

**CODE OF REGULATIONS
OF
THE LEDGEWOOD ASSOCIATION**

**ARTICLE I
MEETINGS OF MEMBERS**

Section 1. **Regular Meetings.** An annual Meeting of Members shall be held in 1969 on such date and at such time and place as the Trustees shall determine; and in each succeeding year on such date and at such time and place as the Trustees shall determine, but within four months following the close of each fiscal year of the Association, for the election of Trustees and the consideration of reports to be laid before such meeting, and for the transaction of such other business as may be specified in the notice of the meeting.

Section 2. **Special Meetings.** Special meetings of Members may be held, to be called by the President, or by a Vice President, or by a majority of the Trustees by action with or without a meeting or by Members of the Association entitled to vote not less than one-quarter (1/4) of the total voting power thereof in a writing requesting the President or a Vice President to call such special meeting.

Section 3. **Notice of Meetings.** In general, written notice of all meetings of Members shall, unless waived, be given not less than ten (10) nor more than sixty (60) days before the date determined for such meeting either personally or by depositing a copy in the mail, first class postage prepaid, addressed to each Member at his address as it appears on the records of the Association, or by leaving a copy at such address. Written notice of meetings at which action for which different notice requirements are expressly set forth in the Covenants and Restrictions for The LedgeWood Subdivisions, Articles of Incorporation of The LedgeWood Association, or these Regulations, shall be governed by such applicable express provisions.

Section 4. **Quorum.** To constitute a quorum at any meeting of Members, there shall be present in person or by proxy persons entitled to vote not less than one-third (1/3) of the aggregate voting power of the Members. If there shall be no quorum at the time for which any meeting shall have been called, the meeting may be adjourned from time to time by a majority of the Members present or represented by proxy, without any notice other than by announcement at the meeting, until a quorum shall attend. At any adjourned meeting, any business may be transacted which might have been transacted if the meeting had been held as originally called.

Section 5. **Vote of Members.** Members shall have such voting rights as are set forth in Article Fifth of the Articles of Incorporation. The affirmative vote in person or by proxy of those persons entitled to cast a majority of the votes at any meeting at which a quorum is present shall be necessary for the authorization or taking of any action voted upon by the Members, except as otherwise provided by law, the Articles or by these Regulations.

When more than one person holds an interest in a Lot or Living Unit, but only one of such persons attends or votes at a Meeting of Members, such attendance shall be counted for quorum purposes as the attendance of all such interest-holders for such Lot or Living Unit, and such vote shall be counted for voting purposes as the vote of all such interest-holders for such Lot or Living Unit.

Section 6. **Proxies.** Any Member may authorize the spouse of such Member (whether or not such spouse is a Member), or any other Member, by written proxy to vote for him on one or more questions at a meeting of Members. All proxies shall be filed with the Secretary prior to or at the time of the meeting for which given.

No proxy shall extend beyond the adjournment of the meeting for which given, at which a quorum was present (but if there shall be no quorum at the time for which any meeting shall have been called, and the meeting is adjourned from time to time until a quorum shall attend, such proxy shall continue to be valid at any such adjourned meeting). A proxy shall automatically cease upon termination of the Member's interest as owner of any Lot or Living Unit in The Ledgewood Subdivisions.

ARTICLE II

TRUSTEES

Section 1. **Number.** The number of Trustees of this Association shall be six (6).

Section 2. **Election of Trustees.**

(a) At the first Annual Meeting of the Members the Members shall elect six (6) Trustees. An initial Trustee may be elected as Trustee at such meeting. The term of office of the Trustees shall be two (2) years except that the term of office of the Trustees elected at the first Annual Meeting shall be determined by lot, the term of office of three (3) Trustees to expire on the date of the second Annual Meeting of Members, and the term of office of the remaining three (3) Trustees to expire on the date of the third Annual Meeting. At each Annual Meeting of Members after the first, Trustees shall be elected to replace the Trustees whose terms expire on the date of such meeting. Each Trustee (except an initial Trustee) must be a Member or spouse of a Member of the Association. No Trustee (except an initial Trustee or a successor Trustee who has been appointed by the Board of Trustees to complete the term of office of an elected Trustee as provided in sub-paragraph (e) below) shall serve consecutive terms of office as a Trustee.

(b) Prior to each Annual Meeting of Members, the Board of Trustees shall nominate as many Members as candidates for election to the Board as there are Trustees whose terms expire on the date of such Annual Meeting, endeavoring to maintain reasonably proportionate geographic representation. The written notice of each Annual Meeting shall state the number of vacancies in the Board to be filled and the names of those Members nominated as candidates by the Trustees.

(c) At the first Annual Meeting, additional nominations of candidates for election to the Board may be made from the floor, provided the nominee's consent has first been obtained. For any subsequent Annual Meeting, additional nominations shall only be made by a written notice signed by not less than ten (10) Members and given by personal delivery or by mail to the Secretary before the date of such Annual Meeting. Any number of nominations may be made by separate written notices in such manner, but no Member shall be entitled to sign more than one such written notice and in the event of any such duplicate signing the signature of such Member shall be disregarded on all such written notices upon which it appears.

(d) The election of Trustees may be made by written or oral ballot, in accordance with such procedure as the Board of Trustees from time to time shall adopt.

(e) Except when a Trustee dies, is removed or resigns from office, or ceases to reside in The Ledgewood Subdivisions, a Trustee shall serve until his successor has been elected. Vacancies in the Board of Trustees caused by death, removal, resignation or change of residence shall be filled by a majority vote of the remaining Trustees until the next succeeding Annual Meeting of Members, at which a successor Trustee shall be nominated and elected as here in before provided to serve the remainder of the term respecting the vacancy. The Trustee appointed by the Trustees to serve the interim period until such Annual Meeting may be elected to complete the term respecting such vacancy, and a Trustee elected by the Members to complete a term respecting a vacancy may be elected by the Members to a regular term of office as Trustee upon the expiration of his term as a successor Trustee.

Section 3. **Meetings of Trustees.** Regular meetings of the Board of Trustees shall be held as the Board may designate. Special meetings of the Board of Trustees may be called by the President or by a Vice President or by any three (3) Trustees. Meetings of the Trustees may be held at any place within Cuyahoga County, Ohio. Notice of the time, place and purposes of any such meeting, unless waived, shall be given to each Trustee, by personal delivery or by first class mail, at least three (3) days prior to the time of such meeting.

Section 4. **Quorum.** To constitute a quorum at any meeting of the Trustees there shall be present not less than a majority of the Trustees then in office, but if at any meeting of the Trustees there shall be present less than a quorum, a majority of those present may adjourn the meeting from time to time without any notice other than by announcement at the meeting, until a quorum shall attend. The affirmative vote of a majority of the Trustees present at a meeting at which a quorum is present shall be necessary for the authorization or taking of any action voted upon by the Trustees.

Section 5. **Duties of Trustees.** It shall be the duty of the Trustees to provide for the execution and discharge of the functions and responsibilities of the Association set forth in the Covenants and Restrictions, including (but not limited to) the responsibility to levy annual assessments; to propose special assessments when appropriate; to collect all assessments and charges; to enforce the Covenants and Restrictions; to adopt and enforce rules and regulations governing the use of the Common Properties; to prepare a roster of the Lots and Living Units in The Ledgewood Subdivisions and a list showing the status of payment of assessments applicable thereto, which roster and list shall be open to inspection by any Member; to require the bonding of all officers and other persons regularly handling Association funds, the premiums for which shall be paid by the Association from the annual assessment; to provide for the publication and distribution to Members of rules and regulations, notices and other information (including, in the discretion of the Board of Trustees, general social information of interest to Association Members); and to inform new residents of their privileges and obligations as owners of Lots or Living Units in The Ledgewood Subdivisions.

ARTICLE III

WAIVER OF NOTICE OF MEETINGS OF MEMBERS OR TRUSTEES

Notice of the time, place and purposes of any meeting of Members or Trustees, as the case may be, whether required by law, the Articles or this Code of Regulations, may be waived in writing, either before or after the holding of such meeting, by any Member, or by any Trustee, which writing shall be filed with or entered upon the records of the meeting. Any Member or any Trustee shall be deemed to have waived notice of a meeting by attending such meeting without protesting, prior to or at the commencement of the meeting, the lack of proper notice, or by voting, including by proxy or mail, at such meeting.

ARTICLE IV

OFFICERS

Section 1. **Number.** The Association shall have a President, a Vice President, a Secretary and a Treasurer, and such other additional Vice Presidents and officers and assistant officers as the Trustees may deem necessary. The President shall be a Trustee but the remaining officers may be elected from Members of the Association and non-Members. All officers and assistant officers shall be elected by the Trustees at their first regular meeting in each year next following the annual meeting of the Members, or at any other meeting called for such purpose, and shall, unless otherwise provided by the Trustees, hold office for one (1) year and until their respective successors shall have been elected.

Section 2. **Duties.** In general, the officers shall have such authority and shall perform such duties as are customarily incident to their respective offices, or as may be specified from time to time by the Trustees

regardless of whether such authority and duties are customarily incident to such office. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Trustees; provided, however, that a resolution of the Board of Trustees shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board. The Treasurer and the President or Vice President shall sign all checks and notes of the Association. The Treasurer shall keep proper books of account and shall make or cause to be made an annual audit of the Association books at the completion of each fiscal year. He shall prepare an annual budget and an annual balance sheet statement and the budget and balance sheet statement shall be presented to the membership at its regular annual meeting.

ARTICLE V COMMITTEES

Section 1. **Standing Committees.** The standing committees of the Association shall be:

The Nominating Committee
The Recreation Committee
The Maintenance Committee
The Architectural Control Committee
The Audit Committee

The Board of Trustees may appoint and discontinue such other standing or special committees as it deems desirable.

Section 2. **Nominating Committee.** The Nominating Committee shall submit recommendations to the Trustees for candidates for Trustees and officers of the Association.

Section 3. **Recreation Committee.** The Recreation Committee shall advise the Board of Trustees on all matters pertaining to the recreational program and activities of the Association and shall perform such other functions as the Board, in its discretion, determines.

Section 4. **Maintenance Committee.** The Maintenance Committee shall advise the Board of Trustees on all matters pertaining to the maintenance, repair or improvement of the Common Properties and Facilities of the Association, and shall perform such other functions as the Board, in its discretion, determines.

Section 5. **Architectural Control Advisory Committee.** The Architectural Control Advisory Committee shall, in cases when requested by the Board of Trustees, submit to the Board advisory opinions or recommendations concerning the propriety of the plans and specifications of any proposed structure or alteration which is submitted to it. In addition, it may advise the Board of Trustees regarding any proposals, programs or activities which come to its attention and which may adversely affect the residential value of the properties in The Ledgewood Subdivisions.

Section 6. **Audit Committee.** The Audit Committee shall supervise the annual audit of the Association's books and approve the annual budget and balance sheet statement to be presented to the membership at its regular Annual Meeting. The Treasurer shall be an *ex officio* member of the Committee.

Section 7. **Committee Reports.** Each committee shall keep a record and account of its proceedings and transactions. Except as otherwise required by these Regulations, all actions by any Committee shall be reported to the Board of Trustees at the Board's meeting next succeeding such action, and shall be subject to control, revision, and alteration by the Board of Trustees; provided that no rights of third persons shall be prejudicially affected thereby if the original action of the committee was within the scope of its authority and

responsibility. Each committee shall fix its own rules of procedure and shall meet as provided by such rules or by resolutions of the Board of Trustees, and it shall also meet at the call of the President of the Association. Unless otherwise provided by such rules or such resolutions, the provisions of Article II, Section 3, relating to the notice required to be given for special meetings of the Board of Trustees shall also apply to meeting of each committee. A majority of the committee may without a meeting act in writing or by telegram or by telephone with written confirmation, without a meeting, but no such action without a meeting shall be effective unless concurred in by all members of the committee. Vacancies in each committee shall be filled by the Board of Trustees or as the Board may provide.

ARTICLE VI INDEMNIFICATION

Section 1. Each Trustee and each officer of this Association shall be indemnified by the Association against any judgments, decrees, fines, penalties, costs and expenses, including reasonable attorney's fees, witness and jury fees, and amounts paid in settlement in connection with the defense of any pending or threatened action, suit, or proceeding, criminal or civil, to which he is or may be made a party by reason of being or having been such Trustee or officer, except judgments, decrees, fines, penalties, costs, expenses and settlements incurred in relation to matters as to which he is determined to have been derelict in the performance of his duty as such Trustee or officer.

Section 2. For the purpose of this Article, any such Trustee or officer shall conclusively be deemed not to have been derelict in the performance of his duty as such if a majority or a quorum of the Board of Trustees comprised of those Trustees who are not involved in the action, suit or proceeding, or if there be no such quorum, a committee of disinterested persons (excluding there from any Trustee or officer) selected as hereinafter provided, shall determine:

(a) That such Trustee or officer was not and has not been adjudicated to have been negligent or guilty of misconduct in the performance of his duty to this Association; and

(b) That such Trustee or officer acted in good faith in what he reasonably believed to be the best interest of such Association; and

(c) That, in any matter the subject of a criminal action, suit, or proceeding, such Trustee or officer had no reasonable cause to believe that his conduct was unlawful.

For the purpose of this Section of this Article, the word "adjudicated" shall mean and include only a final judicial determination entered in a court of record, which determination shall have required the finding by the trier of fact as an ultimate fact, that such Trustee or officer was negligent or guilty of misconduct in the performance of his duty to the Association, or which determination shall have been based upon a plea of "guilty" in a case where an essential element of the charge against the defendant was his negligence or misconduct in the performance of his duty to the Association.

For the purpose of this Article, the committee of disinterested persons shall be selected by unanimous action of the disinterested Trustees or Trustee, or, if there be no disinterested Trustee or Trustees, by the highest ranking disinterested officer of the Association. No less than three (3) persons shall be selected in any case. A person shall be deemed disinterested in a matter if he had no interest therein other than as a Trustee, officer or member of the Association. The Association may pay the fees and expenses of the Trustee, or other persons, as the case may be, incurred in connection with making a determination as above provided.

Section 3. Each employee, and each retired employee, who is or has been party to a written agreement (excluding agreements to which such employee is only indirectly a party, such as labor union contracts) may

be indemnified in the same manner and to the same extent as provided above for a Trustee or officer.

Section 4. The rights of indemnification herein provided shall be severable, shall not be exclusive of other rights to which any Trustee, officer, employee or retired employee may now or hereafter be entitled, shall continue as to a person who has ceased to be such Trustee, officer, employee or retired employee and shall inure to the benefit of the heirs, executors and administrators of such person.

ARTICLE VII MISCELLANEOUS

Section 1. The Secretary of the Association shall keep or cause to be kept a record, which may be included in the book containing the minutes of proceedings of Members and Trustees, in which shall be recorded the names and addresses of all Members and Trustees. There shall also be recorded therein the date upon which each Member or Trustee became such, and upon termination of any membership or trusteeship for any cause, the facts relating thereto, together with the date of termination. Each Member and Trustee, upon his becoming such, shall forthwith advise the Secretary of his then address and likewise shall promptly report to him any change in his address.

Section 2. The Association shall have no seal.

Section 3. The Association's fiscal year shall be determined by the Trustees.

ARTICLE VIII AMENDMENT OF REGULATIONS

These Regulations may be amended or new Regulations may be adopted by the affirmative vote of Members entitled to exercise a majority of the voting power of the Association at an Annual or special meeting, provided that written notice of such meeting shall be given by personal delivery or by mail to all Members at least thirty (30) days before the date of the meeting, which notice shall include a statement that amendment of the Regulations will be considered and may be acted on at such meeting.