

**BY-LAWS
OF
ALLENS CREEK VALLEY HOMEOWNERS' ASSOCIATION, INC.**

These Restated By-Laws are made this ____ day of _____ 2014, by Owners representing 51% of the eligible Owners of the Association.

WITNESSETH

Whereas, the Owners wish to amend and restate the By-Laws of Allens Creek Valley Homeowners' Association, Inc.; and

Whereas, pursuant to the By-Laws, Article XI, 51% of the eligible Owners have consented to this amendment; and

Now therefore, the Owners for themselves, their successors and assigns, amend and restate the By-Laws as hereinafter set forth.

**ARTICLE I
NAME AND LOCATION**

Section 1.01. Name and Location. The name of the corporation is the Allens Creek Valley Homeowners' Association, Inc. hereinafter referred to as the "Association". The principal office of the corporation shall be located in the Town of Penfield, Monroe County, New York, but meetings of members and directors may be held at such other places within Monroe County, in the State of New York, as may be designated by the Board of Directors.

**ARTICLE II
DEFINITIONS**

As used in these By-Laws, the following terms shall be defined as:

Section 2.01. "Association" shall mean and refer to the Allens Creek Valley Homeowners' Association, Inc.

Section 2.02. "Association Property" shall mean and refer to all land, improvements and other properties heretofore or hereafter owned by the Association.

Section 2.03. "Building" shall mean and refer to each of the 58 Buildings containing the 202 Homes and the service building.

Section 2.04. "Common Utilities" shall mean and refer to any common sanitary sewer line and common storm sewer line servicing Allens Creek Valley.

Section 2.05. "Declaration" shall mean and refer to the Restated Declaration of Protective Covenants, Conditions, Restrictions, Easements, Charges and Liens - Allens Creek Valley Homeowners Association, Inc. (The Allens Creek Valley Declaration) as it may from time to time be supplemented, extended or amended in the manner provided for therein.

Section 2.06. "Home" Each of 202 single family residences as constructed within one of the Buildings, including the garage.

Section 2.07. "Lot" shall mean and refer to any portion of the Property (with the exception of Association Property as heretofore defined) under the scope of the Declaration and (i) identified as a separate parcel on the tax records of the Town of Penfield; and (ii) shown as a separate lot upon any recorded or filed subdivision map, upon which a Home has been constructed.

Section 2.08. "Owner" shall mean and refer to the holder of record title, whether one or more persons or entities, of the fee interest in any Lot or Home, whether or not such holder actually resides in such Home or on such Lot.

Section 2.09. "Property" shall mean and refer to all properties as are subject to the Declaration.

Section 2.10. "Recording Office" shall mean and refer to the official office for the recording of land documents in the County in which the "Property" is located.

ARTICLE III OWNERS

Section 3.01. Membership in the Association. The Members of the Association shall be only the Owners.

Section 3.02. Voting Rights. Each Owner shall have only one (1) vote. Any Owner who is in violation of the Declaration, as determined by the Board of Directors of the Association, shall not be entitled to vote during any period in which such violation continues. Voting rights may be assigned as permitted by the Declaration. Absentee ballots and proxy voting shall be as permitted in Section 3.06 below.

Section 3.03. Voting Regulations. The Board of Directors of the Association may make such regulations, consistent with the terms of the Declaration, the Certificate of Incorporation, these By-Laws, and the Not-for-Profit Corporation Law of the State of New York, as it deems advisable for any meeting of the Owners, in regard to proof of membership in the Association, evidence of right to vote, the appointment and duties of inspectors of votes, registration of Members for voting purposes, the establishment of representative voting procedures and such other matters concerning the conduct of meetings and voting as it shall deem appropriate.

Section 3.04. Corporate Members. Any votes of a corporate Owner may be cast by an appropriate officer of such corporation.

Section 3.05. Joint or Common Ownership. If a Lot is owned by more than one person, as joint tenants, tenants by the entirety or as tenants in common, the persons owning such Lot shall have one vote for their Lot.

Section 3.06. Absentee Ballots and Proxy Voting. On any matter submitted to the Owners for vote, any Owner entitled to vote may cast a vote by filing a written statement with the Board of Directors prior to the meeting in question, specifying the issue on which the Owner intends to vote and that the Owner votes for or against the same.

Section 3.07 Proxies. A member may execute a writing authorizing another person to act for him as proxy. Execution may be accomplished by the member signing such writing or causing his or her signature to be affixed to such writing by any reasonable means including facsimile signature. A member may provide such authorization by electronic mail ("email") to the person who will be the holder of the proxy provided that such email shall set forth information from which it can be reasonably determined that the email was authorized by the member.

ARTICLE IV MEETINGS OF OWNERS

Section 4.01. Annual Meeting. There shall be an annual meeting of the Owners held in July of each year or at such other date and time and at such place convenient to a majority of the Owners as shall be designated by the Board of Directors, which meeting shall be held in Monroe County.

Section 4.02. Special Meetings. Special meetings of the Owners may be called at any time by the President or by the Board of Directors, or at the request in writing of Owners of the Association holding votes not less than 25% of the total Owners.

Section 4.03. Notice of Meetings. Not less than 10 calendar days or more than 50 calendar days before the date of any Annual or Special Meeting of Members, the Association shall give to each Owner entitled to vote at such meeting, written or printed notice stating the time and place of the meeting, and, in the case of a special meeting, indicating that it is being issued by or at the direction of the person or persons calling the meeting and the purpose or purposes for which the meeting is called. Such notice shall be delivered either by mail or by presenting it to the Owner personally, or by leaving it at such Owner's residence as shown on the records of the Association. If mailed, such notice shall be deemed to be given when deposited in the United States mail, addressed to the Owner as it appears on the records of the Association. Notices may also be given by facsimile telecommunication ("fax") or by email. Notice given by fax or email is deemed given when directed to the Owner's fax number or email address as it appears on the record of Owners. Notwithstanding the foregoing, such notice shall not be deemed given electronically if (1) the Association is unable to deliver two consecutive notices to the Owner by fax or email or (2) the Association otherwise becomes aware that notice cannot be delivered to the Owner by fax or email. Notwithstanding the foregoing provision, a waiver of notice in writing, signed by the Owner entitled to such notice, whether before or after such meeting is held, or actual attendance at the meeting in person, shall be deemed equivalent to the giving of such notice to such Owner. Waiver of notice may be written or electronic. If electronic, the transmission of the waiver must be sent by email and set forth, or be submitted with, information from which it can be reasonably determined

that the transmission was authorized by the Owner. Any meeting of Owners, annual or special, may adjourn from time to time to reconvene at the same or some other place, and no notice need be given of any such adjourned meeting other than by announcement at the meeting at which the adjournment is taken.

Section 4.04. Quorum. Except as may otherwise be provided in these By-Laws, the presence in person or by proxy of Owners having one-quarter (1/4) of total eligible votes of all Owners shall constitute a quorum at any meeting of Owners. If any meeting of Owners cannot be held because a quorum is not present, a majority of the Owners who are present at such meeting, either in person or by proxy, may, without notice other than announcement to those physically present, adjourn the meeting to a time not less than 48 hours from the time the original meeting was called, and from time to time thereafter, until a quorum shall be present in person or by proxy. The quorum required in each reconvened meeting shall be one-half of the quorum required for the previous meeting. The act of two-thirds (2/3) of, the Owners present at a meeting at which a quorum was present shall be the act of the Owners unless the act of a greater or lesser number is required by law, or by the Certificate of Incorporation of the Association, the Declaration or these By-Laws. If no action is being taken at a Meeting, a quorum is not required.

Section 4.05. Appointment of Inspector(s) of Election. The Board of Directors may, in advance of any meeting of the Owners, appoint one or more inspectors to act at the meeting or at any adjourned meeting thereof. If inspector(s) are not so appointed in advance of the meeting, the person presiding at such meeting may, and on the request of any Owner entitled to vote thereat shall, appoint one other inspector. In case any inspector appointed fails to appear or act, the vacancy may be filled by appointment made by the Board of Directors in advance of the meeting or at the meeting by the person presiding thereat. No person who is a candidate for the Board, serving on the Board, a family member of a candidate or Board member may serve as an inspector of elections. An inspector of elections need not be an Owner

Section 4.06. Duties of Inspector(s) of Election. Inspector(s) of Election shall determine the number of Owners entitled to vote, the Owners represented at the meeting, the existence of a quorum, the validity and effect of proxies, and shall receive votes, ballots or consents, hear and determine all challenges and questions arising in connection with the right to vote, count and tabulate all votes, ballots, or consents, determine the result, and to do such acts as are proper to conduct the election or vote with fairness to all Owners.

Section 4.07. Order of Business at Annual Meeting. The General Agenda of the Annual Meetings of Owners of the Association shall be published before the meeting.

ARTICLE V BOARD OF DIRECTORS

Section 5.01. Number and Qualification of Directors. The business and affairs of the Association shall be managed by the Board of Directors. The Board of Directors shall consist of nine (9) persons. Each year Directors shall be elected to replace Directors whose terms are expiring and, if necessary, to fill any other open Board positions so that a Board of nine (9) Directors is established. If, however, there are not enough candidates to make a Board of nine

members, the Board will operate with fewer than 9 members until the next election. All Directors shall be: (i) Owners; (ii) spouses or domestic partners of Owners, (iii) members or employees of a partnership Owner; or (iv) officers, directors, shareholders, employees or agents of a corporate Owner. Only one person per home may serve at any one time.

Section 5.02. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. The Nominating Committee shall consist of a Chairman and four members of the Association, to be selected by the Board. The majority of the Nominating Committee shall not be current Board Members. The Committee shall be appointed by the Board of Directors at least 90 days prior to the annual meeting and shall serve until the annual meeting when election results shall be announced to all Members. The Nominating Committee reports to the Board of Directors.

The Nominating Committee shall:

- (a) Solicit recommendations from Members and names of those Members interested in serving on the Board, making clear the last date that names will be accepted;
- (b) Contact all persons whose names have been submitted and request biographical information from each candidate;
- (c) Evaluate each candidate's information;
- (d) Submit recommendations to the Board presenting at least two (2) more names than the number of vacancies that are to be filled (if sufficient qualified candidates are available); and
- (e) Submit such nominations to the Board before May 1st.

Section 5.03. Election. Election to the Board of Directors shall be by secret written ballot. The ballot must indicate the date by which it must be returned. Write-in votes are not permitted. At such election the members or their proxies may cast, in respect to each open position, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted. Tie votes shall be decided by drawing of lots. Election results will be announced at the annual meeting.

Voting shall be by secret written ballot which shall:

- (a) set forth the number of vacancies to be filled;
- (b) nominate a slate of candidates containing at least two (2) more names than the number of vacancies that are to be filled (if sufficient qualified candidates are available);
- (c) include a biographical sketch of each candidate;
- (d) be counted by the inspector(s).

Section 5.04. Term. Directors shall be elected for terms of one, two or three years such that the terms of one-third of the Board shall expire annually, as nearly as possible. The Board of Directors shall determine the available terms for the open seats. Those candidates receiving the greater number of votes shall receive the longer terms. The term of each Director shall commence upon the announcement of their election at the annual meeting and the term shall expire on the date of the annual meeting at the conclusion of such term. Each Director may serve no more than two consecutive three-year terms. A former Director may stand for re-election to the Board of Directors for a term beginning one (1) year after completion of two consecutive three year terms.

If a person has been appointed to serve the remainder of the term of a Director who has resigned or who can no longer serve, such person may stand for re-election as follows:

- (a) If the appointed Director has served for 18 months or more from the time of appointment, he/she may stand for re-election for one-three year term immediately following the expiration of the appointed term.
- (b) If the appointed Director has served for less than 18 months from the time of appointment, he/she may stand for re-election for two consecutive three-year terms immediately following the expiration of the appointed term.
- (c) If one year or more has elapsed from the date a person serving in the capacity of an appointed Director last served, he/she may stand for election for up to two consecutive three year terms regardless of the number of months he/she served as an appointed director.

Section 5.05. Vacancies. In the event of death, resignation or removal of a Director, his/her successor shall be selected by the remaining members of the Board as soon as feasible and shall serve for the remainder of his/her term.

Section 5.06. Removal of Members of Board of Directors. Subject to the limitations as provided in this Section, at any regular or special meeting of Owners, any one or more of the members of the Board of Directors elected by the Owners may be removed with cause by the affirmative vote of not less than a majority of the Owners or without cause by the affirmative vote not less than two-thirds (2/3) of the Owners and a successor may then and there or thereafter be elected by the Owners to fill the vacancy thus created. Any member of the Board of Directors whose removal has been proposed by the Owners shall be given an opportunity to be heard at the meeting. In addition, the other Directors may, by the affirmative vote of not less than two-thirds (2/3) of the other Directors, declare the position of the Director vacant in the event the person filling such position (i) shall be absent from four (4) consecutive meetings or (ii) shall be absent from 50% or more of the regularly scheduled meetings of the Board of Directors in any fiscal year, or (iii) has been judicially determined to be of unsound mind or (iv) for cause.

Section 5.07. Compensation. Directors shall not receive any compensation or salary for their services. Any Director may be reimbursed for actual expenses incurred in the performance of duties as a Director. A Director who serves the Association in any other capacity, however, may receive compensation.

Section 5.08. Organizational Meeting. After the annual election, the newly constituted Board of Directors shall meet. The purpose will be the transition of Association business to include all financial transactions, a review of all outstanding contracts and updated status reports from all Association committees. At this time the new board will also elect its officers. The President of the preceding Board will preside until the new officers are elected.

Section 5.09. Regular Meetings. Regular monthly meetings of the Board of Directors shall be held not less than nine (9) times a year at such places and at such times convenient to the Directors as may be designated from time to time by resolution of the Board of Directors and on at least seven (7) days notice to each Director. Meetings may take place by conference telephone or similar communication equipment, so long as all Directors can hear each other at the same time.

Section 5.10. Special Meetings. Special meetings of the Board of Directors may be called at any time at the request of the President or any two (2) Directors after not less than two (2) days' notice to each Director. The person or persons authorized to call such special meeting of the Board may fix any place convenient to the Directors as a place for holding such special meeting. Notice of any such special meeting may be waived in writing by any Director either prior to or after such meeting. Such waiver may be written or electronic. The attendance of a Director at any special meeting shall constitute a waiver of notice of such special meeting. Neither the business to be transacted at, nor the purpose of, any special meeting, need be specified in the notice or waiver of notice of such meeting, unless specifically required by law, by the Certificate of Incorporation of the Association or by these By-Laws.

Section 5.11. Quorum and Voting. Unless otherwise provided in the Declaration, a majority of the entire Board of Directors shall constitute a quorum for the transaction of business at all meetings of the Board of Directors. Except in cases in which it is provided otherwise by statute, by the Certificate of Incorporation, or by these By-Laws, a vote of a majority of such quorum at a duly constituted meeting shall be sufficient to elect and pass any measure. In the absence of a quorum, the Directors present may adjourn the meeting from time to time by majority vote of those Directors present, and without further notice, until a quorum shall attend. At any such adjourned meeting at which a quorum shall be present, any business may be transacted at the meeting which might have been transacted as originally called.

Section 5.12. Action Without a Meeting. Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting; i.e. discussion and voting by email or conference call. The affirmative votes of a majority of a Board Quorum shall be sufficient to pass any motion. Email votes will be received and tallied by the President, who will notify the Secretary of the outcome. The Secretary will record the motion and the outcome of the voting (by email or conference call) in the Minutes of the next Board meeting.

Section 5.13. Powers and Duties. The powers, duties and authority of the Board of Directors shall specifically include, but shall not be limited to the following:

- (a) Maintain, repair and replace, as necessary, all properties and facilities owned by the Association or for which the Association has maintenance, repair and/or replacement responsibilities as provided in the Declaration;
- (b) Determine and levy the assessments, special assessments and other charges as provided for in the Declaration;
- (c) Send written notice of each assessment to every Owner;
- (d) Collect, use and expend the assessments and charges collected for the maintenance, care and preservation and operation of the property of the Association, and the maintenance, care and preservation of the exteriors of the Homes and other improvements to the Property;
- (e) Procure and maintain adequate liability insurance covering the Association, its directors, officers, agents and employees and procure and maintain adequate hazard insurance on such of the Association's real and personal properties and the Homes;
- (f) Subject to the provisions of the Declaration, repair, restore or alter the properties of the Association after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings;
- (g) Adopt and publish rules and regulations governing the use of the Property, and the personal conduct of the Owners and other guests thereon, and establish penalties for infractions thereof;
- (h) Collect delinquent assessments by suit or otherwise, to abate nuisances and to enjoin, or seek damages from or impose penalties on Members for violations of the provisions of the Declaration or of any rules or regulations of the Association;
- (i) Pay all taxes owing by the Association, and filing tax returns;
- (j) At the Board's discretion declare the office of a member of the Board of Directors to be vacant in accordance with Section 5.06 above;
- (k) Keep a complete record of the actions of the Board of Directors and the corporate affairs of the Association and present a statement to any Owner upon request;
- (l) Issue, or cause to be issued, upon demand by any person, an "Assessment Certificate" as provided in the Declaration, setting forth the status of payment of assessments for any Lot;

- (m) Establish reserves or other segregations or allocations of Association funds for the repair and replacement of capital items and other expenses not anticipated to be incurred annually, including any debt incurred by the Association;
- (n) Exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the Owners by other provisions of these By-Laws, the Certificate of Incorporation or the Declaration;
- (o) Enter into contracts;
- (p) Borrow money as permitted by the Declaration;
- (q) Employ a managing agent and such other persons or firms to perform such duties and services as the Board of Directors may authorize;
- (r) Suspend the voting rights of an Owner, after notice and offering a Hearing, for infractions of published rules or regulations, or during any period in which such Owner is in default in the payment of any assessment levied by the Association.

Section 5.14. Managing Agent and Manager. The Board of Directors may employ for the Association a managing agent and/or a manager at a compensation established by the Board of Directors, to perform such services and duties as the Board of Directors shall authorize.

ARTICLE VI OFFICERS

Section 6.01. Officers. The officers of the Association shall be the President, the Vice President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint such other officers as it shall deem desirable, such officers to have the authority and to perform the duties prescribed from time to time by the Board of Directors.

Section 6.02. Election and Appointment of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board of Directors.

Section 6.03. Term and Vacancies. Each officer shall hold office until his or her successor shall have been duly elected, unless he or she shall sooner resign, or shall be removed or otherwise be disqualified to serve. The vacancy in any office arising because of death, resignation, removal or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 6.04. Removal of Officers. Upon the affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and a successor to such office may be elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose.

Section 6.05. President. The President shall be the chief executive officer, shall supervise the work of the other officers, shall preside at all meetings of Members and Directors, and shall perform such other duties and functions as may be assigned to him or her by the Board of Directors. He or she may sign, in the name of the Association, any and all contracts or other instruments authorized by the Board of Directors or these By-Laws.

Section 6.06. Vice President. Any Vice President shall be capable of performing all of the duties of the President. He or she may sign, in the name of the Association any and all contracts or other instruments authorized by the Board of Directors, and shall perform such other duties and functions as may be assigned to him or her by the President or by the Board of Directors.

Section 6.07. Secretary. The Secretary shall keep the minutes of all meetings of the Owners and of the Board of Directors; shall record all votes and the minutes of all proceedings in a book to be kept for that purpose; shall have charge of such books and papers as the Board of Directors may direct; shall give or cause to be given, notice of all meetings of Unit Owners and all special meetings of the Board of Directors; and shall, in general, perform all the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York. The Secretary shall keep a current list of Committees, their members and residence addresses.

The Secretary shall keep a separate record of all resolutions and policies adopted by the Board. Such record is to be considered a subset of, and is to be kept separate from the minutes of the Board of Directors.

Section 6.08. Treasurer. The Treasurer shall be responsible and accountable for all monies and for securities of the Association and shall keep or cause to be kept regular books and records; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting and, upon request, deliver a copy to each of the Members. He or she shall account to the President and to the Board of Directors, whenever they may require it, with respect to all of his or her transactions as Treasurer and of the financial condition of the Association, and shall perform all other duties that are assigned to him or her by the President or by the Board of Directors.

Section 6.09. Other Officers. Such other officers as the Board of Directors may appoint shall perform such duties and have such authority as the Board of Directors may determine.

Section 6.10. Delegation of Authority and Duties; Control of Officers. In the absence of any officer of the Association, or for any other reason the Board of Directors may deem sufficient, the Board of Directors may delegate the power or duties, or any of them, of such officers, to any other officer or to any Director or the managing agent. In addition, the Board of Directors is authorized generally to control the action of the officers and to require the performance of duties in addition to those mentioned herein.

Section 6.11. Fidelity Bonds. The Board of Directors shall require that all officers, and employees of the Association or any other individuals' handling or responsible for Association

funds have adequate fidelity bonds. The premiums on such bonds shall be paid by the Association and shall be a common expense, except that a management company appointed by the Board shall pay for its own fidelity bond.

ARTICLE VII COMMITTEES

Section 7.01. Committees. The committees of the Association shall be the Architectural Standards Committee, the Nominating Committee, Landscaping Committee, and such other committees as the Board of Directors shall deem desirable. Each committee shall consist of a chairman and one (1) or more Owners. The Nominating Committee shall be structured as specified by Section 5.02. The Architectural Standards Committee shall have the duties and functions described for such committee in the Declaration.

All actions by such committee shall be reported to the Board of Directors at its meeting next succeeding such actions. Such actions shall be subject to review and approval by the Board of Directors.

Section 7.02. Rules and Records. The Board of Directors will formulate the charges for each committee. Each committee shall report to the Board of Directors as required.

ARTICLE VIII FINANCE AND RECORDS

Section 8.01. Checks. All checks, drafts, and orders for the payment of money, notes and other evidences of indebtedness, issued in the name of the Association shall, unless otherwise provided by resolution of the Board of Directors, be signed by the President, or Treasurer and countersigned by one Director of the Association, provided that the President or Treasurer and Director so signing are not the same person.

Section 8.02. Fiscal Year. The fiscal year of the Association shall be the 12 months ending June 30 of each year, unless otherwise provided by the Board of Directors.

Section 8.03. Annual Reports. There shall be a full and correct statement of the financial affairs of the Association including a balance sheet and a financial statement of operation for the preceding fiscal year prepared by a public or certified public accountant and including a certificate signed by a public or certified public accountant to the effect that the financial statement presents fairly the financial position of the Association and the results of its operations in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding period except as specified therein. The statement of the financial affairs of the Association shall be prepared in accordance with the then current guidelines for "common interest realty associations" promulgated by the American Institute of Certified Public Accountants or any successor organization. Such audit shall be distributed to all Owners and to all mortgagees of Homes who have requested the same, within 90 days after the end of each fiscal year.

Section 8.04. Record Keeping. The Board of Directors or the managing agent retained by the Board of Directors shall keep detailed records of the actions of the Board of Directors and the managing agent, minutes of the meetings of the Board of Directors, minutes of the meetings of Members, and financial records and books of account of the Association, including chronological listing of receipts and expenditures, as well as a separate account for each Lot which, among other things, shall contain the amount of each maintenance assessment, special assessment and other charges, if any, against such Lot, the dates when installments of assessments are due, the amounts paid thereon, and the balance remaining unpaid.

Section 8.05. Capital Reserve Funds. Any funds of the Association collected or designated as reserves for the replacement of capital items shall be segregated from all other funds of the Association in one or more separate accounts. This shall not preclude the Association from segregating other portions of its funds in separate accounts for a specific purpose (e.g., reserves for noncapital items) or otherwise.

Section 8.06. Books, Records and Legal Documents. The Board of Directors shall make available for inspection upon reasonable notice and during normal business hours, to Owners, title insurers, mortgagees, mortgage insurers and mortgage guarantors, current copies of the Declaration, By-Laws, Certificate of Incorporation, rules and regulations, budget, schedule of assessments, balance sheet and any other books, records and financial statements of the Association. The Board of Directors may furnish copies of such documents to such parties and may charge a reasonable fee to cover the cost of furnishing such copies.

ARTICLE IX GENERAL POWERS OF THE ASSOCIATION

Section 9.01. Common Expenses. The Association, for the benefit of all the Owners, shall pay for out of Association funds as common expenses, the following:

- (a) Utilities and Related Facilities. The cost of maintaining and/or repairing any water and sewer lines for which they are obligated to maintain.
- (b) Insurance. Premiums for all insurance obtained as required or permitted by the Declaration.
- (c) Wages and Fees for Services. The fees for services of any person or firm employed by the Association, including, without limitation, the services of a person or firm to act as a manager or managing agent for the Association, and legal, accounting or other services or expenses necessary or proper in the conduct of the affairs of the Association or the enforcement or interpretation of the Declaration and these By-Laws and for the organization, operation and enforcement of the rights of the Association.
- (d) Care of Association Property and Building Exteriors. The cost of lawn cutting, landscaping, snow removal, maintenance, repair, replacement and rehabilitation of the property of the Association and the maintenance, repair and replacement of the exterior

- (e) of the buildings containing the Homes as required by the Declaration or determined to be appropriate by the Board of Directors from time to time.
- (f) Certain Maintenance of Lots. The cost of the reasonable maintenance and repair of any improvement on a Lot if such maintenance or repair is necessary, in the discretion of the Board of Directors, for public safety or to protect the Association Property, and the Owner of such Lot has failed or refused to perform such maintenance or repair within a reasonable time after written notice of the necessity thereof delivered by the Association to such Owner; provided that the Association shall levy an assessment against such Owner for the cost of such maintenance or repair.
- (g) Discharge of Mechanic's Liens. Any amount necessary to discharge any mechanic's lien or other encumbrance levied against the Association or its property. Where one or more Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging such lien, and any costs incurred by the Association by reason of such lien shall be specially assessed against such Owner or Owners.
- (h) Additional Expenses. The cost of any other materials, supplies, labor, services, maintenance, repairs, structural alterations, insurance, or other expenses which the Association is required or permitted to secure or pay for pursuant to the terms of the Declaration, these By-Laws, or by law or which in the opinion of the Board of Directors shall be necessary or proper for the maintenance and operation of the Association Property.

Section 9.02. No Active Business to be Conducted for Profit. Nothing herein contained shall be construed to give the Association authority to conduct an active business for profit on behalf of all the Owners or any of them.

Section 9.03. Miscellaneous Income. Except as may otherwise be provided in the By-Laws or in the Declaration, all monies received for the rental of or for the use of any Association Property or from any source other than Assessments shall be added to the Association's general fund and used to defray the items of common expense.

Section 9.04. Special Services. The Association may arrange for the providing of any special services and facilities for the benefit of such Owners and/or occupants of Homes as may desire to pay for the same. Fees for such special services and facilities shall be determined by the Board of Directors and may be charged directly to the Members receiving such services, or paid from the Association's general funds and levied as a Special Assessment against the Members receiving such services.

Section 9.05. Delegation of Duties. Nothing herein contained shall be construed so as to preclude the Association, through the Board of Directors or officers of the Association, from delegating to persons, firms or corporations of its choice, including any manager or managing agent, such duties and responsibilities of the Association as the Board of Directors shall from time

to time specify, and to provide for reasonable compensation for the performance of such duties and responsibilities.

ARTICLE X CORPORATE SEAL OPTIONAL

Section 10.01. Corporate Seal Optional. If decided by the Board of Directors, the Association shall have a seal in circular form having within the circumference thereof the full name of the Association.

ARTICLE XI AMENDMENTS

Section 11.01. Alteration, Repeal or Amendment. These By-Laws may be modified, altered, repealed, amended or added to in the following manner:

- (a) a notice containing a full statement of the proposed modification, alteration, repeal, amendment or addition along with a ballot has been sent to all Members, not less than 10 nor more than 50 days prior to the date or initial date set for the canvass of the vote thereon; and
- (b) the affirmative vote of 51% or more of the eligible Owners has been obtained by return of ballots; and
- (c) a notice has been sent to all first mortgagees of record on the books of the Association, but only if the proposed amendment would materially and adversely affect the rights of said mortgagees; and
- (d) where section (c), above, applies, prior to date for the canvass of the vote thereon, the Association has not received written notification of opposition to the change from mortgagees of 51% or more of Lots on which there are mortgages as shown on the records of the Association.

Section 11.02. Nonmaterial Errors or Omissions. Nonmaterial errors or omissions in the By-Law amendment process shall not invalidate an otherwise properly promulgated amendment. The Board of Directors may amend these By-Laws to correct omissions or errors, which amendment shall not substantially or adversely modify rights of any Members without such Member's written consent.

Section 11.03. Effective Date of Amendment. An amendment to these By-Laws shall be effective as of the date of its passage, unless otherwise provided in the amendment.

ARTICLE XII MISCELLANEOUS

Section 12.01. Notices. Except as otherwise provided in Section 4.03, all notices hereunder shall be in writing and delivered personally or sent by first class mail by depositing same in a post office or letter box in a postpaid sealed wrapper, addressed: (i) if to go to the Board of Directors, or to the Association, to any member of the Board of Directors or to the secretary of the Association (if the secretary is not a member of the Board); (ii) if to go to an Owner to such permanent address of such Owner as appears on the books of the Association; (iii) if to go to a mortgagee, to the address of such mortgagee as appears on the books of the Association; and (iv) to a devisee or personal representative of a deceased Owner to the address of such devisee or personal representative as appears on the records of the Court wherein the estate of such deceased Owners is being administered.

All notices shall be deemed to have been given when mailed, except notices of change of address which shall be deemed to have been given when received. Whenever any notice is required to be given under the provisions of the Declaration, or of these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

Section 12.02. Conflict with Certificate of Incorporation or with Declaration. In the case of any conflict between the Certificate of Incorporation and these By-Laws, the Certificate of Incorporation shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control. All three documents are intended to comply with the NYS Not-For-Profit Corporation Law which shall prevail over any inconsistent provisions of the documents.

Section 12.03. No Waiver for Failure to Enforce. No restriction, condition, obligation or provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

Section 12.04. Gender. The use of the masculine gender in these By-Laws shall be deemed to include the masculine, feminine or neuter and the use of the singular shall be deemed to include the plural, whenever the context so requires.

Section 12.05. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By- Laws, or the intent of any provision thereof.

Section 12.06. Severability. Should any part of these By-Laws be deemed void or become unenforceable at law, the validity, enforceability or effect of the balance of these By- Laws shall not be impaired or affected in any manner.