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*The State of Ohio*  
 *Certificate* 

*Secretary of State - Bob Taft*

**1042834**

*It is hereby certified that the Secretary of State of Ohio has custody of the business records for SPINDELTOP NEIGHBORHOOD SOCIETY, INC. and that said business records show the filing and recording of:*

Document(s)  
DOMESTIC ARTICLES/NON-PROFIT

Document No(s):  
199832000039

United States of America  
State of Ohio  
Office of the Secretary of State

Witness my hand and the seal of the Secretary  
of State at Columbus, Ohio, This 13th day of  
November, A.D. 1998



*Bob Taft*  
Bob Taft  
Secretary of State

**ARTICLES OF INCORPORATION  
OF  
SPINDLETOP NEIGHBORHOOD SOCIETY, INC.**

(An Ohio Nonprofit Corporation)

The undersigned, desiring to form a nonprofit corporation under the nonprofit corporation laws of the State of Ohio, Chapter 1702 of the *Ohio Revised Code*, certifies as follows:

**ARTICLE I  
NAME**

The name of the nonprofit Corporation will be:  
SPINDLETOP NEIGHBORHOOD SOCIETY, INC.

**ARTICLE II  
PRINCIPAL OFFICE**

The place in this state where the principal office of the Corporation is to be located is in Beaver Creek Township, Greene County, Ohio.

**ARTICLE III  
PURPOSE AND POWERS**

The Corporation is organized for the purpose of acting as a neighborhood association for the residential neighborhood known as Spindletop at Stonehill Village (the "Neighborhood"). Stonehill Village (the "Community") is a residential and commercial subdivision located in Beaver Creek Township, Greene County, Ohio. In order to carry out this general purpose, the Corporation has, without limitation, the following powers:

- A. To adopt, amend, interpret and enforce a Code of Regulations, to be known as the Corporation's "Canons of Order," and any Rules and Regulations of the Corporation;
- B. To fulfill all of its obligations, and to exercise all of its rights and powers, under these Articles of Incorporation, the Canons of Order, the Declaration and other Governing Documents applicable to the Neighborhood;
- C. To acquire, own, maintain, manage, operate, regulate, improve, modify, repair, replace and take any other necessary or beneficial action with respect to any real or personal property of the Corporation;

- D. To sell, convey, lease, transfer or otherwise dispose of all or any part of, or any interest in, any real or personal property in which the Corporation owns or has an interest;
- E. To prepare, adopt and amend budgets for actual and anticipated revenues, expenditures and reserves relating to the operations of the Corporation;
- F. To pay all costs and expenses arising out of, in connection with, or relating to, the conduct of the business of the Corporation, including without limitation all licenses, fees, taxes, assessments or other governmental charges levied or imposed against the property of the Corporation;
- G. To borrow money, and to incur debts and liabilities, to fulfill the purposes of the Corporation;
- H. To enter into contracts, and to hire, retain and discharge managing agents and other employees, agents and independent contractors necessary or beneficial for carrying out the purposes of the Corporation, and to delegate such authority as it desires to one or more Officers, committees, managing agents, employees, agents or independent contractors as may be permitted in the Canons of Order;
- I. To institute, defend or intervene in any litigation, administrative proceeding, or alternative dispute resolution, in the name of or on behalf of the Corporation, or on behalf of any Owners, pertaining to any matters affecting or relating to the Neighborhood;
- J. To participate in mergers or consolidations with other nonprofit corporations organized for the same or similar purposes;
- K. To be, function and act as the Neighborhood Society for the Neighborhood, and to take all action necessary or beneficial to promote the health, safety and welfare of the Owners, Occupants and Users of the Neighborhood;
- L. To provide a forum for the Owners of Lots in the Neighborhood to elect an individual to serve as the Neighborhood's representative in the Stonehill Village Community Association, Inc., an Ohio non-profit corporation;
- M. To encourage and facilitate social interaction among the Owners in the Neighborhood;

- N. To exercise any other rights, powers or authority as may be necessary or beneficial for the proper governance, operation and administration of the Corporation; and
- O. To engage in any other lawful act, activity or business for which nonprofit corporations may be formed under Chapter 1702 of the *Ohio Revised Code*, and to have and exercise all powers conferred by Applicable Law on nonprofit corporations.

**ARTICLE IV**  
**RESTRICTIONS**

The Corporation is not intended to derive pecuniary gain or profit for or from its Members, Trustees or Officers. No part of the net earnings of the Corporation will inure to the benefit of, or be distributable to, any Member, Trustee, Officer or other private persons. However, the Corporation will be authorized to pay reasonable compensation for services rendered for or on behalf of the Corporation, and to make payments for the ordinary and necessary expenses incurred in carrying out the purposes of the Corporation. The Corporation may not engage in any activity which is in violation of any provision of Chapter 1702 of the *Ohio Revised Code*, or that would otherwise disqualify the Corporation as a non-profit organization under applicable provisions of the Internal Revenue Code and Treasury Regulations.

**ARTICLE V**  
**MEMBERSHIP**

There are Three (3) different types of Members in this Corporation: (i) Owner Members; (ii) Developer Member; and (iii) Founding Members. The qualifications, voting rights, other rights and privileges, obligations, and all other matters pertaining to Membership in this Corporation are described in the Declaration and this Corporation's Canons of Order.

**ARTICLE VI**  
**TRUSTEES**

There will be Three (3) original Trustees of this Corporation. The number of Trustees may be increased or decreased at any time in the manner provided in the Canons of Order, but may never be less than Three (3). The Trustees will exercise any and all of the corporate powers provided by these Articles, the Canons of Order, and Applicable Law. The names and addresses of those persons who will act in the capacity of the original Trustees of the Corporation until the selection of their successors are as follows:

	<u>Name</u>	<u>Address</u>
1.	Robert W. Nutter	925 Hilltop Road Xenia, Ohio 45385
2.	Kenneth E. Nutter	2750 Nantucket Road Beavercreek, Ohio 45434
3.	Nancy V. Magnon	360 Timberleaf Beavercreek, Ohio 45430

**ARTICLE VII**  
**CORPORATE LIABILITIES**

No Member, Trustee, Officer, employee, agent or volunteer of this Corporation will be personally liable for any debts, liabilities, or other obligations of the Corporation.

**ARTICLE VIII**  
**INDEMNIFICATION OF TRUSTEES, OFFICERS, EMPLOYEES AND AGENTS**

All Trustees, Officers, employees, agents and volunteers of this Corporation who are made or threatened to be made a party to any threatened, pending or contemplated civil, criminal, administrative or investigative action, suit or proceeding, other than an action by or in the right of the Corporation, will be entitled to indemnification by the Corporation only to the extent and subject to the terms and conditions provided in the Canons of Order of the Corporation pursuant to Section 1702.12(E) of the *Ohio Revised Code*, as that statute is now in effect or as it may be amended in the future.

**ARTICLE IX**  
**DISSOLUTION**

During the Development Period of the Community, only the Developer will have the right to dissolve this Corporation, without notice to or the consent of any of the other Members of the Corporation. After the Development Period, the Corporation may only be dissolved by the affirmative vote of not less than Seventy-Five Percent (75%) of all of the Owner Members of the Corporation, plus the affirmative vote of not less than Seventy-Five Percent (75%) of the Board of Trustees of the Community's Association. Upon dissolution of the Corporation, other than incident to a merger or consolidation, any remaining assets will be distributed in accordance with a plan of distribution adopted by the Developer, the Members or the Trustees in the manner provided in the Canons of Order of the Corporation.

**ARTICLE X**  
**DEFINITIONS**

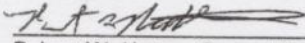
The capitalized terms and phrases used in these Articles of Incorporation have the same meanings as defined in the Glossary of Defined Terms in the Declaration.

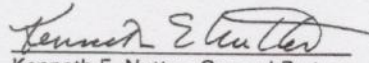
**ARTICLE XI**  
**AMENDMENTS**

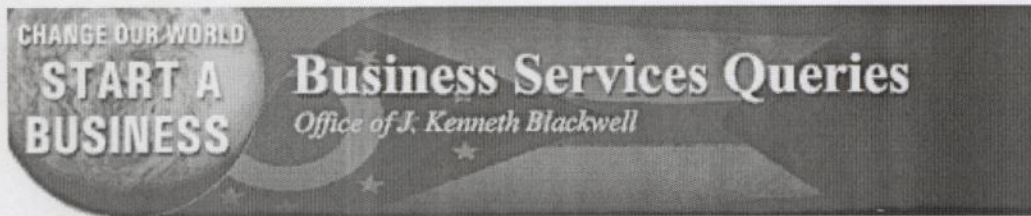
During the Development Period of the Community, only the Developer will have the right to amend these Articles of Incorporation, without notice to or the consent of any of the other Members of the Corporation. After the Development Period, these Articles of Incorporation may only be amended by the affirmative vote of not less than Seventy-Five Percent (75%) of all of the Owner Members of the Corporation. However, at no time may any provision of these Articles of Incorporation or the Code of Regulations of the Corporation be amended in any respect which affects the rights or obligations of the Founding Members without the prior written consent of all of the then living Founding Members.

IN WITNESS WHEREOF, the undersigned Incorporator of this Corporation has caused these Articles of Incorporation to be executed this 10<sup>th</sup> day of November, 1998.

SEABOARD REALTY CO.,  
An Ohio General Partnership

BY:   
Robert W. Nutter, General Partner

BY:   
Kenneth E. Nutter, General Partner



BUSINESS FILINGS DET.

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**Business Filing Information**

Business Name	Filing Type	Filing Date	Doc Id <i>Click for Image !</i>	Doc Id <i>Click for Approval Cert!</i>	Additional Filing Type Info
SPINDELTOP NEIGHBORHOOD SOCIETY, INC.	Domestic Articles/Non-Profit	Nov 13 1998	<a href="#">199832000039</a>	<a href="#">199832000039</a>	
	Domestic Agent Address Change	Jul 21 2000	<a href="#">200020700468</a>	<a href="#">200020700468</a>	
	Domestic Agent Address Change	May 21 2003	<a href="#">200314101310</a>	<a href="#">200314101310</a>	

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# O'DIAM, McNAMEE & HILL

A Legal Professional Association

*Beavercreek Office:*  
2371 Lakeview Drive  
Beavercreek, Ohio 45431-3696  
Telephone (937) 427-1367  
Fax (937) 427-1369  
E-mail: info@otmhlaw.com

*Dayton Office:*  
360 National City Center  
6 North Main Street  
Dayton, Ohio 45402-1908  
Telephone (937) 496-3600  
Fax (937) 496-3608

*Please respond to Beavercreek Office*

November 10, 1998

## VIA OVERNIGHT DELIVERY

Secretary of State  
STATE OF OHIO  
30 E. Broad St.  
14th Floor  
Columbus, Ohio 43215

RE: Spindletop Neighborhood Society, Inc.

Dear Reader:

Enclosed are the Articles of Incorporation and Appointment of Statutory Agent for the above-referenced corporation. Also enclosed is a check in the amount of \$95.00 to cover the filing fee for the incorporation and the additional sum for expedited service. Please file these documents and return a receipted copy to this office.

If you have any questions or if you need any additional information, please call me.

Sincerely yours,  
O'DIAM, McNAMEE & HILL CO., L.P.A.

*Thomas M. O'Diam / TSP*

Thomas M. O'Diam

TMO/lsp  
Enclosure



**ARTICLES OF INCORPORATION**  
**OF**  
**SPINDLETOP NEIGHBORHOOD SOCIETY, INC.**  
(An Ohio Nonprofit Corporation)

The undersigned, desiring to form a nonprofit corporation under the nonprofit corporation laws of the State of Ohio, Chapter 1702 of the *Ohio Revised Code*, certifies as follows:

**ARTICLE I**  
**NAME**

The name of the nonprofit Corporation will be:  
SPINDLETOP NEIGHBORHOOD SOCIETY, INC.

**ARTICLE II**  
**PRINCIPAL OFFICE**

The place in this state where the principal office of the Corporation is to be located is in Beaver Creek Township, Greene County, Ohio.

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**PURPOSE AND POWERS**

The Corporation is organized for the purpose of acting as a neighborhood association for the residential neighborhood known as Spindletop at Stonehill Village (the "Neighborhood"). Stonehill Village (the "Community") is a residential and commercial subdivision located in Beaver Creek Township, Greene County, Ohio. In order to carry out this general purpose, the Corporation has, without limitation, the following powers:

- A. To adopt, amend, interpret and enforce a Code of Regulations, to be known as the Corporation's "Canons of Order," and any Rules and Regulations of the Corporation;
- B. To fulfill all of its obligations, and to exercise all of its rights and powers, under these Articles of Incorporation, the Canons of Order, the Declaration and other Governing Documents applicable to the Neighborhood;
- C. To acquire, own, maintain, manage, operate, regulate, improve, modify, repair, replace and take any other necessary or beneficial action with respect to any real or personal property of the Corporation;

- D. To sell, convey, lease, transfer or otherwise dispose of all or any part of, or any interest in, any real or personal property in which the Corporation owns or has an interest;
- E. To prepare, adopt and amend budgets for actual and anticipated revenues, expenditures and reserves relating to the operations of the Corporation;
- F. To pay all costs and expenses arising out of, in connection with, or relating to, the conduct of the business of the Corporation, including without limitation all licenses, fees, taxes, assessments or other governmental charges levied or imposed against the property of the Corporation;
- G. To borrow money, and to incur debts and liabilities, to fulfill the purposes of the Corporation;
- H. To enter into contracts, and to hire, retain and discharge managing agents and other employees, agents and independent contractors necessary or beneficial for carrying out the purposes of the Corporation, and to delegate such authority as it desires to one or more Officers, committees, managing agents, employees, agents or independent contractors as may be permitted in the Canons of Order;
- I. To institute, defend or intervene in any litigation, administrative proceeding, or alternative dispute resolution, in the name of or on behalf of the Corporation, or on behalf of any Owners, pertaining to any matters affecting or relating to the Neighborhood;
- J. To participate in mergers or consolidations with other nonprofit corporations organized for the same or similar purposes;
- K. To be, function and act as the Neighborhood Society for the Neighborhood, and to take all action necessary or beneficial to promote the health, safety and welfare of the Owners, Occupants and Users of the Neighborhood;
- L. To provide a forum for the Owners of Lots in the Neighborhood to elect an individual to serve as the Neighborhood's representative in the Stonehill Village Community Association, Inc., an Ohio non-profit corporation;
- M. To encourage and facilitate social interaction among the Owners in the Neighborhood;

- N. To exercise any other rights, powers or authority as may be necessary or beneficial for the proper governance, operation and administration of the Corporation; and
- O. To engage in any other lawful act, activity or business for which nonprofit corporations may be formed under Chapter 1702 of the *Ohio Revised Code*, and to have and exercise all powers conferred by Applicable Law on nonprofit corporations.

#### **ARTICLE IV RESTRICTIONS**

The Corporation is not intended to derive pecuniary gain or profit for or from its Members, Trustees or Officers. No part of the net earnings of the Corporation will inure to the benefit of, or be distributable to, any Member, Trustee, Officer or other private persons. However, the Corporation will be authorized to pay reasonable compensation for services rendered for or on behalf of the Corporation, and to make payments for the ordinary and necessary expenses incurred in carrying out the purposes of the Corporation. The Corporation may not engage in any activity which is in violation of any provision of Chapter 1702 of the *Ohio Revised Code*, or that would otherwise disqualify the Corporation as a non-profit organization under applicable provisions of the Internal Revenue Code and Treasury Regulations.

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There are Three (3) different types of Members in this Corporation: (i) Owner Members; (ii) Developer Member; and (iii) Founding Members. The qualifications, voting rights, other rights and privileges, obligations, and all other matters pertaining to Membership in this Corporation are described in the Declaration and this Corporation's Canons of Order.

#### **ARTICLE VI TRUSTEES**

There will be Three (3) original Trustees of this Corporation. The number of Trustees may be increased or decreased at any time in the manner provided in the Canons of Order, but may never be less than Three (3). The Trustees will exercise any and all of the corporate powers provided by these Articles, the Canons of Order, and Applicable Law. The names and addresses of those persons who will act in the capacity of the original Trustees of the Corporation until the selection of their successors are as follows:

	<u>Name</u>	<u>Address</u>
1.	Robert W. Nutter	925 Hilltop Road Xenia, Ohio 45385
2.	Kenneth E. Nutter	2750 Nantucket Road Beavercreek, Ohio 45434
3.	Nancy V. Magnon	360 Timberleaf Beavercreek, Ohio 45430

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**ARTICLE VIII**  
**INDEMNIFICATION OF TRUSTEES, OFFICERS, EMPLOYEES AND AGENTS**

All Trustees, Officers, employees, agents and volunteers of this Corporation who are made or threatened to be made a party to any threatened, pending or contemplated civil, criminal, administrative or investigative action, suit or proceeding, other than an action by or in the right of the Corporation, will be entitled to indemnification by the Corporation only to the extent and subject to the terms and conditions provided in the Canons of Order of the Corporation pursuant to Section 1702.12(E) of the *Ohio Revised Code*, as that statute is now in effect or as it may be amended in the future.

**ARTICLE IX**  
**DISSOLUTION**

During the Development Period of the Community, only the Developer will have the right to dissolve this Corporation, without notice to or the consent of any of the other Members of the Corporation. After the Development Period, the Corporation may only be dissolved by the affirmative vote of not less than Seventy-Five Percent (75%) of all of the Owner Members of the Corporation, plus the affirmative vote of not less than Seventy-Five Percent (75%) of the Board of Trustees of the Community's Association. Upon dissolution of the Corporation, other than incident to a merger or consolidation, any remaining assets will be distributed in accordance with a plan of distribution adopted by the Developer, the Members or the Trustees in the manner provided in the Canons of Order of the Corporation.

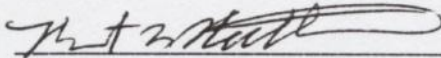
## ORIGINAL APPOINTMENT OF STATUTORY AGENT

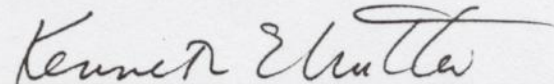
The undersigned, being the Sole Incorporator of **SPINDLETOP NEIGHBORHOOD SOCIETY, INC.**, an Ohio nonprofit corporation, appoints **THOMAS M. O'DIAM**, a natural person resident in the State of Ohio, upon whom any process, notice or demand required or permitted by statute to be served upon the corporation may be served. The complete address of the agent is:

2371 Lakeview Drive  
Beavercreek, Ohio 45431  
(Greene County)

November 10, 1998

**SOLE INCORPORATOR:**  
**SEABOARD REALTY CO.,**  
An Ohio General Partnership

BY:   
Robert W. Nutter, General Partner

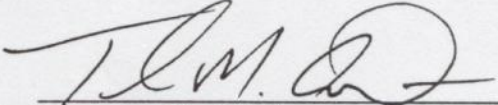
BY:   
Kenneth E. Nutter, General Partner

## ACCEPTANCE OF AGENT

Beavercreek, Ohio  
November 10, 1998

Gentlemen:

I accept appointment as agent of your Corporation upon whom process, notices or demands may be served.

BY:   
Thomas M. O'Diam

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**CANONS OF ORDER**

of

**SPINDLETOP NEIGHBORHOOD SOCIETY, INC.**

**An Ohio Nonprofit Corporation**

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**CANONS OF ORDER**  
of  
**SPINDLETOP NEIGHBORHOOD SOCIETY, INC.**

Pursuant to Section 1702.10 of the *Ohio Revised Code*, the sole incorporator of **SPINDLETOP NEIGHBORHOOD SOCIETY, INC.**, an Ohio nonprofit corporation (the "Society"), adopts the following Canons of Order of the Society in connection with the Neighborhood known as Spindletop at Stonehill Village (the "Neighborhood"). The Neighborhood is part of the residential and business development known as Stonehill Village (the "Community"), located in Beaver Creek Township, Greene County, Ohio. The term "Canons of Order" has the same meaning as "Code of Regulations" for purposes of Chapter 1702 of the *Ohio Revised Code*.

**ARTICLE I**

**GENERAL PROVISIONS**

**Section 1.01:**     **Purpose.** The purpose of these Canons of Order is to establish procedures for the organization and government of the Society and the conduct of its affairs. The Neighborhood is one component of the Community in which it is located. As such, it has requirements that are both similar to, and unique from, the Community at large. The purpose of the Society is to provide a formal, organized forum through which the Owners of Lots located in the Neighborhood may have a voice in the activities of the Community Association. The Society will also serve as the vehicle for the Owners of Lots in the Neighborhood to elect a representative to serve as the Neighborhood's Voting Member in the Community Association. Another important purpose of the Society is to encourage, facilitate, and hopefully foster positive social relationships among the Owners of Lots in the Neighborhood. The powers and authority of the Society are intended to be subordinate to the rights, powers and authority of the Community Association. Upon written request and payment of any applicable charge, the Council of the Neighborhood will provide a complete and accurate copy of these Canons of Order to any Owner or purchaser under contract to buy a Lot in the Neighborhood.

**Section 1.02:**     **Application of Canons of Order.** All present or future Owners and Occupants of any Lots in the Neighborhood, and all other Persons who use the

Common Areas in the Neighborhood in any manner, will be subject to these Canons of Order and all other Governing Documents. By accepting a deed to a Lot in the Neighborhood, each Owner will be deemed to have constructive notice of these Canons of Order and all other Governing Documents. Acceptance of a deed to a Lot will also constitute unconditional acceptance of, and agreement to be bound by, these Canons of Order and all other Governing Documents.

**Section 1.03: Definitions.** The words in these Canons of Order are to be given their common, ordinary meanings. Capitalized terms have the same meanings as they have been given in the Glossary of Defined terms attached to the Master Declaration of Covenants, Conditions and Restrictions for Stonehill Village, recorded in the official records of Greene County, Ohio, (the "Declaration"), unless the context clearly indicates otherwise.

## ARTICLE II

### DEVELOPER'S RESERVATION OF RIGHTS

**Section 2.01: Purpose.** The Purpose of this Article of the Canons of Order is to describe the rights, powers and authority that the Developer is specifically retaining concerning the operation, management and control of the Society during the Development Period. By acceptance of a deed to a Lot, each Owner unconditionally acknowledges and agrees that all rights, powers and authority of the Developer described in these Canons of Order and all of the other Governing Documents are material, reasonable and necessary for proper development of the Neighborhood and the Community.

**Section 2.02: Exclusive Control Over the Society.** Notwithstanding anything to the contrary in these Canons of Order, during the Development Period, the Developer will have the complete and exclusive right and power to control the management, operation, decisions and all other aspects of the Society. The rights and powers reserved by the Developer will be without any limitation, and will continue throughout the entire Development Period without exception. All rights and powers granted to the Society will be subject and subordinate to the rights of the Developer during the Development Period.

**Section 2.03: Exclusive Control Over Council and Committees.** During the Development Period, the Developer will have the complete and exclusive right and power to control the formation, organization, management, operation, decisions and all other aspects of the Council, and all Officers, committees, subcommittees, panels,

boards, employees, volunteers and agents of the Society. These rights and powers reserved by the Developer will also be without any limitation, and will continue throughout the entire Development Period without exception. All rights and powers granted to the Council, Officers, committees, volunteers and agents of the Society under these Canons of Order will be subject and subordinate to the rights of the Developer during the Development Period. Without limiting the Developer's rights under this Section, the following are specific requirements which must be followed in order to preserve the Developer's rights and powers:

- A. Appointment of Council Members and Others. The Developer will have the right to appoint, approve, and/or remove any and all of the Council Members, Officers, and all committees, volunteers and agents of the Society.
- B. Notice of Meetings. The Developer must receive timely notice of all meetings of the Members, the Council, and all committees of the Society.
- C. Right to Participate. The Developer, either by itself or through any other Person designated by the Developer, will have the right to attend and participate in all meetings of the Members, the Council, and all committees of the Society.
- D. Right to Disapprove Actions. The Developer will have the right to approve, disapprove, or modify all actions, decisions, recommendations, Rules and Regulations, policies, programs and other activities of the Society, Council, the Officers and all committees of the Society. If the Developer does not exercise its right to disapprove or modify the matters by written notice to the acting body within Ten (10) days after the matter is initially decided or implemented, then the Developer will be deemed to have waived this right as to that particular matter.

**Section 2.04:** Exercise of the Developer's Rights and/or Discretion. To the extent that the Developer is empowered under this Article of the Canons of Order or any of the other Governing Documents to undertake any action, to make any decision or determination, or to exercise any other right, privilege, or power, the action, decision and/or exercise will be at the sole, complete and absolute discretion of the Developer, without the need for any review, approval, consent or authorization by any other Person whatsoever.

**Section 2.05: Reservation of Right to Delegate.** The Developer reserves the right to assign or delegate to the Council or any Person the right to exercise all or any portions of the Developer's rights, powers and authority under these Canons of Order, and any of the other Governing Documents, on the terms and for the periods of time as the Developer may determine. Any assignment or delegation must be in writing and signed by the Developer, or its authorized agent. No assignment or delegation under this Section will reduce or limit the right of the Developer to exercise that right, power or authority concurrently or independently, or expand the right, power or authority beyond the scope properly exercised by the Developer.

**Section 2.06: No Waiver.** The failure of the Developer to exercise any right, power or authority granted to or reserved by the Developer under these Canons of Order, or any of the other Governing Documents, will not constitute a waiver of the Developer's right to exercise that right, power or authority at any time, whether under the same or different circumstances, or under any existing, concurrent or subsequent events.

**Section 2.07: Commencement and Termination of Development Period.** The Development Period will commence on the date that the Declaration for the Community is recorded in the office of the Greene County Recorder. The Development Period will terminate on the earlier of: (i) the date on which the Developer, any Related Entity or any Founding Member no longer owns any portion of the Property in the Community, including without limitation any Exempt Property or any Voidable Property; (ii) the date on which the Developer voluntarily relinquishes all of its rights and authority under the Declaration in a written instrument, signed by the Developer, and recorded in the office of the Greene County Recorder, which specifically states that the Developer intends to terminate the Development Period; or (iii) the date which is Forty (40) years after the date on which the Declaration is recorded in the office of the Greene County Recorder.

**Section 2.08: Transition With Respect to Society.** Upon the formation of the Society, the Developer will appoint all Council Members. Within Sixty (60) days after conveyance of Twenty-Five Percent (25%) of the Neighborhood's total Lots to Owners other than the Developer or any Builder, the then current Owner Members of the Society may elect One (1) member of the Council. Within Sixty (60) days after conveyance of Fifty Percent (50%) of the total Lots in the Neighborhood to Owners other than the Developer or any Builder, the then current Owner Members of the

Society may elect a total of Two (2) members of the Council. Within Sixty (60) days after conveyance of Seventy-Five Percent (75%) of the total Lots in the Neighborhood to Owners other than the Developer or any Builder, the then current Owner Members of the Society may elect a total of Three (3) members of the Council for the Neighborhood.

**Section 2.09:** Early Termination of Control. The Developer may voluntarily relinquish and terminate all or a portion of its right to participate in and control the Society, Council, and all committees of the Society before termination of the Development Period. Any early termination must be evidenced in a written instrument, signed by the Developer and recorded in the office of the Greene County Recorder, which specifically states that portion of control, or the nature and scope of those rights, powers, and authorities, then being terminated and relinquished by the Developer. A partial termination will not be construed to limit, restrict or otherwise affect the remaining exclusive rights and powers granted to or reserved by the Developer under these Canons of Order or any other Governing Documents which are not specifically relinquished.

**Section 2.10:** Effect of Termination of Development Period Upon this Article. The terms and conditions set forth in this Article of the Canons of Order will only be effective during the Development Period. Upon the termination of the Development Period, this Article will be automatically repealed and will be completely disregarded in the same manner and to the same extent as if it had never been incorporated into the Canons of Order. The repeal of this Article will not have any effect whatsoever on the remaining Articles and provisions of these Canons of Order.

### ARTICLE III

#### NAME AND LOCATION

**Section 3.01:** Name of Society. The name of the Society is the Spindletop Neighborhood Society, Inc.

**Section 3.02:** Location of Principal Office. The principal office of the Society will be at Stonehill Village in Beaver Creek Township, Greene County, Ohio.

### ARTICLE IV

#### RELATIONSHIP BETWEEN NEIGHBORHOOD SOCIETY AND COMMUNITY ASSOCIATION

**Section 4.01:** Overview. Management of a Community the size of Stonehill Village is a complex, but important matter. The objective of the Developer is to

provide an efficient and effective system that permits and encourages participation by every Owner, without creating unreasonable personal administrative obligations that will detract from the enjoyment of living in the Neighborhood and the Community. The overlay management structure for the Community consists of the Association, as the central administrative body, and several smaller, subordinate organizations known as Neighborhood Societies. This Society is one of those Neighborhood Societies. The Association and the Society are structured with the goal of facilitating participation by the Owner Members in the governance of the Community, while reducing as much as possible the administrative burdens associated with that participation.

**Section 4.02: Purpose of Association.** The Developer has formed the Association as an Ohio nonprofit corporation. The legal name of the Association is the Stonehill Village Community Association, Inc. The purpose of the Association is to serve as the predominant entity through which the Owners of Lots in the Community (which include the Owner Members of this Society) will manage and administer the entire Community for the benefit of all of the Owners in the various Neighborhoods. The Association will own, manage, maintain and operate all of the Common Areas in the Community. Further, the Association will oversee and enforce the Declaration and the other Governing Documents through its Board and various committees.

**Section 4.03: Purpose of Neighborhood Societies.** As each Neighborhood is integrated into the Community, the Developer will form a separate Ohio nonprofit corporation for that Neighborhood. This Society is one such nonprofit corporation. Although the legal structure of the Society is similar to the legal structure of the Association, it has been designated in the Declaration, the Articles of Incorporation, and these Canons of Order as a "Neighborhood Society" in order to differentiate it from the Association. Further, the powers and authority of this Society and every other Neighborhood Society will be subordinate to the rights, powers and authority of the Association. The primary purpose of this Society and every other Neighborhood Society will be to provide a forum where Owners in the Neighborhoods will have an opportunity to provide input into matters that affect their particular Neighborhoods. Each Neighborhood Society will also elect a representative to serve as the Voting Member to represent their Neighborhood in the Association.

**Section 4.04: Effect of Layering Organizations.** The purpose of providing layers of administrative rights and responsibilities through the Association and subordinate Neighborhood Societies is to create a more efficient system of private democracy in

the Community for the management of its affairs. The ultimate power is reserved for the Owner Members, subject only to the rights of the Developer during the Development Period. The Owner Members will exercise most of their rights through the Neighborhood Societies. In turn, the Neighborhood Societies will operate the Association through the collective action of their individual Voting Member representatives. These multiple levels of organization are intended to establish a representative form of management that will best reflect the rights and desires of the Owners through a centralized structure. The centralized structure of the Association will enable the individual Owners to be free of the daily responsibilities of overseeing the operation of the Community, while at the same time enhancing the continuity and effectiveness with which the Community as a whole can fulfill the goals and objectives described in the Declaration, these Canons or Order, and other Governing Documents.

**Section 4.05: Veto Power of Voting Members of the Association.** In recognition of the fact that the rights and powers of the Community's Association are superior to any and all rights and powers of the Society, by majority vote of the Voting Members of the Association, the Association will have the right to veto, prohibit, enjoin or modify any action taken or proposed to be taken by the Society if, in the sole discretion of the Voting Members, the action conflicts in any respect with the power and authority of the Association, or is or may be detrimental to the health, safety, welfare or overall best interests of the Community as a whole. This veto power on the part of the Association is inherent in the structural interrelationship between the Association and the Society, and is completely independent of the Developer's rights during the Development Period. Thus, the expiration of the Development Period will not have any impact upon the Association's control over the actions of the Society as set forth in these Canons of Order, the Declaration, or any other Governing Document.

## **ARTICLE V**

### **MEMBERS**

**Section 5.01: Membership Type.** There will be Three (3) different types of Members in the Society, each of which is described below:

- A. Owner Members. Every Owner of a Lot in the Neighborhood will automatically be a Member of the Society.
- B. Developer Member. The Developer, or any Related Entity to which the Developer has assigned its rights pertaining to the development of the Neighborhood, will be the only Developer Member of the Society.



Membership of the Developer Member is based upon the Developer's relationship to and responsibilities for the creation and development of the Neighborhood. The Developer or its Related Entity will be considered a Member of the Society in order to facilitate the exercise of the rights, powers and authority reserved for the Developer under the Declaration and these Canons of Order. The Developer Member category of membership in the Society will automatically terminate upon the conclusion of the Development Period.

- C. Founding Members. Ervin J. Nutter, his children, grandchildren and great grandchildren, and the spouses and natural or adopted children of each of these individuals are the Founding Members of the Society. Membership of the Founding Members is based upon the relationship of these individuals to the initial owner of the land upon which the Community and the Neighborhood have been established, and in recognition of the concept and implementation of the Community by this family. The Founding Members are considered to be Members of the Society in order to permit their continuing use and enjoyment of the creation they envisioned and brought into reality. The Founding Member category of membership in the Society will continue until the death of the last Founding Member.

**Section 5.02: Owner Member Qualification.** All Owner Members in the Society must be the holders of present legal title to a Lot in the Neighborhood. Membership by the Owner Members in the Society is evidenced by a properly executed and delivered deed granting a present legal interest in a Lot, and will be effective from the date the deed is recorded. Owner Members may be individuals, general or limited partnerships, limited liability companies, profit or nonprofit corporations, trusts, or any other form of entity recognized under Ohio law and having the power to hold legal title to real estate. Membership in the Society is an incidence of ownership of a present interest in legal title to a Lot in the Neighborhood, and all Owner Members of the Society must have a present legal interest in title to one or more of the Lots. No person who holds a future legal or equitable interest (whether vested or contingent) in any Neighborhood Lot will be an Owner Member of the Society, nor have any rights or obligations of Owner Members of the Society. Lenders holding any interest in any Lot in the Neighborhood as security for an obligation of the Owner of the Lot are not