

LANGUAGE TO AMEND
THE BY-LAWS AND REGULATIONS OF
SADDLE CREEK COMMUNITY ASSOCIATION, INC.

The Board of Directors of the Saddle Creek Community Association, Inc., proposes that the By-Laws and Regulations of Saddle Creek Community Association, Inc. (the “Bylaws”), attached as Exhibit “E” to the Declaration of Covenants, Conditions, Restrictions and Reservation of Easements of the Trails of Saddle Creek, as amended, originally recorded as Instrument 07-21795 in the Montgomery County, Ohio, Records, be amended as follows:

- (1) **REPLACE** all references in the Bylaws to the term “Common Areas” and “Community Facilities” with the term “Common Elements.”
- (2) **REPLACE** all references in the Bylaws to the term “Board of Trustees” and “Trustees” with the term “Board of Directors” and “Directors.”
- (3) **DELETE** all references in the Bylaws to “Declarant” and “Class B Member,” and terms and provisions relating to Declarant and the Class B Member, in their entirety.
- (4) **AMEND, MODIFY AND RESTATE** Bylaws Article III, Section 1, captioned “Annual Meeting,” in its entirety as follows:

The Association’s annual meeting will be held for the election of Directors, the consideration of reports to be presented before such meeting, and the transaction of such other business as may properly be brought before such meeting. The annual meeting must be held each year during the calendar year’s fourth quarter, on a date and at an hour and location as the Board determines and must be specified in such annual meeting’s notice.

- (5) **AMEND, MODIFY AND RESTATE** Bylaws Article III, Section 3, captioned “Notice of Meetings,” in its entirety as follows:

Written notice of each meeting of the Members will be given by, or at the direction of, the secretary or person authorized to call the meeting, delivered in accordance with Declaration Article XII, Section 4, as amended, at least fifteen (15) days before such meeting to each Member entitled to vote at the meeting. The notice will specify the place, day and hour of the meeting, and in the case of a special meeting, the specific purpose(s) of the meeting.

Prior to the meeting notice being sent to the Members, the Board will determine whether the meeting will be conducted physically so that the Members may attend in person or by proxy, or by the use of electronic communication means. If it is determined that the meeting will be held via electronic communication means, the Board will decide if the owners have the option to attend in person or via electronic communication means or both.

“Electronic communication means” as used in the Declaration and Bylaws shall refer to “Authorized Communications Equipment,” which includes any communication equipment that is selected by the Board, in its sole discretion, that provides an electronic communication transmission, including but not limited to, telephone, video conference, or any electronic means, from which it can be determined that the transmission was authorized by, and accurately reflects the intention and participation of the Member.

If the meeting is held via electronic communication means, the meeting notice must include any applicable links, access codes, password, telephone numbers, and other pertinent information that is necessary to allow the Member to participate at the meeting via electronic communication means. The persons utilizing electronic communication means must have the ability to communicate with the other participants to indicate their motion, vote, or statement, provided that the President, chair or other person designated by the Board moderating the meeting, may silence or mute electronic communication means by the Members to attend the meeting, unless the Member is voting or has been recognized by the meeting chair or moderator to participate in the meeting.

The meeting chair or moderator has the authority to decide and determine all procedural motions or other procedural matters to be decided at the meeting, including points of order and adjournment. The Board’s purpose or reason for not conducting an in-person meeting and instead having a meeting via electronic communication means must be documented in the Board’s meeting minutes.

(6) **AMEND, MODIFY AND RESTATE** Bylaws Article III, Section 4, captioned “Quorum,” in its entirety as follows:

A quorum of those present in person, by proxy or by use of electronic communication means at a meeting of Members entitled to vote thereat shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

(7) **AMEND, MODIFY AND RESTATE** Bylaws Article III, Section 6, captioned “Proxies,” in its entirety, hereinafter captioned “Proxies and Voting Methods,” as follows:

At any meeting of the Members, depending on the whether the meeting is conducted physically or by the use of electronic communication means, or both, in accordance with Bylaws Article III, Section 3, as amended, voting will be conducted via one of the following methods, in the Board’s sole discretion, for that meeting:

- (a) Voting in Person or by Proxy. Members may vote in person or by proxy. The person appointed as proxy need not be a Member of the Association. Each proxy will be

executed in writing by the Member entitled to vote and must be returned to the Association by regular mail, hand delivery, electronic mail, or other method of delivery provided for or permitted by the board. Every proxy will automatically cease upon conveyance of the Lot by the Member.

- (b) Voting by Mail and Electronic Voting Means. For meetings that are held via electronic communication means, voting will be conducted by mail, through the use of electronic voting means that is approved by the Board, or both, in the Board's discretion. All matters to be voted on at a meeting utilizing electronic communication means must be sent to the Members no later than the date the meeting notice is sent to the Members as provided in these Bylaws. Voting via mail or electronic voting means is considered to be voting at the meeting, as if the Member were physically present.

"Electronic voting means" as used in the Declaration and Bylaws shall refer to "Electronic Voting Technology," which includes any voting means that is selected by the Board, in its sole discretion, that provides an electronic voting system that accurately and securely records the voting Member's intent to cast a ballot on a matter in the way identified by the Member, and provides for the counting of electronic votes submitted, including by means of internet, application, web, virtual, or other electronic technology. The Board of Directors may adopt procedures and guidelines to permit the Association to verify that the person attending, either in person or by use of electronic communication means, is a Member that is eligible to vote and to maintain a record of any vote.

- (c) Voting in Person, by Proxy, by Mail, and by electronic voting means. For meetings that are held in person and provide for physical attendance, voting may be conducted in person or by proxy, as provided in these Bylaws, and in addition, the Board may authorize the Members to vote by mail or electronic voting means as provided in these Bylaws.
- (d) Any ballot, regardless of method, received subsequent to the date and time the Board sets for ballots to be turned in will be held invalid. Any costs associated with voting, including mailing cost, printing, electronic communication means and electronic voting means costs and subscriptions, are common expenses. The Board may adopt any additional regulations, procedures, or rules as may be necessary to effectuate the intent and purpose of this voting provision to provide for the use of the desired voting method.

- (8) **INSERT NEW** Bylaws Article III, Section 9, captioned “Actions Without a Meeting,” as follows:

Any actions, except an action to remove a Director, which may be taken at an Association meeting, may be taken without a meeting with written Owner approval signed by Owners having the percentage of voting power required to take such action as if the same had been taken at a meeting. Such writing(s) must be filed with the Association Secretary.

- (9) **AMEND, MODIFY AND RESTATE** Bylaws Article IV, Section 1, captioned “Board of Trustees,” in its entirety, hereinafter captioned “Board of Directors,” as follows:

The Board of Directors consists of five (5) persons, each of whom must be an Owner or an Owner’s spouse, except in the case of a Lot owned by a corporation, partnership, limited liability company, trust, fiduciary, nominee, or otherwise, in which case the designated representative of such Lot Owner is eligible to serve as Director. All Board of Director candidates must be in good standing with the Association at the time of the annual meeting or special meeting held for the purpose of electing Directors. Good standing requires that the Member not be more than thirty (30) days delinquent in any fee or Assessment owed to the Association and not currently in violation of any provision, term or restriction of the Declaration or Bylaws. If a Director ceases to meet such good standing qualifications during his or her term, he or she will automatically and without notice be removed from the Board and cease to serve as Board member and his or her seat on the Board will be deemed vacant. No single Lot may be represented on the Board by more than one (1) Director.

Directors are elected to serve staggered, three-year terms, thereby establishing and maintaining at all times a 2:2:1 rotation. Except as otherwise provided, each Director will serve until his or her term expires and until his or her successor is elected, or until his or her earlier resignation, removal from office, ceases to be a Member in good standing, or death. Any Director may resign at any time by oral statement to that effect made at a Board meeting or in writing delivered to the Association Secretary or President; such resignation shall take effect immediately or at such other time as the resigning Director may specify. The remaining Directors, though less than a majority of the authorized number of Directors, must, within a reasonable amount of time, by a majority vote of the remaining Directors, fill any vacancy for the unexpired term.

- (10) **AMEND, MODIFY AND RESTATE** Bylaws Article IV, Section 2, captioned “Election,” in its entirety as follows:

Unless there are no more nominees than vacancies, election to the Board shall be by secret written ballot, submitted either in person, by proxy, by mail, or by electronic voting means. The Board is not required to send ballots via any method if there are an equal number of

nominations as there are vacancies, in which case the nominated candidates will automatically be elected by acclamation to the Board of Directors at the election meeting.

For all voting methods provided in Bylaws Article III, Section 6, as amended, the Board must adopt rules and safeguards to determine a method by which the secrecy of the ballots are maintained for those Members while also maintaining the integrity of the voting process to ensure each Member has only exercised its allotted vote once so that any other individual(s) can only identify that a Lot has voted, and not how a Lot has voted.

At such election, the Owners or their proxies may cast, in respect to each vacancy, such number of votes as they are entitled to under the provision of Declaration Article III, Section 2. The person(s) receiving the largest number of votes shall be elected. In cases of ties, the winner shall be determined by lot. Cumulative voting is not permitted.

- (11) **AMEND, MODIFY AND RESTATE** Bylaws Article V, captioned “Nomination of Trustees,” in its entirety, hereinafter captioned “Nomination of Directors,” as follows:

Nomination. Nominations for the election of Directors to be elected by the Owners shall be made by a nominating committee appointed by the Board, or, if the Board fails to appoint a Nominating Committee, by the Board, itself. The nominating committee, or the Board, as applicable, shall make as many nominations for election to the Board as it shall, in its discretion, determine, but no fewer than the number of vacancies that are to be filled, and will verify that the nominees satisfy all qualification requirements of Bylaws Article IV, Section 1, as amended. The nominating committee, or the Board, as applicable, is responsible to: (i) confirm all nominated candidates meet and satisfy all qualifications to serve as a Director; (ii) receive and verify any ballots that are cast in person or by mail; (iii) receive and verify any ballots that are cast using electronic voting means; and (iv) verify the results of the election by providing the ballots and results to the meeting chair or moderator.

Any Owner may submit their name to the nominating committee as a candidate, and the nominating committee must nominate that Owner if that Owner satisfies all qualifications. Prior to sending notice of the election meeting, the nominating committee or the Board, as applicable, will establish deadlines for when a request for nominations is sent to all Owners and when receipt of nominations must be obtained.

Nominations must be made and received within a reasonable time period prior to the notice of any meeting where Directors are to be elected is sent, so that voting information containing all candidate’s names and any additional candidate information, as the Board in its discretion desires to include, can be transmitted to the Owners no later than the sending of the election meeting notice.

The Board may adopt any additional regulations, procedures, and rules necessary to establish processes and deadlines in accordance with this nomination provision. There shall be no nominations from the floor.

- (12) **AMEND, MODIFY AND RESTATE** Bylaws Article VI, Section 1, captioned “Regular Meetings,” in its entirety as follows:

Regular Board meetings may be held periodically on such dates and at such times and places as the Board may designate.

Unless the Board authorizes Owner attendance at a Board meeting, no Owner other than a Director may attend a Board meeting and participate in any Board discussion or deliberation thereat. Owners do not have the right to vote on any Board matter.

The first meeting of the Board must be within ten (10) days after the annual meeting of the Members (the “Organization Meeting”), and at the Organization Meeting, the newly elected Directors and those Directors whose terms hold over shall elect officers and transact any other business.

- (13) **AMEND, MODIFY AND RESTATE** Bylaws Article VIII, Section 3, captioned “Term,” in its entirety as follows:

The Association’s officers will hold office at the pleasure of the Board until the Organizational Meeting of the Board following the next annual meeting of the Members and until their successors are chosen and qualified, unless sooner removed by the Board.

- (14) **AMEND AND MODIFY** Bylaws Article VIII, Section 8, “Treasurer,” by deleting item (3) in its entirety, specifically the following to be deleted from the Bylaws:

3) cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year

- (15) **INSERT NEW PARAGRAPH** to the end of Bylaws Article VIII, Section 8, “Treasurer,” as follows:

The Association’s Treasurer shall cause the Association’s books to be reviewed once each year by the Board and such review shall be completed prior to each annual meeting. If requested by a majority of the Board, such review shall be made by a Certified Public Accountant. At least once every three (3) years, the Association’s books will be reviewed by a Certified Public Accountant, retained at the discretion of the Board. At least once every five (5) years, the Association’s books will be audited by a Certified Public Accountant, retained at the discretion of the Board. In addition, at any time upon the request of Owners holding fifty percent (50%) or more of the Association’s voting power, the Board will cause a review or audit of the Association’s books to be made by a Certified Public Accountant. Any such review or audit as provided herein will be a Common Expense.

AMEND, MODIFY AND RESTATE Bylaws Article IX, captioned “Committees,” in its entirety as follows:

The Board of Directors shall appoint a Design Review Committee, as provided in Declaration Article VI, as amended, and a Nominating Committee, as provided in Bylaws Article V, as amended. Further, the Board may appoint, in its sole and absolute discretion, and from time to time, any other committee(s) as it deems desirable to carry out any of its purposes as may be delegated to the committee by the Board.

AMEND, MODIFY AND RESTATE Bylaws Article XI, Section 6, captioned “Amendments,” in its entirety as follows:

These Bylaws may be amended by the affirmative consent of the Owners, either in writing or by vote taken at a duly noticed and conducted Association meeting, by the Owners entitled to exercise not less than a majority of the Association’s total voting power. Upon any amendment’s adoption, the Association President shall file with the Montgomery County, Ohio, Recorder’s Office, an instrument executed with the same formalities as the Declaration, containing the amendment(s) being made, the volume and pages of the original being amended, and the manner of the amendment’s adoption. Any amendment becomes effective upon being recorded in the Office of the Montgomery County, Ohio, Recorder.

Any conflict between the above provisions and any other provisions of the Bylaws will be interpreted in favor of the above amendments. The invalidity of any part of the above provisions shall not impair or affect in any manner the validity or enforceability of the remainder of the provision or the Bylaws. Upon the recording of these amendments, only Lot Owners of record at the time of such filing have standing to contest the validity of these amendments, whether on procedural, substantive or any other grounds, provided further that any such challenge must be brought in the court of common pleas within one year of the recording of the amendments.