

properties of the Association as the surviving corporation pursuant to a merger. The surviving or consolidated Association may administer the existing property, together with the covenants and restrictions established upon any other properties, as one plan. No merger or consolidation shall effect any revocation, change, or addition to the covenants established by this Declaration within the Existing Property, including, without limitation, the maximum limits on assessments and dues of the Association, or any other matter substantially affecting the interests of Members of the Association.

(d) Additional lands which become subject to this declaration under the provisions of this Section II may in the future be referred to as a part of Pine Forest.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. Every Owner except Owners which are exempt from the payment of assessments shall be a Member of the Association. The Company shall be a member of the Association.

Section 2. Voting Rights. The Association shall have four types of regular voting membership and one type of special voting membership, which provides the Company with the power to elect a portion of the Board of Directors.

Type A: Type A members shall be all Owners (including the Company) of Residential Lots and Family Dwelling Units. A Type

A Member shall be entitled to two votes for each Family Dwelling Unit that he owns. An owner of a Residential Lot upon which a Family Dwelling Unit has not been constructed shall be entitled to one vote for each Residential Lot that he owns.

Type B: Type B members shall be all those Owners (including the Company) of platted Public or Commercial Sites and Multiple Family Tracts. A Type B Member shall be entitled to one vote for each \$125.00 in Annual Assessments paid to the Association. In computing the number of votes to which a Type B Member shall be entitled, the amount of the assessment paid shall be rounded to the nearest \$125.00.

Type C: Type C members shall be all those Owners (including the Company) of the Public and Commercial Units. A Type C Member shall be entitled to one vote for each \$125.00 in Annual Assessments paid to the Association. In computing the number of votes to which a Type C Member shall be entitled, the amount of the assessment paid shall be rounded to the nearest \$125.00.

Type D: Type D members shall include all those Owners (including the Company) of Unsubdivided Lands and Development Unit Parcels held and intended for future development by the Company or a third party. A Type D Member shall be entitled to one vote for each \$125.00 of Annual Assessments paid to the Association. In computing the number of votes to which a Type D Member shall be entitled, the amount of the assessment paid shall be rounded to the nearest \$125.00.

Type E: The Type E member shall be the Company. The Type E Member shall be entitled to cast votes for the election of members of the Board of Directors as set out in Section 4 of this Article.

Payment of special assessments shall not entitle Type A, B, C, and D Members to additional votes.

When any property entitling the Owner to Membership as a Type A, B, C, or D Member of the Association is owned of record in the name of two or more persons or entities, whether fiduciaries, joint tenants, tenants in common, tenants in partnership, or in any other manner of joint or common ownership, their acts with respect to voting shall have the following effect:

- (1) If only one votes, in person or by proxy, his act shall bind all;
- (2) If more than one vote, in person or by proxy, the act of the majority so voting shall bind all;
- (3) If more than one vote, in person or by proxy, and the vote is evenly divided on any particular matter, each fraction shall be entitled to its proportionate share of the vote or votes;
- (4) If an instrument or order is filed with the Secretary of the Association showing that any such tenancy is held in unequal interest, a majority or even division under subparagraphs (2) and (3) immediately above shall be a