

ARTICLES OF INCORPORATION
OF
THE VILLAGES OF OAK CREEK
HOMEOWNERS' ASSOCIATION, INC.

The undersigned, desiring to form a corporation, not for profit, under Section 1702.01 et seq., Revised Code of Ohio, hereby certifies:

ARTICLE I

NAME

1.1 Name. The name of the corporation is The Villages of Oak Creek Homeowners' Association, Inc. (hereinafter sometimes referred to as the "Association").

ARTICLE II

PRINCIPAL OFFICE

2.1 Principal Office. The principal office of the Association shall be located in Orange Township, Delaware County, Ohio, as the Board of Trustees of the Association shall specify from time to time.

ARTICLE III

PURPOSES

3.1 Purposes. The principal purposes of the Association are:

A. To establish, maintain and operate a corporation not for profit required under certain recorded deed restrictions (the "Restrictions") that benefit and obligate the owners of THE VILLAGES OF OAK CREEK subdivisions, as the same are numbered and delineated upon the following plats of record in the Recorder's Office, Delaware County, Ohio: Phase 1, Cab. 1, Slides 540, 540A & 540B; Phase 2, Cab. 1, Slides 480, 480A & 480B; Phase 3, Cab. 1, Slides 643 & 643A; Phase 4, Cab. 1, Slides 533, 533A & 533B; Phase 5A, Cab. 1, Slides 665A & 665B; Phase 5B, Cab. 1, Slides 754 & 754A; Phase 6, Cab. 1, Slides 723 & 723A; Phase 7, Cab. 1, Slides 727, 727A & 727B; Phase 8, Cab. 1, Slides 766, 766A & 766B; and Phase 9, Cab. 2, Slides 17 & 17A. The property forming the Villages of Oak Creek subdivisions as described in said recorded plats shall sometimes be referred to collectively as the "Subdivision."

B. To service, mow, trim, sod, water and maintain in a safe, attractive and appealing condition the open space reserves, common areas and entrance ways of the Subdivision and to administer the covenants, restrictions, conditions and reservations set forth in the Restrictions of and for the Subdivision.

C. To acquire, own, maintain and manage any property which is conveyed to the Association with the consent of the Association; and to purchase, construct, own, maintain and manage any and all facilities and improvements (including personal property) presently or in the future constructed or located on property owned or acquired by the Association.

D. To engage in such other activities as may be to the mutual benefit of the owners of property in the Subdivision and land contiguous thereto, including but not limited to:

1) To accept an assignment of rights and easements reserved by the Developer and assume the obligations of the Developer under the Restrictions.

2) To establish an orderly and efficient system for the payment of, or reimbursement for, all expenses of the Association, and of billing to pay such expenses.

3) To enforce restrictions imposed upon the lots for the benefit of the lot owners and/or the Association, as said Restrictions are amended from time to time.

4) To provide or arrange for the provision of such other services to the Subdivision as the members, acting through the Board of Trustees, may from time to time determine should be provided.

5) To promulgate and/or enforce rules and regulations and perform such other acts as are deemed necessary to carry out the purposes of the Association.

6) To purchase, lease, or otherwise acquire, improve, construct, own, hold, use, maintain, operate, exchange, encumber, sell, convey or otherwise dispose of, real and personal property of every kind, nature, or description, as may be necessary or desirable to promote the purposes of this corporation.

7) To make and perform contracts of every kind for any lawful purpose without limit as to any amount, with any person, firm, association,

corporation, municipality, state, government, or municipal or political subdivision.

8) To have and exercise all the rights and powers conferred on nonprofit corporations under the Ohio nonprofit corporation law (Ohio Revised Code Chapter 1702), as such law is now in effect or may at any time hereafter be amended.

9) To do all other acts necessary or expedient for the administration of the affairs and attainment of the purposes of this Association.

E. This Association is organized pursuant to the Ohio non-profit corporation law and does not contemplate pecuniary gain or profit to its members and is organized for non-profit purposes.

F. The Association shall not do any act or enter into any agreement or transaction in a manner which would violate any provisions of Chapter 1702 of the Ohio Revised Code or the provisions of these Articles, the Restrictions, or the Code of Regulations of the Association, nor shall it carry on any activity for the profit of its members, as such, except for distributions of assets on dissolution and winding up.

ARTICLE IV

BOARD OF TRUSTEES AND INITIAL TRUSTEES

4.1 Number. The affairs of the Association shall be managed by a board of at least three (3) trustees. The number of trustees may be changed by amendment of these Articles or by the members acting through a Code of Regulations adopted on behalf of the Association, but shall not be less than three (3).

4.2 Initial Trustees. Until such time as a board of trustees shall be elected according to the provisions contained in a Code of Regulations adopted by the members or in some other manner, the affairs of the Association shall be governed by a board of initial trustees, composed of the following three (3) persons who shall serve until their successors are elected and qualified:

	<u>NAME:</u>	<u>ADDRESS:</u>
1.	Charles A. Vince	250 E. Wilson Bridge Road Worthington, Ohio 43085
2.	Donald R. Kenney	250 E. Wilson Bridge Road Worthington, Ohio 43085

3. Jill S. Tangeman Esq.

600 South High Street
Columbus, Ohio 43215

4.3 Powers of Initial Trustees. The board of trustees shall exercise all of the power authority and discharge all of the duties of trustees as defined in Chapter 1702 of the Ohio Revised Code, except as such power and authority may be limited or expanded by the provisions of these Articles, the Restrictions, or the Code of Regulations.

ARTICLE V

MEMBERSHIP

5.1 Members and Voting. Every person or entity who is a record owner of a lot in the Subdivision shall be a member of the Association, and is called a "member". The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of a lot, and transfer of a lot shall automatically transfer membership to the transferee, together with all rights of the transferror. Each member shall be entitled to one (1) vote on each matter submitted to a vote of members; provided, however, that when title to a lot is held in the name of more than one person or entity, such co-owners acting jointly shall be entitled to but one (1) vote.

ARTICLE VI

NOTICE AND QUORUM

6.1 Notice and Quorum. Notice and quorum requirements shall be in accordance with the provisions of the Code of Regulations of the Association.

ARTICLE VII

INDEMNIFICATION

7.1 Third Party Actions. The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, including all appeals (other than an action, suit, or proceeding by or in the name of the Association) by reason of the fact that that person is or was a trustee or officer of the Association or is or was serving at the request of the Association as a director, trustee, officer, or employee of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees), judgments, decrees, fines, penalties and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit, or proceeding if that person acted in good faith and in a manner that person reasonably believed to be in or not opposed to

the best interest of the Association and, with respect to any criminal action or proceeding, has no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner in which he or she reasonably believed to be in or not opposed to the best interest of the Association, and with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

7.2 Derivative Actions. The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action or suit, including all appeals, by or in the name of the Association to procure a judgment in its favor by reason of the fact that he or she is or was a trustee or officer of the Association, or is or was serving at the request of the Association as a director, trustee, officer, or employee of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit if he or she acted in good faith, and in a manner he or she reasonably believed to be in or not opposed to the best interest of the Association, except that no indemnification shall be made in respect of any claim, issue, or matter as to which such person shall have been finally adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Association unless and only to the extent that the Court of Common Pleas or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as the Court of Common Pleas or such other court shall deem proper.

7.3 Rights After Successful Defense. To the extent that a trustee, officer, or employee has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in the preceding paragraphs, or in defense of any claim, issue or matter therein, he or she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred in connection therewith.

7.4 Other Determinations of Rights. Except as otherwise provided in Paragraph 3 of this Article, any indemnification under Paragraphs 1 and 2 (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the trustee, officer, or employee is proper under the circumstances because he or she has met the applicable standard of conduct set forth in Paragraph 1 or 2. Such determination shall be made by (i) the court having jurisdiction of the action, suit, or proceeding against such trustee, officer, or employee of a suit involving his or her right to indemnification, or (ii) a majority vote of those trustees who were not and are not parties to such action, suit, or proceeding (whether or not such majority constitutes a quorum), or, if there are not at least two such trustees of the Association then in office, other than those involved in such matter, by a majority of a

committee (selected by the Board of Trustees) of three or more persons (not including any person involved in such matter) who are, to the extent possible, members of the Association, provided that such indemnity in case of a settlement shall not be allowed by such committee unless it is found by independent legal counsel (meaning a lawyer who is not a trustee, officer, or employee of the Association, and is not a partner or professional associate of a trustee, officer, or employee of the Association) that such settlement is reasonable in amount and in the best interest of the Association. If independent legal counsel is so used, he or she shall be compensated by the Association.

7.5 Indemnification of Agents, Employees and Other Representatives. The Association may, from time to time and at its sole discretion, indemnify any person who is or was an agent, employee, or other authorized representative of the Association, or is or was serving at the request of the Association, or is or was serving at the request of the Association as a director, trustee, officer, or employee of another corporation, partnership, joint venture, trust, or other enterprise against any liability asserted against him or her incurred by him or her in any such capacity or arising out of that person's status as such, in the same manner and to the same extent as provided herein for trustees and officers of the Association.

7.6 Advances of Expenses. Expenses of each person indemnified herein incurred in defending a civil, criminal, administrative, or investigative action, suit or proceeding (including all appeals or threat thereof), may be paid by the Association in advance of the final disposition of such action, suit, or proceeding as authorized by the Board of Trustees, whether a disinterested quorum exists or not, upon receipt of any undertaking by or on behalf of the trustees, officer, or employee to repay such amount unless it shall ultimately be determined that he or she is entitled to be indemnified by the Association.

7.7 Nonexclusiveness; Heirs. The foregoing rights of indemnification shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled as a matter of law or under these Articles, the Code of Regulations, any agreement, vote of members, any insurance purchased by the Association, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a trustee, officer, or employee and shall inure to the benefit of the heirs, executors, and administrators of such person.

7.8 Purchase of Insurance. The Association may purchase and maintain insurance on behalf of any person who is or was a trustee, officer, agent, or employee of the Association, or is or was serving at the request of the Association as a director, trustee, officer, or employee of another corporation, partnership, joint venture, trust, or other enterprise against any liability asserted against him or her or incurred by him or her in any such capacity, or arising out of the person's status as such, whether or not the

Association would have the power to indemnify that person against such liability under the provisions of this Article or of the Ohio nonprofit corporation law.

ARTICLE VIII

NET EARNINGS AND DISSOLUTION

8.1 Net Earnings. No part of the net earnings of the Association shall inure to the benefit of or be distributable to the members, trustees, officers, or other persons, except that the Association shall be authorized and empowered to reimburse any trustee, officer, or member for the actual expenses incurred in the performance of that individual's duties and in the furtherance of the purpose set forth in Article III above.

8.2 Dissolution. The Association shall exist so long as any restrictions remain applicable to any Lot, which restrictions are enforceable by the Association. Each holder or insurer of a first mortgage upon any Lot shall be entitled to timely written notice of any proposed termination of the Association.

ARTICLE IX

AMENDMENTS

9.1 Amendments. The Articles may be amended only with the affirmative approval of members exercising no less than 60 % of the voting power of the members present in person or by proxy. Notwithstanding the foregoing, and in addition thereto, the consent of all members present, in person or by proxy, who are entitled to vote at a duly called and noticed meeting of the Association, shall be required for any amendment hereto which effects a change in (1) the method of dividing the assessments, (2) the method of voting on Association matters, and (3) the fundamental purposes for which the Association is organized.

IN WITNESS WHEREOF, I have hereunto set my hand to these Articles of Incorporation of the Villages of Oak Creek Homeowners' Association this 9th day of March, 1999.



Charles A. Vince, Incorporator

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**THE VILLAGES OF OAK CREEK
HOMEOWNERS' ASSOCIATION, INC.**

CODE OF REGULATIONS

ARTICLE I

NAME AND LOCATION

1. Name. The name of the corporation shall be The Villages of Oak Creek Homeowners' Association, Inc. (the "Association").

2. Location. The principal office of the Association shall be at such place in Orange Township, Delaware County, Ohio, as the Board of Trustees of the Association shall specify from time to time.

ARTICLE II

NUMBERS

1. Composition. Each person or entity which owns a Lot in the subdivision, including the Developer as long as it owns one or more Lots, is a member of the Association.

2. Privileges of Membership. Membership shall entitle the holder thereof, or its representative in the event that the member is not an individual or individuals, to all the privileges of membership, including the rights to vote and to hold office in accordance with the provisions hereof; to have free access to all facilities; and to invite guests in accordance with the provisions hereof. Persons in the family of a member who live with the member, tenants in possession of a Lot who live with such tenant, but who are not themselves members, shall have all privileges of membership, except that they shall not have the right to vote or to hold office. Any person entitled to membership shall make such fact known to the Association. Until such fact is made known to the Association, the member may not vote, receive notice of meeting or enjoy any other privileges or benefits of membership.

ARTICLE III

MEETING OF MEMBERS

1. Annual Meeting. The regular annual meeting of the members shall be held on such month and date and at such time during each year as the Board of Trustees may from year to year fix.

2. Special Meetings. A special meeting of the members may be called by the president, by two or more of the Trustees acting with or without a meeting, or by members possessing at least twenty-five percent (25%) of the voting power of the Association, upon delivery to the president or secretary of a request in writing for a meeting of the members. Said request shall specify the purpose for such meeting. It shall be the duty of the officer to whom the request is delivered to give notice of such meeting to the members who are entitled to vote. If, upon such request, such officer does not, within ten (10) days thereafter, send notices of a special meeting to such members, the person(s) making such request may call such a special meeting by giving notice thereof or causing such notice to be given, in accordance with the provisions of § 4 of this Article II.

3. Place of Meeting. Meetings of the members shall be held at such place as is designated by the Board of Trustees.

4. Notice of Meetings. Written notice of any meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall be mailed at least thirty (30) days, but not more than sixty (60) days, prior to the date for such meeting and shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting. Notices shall be mailed only to those members who are shown to be members on the records of the Association seven (7) days prior to the mailing of such notices.

5. Quorum Majority. At any meeting of the members, the presence of members, in person or by proxy, possessing at least fifty-one percent (51%) of the voting power of the Association shall constitute a quorum for the transaction of business, except when a greater number is required by law. If such quorum shall not be present or represented at the 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 shall be present or represented. At any reconvened meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called.

6. Order of Business. The order of business at all meetings of the members shall be as follows:

1. Roll call

A QUORUM BEING PRESENT

2. Proof of notice of the meeting or waiver thereof;

3. Reading of the minutes of the preceding meeting and action thereon, unless dispensed with by unanimous consent;
4. Report of the Board of Trustees, if any;
5. Reports of the officers, if any;
6. Reports of committees, if any;
7. Election of Trustees, if any;
8. Unfinished business, if any; and
9. New business, if any.

The order of business at any meeting may be changed by the affirmative vote of the majority of members present, in person or by proxy, and entitled to vote.

7. Voting. The record owner of any Lot in the subdivisions shall have one vote for each Lot owned by such owner. If more than one person or entity owns any single Lot, then the owners shall determine, among themselves, who shall be entitled to exercise the single vote for each Lot. If the owners of any Lot cannot jointly agree as to which of them shall be entitled to exercise the vote attributable to that Lot, then the right to vote shall be forfeited until such time as the owners designate which of them shall exercise such vote. Notwithstanding any provision in this Code of Regulations to the contrary, all voting power of the Association shall be exercised by the Developer until such time as the Developer shall choose to transfer such authority in whole or in part to the Association. The date upon which such voting control is relinquished by the Developer shall be referred to as the "Turnover Date".

8. New Members. Any person entitled to membership shall make such fact known to the Association. Until such fact is made known to the Association, the member may not vote, receive notice of meetings, nor enjoy any other privileges or benefits of membership in the Association.

9. Voting Power. The actions of the Association shall be subject to the affirmative approval of the members exercising no less than sixty percent (60%) of the voting power of the members present, in person or by proxy, at a duly called and noticed meeting.

10. Proxies. At any meeting of members, a member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary prior to the meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by a member or his, hers or its Lots.

ARTICLE IV

BOARD OF TRUSTEES

1. General Powers of Board of Trustees. The power, duties, and authority of the Association shall be exercised, its business and affairs shall be conducted, and its property shall be controlled, by a Board of Trustees, except where otherwise required by the law of Ohio, the articles of incorporation, or these regulations.

2. Powers of the Board. The Board of Trustees shall have the power to:

A. Adopt and publish rules and regulations to enforce the covenants, conditions and restrictions in accordance with the powers and responsibilities of the Association under the Restrictions for The Villages of Oak Creek Subdivisions;

B. Adopt and approve an annual budget;

C. Declare the position of any Trustee to be vacant in the event such Trustee shall be absent without permission from the remaining Board members from three (3) consecutive regular meetings of the Board of Trustees;

D. Foreclose the Association's lien for unpaid assessments against any property for which such assessments are not paid within thirty (30) days after due date thereof, or bring an action at law against the party personally obligated to pay the same;

E. Employ such employees and/or hire such contractors as it deems necessary or appropriate to furnish landscape maintenance service and other services to the subdivision entrance ways, utility and drainage easements;

F. Cause all officers and Trustees having fiscal responsibilities to be bonded and insured, as it may deem appropriate;

G. Purchase, lease or otherwise acquire real or personal property in the name of the Association, including, but not limited to, Lots in The Villages of Oak Creek Homeowners' Association, Inc. or contiguous thereto;

H. Establish, enforce, levy and collect assessments as provided in the Restrictions;

I. Maintain the entranceway, common areas and open spaces owned by the Association in an attractive, safe and aesthetically appealing manner; and,

J. Do all things necessary to comply with all requirements of law, this Code of Regulations, the Restrictions and the Articles of Incorporation and to carry out the purposes of the Association.

3. Duties of the Board. The Board of Trustees shall have the duty to:

A. Cause to be kept a complete record of all its acts and the Association's affairs and present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by members possessing at least twenty-five percent (25%) of the voting power of the Association;

B. Supervise all officers, agents and employees of the Association, and see that their duties are properly performed;

C. Fix the amount of the annual assessment at least thirty (30) days in advance of each fiscal year and of any adjustment in the annual assessment if the Board determines an adjustment is needed;

D. Send written notice of such assessment to every Lot owner, at least thirty (30) days in advance of each change in the amount of the annual assessments, and levy all such assessments as liens;

E. Require that all entrance way, utility and drainage easement areas located on members' Lots be well maintained;

F. Issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment attributable to a Lot has been paid. A reasonable charge may be made by the Board of Trustees for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

G. Procure and maintain liability and fire and other hazard insurance on property owned by the Association; and

H. Take whatever other actions are necessary or appropriate to achieve the purposes for which the Association has been formed.

4. Number. The number of Trustees shall be three (3).

5. Term of Office. The initial Trustees, named in the Articles of Incorporation, shall serve until the first meeting of the membership. At the first meeting, the members shall elect three (3) Trustees each having a term of one year or until a successor is elected, whichever is later.

6. Removal and Resignation. Any Trustee may be removed from the Board, with or without cause, by the members of the Association, at any annual or special meeting of the members if in the notice of such meeting the intention to consider such removal is specifically stated. Such removal shall be by the affirmative vote of members possessing not less than sixty percent (60%) of the voting power of the members present, in person or by proxy, and entitled to vote; provided, however, that the voting power exercised by the members shall, at all times be determined in accordance with the provisions of Article IV of the Articles of Incorporation. Any Trustee may resign by giving written to any officer or other Trustee. Such resignation shall take effect at the time specified therein. Unless otherwise specified therein, the acceptance of a resignation shall not be necessary to make it effective.

7. Vacancies. A vacancy in the Board of Trustees may be filled by a majority vote of the remaining Trustees, even though they are less than a quorum. A Trustee so elected shall be deemed to be elected for a term equal to the unexpired portion of the term for which the vacating Trustee was elected.

8. Election. Election to the Board of Trustees by the members shall occur at each annual meeting and shall be by secret written ballot. Nominations for the election of Trustees shall be made from the floor at the annual meeting. The persons receiving the largest number of votes shall be elected.

9. Compensation. No Trustee shall receive compensation from the Association for any service he may render to the Association, provided that a Trustee may be reimbursed for his actual expenses incurred in the performance of his duties.

10. Regular Meetings. Regular meetings of the Board shall be held no less than quarterly, without notice, on such date and at such place and hour as may be fixed from time to time by resolution of the Board.

11. Special Meetings. Special meetings of the Board shall be held when called by the president of the Board or by any two or more Trustees, after not less than three days' notice to each Trustee.

12. Voting Power. Except as otherwise provided in the Articles of Incorporation or in the Declaration or by law, vote of a majority of the Trustees voting on any matter that may be determined by the Trustees at a duly called and noticed meeting shall be sufficient to determine that matter.

13. Action in Writing Without a Meeting. Any action that could be taken by Trustees at a meeting may be taken without a meeting with the affirmative vote or approval, in writing or writings, of all of the Trustees.

14. Quorum. A majority of the number of Trustees shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Trustees present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE V

OFFICERS AND THEIR DUTIES

1. Enumeration of Officers. The officers of this Association shall be a president and a vice president, who shall be members of the Board of Trustees, a secretary, a treasurer, and such other officers as the Board may from time to time by resolution create. The same person may hold more than one office.

2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Trustees following each annual meeting of the members.

3. Term. The officers of the Association shall be elected annually by the Board of Trustees and each shall hold office until his successor is elected at the first meeting of the Board of Trustees following the next annual meeting of the members, unless any such officer shall sooner resign, or be removed or otherwise disqualified to serve.

4. Special Appointments. The Board of Trustees may elect such other officers as the affairs of the Association may require, each of which officers shall hold office for such period, have such authority, and perform such duties as the Board of Trustees may, from time to time, determine. The Board of Trustees may delegate to any officer the power to appoint any subordinate officers, agents, or committees. In the absence of any officer, or for any other reason the Board of Trustees may deem sufficient, the Board of Trustees may delegate, for such time as they determine, the powers and duties, or any of them, of such officer to any other officer, or to any Trustee.

5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board of Trustees. Any officer may resign at any time by giving written notice to the Board of Trustees, the president, or the secretary. Such resignation shall take effect on the date of receipt of such notice or any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

6. Vacancies. A vacancy in any office may be filled by appointment by the Board of Trustees. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

7. Duties. The duties of the officers shall be as follows:

A. President. The president shall preside at all meetings of the Board of Trustees and of the members; see that orders and resolutions of the Board are carried out; sign all leases, mortgages, deeds, contracts and other written instruments in which the Association is a party; and co-sign all checks and promissory notes of the Association upon authorization of the Board of Trustees.

B. Vice President. The vice president shall act in the place and stead of the president in the event of his absence, inability, or refusal to act, and exercise and discharge such other duties as may be required of him by the Board of Trustees or the president.

C. Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Trustees and of the members; serve notice of meetings of the Board of Trustees and of the members; keep appropriate current records showing the members of the Association together with their addresses, and perform such other duties as required by the Board or the president.

D. Treasurer. The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and disburse such funds as directed by resolution of the Board of Trustees; co-sign all checks and promissory notes of the Association; keep proper books of account; shall cause an annual audit of the Association books to be made by an 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 deliver a copy of each statement to the members.

ARTICLE VI

COMMITTEES

The Board of Trustees may appoint such committees as it deems appropriate to carry out its purpose.

ARTICLE VII

INDEMNIFICATION OF TRUSTEES, OFFICERS, AND OTHER

1. Indemnification; Actions by Others. The Association may indemnify or agree to indemnify and person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceedings, whether civil, criminal, administrative, or investigative, other than action by or in the right of the Association, by

reason of the fact that he is or was a Trustee or officer of the Association, or is or was serving at the request of the Association as a Trustees, director, officer, employee, or agent of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust, or other enterprise, against expenses, including attorneys' fees, judgments, fines, and amounts paid in settlement, actually and reasonably incurred by him in connection with such action, suit, or proceedings, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association, and with respect to any criminal action or proceeding, if he had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Association, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

2. Indemnification: Actions by or in the Right of the Association. The Association may indemnify or agree to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that he is or was a Trustee or officer of the Association, or is or was serving at the request of the Association as a Trustee, director, officer, employee, or agent of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust, or other enterprise against expenses, including attorneys' fees, judgments, fines, and amounts paid in settlement, actually and reasonably incurred by him in connection with the defense or settlement of such action or suit, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association, except that no indemnification shall be made in respect to any claim, issue, or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Association unless and only to the extent that the Court of Common Pleas or the Court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as the Court of Common Pleas or such other court shall deem proper.

3. Successful Defense. To the extent that a person specified in §1 or §2 has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in §1 and §2, or in defense of any claim, issue, or matter therein, he shall be indemnified against expenses, including attorneys' fees, actually and reasonably incurred by him in connection therewith.

4. Specific Case Determinations. Any indemnifications under §1 and §2, unless ordered by a court, shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the person specified in §1 and §2 is proper in the circumstances because he has met the applicable standards of

conduct set forth in §1 and §2. Such determination shall be made (1) by a majority vote of a quorum consisting of Trustees of the Association who were not and are not parties to or threatened with any such action, suit, or proceedings, or (2) if such a quorum is not attainable, or if a majority of a quorum of disinterested Trustees so directs, in a written opinion by independent legal counsel other than an attorney, or a firm having associated with it an attorney, who has been retained by or who has performed services for the Association or any person to be indemnified within the past five (5) years, or (3) by the members, or (4) by the Court of Common Pleas, or by the court in which such action, suit, or proceeding was brought. Any determination made by the disinterested Trustees under this §4 or by independent legal counsel under this §4 shall be promptly communicated to the person, if any, who threatened or brought the action or suit by or in the right of the Association under §2, and within ten (10) days after receipt of such notification, such person shall have the right to petition the Court of Common Pleas or the court in which such action or suit was brought to review the reasonableness of such determination.

5. Advance Payment. Expenses, including attorneys' fees, incurred in defending any action, suit, or proceeding referred to in §1 and §2, may be paid by the Association in advance of the final disposition of such action, suit, or proceeding as authorized by the Trustees in the specific case upon receipt of an undertaking by or on behalf of the person specified in §1 or §2 to pay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized by this article.

6. Non-Exclusive. The indemnification provided by this article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under the Articles of Incorporation or these Regulations or any agreement, vote of members or disinterested Trustees, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to serve in a capacity hereinabove specified, and shall inure to the benefit of the heirs, executors, and administrators of such a person.

7. Insurance. The Association may purchase and maintain insurance on behalf of any person specified in §1 and §2 against any liability asserted against him and incurred by him in any such capacity, or rising out of his status as such, whether or not the Association should have the power to indemnify him against such liability under this article.

8. Other Entities. For purposes of this article, references to the Association include all constituent corporations in a consolidation or merger, and the new or surviving corporation so that any person who is or was serving in a capacity hereinabove specified shall stand in the same position under this article with respect to the new or surviving corporation as he would if he had served the new or the surviving corporation in the same capacity.

ARTICLE VIII

BOOKS AND RECORDS

The books, records and financial statements of the Association, including annual audited financial statements when such are prepared, shall be available during normal business hours or under other reasonable circumstances, upon request to the Association, for inspection by members and the holders and insurers of first mortgages on Lots. Likewise, during normal business hours or under other reasonable circumstances, the Association shall have available for inspection by members, lenders and their insurers, and prospective purchasers, current copies of the Association's organization documents and its rules and regulations.

ARTICLE IX

AUDITS

Upon written request to the Association by an institutional first mortgagee of a Lot, or its insurer, or by vote of the holders of a majority of the voting power of members, the Board shall cause financial statements of the Association for the preceding fiscal year to be prepared and furnished, provided that no such statement need be furnished earlier than ninety (90) days following the end of such fiscal year.

ARTICLE X

AMENDMENT OF REGULATIONS

This Code of Regulations may be amended, added to, repealed, or superseded by new regulations at any annual or special meeting of the members if in the notice of such meeting, the intention to consider such amendment, addition, repeal, or supersedure is specifically stated, by the affirmative vote of members possessing not less than two-thirds of the voting power of the members present and entitled to vote; provided however, that the voting power exercised by the members of the Association shall, at all times, be determined in accordance with the provisions of Article IV of the Articles of Incorporation.

ARTICLE XI

MISCELLANEOUS

1. Conflict Between Articles and Code of Regulations. In the case of any conflict between the Articles and this Code of Regulations the Articles shall control.

2. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of filing the Articles with the Secretary of State of Ohio.

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