

CODE OF REGULATIONS
OF
MUIRFIELD ASSOCIATION, INC.

MUIRFIELD ASSOCIATION, INC.

Code of Regulations

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MUIRFIELD ASSOCIATION, INC.

Code of Regulations

Article 1
Membership

§1.1. Admission to Membership. All Residents, as that term is defined in the Deed dated February 10, 1975, from Muirfield Ltd. to Frank C. Dunbar, III, as trustee, of any part of the property described in that certain Deed (hereinafter referred to as the "Property"), and such additions thereto as may hereafter be annexed thereto pursuant to the provisions of said Deed, shall automatically become members of Muirfield Association, Inc. (hereinafter referred to as "MA") upon the commencement of their residency. Until such time as there is at least one member of MA by reason of such member's being a Resident, Muirfield Ltd. shall be a member of MA for all purposes; thereafter, Muirfield Ltd. shall no longer be a member of MA. Such members by virtue of their residency and Muirfield Ltd., for so long as it is a member of MA, are hereinafter referred to as "members" in the plural and a "member" in the singular.

In addition, the trustees (whether initial trustees or other trustees), while acting as trustees, shall constitute voting members of a class within the meaning of Ohio Revised Code Section 1702.38(C) (or any corresponding provision of any other Ohio statute), and are hereinafter referred to as "trustee-members" in the plural and a "trustee-member" in the singular. Trustee-members, as such, shall have none of the rights, privileges, duties, or obligations conferred or imposed upon a member, other than the right to vote in the manner and for the purposes specifically set forth in Article 8 of these regulations; but the foregoing shall not be construed as limiting in any manner the rights, privileges, duties, and obligations that are conferred or imposed upon a trustee-member in his capacity as a trustee or as a member by virtue of his residency, if he be such.

§1.2. Termination of Membership. Muirfield Ltd.'s membership shall automatically terminate at such time as there is at least one member of MA by reason of such member being a Resident. Whenever any other member ceases to be a Resident of any part of the Property, his membership shall automatically terminate. In addition, if the board of trustees, by a vote of two-thirds of the trustees present at any meeting of the board of trustees, determines that a member has failed to abide by, or perform the duties and obligations imposed upon him by, the restrictions, conditions, covenants, rules or regulations of or owing to MA and to be abided or performed by such member, or that a member has engaged in other acts or conduct detrimental to the purposes of MA, the rights and privileges, but not the duties and obligations, of his membership shall thereupon and thereafter be suspended, unless and until the board of trustees by a two-thirds vote of the trustees present at any meeting of the board of trustees shall reinstate such rights and privileges of membership.

§1.3. Annual Meeting. The annual meeting of the members at which the voting members shall elect trustees, if such an election is to take place, and transact such other business as may come before the meeting, shall be held at 8:00 p.m., local time, on the first Wednesday of the month of April of each year, or at such other time and on such other date within 30 days thereafter as may be designated by the board of trustees. If for any reason the election of trustees is not held at an annual meeting at which such an election was to take place, or any adjournment thereof, the board of trustees shall cause the election to be held at a special meeting of the members as soon thereafter as is convenient. At any such special meeting the voting members may elect trustees and transact any other business with the same effect as at an annual meeting. (As amended 04/04/90.)

§1.4. Special Meetings. A special meeting of the members may be called by the president, or, in case of the president's absence, death, or disability, by the vice president authorized to exercise the authority of the president, or by a majority of the trustees acting with or without a meeting, or by 50 percent of the members entitled to vote. Upon delivery to the president or secretary or to anyone specifically designated by the board of trustees to receive the same, of a request in writing for a meeting, it shall be the duty of the officer or person to whom the request is delivered to give notice to the members of such meeting. Said request shall specify the objects or purposes of and the date and hour for such meeting. The date shall be at least 10 but not more than 21 days after receipt of the request. If, upon such a request, such officer or person does not within 5 days thereafter call the meeting, the persons making such request may call it by giving notice as provided in §1.6, or by causing it to be given by any designated representative.

§1.5. Place of Meetings. All meetings of the members shall be held at such place or places within Franklin or Delaware County, Ohio as may from time to time be fixed by the board of trustees, or if not so fixed, then as shall be specified in the respective notices or waivers of notice thereof.

§1.6. Notice of Meetings. Notices of annual meetings and all other corporate notices shall be delivered or mailed to each member at his residence in Muirfield Village as it appears on the records of MA.

Except as otherwise required by law, notice of the annual meetings of the members shall, not more than 60 days but not less than 10 days before the date specified for the meeting, be given by the president or secretary, or by anyone specifically designated

by the board of trustees to give such notice, to each member entitled to notice of the meeting, by delivering one written or printed notice thereof to each residence or by posting it in a postage-prepaid envelope addressed to each residence in Muirfield Village as above-provided. If the board of trustees has determined the date or dates for any other meetings of the members, then the notice of the annual meeting may also include those dates, and, if such dates are included, then no other notice shall be required for such meetings. Except if and when expressly required by law, no publication of any notice of the annual meeting of the members shall be required. No person becoming a member less than 30 days prior to any meeting of the members shall be entitled to notice of such meeting.

Except as otherwise required by law, notice of a special meeting of the members shall, not more than 60 days but not less than 10 days before the date specified for the meeting, be posted by the president or secretary, or by anyone specifically designated by the board of trustees to post such notice, or in the case of his or their refusal or failure to do so, by the person or persons entitled to call such meeting, in a conspicuous place or places within Muirfield Village designated by the board of trustees to be used for such purposes. Every notice of a special meeting of the members, besides stating the time and place of the meeting, shall state briefly the objects or purposes thereof as may be specified by the person or persons requesting or calling the meeting. Only the business provided for in such notice shall be taken up at such special meeting.

Notice of the adjournment of a meeting need not be given if the time and place to which it is adjourned are fixed and announced at such meeting.

§1.7. Waiver of Notice. Any member, either before or after any meeting, may waive any notice thereof required by law, the articles of incorporation, or these regulations. Waivers must be in writing and filed with or entered upon the records of the meeting. Notice of a meeting will be deemed to have been waived by any member who attends such meeting and who does not, before or at the commencement of the meeting, protest the lack of proper notice.

§1.8. Organization. At each meeting of the members, the president, or, in his absence, the vice president, or, in the absence of both, a chairman chosen by a majority of the voting members present and entitled to vote, shall act as chairman, and the secretary, or, in his absence, any person whom the chairman of the meeting appoints, shall act as secretary of the meeting.

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

1. Roll call;
2. Proof of notice of meeting or waiver thereof;
3. Reading of minutes of preceding meeting and acting thereon, unless dispensed with by unanimous consent;
4. Report of board of trustees, if any;
5. Reports of 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, however, be changed by the vote of a majority of the members present and entitled to vote.

§1.10. Voting. For so long as Muirfield Ltd. is a member, it shall be entitled to one vote on each matter properly submitted to the voting members for their vote. Thereafter, the occupants of each living unit in Muirfield Village shall collectively be entitled to one vote allocated to that living unit on each matter properly submitted to the voting members for their vote. The board of trustees may make such rules and regulations, not inconsistent with the terms of the articles of incorporation or these regulations, as it deems advisable, in its sole discretion, for any meeting of members, in regard to proof of membership in MA, evidence of the right to vote, registration of members for voting purposes, and such other matters concerning the conduct of voting. MA shall have no duty nor responsibility to determine which occupant of a living unit shall be entitled to vote. If the occupants of any living unit cannot jointly agree as to which of them shall be entitled to exercise the vote allocated to that living unit, then the right to vote shall be forfeited by the occupants of such living unit.

Not more than 60 days but at least 10 days prior to any meeting at which the voting members are to elect one or more trustees, one ballot shall be mailed to each living unit known by MA to be occupied, which ballot shall contain the names of those members nominated for election as trustee by the nominating committee as provided in §2.2 and the date of the meeting, which shall be the last date upon which the board of trustees shall accept ballots for counting. Such ballots may be cast by mail or in person at the meeting.

Voting on all matters other than the election of trustees shall be done only in person at meetings of the members. Upon the request of any member entitled to vote, a vote shall be by written ballot. Otherwise, votes at any meeting of the members on matters other than the election of trustees shall be made orally.

§1.11. New Members. Any person entitled to membership shall make such fact known to MA by completing and returning to MA a membership form obtainable from MA; provided, however, that any member may complete such form for any person entitled to membership who, because of age or infirmity, is unable or incompetent to complete such form.

Article 2 Trustees

§2.1. Powers of Board of Trustees. The powers of MA shall be exercised, its business and affairs shall be conducted, and its property shall be controlled by, the board of trustees, except as may otherwise be provided by the law of Ohio, the articles of incorporation or these regulations. Such powers of the board of trustees shall include, but not be limited to, the exclusive authority to determine the amount of all assessments and charges to be levied by MA and the amount of all expenditures to be made by it.

§2.2. Number and Qualification. There shall be nine trustees. As used in this Article 2, "initial trustees" denotes both the nine trustees designated in Article FOURTH of the articles of incorporation and any persons elected pursuant to §2.7 to complete the unexpired original terms of office of any such designated trustees who resign or are unable to complete their initial terms of office. The initial trustees need not be members of MA. All other trustees must be members of MA and if any such other trustee ceases to be a member of MA or if his rights and privileges as a member of MA shall be suspended pursuant to §1.2 of these regulations, he shall thereupon immediately cease to be a trustee.

Prior to an annual meeting at which the voting members are to elect one or more trustees, the president, with the approval of the board of trustees, shall appoint a nominating committee, composed of three members. The nominating committee shall select at least one nominee for each vacancy.

The nominating committee shall announce to the members prior to the annual meeting the names of the nominees, and shall cause them to be nominated at the annual meeting. Additional nominations shall be received from the floor at the annual meeting.

§2.3. Compensation and Expenses. No initial trustees may be compensated for serving as trustees. Other trustees may be compensated at such rates on a per-meeting basis and up to such total compensation during the period between annual meetings of the membership as shall be determined from time to time by the board of trustees; provided, however, the maximum compensation payable to any trustee shall be \$50 per bona fide meeting with a cumulative limit of \$1,200 for payment between annual meetings of the membership, unless otherwise authorized by the membership at an annual meeting the notice of which states that trustee compensation in excess of such aforementioned limits will be an issue to be determined. Notwithstanding the foregoing, however, trustees may be reimbursed for their out-of-pocket expenses incurred in the performance of their duties, if such reimbursement is authorized by the board of trustees; and, if serving MA in any capacity other than that of trustees, they may be compensated therefor.

§2.4. Election and Term of Office. The initial trustees shall hold office until their successors are elected as provided in this §2.4.

At the first annual meeting after 400 residential living units have been occupied, the voting members shall elect one trustee to succeed the initial trustee then occupying trustee position number one, as set forth in Article FOURTH of the articles of incorporation. At the first annual meeting after the occupancy of 750 residential living units, the voting members shall elect a successor to the initial trustee then occupying trustee position number two. At the first annual meeting after the occupancy of 1,500 residential living units, the voting members shall elect a successor to the initial trustee then occupying trustee position number three. At the first annual meeting after the occupancy of 2,250 residential living units, the voting members shall elect a successor to the initial trustee then occupying trustee position number four. The trustees so elected shall serve for terms of one year and, as their respective terms expire, successors shall be elected by the voting members to one-year terms.

At the first annual meeting after the earlier of January 1, 1989 or the occupancy of 3,650 residential living units, the voting members shall elect successors to the trustees occupying all nine trustee positions. Three trustees shall be elected for a term of one year, three for a term of two years, and three for a term of three years. As their respective terms expire, and as the terms of all subsequent trustees expire, the voting members shall elect trustees to three-year staggered terms so that, at each annual meeting of the members, three trustees shall be elected. At each meeting of the members for the election of trustees the number of persons (corresponding to the number of trustees to be elected) receiving the greatest number of votes shall be deemed elected trustees, regardless of whether or not such persons receive the votes of a majority of the members present.

§2.5. Resignations. Any trustee may resign by giving written notice to any officer. Such resignation shall take effect at the time specified therein and the acceptance of a resignation shall not be necessary to make it effective.

§2.6. Removal of Trustees. Any trustee may be removed, either with or without cause, by the affirmative vote of two-thirds of the trustees present at any meeting of the board of trustees, providing the notices (or waivers of notices) of which shall have specified that such removal action was to be considered.

§2.7. Vacancies. A vacancy in the board of trustees created by the death, resignation, or removal of an initial trustee shall be filled by a majority vote of the remaining initial trustees, or if there are none, by a majority vote of the other trustees. A vacancy in the board of trustees created by the death, resignation, or removal of a trustee other than an initial trustee shall be filled by a majority vote of the remaining trustees other than the initial trustees, or if there are none, by the majority vote of the initial trustees. Any vote under this §2.7 shall be valid whether or not the number of trustees voting constitutes a quorum. A trustee elected under this §2.7 shall be deemed to be elected for a term equal to the unexpired portion of the term for which the vacating trustee was elected.

§2.8. Quorum and Manner of Acting. A majority of the trustees holding office at the time of any meeting of the board of trustees must be present in person at such meeting in order to constitute a quorum for the transaction of business. This quorum requirement may from time to time be increased or decreased by the board of trustees, provided that such increase or decrease shall not be effective for the meeting at which such action is taken. The act of a majority of the trustees present at any meeting at which a quorum is present shall be the act of the board of trustees unless a greater proportion is required by the laws of Ohio, the articles of incorporation or these regulations. In the absence of a quorum, a majority of those present may adjourn a meeting from time to time until a quorum is had. The trustees shall act only as a board. Individual trustees shall have no power or authority, as such, to act in behalf of the corporation.

§2.9. Organization and Place of Meetings. At each meeting of the board of trustees, the president, or, in his absence, the vice president, or, in the absence of both, a chairman chosen by a majority of the trustees present, shall act as chairman, and the secretary, or, if the secretary is not present, any person whom the chairman of the meeting shall appoint, shall act as secretary of the meeting. The meetings of the board shall be held at such place or places within the State of Ohio as may from time to time be fixed by the board of trustees, or as shall be specified or fixed in the respective notices or waivers of notice thereof.

§2.10. Regular and Special Meetings. Regular meetings of the board of trustees shall be held at such times and places as the board of trustees shall decide. Special meetings of the board of trustees shall be held whenever called by the president, or by any two trustees. All meetings of the board of trustees shall be open to the members of MA.

Every trustee shall furnish the secretary with an address at which notice of meetings and all other corporate notices may be served on or mailed to him. Unless waived before, at, or after the meeting as hereinafter provided, notice of each meeting shall be given by the president or the persons calling such meetings to each trustee in any of the following ways:

- (a) By orally informing him of the meeting in person or by telephone not later than two days before the date of the meeting.
- (b) By personal delivery to him not later than two days before the date of the meeting of written notice thereof.
- (c) By mailing written notice to him, or by sending notice to him by telegram, cablegram, or radiogram, postage or other costs prepaid, addressed to him at the address furnished by him to the secretary or to such other address as the person sending the notice shall know to be correct. Such notice shall be posted or dispatched a sufficient length of time before the meeting so that in the ordinary course of the mail or the transmission of telegrams, cablegrams, or radiograms, delivery thereof would normally be made to him not later than two days before the date of the meeting.

Unless otherwise required by the articles of incorporation, by these regulations, or by the laws of the State of Ohio, the notice of any meeting need not specify the purpose or purposes thereof. Notice of any meeting of the board may be waived by any trustee, either before, at, or after the meeting, in writing, or by telegram, cablegram, or radiogram. Notice of any meeting will be deemed to have been waived by any trustee who attends such meeting and who does not, before or at the commencement of the meeting, protest the lack of proper notice. Notice of adjournment of a meeting need not be given if the time and place to which it is adjourned are fixed and announced at such meeting. For the benefit of members of MA, notice of meetings of the board of trustees shall be posted in the public meeting places of Muirfield Village, but failure to post such notice in any one or all of such places shall in no way be deemed to invalidate any action taken by the board of trustees at any meeting. The order of business at meetings of the board shall be such as the chairman may prescribe or allow, subject, however, to his being overruled with respect thereto by a majority of the members of the board present.

§2.11. Action in Writing in Lieu of Meeting. Any action which by virtue of any provision of the laws of Ohio, the articles of incorporation, or these regulations may be taken at a meeting of the trustees, may be taken without a meeting if authorized by a writing signed by all the trustees.

§2.12. Meetings Through Communications Equipment. Meetings of the board of trustees may be held through any communications equipment provided that all persons participating in the meeting can hear each other. Persons participating through communications equipment shall be considered for purposes of these regulations and all other purposes as present at any meeting held pursuant to this §2.12.

Article 3 Officers

§3.1. Number and Titles. The officers of MA shall be a president, one or more vice presidents, if needed, a treasurer, one or more assistant treasurers, if needed, a secretary, and one or more assistant secretaries, if needed. If there is more than one vice president, the board may, in its discretion, establish designations for the vice presidencies so as to distinguish them as to their functions or their order. Any person may hold two or more offices and perform the duties thereof, except that no person may be a vice president, secretary or assistant secretary while he is president, and no person may at the same time be treasurer and an assistant treasurer or secretary and an assistant secretary. If one person is elected to the offices of secretary and treasurer, he shall be known as the secretary-treasurer, and all of the duties and authority assigned to, and all of the references made to, both the secretary and treasurer in these regulations shall apply to the secretary-treasurer. The board of trustees shall have the discretion to determine from time to time the number of vice presidents that MA shall have, whether or not assistant treasurers and assistant secretaries are needed, and, if so, the number of assistant treasurers and assistant secretaries MA shall have.

§3.2. Election, Terms of Office, Qualifications, and Compensation. The officers, none of whom need be members of MA, shall be elected by the board of trustees and shall hold office for a term of one year and until their successors are elected and qualified, or, if interim officers are elected, until their successors are elected and qualified. The board of trustees shall hold annual elections of officers. The qualifications of all officers shall be such as the board of trustees may establish. The board of trustees shall fix the compensation, if any, of each officer.

§3.3. Additional Officers, Agents, Etc. In addition to the officers mentioned in §3.1, MA may have such other officers, agents, and committees as the board of trustees may deem necessary and may appoint, each of whom or each member of which shall hold office for such period, have such authority, and perform such duties as may be provided in these regulations, or as may, from time to time, be determined by the board. The board of trustees may delegate to any officer or committee 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 the time being, the powers and duties, or any of them, of such officer to any other officer, or to any trustee.

§3.4. Removal. Any officer may be removed, either with or without cause, at any time, by the affirmative vote of two-thirds of the members of the board of trustees present at any meeting, the notices (or waivers of notices) of which shall have specified that such removal action was to be considered. Any officer appointed by an officer or committee to which the board shall have delegated the power of appointment may be removed, either with or without cause, by the committee or officer (including successors) who made the appointment, or by any committee or officer upon whom such power of removal may be conferred by the board of trustees.

§3.5. Resignations. Any officer, except one serving under a contract of employment which does not permit such resignation, may resign at any time by giving written notice to the board of trustees, the president, or the secretary. Any such resignation shall take effect at the time specified therein and the acceptance of such resignation shall not be necessary to make it effective.

§3.6. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or otherwise shall be filled in the manner prescribed for regular appointments or elections to such office.

§3.7. Powers, Authority, and Duties of Officers. Officers shall have the powers and authority conferred and the duties prescribed by law, in addition to those specified or provided for in the other sections of this Article 3.

§3.8. The President. Subject to the control of the board of trustees, the president shall have and exercise general supervision over the conduct of MA's affairs and over its other officers; employ, direct, fix the compensation of, discipline, and discharge its personnel; employ agents, managers, professional advisers and consultants; and perform all other functions necessary and appropriate to accomplish the proper management of the affairs of MA. He may sign, execute, and deliver in the name of MA all deeds, mortgages, bonds, contracts, and other instruments either when specially authorized by the board of trustees or when required or deemed necessary or advisable by him in the ordinary conduct of MA's normal operations, except in cases where the signing and execution thereof shall be expressly delegated by these regulations or

by the board to some other officer or agent of MA or shall be required by law or otherwise to be signed or executed by some other officer or agent. He may cause the seal of MA, if any, to be fixed to any instrument. He shall, in general, perform all duties incident to the office of the president and such other duties as from time to time may be assigned to him by the board of trustees.

§3.9. The Vice Presidents. The vice presidents, if any, shall perform such duties as may be assigned to them, individually or collectively, by the board of trustees or by the president. In the absence or disability of the president, one or more of the vice presidents, as designated by the president or the board of trustees, may perform such duties of the president as the president or the board of trustees may designate.

§3.10. The Treasurer. If required by the board of trustees, the treasurer shall give bond for the faithful discharge of his duties in such penal sum and with such sureties as the board of trustees shall determine. He shall:

- (a) Have the right to require from time to time reports or statements giving such information as he may desire with respect to any and all financial transactions of MA from the officers, employees, or agents transacting the same;
- (b) Keep or cause to be kept, at the principal office or at such other office or offices of MA as the board of trustees shall from time to time designate, correct records of the moneys, affairs, and transactions of MA, and exhibit those records to any trustee of MA upon application at such office;
- (c) Render or cause to be rendered to the board of trustees or to the president whenever requested an account of MA's financial affairs and of all his transactions as treasurer; and
- (d) As soon as practicable after the close of each fiscal year, prepare or cause to be prepared in conformity with generally accepted accounting principles a financial report, which financial report shall include a balance sheet containing a summary of MA's assets and liabilities and the equity of the members as of the end of such fiscal year and a statement of operations for such fiscal year. Such report shall be certified by a public accountant and submitted to the board of trustees, and one copy thereof shall be mailed or delivered to each living unit in Muirfield Village known by the treasurer to be occupied. (As amended 8-4-77.)

The treasurer shall have the authority, with the approval of the board of trustees, to employ a firm of Certified Public Accountants to prepare, or assist in the preparation of, any and all reports required to be made by the treasurer.

§3.11. The Assistant Treasurers. The assistant treasurers, if any, shall perform such duties as from time to time may be assigned to them, individually or collectively, by the board of trustees, by the president, or by the treasurer. In the absence or disability of the treasurer, one or more of the assistant treasurers may perform such duties of the treasurer as the treasurer, the president, or the board of trustees may designate.

§3.12. The Secretary. The secretary shall:

- (a) Keep the minutes of all meetings of the members and of the board of trustees in one or more books provided for that purpose;
- (b) See that all notices are duly given in accordance with these regulations or as required by law; and
- (c) In general, perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him by the board of trustees or the president.

§3.13. The Assistant Secretaries. The assistant secretaries, if any, shall perform such duties as from time to time may be assigned to them, individually or collectively, by the board of trustees, by the president, or by the secretary. In the absence or disability of the secretary, one or more of the assistant secretaries may perform such duties of the secretary as the secretary, the president, or the board of trustees may designate.

Article 4

Indemnification of Trustees, Officers, and Others

§4.1. Indemnification; Actions by Others. MA 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, suit, or proceeding, whether civil, criminal, administrative, or investigative, other than an action by or in the right of MA, by reason of the fact that he is or was a trustee or officer of MA, or is or was serving at the request of MA 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 such action, suit, or proceeding, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of MA, 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 MA, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

§4.2. Indemnification; Actions by or in the Right of MA. MA 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 MA to procure a judgment in its favor by reason of the fact that he is or was a trustee or officer of MA, or is or was serving at the request of MA 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 MA, except that no indemnification shall be made in respect of 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 MA 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.

§4.3. Successful Defense. To the extent that a person specified in §§ 4.1 or 4.2 has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in §§ 4.1 and 4.2, 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.

§4.4. Specific Case Determinations. Any indemnifications under §§ 4.1 and 4.2, unless ordered by a court, shall be made by MA only as authorized in the specific case upon a determination that indemnification of the person specified in §§4.1 or 4.2 is proper in the circumstances because he has met the applicable standard of conduct set forth in §§4.1 and 4.2. Such determination shall be made (1) by a majority vote of a quorum consisting of trustees of MA who were not and are not parties to or threatened with any such action, suit, or proceeding, 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 MA or any person to be indemnified within the past five years, or (3) by the members, or (4) by the Court of Common Pleas or the court in which such action, suit, or proceeding was brought. Any determination made by the disinterested

trustees under this §4.4 or by independent legal counsel under this §4.4 shall be promptly communicated to the person, if any, who threatened or brought the action or suit by or in the right of MA under §4.2, and within ten 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.

§4.5. Advance Payment. Expenses, including attorneys' fees, incurred in defending any action, suit, or proceeding referred to in §§ 4.1 and 4.2, may be paid by MA 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 §§4.1 or 4.2 to pay such amount unless it shall ultimately be determined that he is entitled to be indemnified by MA as authorized by this article.

§4.6. 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.

§4.7. Insurance. MA may purchase and maintain insurance on behalf of any person specified in §§4.1 or 4.2 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 MA would have the power to indemnify him against such liability under this article.

§4.8. Other Entities. For purposes of this article, references to MA 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 5 Executive Committee

§5.1. Appointment of Members and Term of Membership. The board of trustees may appoint an executive committee to be composed of trustees selected by the board of trustees. The number of persons appointed to the executive committee shall not be fewer than three. The executive committee and each member thereof shall serve at the pleasure of the board of trustees, shall act only in the intervals between meetings of the board of trustees, and shall

be subject to the control and direction of the board of trustees.

§5.2. Delegation of Powers and Authority. The board of trustees may delegate to the executive committee any and all authority and powers of the board of trustees except the following:

- (a) Filling of vacancies among the trustees, or on any committee of the trustees;
- (b) Final approval and adoption of the annual operating budget; and
- (c) Authorization, confirmation, or ratification of a substantial change in the major policies of the corporation.

§5.3. Manner of Acting. The executive committee may act by a majority of its members at a meeting or by a writing or writings signed by all of its members without a meeting. Any act or authorization of an act by the executive committee within the authority delegated to it by the board of trustees shall be effective for all purposes as the act or authorization of the board of trustees.

§5.4. Chairman. The board of trustees shall appoint the chairman of the executive committee who shall preside at all meetings of the executive committee at which he is in attendance. In the absence of the chairman at a meeting, a temporary chairman chosen by a majority of the members present shall preside.

§5.5. Meetings, Notices of Meetings, and Quorum. The executive committee need not hold regular meetings. Meetings of the executive committee may be called by the chairman or any two members of the executive committee. Notice of any meeting of the executive committee shall be given in person, by telephone, or in writing to each member of the executive committee at least three hours prior to the time that the meeting is scheduled to take place. Notice of any meeting may be waived before or after the meeting by all or any of the members of the executive committee. A majority of the members of the executive committee shall constitute a quorum for the transaction of business. Meetings of the executive committee shall be held at such place or places in Franklin or Delaware County, Ohio as may, from time to time, be fixed by its members or specified in the notice or waivers of notice; provided, however, that meetings may be held elsewhere within or without the State of Ohio, with the prior approval of a majority of the executive committee members. Attendance at such meetings by persons other than members of the executive committee shall be at the sole discretion of the executive committee.

Article 6 Membership Cards

The board of trustees shall provide for the issuance of cards, certificates, or other evidences of membership in MA, which shall be

in such form as may be determined by the board of trustees. The name and address of each member, and the date of issuance of the card, certificate, or other evidence of membership shall be entered on the records of MA. The board of trustees may charge each member a nominal fee to cover the cost of their issuance. If any card, certificate, or other evidence of membership shall be lost, mutilated or destroyed, a new one may be issued therefor upon such terms and conditions as the board of trustees may determine or prescribe.

Article 7
Seal

The board of trustees may adopt and alter a corporate seal, and use the same or a facsimile thereof, but failure to affix the corporate seal, if any, shall not affect the validity of any instrument.

Article 8
Amendment of Articles and Regulations

The articles of incorporation and these regulations may be amended, added to, repealed, or superseded by new articles of incorporation or by new regulations (as the case may be) at any annual or special meeting of the members if in the notice (or waivers of notice) of which the intention to consider such amendment, addition, repeal, or supersedure is stated, by the affirmative vote of a majority of the members present and entitled to vote; provided, however, that no provision of the articles of incorporation or of these regulations shall be amended, added to, repealed, or superseded following the termination of Muirfield Ltd.'s membership in accordance with §1.2 until (i) the occupancy of 5,200 residential living units or (ii) January 1, 1989, whichever first occurs, unless the affirmative vote of five or more trustee-members is obtained at a meeting held for the purpose of consenting to or ratifying any addition to or repeal, amendment, or supersedure of any such provision.

[End of Code of Regulations]