

regular and special meetings of Members through a representative designated in writing and delivered to the Board.

4.10 Minutes. Minutes or a similar record of the proceedings of meetings of Members, when signed by the President and Secretary, shall be presumed to evidence accurately the matters set forth therein.

ARTICLE 5

BOARD OF DIRECTORS: SELECTION, TERM OF OFFICE

5.1 Number and Qualifications of Directors. The affairs of the Association shall be managed by a Board consisting of five (5) Directors, each of whom, except for those appointed and serving as first Directors, must either be an Owner of a Lot or an authorized agent and representative of Declarant, so long as Declarant owns a Lot in the Project or is entitled to annex any of the Annexation Property to the Project without the vote of Members pursuant to the Declaration. The initial Directors shall be appointed by the incorporator, as designated in the Articles, and shall hold office until the first meeting of the Members, as described in Article 4, Section 4.2, and until their successors are elected. The authorized number of Directors may be changed by a duly adopted amendment to the By-Laws.

5.2 Election and Term of Office. At the first annual meeting of the Association, the Members shall elect the Directors in accordance with the provisions set forth herein. The three (3) Directors receiving the highest number of votes shall each be elected for a term of three (3) years, and the two (2) Directors receiving the next highest number of votes shall be elected for a term of two (2) years. At each annual meeting thereafter, new Directors shall be elected to fill vacancies created by resignations or expiration of the terms of past Directors. Following the first annual meeting, the term of office for each successor Director shall be two (2) years. Any person serving as a Director may be re-elected, and there shall be no limitation on the number of terms which a Director may serve.

5.3 Removal. At any regular or special meeting duly called, any one (1) or more of the Directors may be removed, with or without cause, as provided herein, and a successor may then and there be elected to fill the vacancy so created. Unless the entire Board is removed from office by the vote of Association Members, an individual Director shall not be removed prior to the expiration of his term of office if the number of votes cast against his removal would be sufficient to elect the Director if voted cumulatively at an election at which the same total number of votes were cast and the entire number of Directors authorized at the time of the most recent election of the Director were then being elected. A Director who has been elected to office solely by the votes of Members of

the Association, other than the Declarant, may be removed from office prior to the expiration of his term of office only by the vote of at least a simple majority of the voting power residing in Members, other than the Declarant.

5.4 Vacancies. Vacancies on the Board caused by any reason, other than the removal of a Director by a vote of the Association, shall be filled by vote of a majority of the remaining Directors, even though they may constitute less than a quorum, and each Director so elected shall serve for the remainder of the term of the Director he replaces. In the event that a majority of the remaining Directors are unable to agree upon a successor within fifteen (15) days following the occurrence of a vacancy, a special election to fill the vacancy shall then be held in accordance with the terms provided in the Article herein entitled "Nomination and Election of Directors," within not less than ten (10) days nor more than thirty (30) days following the expiration of said fifteen (15) day period. Notice of a special meeting and election shall be given in accordance with the terms provided in the Article herein entitled "Nomination and Election of Directors."

5.5 Compensation of Directors. No Director shall receive compensation for any service rendered to the Association, except as permitted under the Article contained in the Declaration entitled "Powers and Duties of the Association"; provided, however, that a Director may be reimbursed for actual expenses, if reasonable, incurred in the performance of his or her duties.

ARTICLE 6

NOMINATION AND ELECTION OF DIRECTORS

6.1 Nomination. Nomination for election to the Board shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board, and two (2) or more Members of the Association. The Nominating Committee shall be appointed by the Board prior to each annual meeting of the Members to serve from the close of such annual meeting until the close of the next annual meeting, and such appointment shall be announced at each meeting. The Nominating Committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not fewer than the number of vacancies that are to be filled. Nominations may be made from among Members or non-Members so long as the Class B membership exists. Thereafter, nominations shall only be made from among Members.

6.2 Election. Election to the Board shall be by secret written ballot at the annual meeting. At such election, the Members may cast, with respect to each vacancy, 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.