

BY-LAWS
OF
BLOOMFIELD SQUARE SUBDIVISIONS # 4, 5, 6 and 7
HOMEOWNERS' ASSOCIATION

ARTICLE I
NAME AND OBJECT OF CORPORATION

Section 1. Name. This Corporation shall be known as the Bloomfield Square Subdivisions #4, 5, 6 and 7 Homeowners' Association, hereinafter called the Association.

Section 2. Objects. The objects of the Association shall be: To maintain, enhance and operate the Bloomfield Square Subdivisions #4-7 entrances, gates, parks and other common areas and to exercise, protect and promote the privileges and interests of the residents of Bloomfield Square Subdivisions #4-7.

ARTICLE II
MEMBERSHIP

Section 1. The membership of the Association shall consist of all persons who are fee title owners or land contract vendee owners of lots within Bloomfield Square Subdivisions #4-7; if a Land Contract Vendee owner of a lot within the designated subdivisions has been designated as an Association member, the fee title owner of said lot shall not be a member of this Association. Only one membership shall be allowed for all residents of one household. The Board of Directors has the right of final determination in any membership dispute.

Section 2. Membership Status. Only those members who have satisfied all financial obligations to the Association as described in Article IX will be Members in Good Standing. Other members will be Delinquent Members until such time that payment of all outstanding obligations to the Association is made.

Section 3. Vote. Each Member in Good Standing will have one vote only on each issue placed before the general membership in meeting or otherwise. Delinquent Members will have no vote except on proposals for dues in excess of \$150.00 per year. Votes must be made in person or by signed proxy. The President may establish the rules regarding the tallying of votes on any issue. A single vote may not be divided.

ARTICLE III
GOVERNMENT

Section 1. Board of Directors. The general management of the affairs of the Association shall be vested in the Board of Directors, who shall be elected as provided in Section 1 of Article V of these By-Laws. The number of Directors shall be no more than nine (9). The Board may fill vacancies by its selection from the general membership.

Section 2. Officers. The officers of the Association shall consist of a President, a Vice President, a Secretary, and a Treasurer, selected from the Board of Directors, as provided in Section 2 of Article V of these By-Laws. The Secretary and Treasurer may be the same person.

Section 3. President as committee member. The President shall be a member, ex officio, of all committees.

Section 4. Ex-President as Board Member. A past president of the Board will, at his option, remain a non-voting member of the Board for the year following the election of his successor.

ARTICLE IV
MEETINGS

Section 1. Regular meetings of Members. The annual election meeting of the members of the Association will be held in September of each year. Also, a regular meeting will be held in November of each year to consider the next year's budget proposal and, if necessary, to approve dues in excess of the maximum level of Board authority.

Section 2. Special meetings by Members. Special meetings of members may be called by the President at any time on his own initiative or upon the request of ten Members in Good Standing made to the President or Secretary in writing. At such meeting there shall be considered only such business as is specified in the notice of meeting.

Section 3. Notice of Meetings. Notice of any general membership meeting shall be mailed or otherwise delivered to each member at least ten (10) days previous to the meeting.

Section 4. Quorum for Members' Meeting. At all meetings of the Association, either regular or special, ten (10%) per cent of all members in Good Standing shall constitute a quorum.

Section 5. Lack of Quorum. If a quorum is not present, the presiding officer may adjourn the meeting to a day and hour fixed by him.

Section 6. Order of Business. At all meetings of the Association, the order of business shall be as follows:

- (a) Reading of minutes of immediately prior meeting for information and approval.
- (b) Reports of officers.
- (c) Reports of committees.
- (d) Election of Directors.
- (e) Unfinished business.
- (f) New business.
- (g) Reading and approval of minutes of meeting just held, if requested.

Section 7. Meetings of Board. Meetings of the Board of Directors shall be called by the President on his own initiative whenever in his judgment it may be deemed necessary, or by the Secretary upon request of any two members of the Board of Directors. Five days' notice of meetings of the Board shall be sent by mail to all Directors, and shall be deemed sufficient notice of such meetings.

Section 8. Quorum for Board Meeting. A majority (half or more) of the Board of Directors shall constitute a quorum.

Section 9. Meeting Location. All Association membership and Board of Director meetings will be held in Oakland County, Michigan.

ARTICLE V

ELECTION OF DIRECTORS AND OFFICERS

Section 1. Election of Directors. The Directors of the Association shall be elected at the annual election meeting. Each member in good standing shall be entitled to one vote for each director to be elected. Board nominations can be made only by Members in Good Standing, and all nominees also must be Members in Good Standing. The nine or fewer candidates receiving the greatest number of the votes cast shall be declared elected. Directors shall serve until their replacements are elected or they resign.

Section 2. Election of Officers. The Board of Directors shall elect the officers from among their number. The meeting of the Board of Directors to elect officers shall be held within one month following the annual meeting of members. Officers elected shall hold office until new officers are elected.

ARTICLE VI DUTIES OF OFFICERS

Section 1. President. The President shall preside at all meetings of the Association and of the Board of Directors and shall appoint members of such committees as the Association's Board shall consider expedient or necessary.

Section 2. Vice President. In the absence of the President, the Vice President shall perform his duties, and, in the absence of both President and Vice President, the Treasurer shall preside and assume the duties of the President.

Section 3. Secretary. The Secretary shall keep the minutes of all meetings of the Association and of the Board of Directors; and shall, if requested, read such minutes at the close of each meeting for approval; and shall mail out all notices for meetings of the Association or the Board of Directors. He shall file all required reports except those regarding taxes and other financial matters, and perform such other duties as may be required of him by the By-Laws, the President, or the Board of Directors.

Section 4. Treasurer. The Treasurer shall collect and have charge of all receipts and moneys of the Association, deposit them in the name of the Association in a bank approved by the Board of Directors, and disburse funds as ordered or authorized by the Board of Directors. He shall keep regular accounts of his receipts and disbursements, submit his record when requested, give an itemized statement at regular meetings of the Association, take those actions available to collect delinquent dues, and file all required tax and other reports.

Section 5. Execution of instruments. The President and Secretary or the Treasurer shall, on being so directed by the Board, sign all leases, contracts, or other instruments in writing. Checks must be signed by two officers.

ARTICLE VII DUTIES AND POWERS OF BOARD OF DIRECTORS

Section 1. Management of Association. The Board of Directors shall have general charge and management of the affairs, funds, and property of the Association. The Board shall have full power, and it shall be the Board's duty, to carry out the purposes of the Association according to its Articles of Incorporation and By-Laws; to determine whether the conduct of any member is detrimental to the welfare of the Association; and to fix the penalty for such misconduct or any violation of the By-Laws or Rules. A summary of the Board of Directors Minutes shall be made available to the full membership of the Association within thirty (30) days after a meeting of said Board of Directors.

Section 2. Appointment of Committees. The Board of Directors may appoint such committees as it deems necessary; it may vote the expenditure of monies as it deems necessary or advisable; and it may contract for the lease or purchase in the name of the Association of facilities for the use of the members.

Section 3. Authority to impose liability on members. The Board of Directors shall not impose any liability or levy any assessment upon the members other than dues which shall not exceed One Hundred and Fifty Dollars (\$150.00) [*amended from \$75 by membership vote in April 1997*] per year. Any change in the dues structure shall be made only at a membership meeting called for that purpose.

ARTICLE VIII COMPENSATION OF DIRECTORS AND OFFICERS

Neither the officers, Directors, nor members serving on committees shall receive any salary or compensation for services rendered to the Association.

ARTICLE IX DUES

Section 1. Annual dues. The annual dues of members for each calendar year, or for any part of a calendar year wherein a person becomes a member during the year, shall be \$150.00 unless a lower amount is otherwise determined by the Board of Directors.

Section 2. Time for payment of dues. The annual dues shall be payable by all members at such time as established by the Board but no later than April 30 of each year, and shall be paid to the Treasurer.

Section 3. Loss of privileges. Any member whose dues are unpaid following the due date established in Section 2 of any year shall become a Delinquent Member. Such member, including all family members and guests, shall not be entitled to the use of any properties or facilities owned by or under lease or contract by the Association or to attend the social functions of the Association or to enjoy other privileges as determined by the Board of Directors.

Section 4. Exposure of Property to Lien. Any member whose dues remain unpaid one month after the deadline for dues payment shall have a lien placed on his property pursuant to the recorded subdivision restrictions to require payment of the subdivision dues. Homes of Delinquent Members put up for sale or in foreclosure become immediately subject to a lien.

Section 5. Dues Collection Expenses. All costs, including a reasonable attorney's fee, incurred by the Association in pursuit of delinquent dues will become financial obligation of the Delinquent Member involved to the Association.

Section 6. Dues Status. The Association considers its receipts status to be a matter of public record to all members and to be available to any member upon request. The Board may direct the publication of the names and/or addresses of all Delinquent Members without prior notice.

ARTICLE X

RULES AND REGULATIONS FOR MEMBERS AND GUESTS

Section 1. Right of guest to use facilities. No person except a member in good standing of the Association, the family of such member, and their accompanied guests shall use any facilities owned, leased, or contracted for by the Association for any purpose whatever.

Section 2. Definition of "family". As used in these By-Laws, Rules, and Regulations, the term "family" shall include only persons within the third degree of relationship either to the member or to his spouse.

Section 3. Additional Rules and Regulations. The Board of Directors may establish and cause the enforcement of any and all additional rules and regulations deemed by it as advisable and necessary.

Section 4. Upon whom binding. Each and every member of the Association, his family, guest, and the subsequent owners or occupants of any property at any time owned by him within the subdivisions shall be bound by and abide by there By-Laws, Rules and Regulations.

ARTICLE XI

NOTICES

All notices mailed to members shall be mailed to their addresses as given on the books of the Association, and such mailing shall constitute presumptive evidence of service thereof.

ARTICLE XII

AMENDMENTS

Section 1. These By-Laws may be amended only by a two-thirds vote of the Members in Good Standing present at a regular or special meeting of the Association, providing notice of the proposed amendments has been stated in the call for the meeting.

ARTICLE XIII EXPENDITURES

Section 1. Any expenditure of \$2,000.00 or more by the Association for one particular purpose must be approved by the membership in meeting prior to said sum being expended or committed. No financial commitment shall be made or contract negotiated for greater than a one year period unless otherwise approved by the membership. The Board may approve expense overruns of up to 25% of the amount approved by the general membership for any individual item unless expressly prohibited by the membership.

ARTICLE XIV INDEMNIFICATION

Section 1. General Indemnification. The Corporation shall indemnify, to the fullest extent authorized and/or permitted by the Business Corporation Act of the State of Michigan, any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he is or was a Director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation, as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding, to the extent and under the circumstances permitted by Section 561 of the Business Corporation Act (MCLA, Section 450.1561).

Section 2. Indemnification in Corporate Action or Suit. The Corporation shall indemnify, to the fullest extent authorized and/or permitted by the Business Corporation Act of the State of Michigan, any person who was or is a party to or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation 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 Corporation, or is or was serving at the request of the Corporation 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 defense or settlement of such action or suit, to the extent and under the circumstances permitted by Section 562 of the Business Corporation Act (MCLA, Section 450.1562).

Section 3. Indemnification in the Event of a Successful Defense. To the extent that a Director, officer, employee or agent of the Corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Sections 1 and 2, supra, or in defense of any claim, issue or matter therein, such indemnification as herein before provided shall be made as authorized.

Section 4. Indemnification in the Event of an Unsuccessful Defense. To the extent that a Director, officer, employee or agent of a corporation has been unsuccessful on the merits or otherwise in defense of any action, suit or proceeding referred to in Sections 1 and 2, supra, or in defense of any claim, issue or matter therein, but the court in which such action or suit was brought has determined upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper, such indemnification as is hereinbefore provided shall be made as authorized.

Section 5. Specific Determination. Any indemnification as hereinbefore provided in this Article XIV shall be made by the Corporation only as authorized in a specific case upon the determination that indemnification of a Director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in the Business Corporation Act of the State of Michigan. Such determination shall be made in either of the following ways:

- (a) By the Board of Directors, by majority vote of a quorum consisting of Directors who are 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 Members.

Section 6. Payment of Expenses Prior to Final Disposition. Expenses incurred in defending a civil or criminal action suit or proceeding described in Sections 1 and 2, supra, may be paid by this Corporation in advance of final disposition of such action, suit or proceeding as authorized in either of the following ways:

- (a) By the Board of Directors, by majority vote of a quorum consisting of Directors who are 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 Members

upon receipt of an understanding by or on behalf of the Director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Corporation.

Section 7. Miscellaneous Provisions. The foregoing rights of indemnification shall not be deemed exclusive of any other rights of indemnification to which persons other than Directors and officers may be entitled by contract or otherwise by law. Further, the indemnifications provided in Sections 1 through 4 hereof, inclusive, shall continue as to a person who has ceased to be a Director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such person.

Section 8. Corporation Insurance Against Indemnification Liability. The Corporation is authorized to the extent permitted by the Business Corporation Act of the State of Michigan to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation 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 Corporation would have power to indemnify him against such liability pursuant to the provisions of Sections 561 through 565 of the Business Corporation Act.

As revised on November 18, 2010