OLENTANGY FALLS EAST HOMEOWNERS ASSOCIATION, INC.
An Ohio not-for-profit corporation

CODE OF REGULATIONS

Article I - Organization Name, Program Area and Executive Board

Section I - Organization Name

The name of the organization shall be Olentangy Falls East Homeowners Association, Inc. (the "Association").

Section II - Program Area

The organization's program area to be served is Olentangy Falls East Subdivision, in the Township of Liberty, Delaware County, Ohio.

Section III - Executive Board

The organization will be represented by a smaller body to act as their official representatives. This body shall consist of the President, Secretary, and Treasurer. This body shall be referred to as the Executive Board.

Responsibilities of the Executive Board shall include:

A. To develop agendas and action plans for the Board of Directors.

B. To provide guidance between Board meetings to the organization's management, as needed.

Article II - Mission

The mission of the organization is as follows:

A. To promote the welfare of the residents of Olentangy Falls East Subdivision, and to engage in activities, civil and social, which will result in the accomplishment of said purpose; to provide for the maintenance and repairs of common areas within Olentangy Falls East Subdivision and to divide and assess the cost of such maintenance and repairs, real estate taxes and insurance among homeowners within Olentangy Falls East Subdivision; and to do such other things as may be required by law or by the recorded plats and residential restrictions of Olentangy Falls East Subdivision, as recorded in the Delaware County, Ohio Recorder's Office, and as may be amended; and

B. To have and exercise all rights and powers which are conferred on nonprofit corporations or which may hereafter be conferred by the laws of the State of Ohio, including the power to contract, rent, buy, lease or sell personal or real property; provided, that this corporation shall not, except to an insubstantial degree, if at all, engage in any activities, or exercise any powers, that are not in furtherance of the primary purposes of this corporation.

Notwithstanding any other provisions of these Articles, the corporation shall not conduct or carry on any activities not to be conducted or carried on by an organization qualifying under Section 528 of the Internal Revenue Code and the Regulations promulgated thereunder as they now exist or as they may hereafter be amended.

Article III - Members

Members of the corporation shall consist of the owners of the individual lots in Olentangy Falls East Subdivision, as the same are numbered and delineated on the recorded plats thereof of record with the Delaware County, Ohio Recorder's Office. For purposes of conducting the business of the corporation, each lot shall have one vote. In the case of two-family dwellings, each side shall be deemed to be a separate lot. **NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS CODE OF**

REGULATIONS, ALL VOTING POWER OF THIS ASSOCIATION SHALL BE EXERCISED BY THE DECLARANT, AS DEFINED IN ANY DECLARATION OF RESTRICTIONS FOR OLENTANGY FALLS EAST SUBDIVISION, UNTIL SUCH TIME AS DECLARANT VOLUNTARILY RELINQUISHES SUCH VOTING CONTROL (THE "TURNOVER DATE").

Article IV - Services to Members

The organization will provide the following services to its members:

Own and maintain all open space/reserve areas, as delineated on the recorded plats of Olentangy Falls East Subdivision of record in the Delaware County, Ohio Recorder's Office.

Repair and maintain common areas within, and the appurtenant improvements thereto, Olentangy Falls East Subdivision, as delineated on the recorded plats of Olentangy Falls East Subdivision of record in the Delaware County, Ohio Recorder's Office.

Comply with all requirements included in said recorded plats and restrictions, as recorded with the Delaware County, Ohio Recorder's Office, for Olentangy Falls East Subdivision.

The organization shall (a) own in fee simple the parcels as designated and delineated on the recorded plats to be owned/dedicated to the organization, (b) maintain, including mowing and landscaping, the parcels and open spaces owned by the organization, (c) pay all real estate taxes, assessments and the like pertaining to the parcels, (d) install and maintain signs as described in the recorded plats and declarations or as deemed necessary in and around the parcels, (e) establish rules and regulations pertaining to the use of the parcels, (f) construct, repair, reconstruct and maintain entry monument signs and adjacent landscaping, fencing and sprinkler system within said parcels, (g) construct, repair, reconstruct and maintain such parcel or improvements thereto, (h) adopt, annually, an estimated budget for revenues and expenses, including reserves in an amount adequate to repair and replace any major capital items, all in the normal course of operations, (i) collect assessments for the common expenses, as budgeted, including reserves, (j) engage any third party deemed necessary and appropriate to conduct its business, including but not limited to, mangers, managing agents, attorneys, and accountants, and (k) take such other action as deemed necessary by the organization in the best interest of the Olentangy Falls East Subdivision, as required by the recorded plats and declarations, and as required by law, all as may be amended from time to time.

Coordinate, on matters of common concern, the collective representation of the homeowners of Olentangy Falls East Subdivision.

Article V - Meetings of the Organization

Section I - Bi-Monthly Meeting

The bi-monthly meeting of the organization shall be held in at such time and place as designated by the Board of Directors. A notice of such meeting shall be mailed to all members, at least one month in advance.

Section II - Special Meetings

Special meetings of the organization may be held at the request of the Board of Directors or at the request of fifty percent (50%) of the members. Notice of such meetings shall be mailed at least ten (10) days in advance.

Article VI - Board of Directors

Section I - Board of Directors

The Board of Directors shall be comprised of a minimum of three (3) individuals competent to

direct its efficient operation, who are members of the organization. The members by a majority vote may increase the number of Directors to serve. After the initial Board of Directors is in place, upon the expiration of a Director's term or their resignation, a replacement will be voted into office by the members in attendance at the next Directors' meeting. Directors will be appointed for one year terms and may serve an unlimited number of terms. To start a rotation of terms, a lottery or drawing can be conducted for the Board of Directors to serve for more than one year. Directors shall not receive compensation for their services as Directors.

Section II - Directors Meetings and Quorum

Meetings will be held bi-monthly. Two-thirds of the Board of Directors shall constitute a quorum.

Section III – Power and Authority of the Board of Directors

The Board of Directors shall

A. Establish the rules, objectives and long-range plans for the organization.

B. Establish policies to govern the organization.

C. Evaluate the performance and progress of the organization in meeting its mission and objectives.

D. Take the following actions on behalf of the organization:

i. Hire and/or fire managing agents, attorneys, accountants, and other independent professionals and employees that the board determines are necessary or desirable in the management of the common elements, as defined by O.R.C. Section 5312.01(C), as may be amended from time to time, and the organization.

ii. Commence, defend, intervene in, settle, or compromise any civil, criminal, or administrative action or proceeding that is in the name of, or threatened against, the organization, the board of directors, or the common elements, or that involves two or more members and relates to matters affecting the common elements.

iii. Enter into contracts and incur liabilities relating to the operation of the common elements.

iv. Enforce all provisions of the declaration, bylaws, covenants, conditions, restrictions, and articles of incorporation governing the lots, common elements, and limited common elements.

v. Adopt and enforce rules that regulate the maintenance, repair, replacement, modification, and appearance of common elements, and any other rules as the declaration provides.

vi. Acquire, encumber, and convey or otherwise transfer real and personal property.

vii. Hold in the name of the organization real and personal property.

viii. Grant easements, leases, licenses, and concessions through or over the common elements.

ix. Levy and collect fees or other charges for the use, maintenance, or operation of the common elements or for services provided to members.

x. Levy the charges and assessments, including (i) interest and charges for the late payment of assessments; (ii) returned check charges; (iii) enforcement assessments for violations of the declaration, the bylaws, and the rules of the organization; and (iv) charges for damage to the common elements or other property.

xi. Adopt and amend rules to regulate the collection of delinquent assessments and the application of payments of delinquent assessments.

xii. Impose reasonable charges for preparing, recording, or copying the declaration, bylaws, amendments to the declaration and bylaws, resale certificates, or statements of unpaid assessments.

xiii. Authorize entry to any portion of the common elements to designated individuals when conditions exist that involve an imminent risk of damage or harm to the common elements, or to the health or safety of residents.

xiv. Purchase and maintain (i) fidelity and indemnity insurance for the Board of Directors and the organization's management, (ii) property insurance, and (iii) liability insurance.

xv. Exercise such powers that are (i) conferred by the declaration or bylaws; (ii) necessary to incorporate the organization as a nonprofit corporation; (iii) permitted to be exercised in this state by a nonprofit corporation; and/or (iv) necessary and proper for the governance and operation of the organization in conformance with Ohio law.

Section III - Officers and Tenure

The Board of Directors shall elect the following officers for one year terms: President, Secretary, Treasurer, and such other officers as designated by the Directors.

Section IV - Duties of Officers

A. President - to preside at all the Board of Directors meetings and to see that the authorized business of the association is carried to completion.

B. Secretary - to keep the minutes of all meetings, carry on official correspondence,

C. Treasurer - to collect all dues, pay authorized bills, present the bills for audit prior to the annual meeting each year and conduct such other business as shall be delegated to him/her; to maintain the financial records of the organization; to prepare financial reports and present them to the Board of Directors at least annually; to protect the organization's tax exempt status by insuring the organization's compliance with all government and granting authority requirements.

Section V - Election

Officers shall be elected and installed at the Directors' meeting following the December meeting of the organization.

Section VI – Removal of Directors or Officers

In the event of fraud, bad faith, gross negligence, or willful misconduct by any director or officer, a special meeting shall be called for the purpose to discuss and vote for the removal said individual. Said individual shall be given written notice, at least ten (10) days in advance, of the date, time, location and purpose of the meeting. By a vote of a majority of the members in attendance, the organization may remove the director or officer.

Section VII - Vacancy

The Board of Directors shall make appointments to fill vacancies created by the unexpired term(s) of either officers or directors.

Section VIII - Indemnification

The Board of Directors shall be indemnified by the organization against liabilities imposed upon them and expenses reasonably incurred by them in connection with any claim against them, or any action, suit or proceeding to which they may be a party by reason of their being a director. No director is indemnified (a) with respect to matters for which they shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in performance of duty, (b) with respect to any matters which shall be settled by the payment of sums which independent counsel

selected by the member(s) shall not deem reasonable payment made primarily with a view to avoiding expense of litigation, or (c) with respect to matters for which such indemnification would be against public policy.

Section IX - Duties of Management

If the organization retains a manager or a management agent, the duties shall be as determined by the Board of Directors and may include:

A. To supervise and coordinate the business activities of the organization including human and financial resources.

B. To manage the day-to-day operations of the organization.

C. To provide reports for use by the Board of Directors and Executive Board on the performance and progress of the organization.

Section X - Committees

Committees shall be appointed by the Executive Board, as needed, to work on specific programs, events, etc., for a specified period of time.

Article VII - Order of Business

Section I - Parliamentary Law

All meetings will be governed by Roberts' Rules of Order.

Section II - Agenda

The order of business at all meetings shall be as follows:

1. Roll Call
2. Report of Minutes of preceding meeting
3. Reports of officers and management
4. Reports of standing committees
5. Report of special committees
6. Old Business
7. New Business
8. Miscellaneous

Article VIII - Financial Procedures

Section I - Fiscal Year

The fiscal year of the organization for accounting and tax purposes shall be January 1st to December 31st.

Section II - Authority to Receive Funds

The organization may accept, receive, and expend funds, grants and services from the federal government or its agencies, from departments, agencies and instrumentalities of state or local government, civic sources, private individuals, groups and foundations. It may contract with respect thereto and will provide such information and reports as may be necessary to secure such financial aid.

Section III - Deposits

All funds shall be deposited in a bank selected by the Board of Directors for disbursement.

Section IV - Approvals

All expenditures or disbursements by the organization must be in conformance with the approved annual budget or as approved by the Board of Directors.

Section V - Audit

The Executive Board shall provide for an annual audit at the end of each calendar year to confirm the authorized disbursement of and receipt of funds and shall provide for any other audits required by law.

Section VI - Official Filings

The Executive Board shall ensure that all requirements shall be met which are necessary to establish and maintain the status of the corporation as (i) a homeowners association as defined and required by Section 528 of the Internal Revenue Code and the Regulations promulgated, as they now exist or as they may be amended and (ii) an Ohio not for profit corporation as required by the Ohio Revised Code. Such requirements shall include, but are not limited to, those informational documents to be filed periodically with the State of Ohio and the Internal Revenue Service.

Article IX - Books and Records

There shall be kept at the office of the organization complete and correct books and records of accounts, with specific details of receipts and expenditures of the activities and transactions of the organization, and a detail record of assessments, charges, fees and other costs/expenses collected from each member. The minute book shall contain a copy of the articles of incorporation, these regulations, all minutes of the Board and organization meetings, and record of the names, addresses, lot numbers and tax parcel numbers of each member.

Article X - Amendment Procedures

These regulations may be amended annually through the following procedures:

A motion for amendment of the by-laws may be made or seconded at any regular meeting of the Board of Directors. If the motion is approved, the Secretary shall thereafter, but not less than ten (10) days prior to the next monthly or special meeting, forward to each member of the Board of Directors a copy of such proposed amendment together with a notice that it will be the subject of action at the next meeting. Such amendment, when presented and considered, shall be deemed adopted upon two-thirds (2/3) vote of the members at the next meeting. Voting by absentee balloting will be permitted. No amendment of the code of regulations shall be effective until properly filed with the Recorder's Office, Delaware County, Ohio.

Article XI - Dissolution

Under the dissolution of the corporation, the Board of Directors thereof shall, after paying, or making provision for the payment of, all liabilities of the corporation, dispose of all the assets of the corporation exclusively for the primary purposes of the corporation in such manner, or to such organization or organizations organized as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by the majority vote of the members present at a special meeting called for such purpose.