

**THE SUNDANCE MEADOWS
HOMEOWNERS ASSOCIATION
BYLAWS – AMENDED 12/28/01**

ARTICLE I

Purpose

The purposes for which this corporation is organized shall be those specific and general purposes set forth in the Articles of Incorporation of the Association. In furtherance of such purposes, this Association shall promote and maintain the safety, property values and general well being of the Members of the Association and the property of the Members located within the Subdivision.

The Association is organized to represent its Members with respect to matters now or hereafter concerning one or more of its Members regarding property within the Subdivision and related easement rights and obligations.

ARTICLE II

Definitions

Section 1. "Declaration" shall mean and refer to the Declaration of Deed Restrictions Sundance Meadows Subdivision, and its additions as defined in the Declaration and any amendments thereto, as recorded in the office of the Livingston County of Register of Deeds, State of Michigan.

Section 2. "Member" shall mean and refer to the record owner, including (if applicable) Declarant, whether one or more persons or entities, of the fee simple title to any Lot. Notwithstanding the prior sentence, the holder or holders or a vendee's interest in a Lot from a land contract sale (and not the fee title holder) shall be considered the Member. Those having any interest in a Lot merely as security for the performance of any obligations, shall not be deemed to be a Member.

Section 3. "Restrictions" shall mean all obligations of and restrictions on the Members or Owners arising from the Declaration, the Articles, these Bylaws or the duly adopted rules or regulations established from time to time by the Association with respect to the Lots; the Access, and Utility Easement Areas; or the Subdivision.

Section 4. All definitions contained in the Declaration are incorporated herein by reference as though fully set forth.

ARTICLE III

Membership and Voting Rights

The qualification of Members, the manner of their admission to membership, the termination of membership and the voting of Members shall be as provided in the Articles, except that no vacant lot shall be entitled to vote unless said lot owner agrees to be assessed.

ARTICLE IV
Dues and Assessments

The creation, purpose, levy, enforcement and other matters pertaining to Dues and Assessments as provided for in the Declaration, however, no dues or assessments shall be levied against vacant lots except with the consent of the lot owner.

Nothing herein or in the Declaration is meant to limit the association's ability to prorate assessments based upon the benefits given to individual lots. However, 50% of the highest assessed lots may unanimously vote to veto any such prorated assessment. The highest assessed lots shall be those lots that pay assessments that are 125% of the assessment for a lot that pays the lowest assessment.

ARTICLE V
Restrictions

All Members are subject to and bound by the Deed Restrictions.

ARTICLE VI
Fines

Section 1. Grounds for Fines. The violation by any Member, occupant or guest of any of the provisions of the Restrictions, Bylaws or rules adopted by the Association or its Board may be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines against the involved Member. Such Member shall be deemed responsible for such violations whether they occur as a result of his personal actions or the actions of his family, guests, tenants or any other person admitted through such Member to the Subdivision. The assessment of fines shall be an additional remedy available to the Association for any infractions and such assessment shall not preclude injunctive relief, actual damages or other relief available to an aggrieved party under the restrictions or by law.

Section 2. Procedure for Fine Assessments. Upon any such violation being alleged by the Board, the following procedures will be followed:

A. Notice of violation, including the provision violated, together with a description of the factual nature of the alleged offense set forth with such reasonable specificity as will place the Member on notice as to violation, shall be sent by first class mail, postage prepaid, or personally delivered to the Member or representative of said Member at the address filed with the Association.

B. The offending Member shall have an opportunity to appear before the Board and offer evidence in defense of the alleged violation. The appearance before the Board shall be at its next scheduled meeting, but in no event shall the Owner be required to appear less than ten (10) days from the date of the Notice,

C. Failure to respond to the Notice of Violation constitutes a default.

D. Upon appearance by the Member before the Board and presentation of evidence of defense, the Board shall, by majority vote of a quorum of the Board, decide whether a violation has occurred. The Board's decision is final.

E. The Board may delegate its hearing responsibilities hereunder to a hearing panel comprised of one Board member and two non-Board members selected by the Board.

Section 3. Amounts of Fines. Upon violation of any of the provisions of the Restrictions and after default of the offending Member or upon the decision of the Board as recited above, the following guideline for assessing fines may be followed in addition to any other remedy or relief imposed:

- (i) First violation: no fine shall be levied;
- (ii) Second violation: fine not to exceed One Hundred (\$100.00) Dollars;
- (iii) Third violation: fine not to exceed Two Hundred Fifty (\$250.00) Dollars; and
- (iv) Fourth violation: fine not to exceed Five Hundred (\$500.00) Dollars.

Any violation that exists for more than thirty days shall constitute an additional violation. Different violations shall be cumulative as to the number of violations for the amount of fine.

Section 4. Remedies for Failure to Pay Fines. The fines levied pursuant to the above shall be assessed against the Member and shall be due and payable on the first of the next following month. Failure to pay the fine will be dealt with as provided in the Declaration regarding failure to pay Assessments.

ARTICLE VII

Meetings of the Members of the Association

Section 1. Procedure. Meetings of the Members of the Association shall be held at a suitable place convenient to the Members, as may be designated by the Board of Directors. Meetings of the Members of the Association shall be conducted in accordance with Roberts Rules of Order, when not otherwise in conflict with the Articles, these Bylaws or the laws of the State of Michigan. Declarant shall call the first membership meeting at a time and place to be decided by the Declarant.

Section 2. Meetings. Annual meetings of Members of the Association shall be held in the month of May on a date set by the Board of Directors, at such time and place as shall be determined by the Board of Directors. At such meetings there shall be elected by ballot, a Board of Directors in accordance with the requirements of these Bylaws. The Members may also transact at annual meetings such other business of the Association as may properly come before them.

Section 3. Special Meetings. Special meetings of the Members of the Association may be called by either the Board of Directors or the holders of twenty-five percent (25%) or more of the total votes in the Association. The notice of any special meeting shall set forth the business to come before the Members, and only such business shall be transacted.

Section 4. Notice. It shall be the duty of the Secretary (or other Association officer designated by the President in the Secretary's absence) to serve a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, upon each Member of record, at least ten (10) days but not more than sixty (60) days prior to such

meeting. The mailing, postage prepaid, of a notice to a Member at the address filed with the Association, or a personal delivery of such notice, shall be deemed notice served. Any Member may, by written waiver of notice signed by such Member, waive such notice, and such waiver, when filed in the records of the Association, shall be deemed due notice.

Section 5. Quorum; Adjournments. Presence at a meeting of holders of a simple majority (or more) of the votes in the Association shall constitute a quorum. Unless a higher voting requirement is specifically required by law or in the Articles, Declaration or these Bylaws, the majority of all votes cast by Members present at a meeting at which a quorum is present, shall be deemed the acts of the Members of the Association and shall be binding with respect to all matters with respect to which the Members are entitled to vote. If any meeting of Members cannot be held because a quorum is not in attendance, the Members who are present may adjourn the meeting for not more than thirty (30) days.

Section 6. Participation by Communications Equipment. Members may participate in a meeting by a conference telephone or similar communications equipment by which all persons participating in the meeting may hear each other if all participants are advised of the communications equipment and the names of the participants in the meeting are divulged to all participants. Participation in a meeting pursuant to this Section constitutes a presence in person at the meeting.

Section 7. Action Taken Without Meeting. Any action required or permitted to be taken at an annual or special meeting of the Members of the Association may be taken without a meeting, without prior notice, and without a vote if a consent in writing, setting forth the action so taken, is signed by Members having not less than the minimum number of votes that would be necessary to authorize or take the action at a meeting at which all members entitled to vote thereon were present and voted. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to Members who have not consented in writing.

ARTICLE VIII

Board of Directors

Section 1. Number. The affairs of the Association shall be governed by a Board of not less than three (3) nor more than five (5) Directors, all of whom must be Members.

Section 2. Election; Terms. The first Board of Directors shall be elected at the first meeting of Members of the Association. A Director shall serve a term that shall continue until the Director resigns or is removed or upon the last to occur of the following two events: i) the expiration of one year; or ii) the election of and agreement to serve by the Director's replacement.

Section 3. Powers. The Board of Directors shall have the powers and duties normally enjoyed by directors of nonprofit corporations as more fully provided in the Michigan Nonprofit Corporation Act (the "Act"). The Board of Directors shall have the authority to set dues and assessments subject to the veto of 50% of the voting members of the Association. The Board of Directors shall have the power to make any rules necessary to allow the roads to be dedicated to the County.

Section 4. Vacancies. Vacancies on the Board of Directors caused by any reason other than the removal of a Director by a vote of the Members of the Association shall be filled by vote of the majority of the remaining Directors. Each person so elected shall be a Director until a successor is elected to fill the remainder of the term at the next regular or special meeting of the Association.

Section 5. Removal. At any regular meeting of the Association duly called, and at any special meeting of the Association called in whole or in part for such purpose, anyone or more of the Directors may be removed with or without cause by vote of those Members entitled to vote in an election of such Director's replacement. At that time a successor shall be elected to fill the vacancy thus created. A successor Director so elected shall serve until the end of the term of the person he was elected to replace. Any Director whose removal has been proposed by the Members shall be given an opportunity to be heard at the meeting.

Section 6. Initial Meeting. The first meeting of a newly elected Board of Directors shall be held within thirty (30) days after its election at such time and place as fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present.

Section 7. Regular Meetings. Regular meetings of the Board of Directors may be held at such times and places as shall be determined from time to time by a majority of the Directors, but at least two (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, facsimile, telephone or telegraph, at least ten (10) days prior to the date named for such meeting.

Section 8. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days' notice to each Director, given personally or by mail, telephone, facsimile or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in a like manner and at like notice on the written request of three Directors

Section 9. Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be deemed a waiver of notice of the time and place thereof unless the appearance is for the purpose of protesting the holding of such meeting. If all the Directors are present at any meeting of the Board, no notice shall be required, and any business may be transacted at such meeting.

Section 10. Quorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors, unless otherwise set forth herein. If, at any meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such Director for purposes of determining a quorum, but no proxies shall be permitted.

Section 11. Bonding. The Board of Directors may require that any officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be expenses of administration.

ARTICLE IX **Officers**

Section 1. Designation. The officers of the Association shall be a President, a Secretary and a Treasurer, who shall all be Members of the Board of Directors.

Section 2. Appointment. The officers of the Association shall be appointed annually by the Board of Directors at the organizational meeting of each new Board and shall hold office at the pleasure of the Board.

Section 3. Removal. The Board of Directors may remove any officer, either with or without cause, and his successor may be elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called in whole or in part for such purposes.

Section 4. President. The President shall be the chief executive officer of the Association. The President shall preside at meetings of the Association and of the Board of Directors. The President shall have all of the general powers and duties which are usually vested in the office of the president of a corporation, including, but not limited to, the power to appoint committees from among or outside of the Members of the Association from time to time as the President may deem appropriate to assist in the conduct of the affairs of the Association.

Section 5. Secretary. The Secretary shall keep the minutes of meetings of the Board of Directors and the minutes of all meetings of the Members of the Association; the Secretary shall have charge of such books and papers as the Board of Directors may direct; and shall, in general, perform all duties incident to the office of the Secretary.

Section 6. Treasurer. The Treasurer shall have responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements, specifying the operating expenses clearly, in books belonging to the Association. The Treasurer shall be responsible for the deposit of all moneys and other valuable effects in the name and to the credit of the Association, and in such depositories as may, from time to time, be designated by the Board of Directors. The Treasurer shall ensure that expenditures for the maintenance and repair of Association property and any other expenses incurred by or in behalf of the Association are properly recorded. The Treasurer shall prepare and distribute to each Member at least once per year the Association financial statement.

Section 7. Other Duties. The officers shall have such other duties, powers and responsibilities as shall, from time to time, be authorized by the Board of Directors.

ARTICLE X **Standing and Special Committees**

Section 1. Architectural Control Committee. The terms, conditions and other provisions relating to the Architectural Control Committee are provided for in the Declaration.

The Architectural Control Committee shall be comprised of Fred Brown, William Hamway, and Martin Hamway until such time as all lots in all phases are sold. These members shall serve until they relinquish their duties to the Association. In the event of the death or resignation of a committee member, the remaining members shall appoint a successor. At no time shall the committee consist of less than three members. This paragraph may not be modified by a vote of the Association.

Section 2. Beautification Committee. The Beautification Committee shall be appointed by the Board of Directors.

Section 3. Other Committees. The Board of Directors may appoint such standing or special committees as deemed necessary, and shall define the duties of each appointed committee. Committees shall meet at the call of the President or the chairperson of each respective committee, and shall report to the Board of Directors as requested.

ARTICLE XI

Finance

Section 1. Fiscal Year. The fiscal year of the Association shall be an annual period commencing on January 1. The commencement date of the fiscal year shall be subject to change by the Directors for accounting reasons or other good cause.

Section 2. Depository. The funds of the Association shall be deposited in such financial institution 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.

ARTICLE XII

Amendments

Section 1. Method. These Bylaws may be amended by the Association as provided in Article VII, upon the affirmative action of more than 60% of all voting members.

Section 2. Proposed. Amendments to these Bylaws may be proposed by the Board of Directors of the Association acting upon vote of a simple majority of the Directors or by one-third (1/3) or more in number of the Members of the Association whether meeting as active Members or by instrument in writing signed by them.

Section 3. Distribution. A copy of each amendment to these Bylaws shall be furnished to every active Member of the Association after adoption, but failure to make such distribution shall not affect the validity of any amendment otherwise duly adopted.

Fred Brown, President of New Corp