposal without a meeting, or for the purpose of any other action, the Board may fix, in advance, a date as the record date for any such determination of Members. The date shall not be more than sixty (60) days, more less than ten (10) days, before the date of the meeting, nor more than sixty (60) days before any other action.

If a record date is not fixed:

- (a) the record date for determination of Members entitled to notice of, or to vote at, a meeting of Members shall be the close of business on the day next preceding the day which notice is given or, if no notice is given, the day next preceding the day on which the meeting is held; and
- (b) the record date for determining Members for any purpose other than that specified in subparagraph (a) shall be the close of business on the day on which the resolution of the Board relating thereto is adopted.

When a determination of Members of record entitled to notice of, or to vote at, a meeting of the Members has been made as provided in this Section, the determination applies to any adjournment of the meeting, unless the Board fixes a new record date under this Section for the adjourned meeting.

SECTION 9. PROXIES. Every person entitled to vote or execute consents shall have the right to do so either in person or by an agent authorized by a written proxy executed by such person and filed with the Secretary of the Association. A proxy is

revocable at the pleasure of the Member executing it. A proxy is valid only for a specific meeting or vote and shall immediately expire thereafter.

SECTION 10. INSPECTORS OF ELECTION. The Board of Directors, in advance of a Members' meeting, may appoint one (1) or more inspectors of election to act at the meeting or any adjournment thereof. If inspectors are not so appointed, the person presiding at a Members' meeting may, and upon request of a Member entitled to vote thereat shall, appoint one (1) or more inspectors. In case a person appointed fails to appear or act, the vacancy may be filled by appointment made by the Board of Directors in advance of a meeting or at the meeting by the person presiding thereat. The inspectors shall determine the number of Members entitled to vote, the Members represented at the meeting, the existence of a quorum, the validity and effect of proxies and shall receive votes, ballots or consents, hear and determine challenges and questions arising in connection with the right to vote, count and tabulate votes, ballots or consents, determine the result and do such acts are proper to conduct the election or vote with fairness to all Members. On request of the person presiding at the meeting or a Member entitled to vote, the inspectors shall make and execute a written report to the person presiding at the meeting of any of the facts found by them and matters determined by them. The report is prima facie evidence of the facts stated and of the vote as certified by the inspectors. Should no Inspector be appointed, the Secretary of the Board shall act as the election Inspector

SECTION 11. ACTION WITHOUT MEETING. Any action the Members are required or permitted to take at an annual or special meeting, including the election of directors, may be taken without a meeting if a ballot is provided to each Member that is entitled to vote on the action. The ballot shall: (a) set forth each proposed action; (b) provide an opportunity for the Members to vote for or against each proposed action; and (c) specify a time by which the Association must receive the ballot in order to be counted as a vote of the Member. The time specified shall not be more than 30 days after the date the Association provides the ballot to the Members.

An action is considered approved by the members by ballot if the total number of members voting or the total number of member votes cast in ballots received by the Association by the time specified in the ballots equals or exceeds the quorum required to be present at a meeting to take the action, and the number of favorable votes equals or exceeds the number of votes that would be required to approve the action at a meeting at which the number of votes cast by members present was the same as the number of votes cast by ballot. An invalid ballot, an abstention, or the submission of a ballot marked "abstain" with respect to any action does not constitute a vote cast on that action.

A member may not revoke a ballot received by the Association.

ARTICLE IV - DIRECTORS

SECTION 1. NUMBER AND QUALIFICATION OF DIRECTORS. The affairs of the Association shall be governed by a Board of five (5) Directors, all of whom must be Members in good standing of the Association. Directors shall serve without

compensation unless compensation of the Directors is established by the Members.

SECTION 2. ELECTION OF DIRECTORS. The term of office for each Director will be two years. Two Directors will be elected at Annual Meetings held in even years and three Directors will be elected at Annual Meetings held in odd years. All Directors shall hold office until their respective successors are elected and qualified.

Directors will be elected at the Annual Meeting. Prior to the Annual Meeting, the Secretary of the Association will request that Members nominate candidates for election to the Board, via the Association's website and by individual email to each Member. Interested nominees must submit their intent to run for election by email to the Secretary of the Association. The closing date for nominations will be seven (7) days prior to the election date.

SECTION 3. VACANCIES. A vacancy occurring in the Board may be filled by a vote from the majority of the remaining Board members.

SECTION 4. REMOVAL. A Director may be removed with or without cause at any time by the vote of a majority in interest of the Members at an annual meeting or a special meeting duly called and held for the that purpose.

SECTION 5. RESIGNATION. A Director may resign by written notice to the President or Secretary. The resignation is effective upon its receipt or at a subsequent time as set forth in the notice of resignation.

SECTION 6. POWERS. The business and affairs of the Association shall be managed by its Board of Director.

SECTION 7. LOCATION OF MEETINGS. Regular or special meetings of the Board of Directors may be held within the State of Michigan.

SECTION 8. ORGANIZATIONAL MEETING OF BOARD. In January (Board Member Schedules permitting) of each year, Board members will meet and define the role for each Board member.

SECTION 9. REGULAR MEETINGS OF BOARD. During the January meeting, the Board shall set the dates for monthly meetings of the Board for the rest of the year.

SECTION 10. SPECIAL MEETING OF BOARD. Special meetings of the Board of Directors may be called by the President, or by a majority of the persons then comprising the Board of Directors, at any time by means of notice of the time and place thereof to each Director given not less than seven (7) days before the time such special meeting is to be held.

SECTION 11. QUORUM AND REQUIRED VOTE OF BOARD AND COMMITTEES. At all meetings of the Board of Directors, or of a committee thereof, a majority of the members of the Board then in office, or of the members of a committee thereof, shall

constitute a quorum for the transaction of business. The vote of the majority of the members present at a meeting at which a quorum is present constitutes the action of the Board, or of the committee, unless the vote of a larger number is required by the Act. To the extent that a provision of these Bylaws does not require action by the Members for amendment, these Bylaws may be amended by the Board upon the vote of not less than a majority of the members of the Board then in office. If a quorum shall not be present at any meeting of the Board of Directors, the Directors present thereat may adjourn the meeting from time to time, without notice, other than announcement at the meeting, until a quorum shall be present.

SECTION 12. ACTION BY WRITTEN CONSENT. Action required or permitted to be taken pursuant to authorization voted at a meeting of the Board of Directors, or a committee thereof, may be taken without a meeting if, before or after the action, all members of the Board, or of the committee, consent thereto in writing or by electronic transmission. The written consents shall be filed with the minutes of the proceedings of the Board or of the committee. The consent has the same effect as a vote of the Board of committee for all purposes.

SECTION 13. COMPENSATION OF DIRECTORS. The Directors of the Association shall not be compensated.

SECTION 14. PARTICIPATION IN MEETING BY TELEPHONE. A member of the Board or of a committee designated by the Board may participate in a meeting, regular or special, by means of conference telephone or other means of remote communication if all individuals who are participating in the meeting can communicate with the other participants. Such participation constitutes presence in person at the meeting.

SECTION 15. FIDELITY BONDS. The Board of Directors may require that all officers and employees of the Association or management companies handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be borne by the Association.

ARTICLE V - NOTICES

SECTION 1. NOTICE. Whenever any notice or communication is required to be given to any Director or Member under any provision of the Act, or of the Articles of Incorporation or of these Bylaws, it may be given in writing by mail or by e mail or by notification on the Association's website addressed to such Director or Member at the address designated by him/her for that purpose or, if none is designated, at his/her last known address. In addition a written or email copy of the notice or communication will also be sent to each Director.

ARTICLE VI - OFFICERS

SECTION 1. SELECTION. The Board of Directors, at its January organizational meeting shall elect or appoint a President, Secretary and a Treasurer. The Board of Directors may also elect or appoint a Chairman of the Board, one (1) or more Vice-

Presidents and such other officers, employees and agents as it shall deem necessary Two (2) or more offices may be held by the same person, but an officer shall not execute, acknowledge or verify an instrument in more than one (1) capacity.

SECTION 2. COMPENSATION. The salaries of the employees (if any) of the Association shall be fixed by the Board of Directors. The Board of Directors, including all Officers, shall serve without compensation.

SECTION 3. TERM, REMOVAL AND VACANCIES. Each officer of the Association shall hold office for the term for which he or she is elected or appointed and until his or her successor is elected or appointed and qualified, or until his or her resignation or removal. Any officer elected or appointed by the Board of Directors may be removed by the Board, with or without cause, at any time. Any officer may resign by written notice to the Board of Directors. The resignation is effective upon its receipt by the President or Secretary or any subsequent time specified in the notice of resignation. Any vacancy occurring in any office of the Association shall be filled by the Board of Directors.

SECTION 4. PRESIDENT. The President shall be elected or appointed by the Board of Directors. The President will chair each meeting of the Board and the Annual Meeting of the Association, and represent the Association in any required meetings. The President will act as the representative of the Association with any outside agency. The President will act as the Chairperson for the Association architectural committee. The President will sign any contracts or documents in behalf of the Association. The President will assign other unspecified duties to other Board members as required,

SECTION 5. SECRETARY. The Secretary shall attend all meetings of the Members, of the Board of Directors and shall preserve in the books of the Association true minutes of the proceedings of all such meetings. The Secretary shall give all notice required by the Act, these Bylaws or resolution, and shall perform such other duties as may be delegated to him or her by the Board of Directors. The Secretary will also be required to post on the Association website all Association documentation, including minutes of the meetings of the Board of Directors (except any portions deemed confidential), minutes of the Annual meetings, minutes of special meetings of the Association, as well as copies of all Association contracts, bids, and invoices for expenditures greater than \$5,000.

SECTION 6. TREASURER. The Treasurer shall have custody of all corporate funds and securities and shall keep, in books belonging to the Association, full and accurate accounts of all receipts and disbursements. He shall deposit all monies, securities and other valuable effects, in the name of the Association, in such depositories as may be designated for that purpose by the Board of Directors. He shall disburse the funds of the Association as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the President and the Board of Directors, whenever requested, an account of all his transactions as Treasurer and of the financial condition of the Association. If required by the Board of Directors, he shall keep in force a bond in form, amount and with a surety or sureties satisfactory to the Board of Directors, conditioned for faithful performance of the duties of his office and for restoration of the Association in case of his death, resignation, retirement or

removal from office, of all books, papers, vouchers, money and property of whatever kind in his possession or under his control belonging to the Association. He shall perform such other duties as may be delegated to him by the Board of Directors, any executive committee or the President. The Treasurer may not write a check to himself/herself for an amount exceeding an individual Member's annual assessment. Checks exceeding such an amount shall require a co-signature from another Director.

SECTION 7. DELEGATION OF AUTHORITY AND DUTIES. All officers, employees and agents shall, in addition to the authority conferred or duties imposed on them by these Bylaws, have such authority and perform such duties in management of the property and affairs of the Association as may be delegated to them by the Board of Directors.

ARTICLE VII - INDEMNIFICATION

SECTION 1. THIRD PARTY ACTIONS. The Association shall indemnify any person who was, or is, or may become a party to any completed, pending or potential action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association) by reason of the fact that he is or was a Director, officer, employee or agent of the Association or is or was serving at the request of the Association as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including actual attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Association or its Members, and with respect to any criminal action or proceeding, had reasonable cause to believe his conduct was not unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere, or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in, or not opposed to, the best interests of the Association or its Members, and, with respect to any criminal action or proceeding, shall not create a presumption that such person had reasonable cause to believe his conduct was unlawful.

SECTION 2. ACTIONS IN THE RIGHT OF THE ASSOCIATION. The Association shall indemnify any person who was, is, or threatened to be made a party of, any completed, pending or potential action or suit by, or in the right of, the Association to procure a judgment in its favor by reason of the fact that he is or was a Director, officer, employee or agent of the Association or is or was serving at the request of the Association as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and the best interests of the Association or its Members, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for:

(a) Any breach of the director's duty of loyalty to the corporation or its members.

(b) Any acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law.

(c) Any violation of Section 551(1) of the Act.

(d) Any transaction from which the director derived an improper personal benefit.

(e) Any act or omission occurring before the date this document is filed.

(f) Any act or omission that is grossly negligent.

SECTION 3. AUTHORIZATION OF INDEMNIFICATION. Any indemnification under Article VII, Sections 1 and 2 (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the director, officer, employee, or agent is proper in the circumstances because the person has met the applicable standard of conduct set forth in Article VII, Sections 1 and 2. Such determination shall be made in either the following ways:

(a) By the Board by a majority vote of a quorum consisting of Directors who were not parties to such action, suit, or proceeding.

(b) If such quorum is not obtainable, or, even if obtainable, a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion.

(c) By the majority vote of the Members.

SECTION 4. INSURANCE. The Association may purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Association would have power to indemnify him against such liability under Sections 1 and 2 of this Article VII.

ARTICLE IX - FINANCE

SECTION 1. GENERALLY. The finances of the Association shall be handled in accordance with the Declaration.

SECTION 2. FISCAL YEAR. The fiscal year of the Association shall be an annual period commencing as such date as may be initially determined by the Directors. The commencement date of the fiscal year shall be subject to change by the Directors for accounting reasons or other good cause.

SECTION 3. BANK ACCOUNTS. The funds of the Association shall be deposited in such bank as may be designated by the Directors and shall be withdrawn only upon the

check or order of such officers, employees or agents as are designated by resolution of the Board of Directors from time to time. The funds may be invested from time to time in accounts or deposit certificates of such bank or savings association as are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation and may also be invested in interest-bearing obligations of the United State Government.

SECTION 4. TAX ELECTIONS. The Association may elect to be taxed pursuant to Section 528 of the Internal Revenue Code of 1986, as amended from time to time, if the Board of Directors determines that it is in the Association's best interest to elect to be taxed pursuant to such section.

SECTION 5. SPECIAL PROJECTS AND CAPITAL EXPENDITURES.

Any expenditures for special projects or capital expenditures that are less the 2% of the annual budget require the approval of at least two members of the Board of Directors.

Any expenditures for special projects or capital expenditures that are greater than 2% but less than 5% of the annual budget require the approval of three members of the Board of Directors. Each Director shall receive all relevant documentation to review prior to voting on the approval.

Any expenditures for special projects or capital expenditures that are greater than 5% but less than 10% of the annual budget require three written competitive quotes (if reasonably available) and require the approval of three members of the Board of Directors. Each Director shall receive all relevant documentation and have seven days for review prior to voting on the approval.

Any expenditures for special projects or capital expenditures that are greater than 10% of the annual budget will require three written competitive quotes (if reasonably available) and require the recommendation of three members of the Board of Directors. Each Director shall receive all relevant documentation and have seven days for review prior to seeking approval. The total cost of the expenditure shall be considered in determining whether or not it exceeds 10% of the budget. The recommended bid will then be submitted to the Association Members for approval. Approval of the recommended plan will require a 2/3 majority vote of the Association Members qualified to vote.

The Secretary of the Association will post on the Association's website (and notify all Association Members) all relevant documentation for all bids received for a period of fourteen days prior to the date that the vote for the specific project will be held.

SECTION 6. DISCLOSURE OF EXPENDITURES. The Secretary of the Association will post on the Association's website copies of records relating to expenditures which are greater than 5% of the annual budget. Such records shall include contracts, quotes, bids, or work orders.

ARTICLE X - AMENDMENTS

These Bylaws may be altered, amended or repealed or new bylaws may be adopted:

(a) at any regular or special meeting of the Members duly called at which a quorum is present or represented, by the affirmative vote of a majority of the Members entitled to vote; or

(b) by electronic voting through the Association's website, by the affirmative vote of a majority of the Members entitled to vote. Such electronic voting will be open for a minimum of 14 days and a maximum of 28 days. All Members without access to the Association's website will be provided with copies of the proposed amendments by mail or hand delivery prior to the vote, and may submit a written ballot to the Secretary of the Association prior to the date for the closing of the vote.

Such action may be taken by written consent or at any meeting of Members or the Board of Directors; provided, that, if notice of any such meeting is required by these Bylaws, the notice of the meeting shall contain notice of the proposed amendment, repeal or new bylaws. Any bylaws hereafter made by the Members shall not be altered or repealed by the Board.
