

AMENDED BY-LAWS

OF

KEYS II, INC.

ARTICLE I

MEMBERS AND MEMBERSHIPS

1. (a) Membership shall be limited to persons acceptable to and approved by the Boards of Directors or such membership committee that may be appointed by the Board and those who own or are purchasing under contract lots or parcels of real property designated from time to time by the Board of Directors. One membership shall be issued for each lot or parcel thus designated by the Board. In the event a single lot is owned by two or more persons a single membership shall be issued in the names of all and they shall designate to the corporation in writing who shall have the power to vote the said membership.

(b) There shall be one class of membership.

2. Membership may be terminated:

(a) By the Board of Directors for failure to pay at the time specified therefore, charges, maintenance fees or any other sum of money due from a member to the corporation.

(b) For cause after notice and hearing by the Board of Directors.

★ (c) Except as otherwise provided herein, by the sale of the property which is the basis of membership.

3. The Board of Directors may prescribe the form of notice to be given any member against whom charges of any kind may be brought; may specify who may bring charges; establish rules governing hearings upon charges; and specify the penalty to be imposed which may include suspension from privileges of the corporation or expulsion from the corporation, unless provision is otherwise made in these By-Laws.

4. Upon the termination for any reason of membership in this corporation all privileges therein and all rights to use any property belonging to the corporation shall cease. Termination of membership, however, shall not release any right or lien the corporation may have against the property of the person whose membership is terminated for dues, maintenance, fees, charges, or any other amount. The payment of any such dues, charges, or amounts shall not give the owner of the property with respect to which they are paid, any rights in or to the corporate property except the right of ingress and egress to and from the property owned by such person, to and from the nearest public highway.

5. If any member shall be charged in writing addressed to the Board of Directors by anyone entitled to bring charges, with conduct deemed by said Directors to be injurious or detrimental to the order, peace, interest or welfare of the corporation or unbecoming to a member of the corporation, or with violation of these By-Laws or any rules and regulations made by the Board of Directors, the said Board shall give at least five

days notice in writing of a hearing to be held upon such charges to the members charged either by serving the same personally upon said member or by mailing the same addressed to said member by ordinary mail, postage prepaid, to the address of the member as shown on the books of the corporation. After such hearing the Board, on being satisfied with the truth of the charge or charges, may censure the member charged or suspend or terminate his or her membership in the corporation. The determination of the Board of Directors shall be final.

6. All applicants for application or reapplication for membership in the corporation shall file an application in writing, upon such forms which shall furnish such information as the Board may prescribe. All information furnished by the applicant shall be deemed to be a material part of the consideration of the applicants' qualifications for membership, and any false, evasive or partially untrue statement may, in the discretion of the Board, be sufficient ground for the suspension or termination of membership.

7. Memberships shall not be transferable except as provided in this paragraph:

(a) A membership shall not be transferred, pledged, or in any way alienated except upon sale of the lot or parcel upon which the membership is based and then only to the purchaser of such lot or parcel. The Board shall be given notice in writing of any intended sale, transfer, or conveyance of said

lot or parcel, together with a membership application on a form prescribed by the Board and completed by the proposed transferee.

8. In the event the owner of any lot or parcel so designated shall fail or refuse to transfer the membership certificate registered in his name to the purchaser of such lot or parcel upon sale thereof, the corporation shall have the right to record the transfer upon the books of the corporation and issue a new certificate to the purchaser, and thereupon the old certificate outstanding in the name of the seller shall be null and void as though the same had been surrendered.

9. Special meetings of the corporate membership may be called at any time by the President, Vice President or Board of Directors, and printed or written notice of each annual and special meeting shall be given to each member appearing on the books of the corporation, by mail at least ten days before such meeting, and such notice shall specify the purpose for which any special meeting is being called.

10. The majority of the owners of issued and outstanding certificates of membership entitled to vote must be present or represented to constitute a quorum. Only those shall be entitled to vote who appear as members upon the books of the corporation subject to the provisions of paragraphs 1 and 13 of this Article.

11. All meetings of the members of this corporation shall be presided over by the President. Such meetings shall be attended by the Secretary-Treasurer of the corporation who shall

ex-officio be the Secretary of such meeting. The proceedings of each meeting shall be verified by the signature of the President.

12. At all meetings of the members of the corporation, all questions shall be determined by a majority vote of the members present or represented at the meeting, each member being entitled to one vote for each certificate of membership in the name as appears upon the records of the corporation. In all elections for directors of the corporation, each member shall have the right to cast as many votes in the aggregate as he owns certificates of membership appearing upon the books of the corporation multiplied by the number of directors to be elected at such election. Each member entitled to vote may cast the whole number of votes for one candidate or distribute such votes among two or more such candidates and such directors shall not be elected otherwise.

13. A member shall be denied the privilege to vote on any questions and may be denied his privileges of the corporation if he shall be delinquent in any dues or assessments for a period of more than thirty (30) days.

• 14. Any member entitled to vote may vote by proxy at any meeting of the members (and at any adjournment thereof) which is specified in such proxy, provided that his proxy is executed in writing by him (or by his duly authorized attorney-in-fact) within six (6) months prior to the date of the meeting so specified, unless otherwise provided in the proxy. Each proxy

shall specifically identify the meeting or meetings at which the proxy shall be valid. Failure to so specify shall invalidate such proxy. A telegram or cablegram transmitted by a member or his duly authorized attorney-in-fact may be accepted as a sufficiently written and executed proxy. All proxies shall be filed with the Board of Directors upon commencement of the meeting. Every proxy shall be revocable at any time prior to any meeting and shall automatically terminate when the person(s) granting the proxy ceases to be a member of the Association.

ARTICLE II

THE BOARD OF DIRECTORS

• 1. The management of the business and affairs of the corporation shall be vested in a Board of Directors comprised of not less than two nor more than seven members. The Board of Directors named by the incorporators shall function until their successors are elected and have qualified. The annual meeting of the membership of the corporation shall be held as directed by the Board of Directors, who shall designate a date for the annual meeting to transpire within sixty (60) days after May 31 of each year. The Board of Directors shall be chosen by a majority of a quorum of the members entitled to vote present or represented at the annual meeting of the corporation. In the event that such a quorum is not present, the Board of Directors shall be chosen by a majority of those present or represented at such annual meeting. Directors must be members of the corporation.

2. The Board of Directors shall meet at the principal office of the corporation immediately following the annual membership meeting, and at other times and places as they may determine and the majority of the Board shall constitute a quorum.

3. A special meeting of the Board of Directors may be called at any time by the President, Vice President, Secretary-Treasurer, or by a majority of the Board. Notice of such a special meeting shall be given at least three days prior to said meeting by mailing notices thereof to each director. Special meetings may be had without notice if such notice is waived by all of the directors.

4. In case of a vacancy in the Board of Directors by death, resignation or otherwise, the remaining members of the Board shall elect a member to fill the vacancy, such new member to serve for the unexpired term of his predecessor and until his successor is elected and qualified.

• 5. The Board of Directors shall not acquire any real property, nor shall it enter into any financial obligation or payment which would extend over a period of in excess of two years, without approval of a majority of the members entitled to vote present or represented at a regular or special meeting of the membership, notice of which contains reference to such approval.

ARTICLE III

OFFICERS

1. The officers of the corporation shall consist of a President, Vice President, Secretary-Treasurer, and such other officers as designated by the Board of Directors. The officers of the corporation need not be members of the Board of Directors and shall be elected by a majority vote of the Board of Directors. The election of officers shall be held annually at the first meeting of the Board of Directors after the annual membership meeting. The persons named in the Articles of Incorporation as the first officers shall hold office until their successors have been elected and qualified at the first regular election.

2. In case of a vacancy in any office, the Board of Directors shall elect a successor to hold the office for the unexpired term.

3. The President shall preside at all meetings of the corporation and all meetings of the Board of Directors. The President shall have the power to appoint such committees as may be necessary and shall be an ex-officio member of the committees.

4. The Vice President shall perform all of the duties of the President during his absence and at such times as the President is unable to act.

5. The Secretary-Treasurer shall attend all meetings of the members and directors and keep a full and accurate account of their proceedings in a book to be kept for that purpose. He

shall record all transfers of membership and cancel and preserve all certificates of membership transferred. The Secretary-Treasurer shall also be the transfer agent of the corporation for the transfer of all certificates of membership. He shall also keep the seal of the corporation and affix the seal to all certificates of membership, conveyances of membership, contracts, mortgages and other such instruments requiring the seal as may be directed by the Board of Directors.

6. The Secretary-Treasurer shall also keep a full and accurate account of receipts and disbursements of the corporation in books belonging to the corporation, and shall deposit all monies and valuable objects in the name of the company in such depositories or safety vaults as may be designated by the Board. A report of the finances of the corporation shall be made by the Secretary-Treasurer whenever requested by the President and a report of like character shall be submitted by him at each annual meeting. He shall be required by the Directors at any time to give such bond as the Directors may designate.

7. Any or all of the officers of the corporation may be removed from office by a majority vote of the Board of Directors.

ARTICLE IV

DUES AND FEES

1. The Board of Directors from time to time shall fix and establish dues and assessments, all of which shall be paid.

promptly by the members; provided, however, that the aggregate of such dues and assessments during any calendar year shall not exceed the sum of \$120.00 unless the excess be approved or imposed by vote of a majority of the members entitled to vote present or represented at any annual or special meeting, notice of which contains reference to such proposed excess.

2. Failure to pay such dues and/or assessments within thirty (30) days after the same become due, as determined by the Board, shall be cause for suspension or termination of membership in the discretion of the Board.

ARTICLE V

AMENDMENT OF BY-LAWS

These By-Laws may be amended, added to or altered by a majority vote of the members entitled to vote and present or represented at any regular annual meeting or at any special meeting called for that purpose.

ARTICLE VI

MISCELLANEOUS

Any member of the corporation shall have the right to inspect the books and records of the corporation at reasonable hours and times.

APPROVED:
