

**BYLAWS
OF
TOWER LAKES OWNERS' ASSOCIATION, INC.
(a non-profit corporation)**

ARTICLE I. PURPOSE OF ASSOCIATION

The purpose of this Association is to operate and maintain the Common Property for the social, recreational and aesthetic welfare of the Owners and residents of the Properties as more fully described in the Declaration of Covenants and Restrictions for the Tower Lakes Subdivision ("Declaration") as filed in Official Records Volume 516 at Page 8 in the Office of the Recorder of Richland County, Ohio, and to permit the Members of the Association to act as a unit to create and maintain the best possible conditions with respect to operation, use and maintenance of the Common Property.

ARTICLE II. DEFINITIONS

As used in these Regulations, the terms "Association", "Board of Trustees", "Properties", "Common Property", "Dwelling Unit", "Lot", "Member", and "Owner" shall have the meaning contained in the Declaration described in Article I of these Regulations.

ARTICLE III. MEETINGS OF THE MEMBERS

Section 1. Annual Meetings. The first Annual Meeting of Members shall be held within one year from the date of incorporation of the Association or not later than thirty (30) days after eight (8) of the Lots have been sold. Subsequent annual meetings of Members shall be held each year thereafter during the months of July or August at a place designated by the Trustees.

Section 2. Special Meetings. Special meetings of Members may be called at any time by the President or by a majority of the Board of Trustees, or on written request of twenty-five percent (25%) of the Members who are entitled to vote.

Section 3. Notice of Meetings. Notice of all meetings shall be given at least ten (10) days prior to the date of the meeting. This notice may be given by mail, electronically, or personal delivery to the Dwelling Unit. Such notice shall specify the day, hour, and place of the meeting, and in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at any meeting, in person or by proxy, of Members entitled to cast a majority of the votes of the membership shall constitute a quorum for authorization of any action, except as may otherwise be provided in the Declaration, the Articles of Incorporation, or these Regulations. If a quorum is not present at the 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 is present.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing or electronic and filed with the Secretary. Proxies shall be revocable, and the proxy of any Owner shall automatically terminate on conveyance by him or her, of his or her Dwelling Unit.

Section 6. Written Action. Any action required by the non-profit corporation law to be taken at a meeting of the Members, or any other action which may be taken at a meeting of the Members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by not less than four-fifths (4/5) of the Members entitled to vote at a meeting for such purpose and filed with the Secretary of the Association.

ARTICLE IV. MEMBERSHIP AND VOTING

Section 1. Membership. The Members of this Association shall be every person or entity who is a record Owner of a fee or undivided fee interest in any Dwelling Unit which is subject, by the Declaration to assessment by the Association; provided, however, that any such person or entity who holds such interest merely as a security for the performance of an obligation shall not be a Member.

Section 2. Voting. In all matters which shall come before the Members of this Association, and all corporate matters, the voting power of the Members of this Association shall be determined in the following manner: Members shall be entitled to one (1) vote for each Dwelling Unit; when more than one (1) person holds such interest or interests in any Dwelling Unit, all such persons shall be Members, but the vote such Dwelling Unit shall be exercised as they, among themselves, shall determine, but in no event, shall more than one (1) vote be cast with respect to any such Dwelling Unit. Every act performed or decision made by a majority of the Members present at a duly held meeting in which a quorum is present and entitled to cast votes for Dwelling Units shall constitute the act or decision of the Association, except as may otherwise be provided in the Declaration, the Articles of Incorporation or these Regulations.

ARTICLE V. BOARD OF TRUSTEES

Section 1. Number. The business, property and affairs of this Association shall be managed by a Board of Trustees composed of not less than three (3) persons and not more than nine (9), which number shall be determined by Members, and all of whom shall be Members of this Association and Owners of at least one or more Dwelling Units within the Properties.

Section 2. Term of Trustees. Trustees shall be elected at the annual Association meeting, or a special Association meeting called for that purpose, for a term of three (3) years or until their successors are elected. The terms shall be staggered to provide for the expiration of three (3) seats each year. Trustees may be re-elected for an additional two (2) terms. Trustees may then be re-elected to the Board of Trustees after an absence from the Board for one (1) year. The term limits for the Treasurer's position on the Board of Trustees shall be waived if another qualified candidate has not come forward. Qualifications shall be determined and approved by the sitting Board of Trustees.

Section 3. Powers and Duties. In addition to the powers generally possessed by the Trustees, the Board of Trustees shall have power to:

- A. Elect officers and remove them from office, fill vacancies, and delegate whatever authority the Board of Trustees deems expedient;
- B. Conduct, manage and control the affairs and business of this Association; make rules and regulations not inconsistent with the laws of the State of Ohio and the Declaration; and further, to exercise, for this Association, all powers and duties and authorities vested in or delegated to this Association or which it may lawfully exercise;
- C. Adopt rules and regulations not inconsistent with the Declaration governing the use of the Community Property, including the personal conduct of the Members and their guests thereon; and to establish penalties for infractions of such rules and regulations;
- D. Suspend the voting rights and right to use Community Property and its recreational facilities of any Member during any period in which such Member is in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed thirty (30) days for infraction of published rules and regulations.
- E. Exercise on behalf of the Association all powers, duties, and authority vested in or delegated to the Board of Trustees by the Declaration or the Association or which it may lawfully exercise, and not specifically reserved to the membership by the Declaration, Articles of Incorporation, or by other provisions of these Bylaws;
- F. Employ and supervise independent contractors, agents and other employees as they may deem necessary, and to prescribe their duties. When bidding contracts, three competitive bids are required wherever possible;
- G. Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at each annual meeting, at any special meeting, or electronically;
- H. Fix the amount of the monthly assessment (HOA dues) against each lot at least thirty (30) days in advance of any change in the monthly assessment;
- I. Send written or electronic notice of each assessment change to every Owner subject thereto at least thirty (30) days in advance of each assessment period;
- J. File a Certificate of Lien against any property for which assessments have not been paid for a period of ninety (90) days, unless extended by the Board, foreclose on such lien against any property for which assessments are not paid within one hundred eighty (180) days after the due date, and/or to bring an action at law against the owner personally obligated to pay the same;

- K. Issue, or cause an appropriate officer to issue, on demand by any person a certificate setting forth whether or not any assessment has been paid. A statement to the effect that an assessment has been paid shall constitute conclusive evidence of such payment. The Board may impose a reasonable charge for the issuance of these certificates;
- L. Procure and maintain adequate liability, hazard and other insurance on all property owned and controlled by the Association;
- M. Cause all officers or employees having fiscal responsibilities to be insured, if and as it may be deemed appropriate in accordance with ORC Section 5312.06 (B)(4)(a);
- N. Cause the Community Property to be maintained;
- O. Contract on behalf of the Owners and Condominium Owners Association for each Condominium for mowing, trimming, mulching, edging, fertilizing, weed control and general lawn upkeep and such other services, including snow removal and trash removal that may be more effectively and economically obtained through a group contract. The cost and expense thereof shall be equitably apportioned and assessed against the Owners of each Dwelling Unit of each Condominium Owners Association and administered as a special account for each Condominium Association relating to its Common and Limited Common Property.
- P. Subject to the approval and to the satisfaction of the Owners of each Condominium Owners Association, the Board of Trustees, as Agent, may obtain the required coverages naming each specific Condominium Owners Association as the insured with the required premiums being added to and collected as a part of the assessments to such Owners and accounted for in a special account for such purpose. It is understood that each Owner will otherwise be responsible for insuring the Dwelling Unit, as defined, and the Owner's personal contents therein.

Section 4. Regular Meetings. Regular meetings of the Board of Trustees shall be held quarterly at a minimum without notice, at such place and hour as may be fixed from time to time by resolution of the Board. In the event the regular date for a meeting falls on a legal holiday, such meeting shall be held at the same time on the next following day which is not a legal holiday. The owners will be given a ten (10) day notice of upcoming Board meetings.

Section 5. Special Meetings. Special meetings of the Board of Trustees shall be held when called by the President of the Association, or by any two (2) Trustees, after not less than three (3) days' notice to each Trustee. The owners will be provided with a three day notice of special meetings, except in the case of an emergency meeting being required.

Section 6. Annual Assessments. Notwithstanding any other provision in these Bylaws, at least ten (10) days' notice to each Trustee is required for any meeting, whether regular or special, at which the adoption of annual assessments is to be considered.

Section 7. Quorum. A majority of the Trustees shall constitute a quorum for the transaction of business. Every act performed or decision made by a majority of Trustees present at a duly held meeting in which a quorum is present shall constitute the act or decision of the Board.

Section 8. Written Action. Any action required by the Non-profit Corporation Law to be taken at a meeting of the Board of Trustees, or any other action which may be taken at a meeting of the Board of Trustees, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Trustees entitled to vote with respect to the subject matter thereof and filed with the Secretary of the Corporation.

Section 9. Vacancies. In the event of death, resignation, or removal of a Trustee, his or her successor shall be elected by the remaining members of the Board and shall serve for the unexpired term of his or her predecessor. Any Trustee may be removed from the Board, with or without cause, by a majority vote of the Members of the Association.

Section 10. Compensation. No Trustee shall receive compensation for any service he or she may render to the Association. However, any Trustee may be reimbursed for his or her actual expenses incurred in the performance of his or her duties.

ARTICLE VI. OFFICERS

Section 1. Enumeration of Officers. The officers of the Association shall be a president and vice president, who shall at all times be members of the Board of Trustees, and a secretary, treasurer, and such other officers as the Board may from time to time by resolution create. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of the other offices.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Trustees following each annual meeting of Members.

Section 3. Term of Office. The officers of the Association shall be elected annually by the Board. Each shall hold office for a term of one (1) year unless he or she shall sooner resign, or shall be removed or otherwise disqualified to serve.

Section 4. Vacancies. Any officer may be removed from office by the Board at any time with or without cause. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. A vacancy in any office may be filled by appointment of the Board. The officer appointed to such vacancy shall serve for the unexpired term of the officer he or she replaces.

Section 5. Duties. The duties of the officers are as follows:

- A. President. The president shall preside at all meetings of the Board of Trustees; shall see that orders and resolutions of the Board are carried out; shall sign all documents and other instruments when required.

- B. Vice President. The vice president shall act in the place of the president in the event of his or her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him or her 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; 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 perform such other duties as may be required of him or her by the Board.
- D. Treasurer. The Treasurer shall work in conjunction with the CPA firm/Accountant hired by the Board of Trustees. The Treasurer shall receive and deposit in appropriate bank accounts funds of the Association, and shall instruct the Accountant to disburse such funds as directed by resolution of the Board of Trustees; shall keep proper books of account; shall cause a Review of the books & records of the agreed upon procedures (see Addendum A), of the Association to be made every three (3) years by a minimum of 2, maximum of 3 current condo owners qualified and approved by the Board of Trustees; and shall prepare an annual budget and statement of income and expenditures, a copy of which documents shall be delivered to each Member and a report on which shall be given at the regular annual meeting of Members.

ARTICLE VII. COMMITTEES

The Association or the Board of Trustees may appoint such other committees as it may deem appropriate in the performance of its duties.

ARTICLE VIII. ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien on the property against which such assessments are made. Any assessments which are not paid when due are considered delinquent. If an assessment is not paid within ten (10) days after the due date, the Owner may have a late fee imposed, according to Policy 2014-02. The Association may bring an action at law against the owner personally obligated to pay the same, or may foreclose the lien against his or her property. Late fees, costs, and reasonable attorney fees of any such action shall be added to the amount of any assessment due. No Owner may waive or otherwise escape liability for assessments by non-use of the Community Property or abandonment of or absence from his or her Dwelling Unit.

ARTICLE IX. INDEMNIFICATION

Section 1. The Association shall indemnify every person who is or has been a Trustee, Officer, Agent or employee of the Association and those persons' respective heirs, legal representatives, successors and assigns, against expenses including attorney fees, and judgments, decrees, fines, penalties, and amounts paid in settlement actually and reasonably incurred in connection with any threatened, pending, or completed action, suit or proceeding, whether civil,

administrative, or investigative, and whether in an action or proceeding by or in the right of the Association, or otherwise, in which such person was or is a party or is threatened to be made a party by reason of the fact that person was a Trustee, Officer, employee, or agent of the Association, or is or was serving in such a capacity at the request of the Association, provided that person (a) acted in good faith and in a manner that person believed to be in or not opposed to the best interest of the Association, and (b) in any matter the subject of a criminal action or proceeding, had no reasonable cause to believe the questioned conduct was unlawful, but provided that in the case of any threatened, pending, or completed action or suit by or in the right of the Association to procure a judgment in its favor against any such person by reason of that person serving in such capacity, 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 negligence or misconduct in the performance of a duty to the Association, except to the extent that the court in which such action was brought shall determine upon application that in view of all the circumstances of the case that person is fairly and reasonably entitled to indemnity for such expenses as the court shall deem proper.

Section 2. Unless ordered by a court, the determination of indemnification, pursuant to the foregoing criteria, shall be made: (a) by a majority vote of a quorum of Trustees of the Association who were not and are not parties to or threatened with any such action, suit, or proceeding; or (b) if such a quorum is not obtainable, or if a majority of a quorum of disinterested Trustees so direct, by the written opinion of independent legal counsel other than an attorney who has been retained by or who has performed services for the Association or any person to be indemnified within the past five (5) years; or (c) by the Unit Owners; or (d) by the court in which such action, suit or proceeding was brought.

Section 3. Any such indemnification shall not be deemed exclusive of any other rights to which such person may be entitled under the law, any agreement, or any insurance purchased by the Association, or by vote of the Unit Owners, or otherwise.

ARTICLE X. BOOKS AND RECORDS

The books, records, and papers of the Association shall be subject to inspection by any Member during ordinary business hours. The Declaration, Articles of Incorporation, and Bylaws of the Association and the Rules and Regulations (and variances approved by the Board of Trustees) shall be available for inspection by any Member at the principal office of the Association, where copies shall be made available at a reasonable cost.

ARTICLE XI. FISCAL YEAR

This fiscal year of the Association shall be the calendar year, except that the first fiscal period shall begin on the date of incorporation and shall end on December 31st of the year of incorporation.

ARTICLE XII. AMENDMENTS

These Bylaws may be amended at a regular or special meeting of Members, by vote of a majority of a quorum of Members present in person or by proxy.

ARTICLE XIII. CONFLICTS

In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

Addendum A

Financial procedure

1. Treasurer shall work in conjunction with the CPA firm/Accountant hired by the Board of Trustees.
2. Accountant collects monthly dues and records them
3. Any income received by the Treasurer is deposited and copies forwarded to Accountant
4. Bills are submitted to Treasurer containing the following information
 - a. Date
 - b. Account to charge
 - c. Amount to pay
 - d. Signature of responsible party
5. Treasurer reviews the bills
6. If the information is accurate, the bill is submitted to Accountant for payment
7. Accountant writes the check (or pays electronically), signed by the Accountant
8. Accountant posts the payment to the proper account
9. Monthly interest payments are reported to the Accountant by the Treasurer
10. Month end reports are prepared by the Accountant
11. Month end bank reconciliations are done by the Accountant
12. Accountant forwards month end reports to Treasurer
13. Treasurer cross checks each bill submitted for accurate account posting
14. Once approved by the Treasurer, reports are forwarded to the Board of Trustees
15. Financial reports are reviewed and approved at the monthly Board of Trustees meeting
16. Paid invoices are filed in the HOA office
17. The Treasurer reviews, shops current rates and purchases new CD's as they mature
18. The Treasurer provides a semi-annual building fund report to each Building Rep
19. The Treasurer provides monthly statements of Financial Operations to be posted to the HOA website.
20. The Treasurer establishes and maintains a Building Fund for each Building corporation.
21. The Treasurer calculates the prorated interest payment to each Building corporation after tax returns are filed and taxes are paid, and instructs Accountant to make appropriate transfers to the Building Funds.

Amended 05/18/2024