

BY-LAWS

of

SOUTHWYCK OF NOVI HOMEOWNERS' ASSOCIATION

ARTICLE I - NAME AND LOCATION

The name of this Corporation is **SOUTHWYCK OF NOVI SUBDIVISION HOMEOWNERS' ASSOCIATION**, hereinafter referred to as the "Association". The principal office of the Association shall be located at **26211 Central Park Boulevard, Suite 410, Southfield, Michigan 48076-4159**, but meetings of members and directors may be held at such places within the State of Michigan as may be designated by the Board of Directors.

ARTICLE II - DEFINITIONS

Section 1. "Association" shall mean and refer to the **SOUTHWYCK OF NOVI SUBDIVISION HOMEOWNERS ASSOCIATION**, a Michigan Non-Profit Corporation, its successors and assigns.

Section 2. "Owner" shall mean and refer to the record Owner, whether one or more persons or entities of the fee simple title to a lot, including land contract purchasers, but excluding those having such interest merely as security for the performance of an obligation. When more than one person or entity has an interest in the fee title of a lot, the interest of all such persons collectively shall be that of a single Owner.

Section 3. "Lot" shall mean and refer to any numbered lot shown on any recorded Plat of the **Southwyck of Novi Subdivision** or any other lot shown on a recorded Plat of a **Southwyck of Novi Subdivision** which is subject to the Declaration of Restrictions.

Section 4. "Declarant" shall mean and refer to **Progressive Development, Inc.**, a Michigan Corporation and successors and assigns.

Section 5. "Declaration" shall mean and refer to the Declaration of Covenants and Restrictions for **Southwyck of Novi Subdivision** as recorded in Liber 15004, Page 130, Oakland County Records, and any further Amendments thereto.

Section 6. "Member" shall mean and refer to those persons entitled to membership in the Association, as provided in the Declaration and its Amendments.

Section 7. "Common Area" shall mean those areas of land within the Subdivision, if any, and in any future Phase of **Southwyck of Novi Subdivision**, if any hereafter annexed (including improvements thereto) now or hereafter owned by the Association, for the common use and enjoyment of the Owners and shall also include, without limiting the generality thereof, all wells, retention and detention ponds, basins and facilities; irrigation systems, plantings, shrubs, lawns, trees and sprinkling systems within any right-of-way or cul-de-sac, entrance walls, or monuments, subdivision signs; and other improvements as may be provided from time-to-time. The Common Area to be owned by the Association shall be all areas designated on a Plat of **Southwyck of Novi Subdivision** as it now exists or as it may from time-to-time be modified or extended as parks or park areas or open space areas and all other areas designated on the Plat, if any, as Common Areas, including any future continuous subdivision.

Section 8. "Subdivision" shall refer to **Southwyck of Novi Subdivision** and any contiguous platted **Southwyck of Novi Subdivision** which is made subject to the Declaration of Restrictions by the Declarant.

Section 9. "Wetlands" shall mean that area described within a recorded plat of a **Southwyck of Novi Subdivision**, if any, and identified within such plat as a wetland.

Section 10. "Woodlands" shall mean that area within a recorded plat of a **Southwyck of Novi Subdivision** identified as a woodland area.

Section 11. "Phase" shall mean a contiguous platted subdivision(s) and such common areas and improvements within such subdivision as Declarant, in its sole discretion, may elect to make subject to the covenants and restrictions, easements, charges and liens of this Declaration as hereinafter set forth.

ARTICLE III - MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a lot in the Subdivision shall be a mandatory member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment.

When more than one person holds an interest in any lot, all such persons collectively shall be members, and the vote for each such lot shall be exercised as they determined; provided that in no event shall more than one vote be cast with respect to any one lot.

ARTICLE IV - PROPERTY RIGHTS

Section 1. Owner's Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area if any, which shall be appurtenant to and shall pass with the title to every lot, whether or not specifically set forth in the deed of conveyance of said lot, subject to the following provisions:

- a. the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area; if any;
- b. the right of the Association to suspend the voting rights and the right to use the recreational facilities by an owner of any period during which any assessment against the Owner's Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;
- c. the right of the Association to dedicate or transfer all or any part of any Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by a majority of the members.

No such dedication or transfer shall be effective until an instrument agreeing to such dedication or transfer having been signed by 2/3 of the members entitled to vote has been recorded with the Oakland County Register of Deeds.

- d. Common Areas, if any, may be used for all passive forms of recreation, including hiking, nature study, picnicking and similar pursuits in keeping with the nature of the area. No change shall be permitted in any Common Area which would alter any storm water and surface water detention and retention and storage basins or other facilities constructed thereon, if any. Nothing in this paragraph, however, shall be construed to create any obligation whatsoever to construct any recreational facilities by the Association or the Declarant. All members of the Association, and guests accompanying said members, shall have equal access to any Common Area and all facilities located thereon, subject to rules and regulations established by the Association, including, but not limited to the right to place limitations on the number of guests or to prohibit guests at certain prescribed times. All efforts shall be utilized by the Association and the membership to preserve and maintain all trees, shrubs and landscaping, if any, within any common areas. No Owner may remove trees and/or shrubs from the common area(s) for planting upon his property.

Additional uses for any Common Area may be established if approved in writing by not less than fifty-one (51%) percent of the members of the Association then entitled to vote and ratified by the Declarant.

Section 2. Delegation of Use. Any owner may Delegate in accordance with the By-Laws, his right of enjoyment in and to the Common Area and facilities to the member's family, his tenant(s) , or his land contract purchasers.

ARTICLE V - COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Owner of a lot, by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual general assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual general and special assessments, together with interest thereon, collection costs, including reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest thereon, costs of collection thereof, including reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to a successor in title unless expressly assumed by them, but shall remain a lien upon the property, unless paid.

Section 2. Membership Fees and Purpose. In order to pay the cost of carrying out its responsibilities hereunder, the Association shall levy fees, dues or assessments on each Lot in the Subdivision, whether or not the Lot Owner is an active member of the Association, except Lots owned by Declarant or by a builder prior to occupancy by a home purchaser. In no event shall Declarant or such a builder be obligated to pay fees, dues or assessments to the Association. All such fees, dues or assessments shall be charged equally to each Lot, and may be enforced through the lien provided for in Section G of this Article or by any other lawful means of collecting debts.

The fees, dues or assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents in the Subdivision (and future subdivisions or lots hereafter annexed or added, if any,) and in particular for the improvement and maintenance of any Common Area(s) or Subdivision entrance-ways now or hereafter owned by the Association, and facilities thereon, and other property under the control of the Association; for planting and maintenance of trees, shrubs and grass; for construction, operation and maintenance and repair of recreational facilities and all other facilities and improvements, if any; for repair and maintenance of any retention/detention facilities, including retention/detention basins and lines, if any; for caring for vacant lots; for providing community services; and for the protection of the owners; for maintenance and

preservation of any wetlands and woodland areas designated on the Plat of the Subdivision; for maintenance and repair of any internal sidewalks and/or bike paths, if any; for maintenance and repair of any sprinkling or irrigation systems serving common areas and improvements; for payment of legal, accounting, professional fees and insurance; and for such personnel and employees as may be required to fulfill the obligations herein; and for performing those obligations and duties as set forth with the Declaration of Restrictions.

Anything contained herein to the contrary notwithstanding, there shall be no membership fee due for any Lot until a home is constructed on the Lot and the home is first occupied by a purchaser.

Section 3. Maximum Annual Assessment. The maximum annual assessment shall be Two Hundred and 00/100 (\$200.00) Dollars per lot unless two-thirds (2/3) of the members who are entitled to vote, in person or by proxy, at a meeting duly called for that purpose and Declarant have approved a greater assessment amount; and, provided further in addition to the foregoing, an assessment up to One Hundred and 00/100 (\$100.00) Dollars per lot per calendar year in addition to all other assessments and charges for each lot including lots owned by the Declarant or a builder prior to acceptance, for street snow removal, provided such assessment and action has also been approved in writing by the Declarant.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy against each owner, in any assessment year, a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of any improvement and other areas under the control of the Association, including subdivision entrances, retention/detention ponds, if any, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of members who are then entitled to vote, voting in person or by proxy at a meeting duly called for that purpose.

Section 5. Notice and Quorum for Actions Authorized Under Section 3. Written notice of any meeting called for the purpose of taking any action authorized under Section 4 shall be sent to all members entitled to vote not less than fifteen (15) days nor more than thirty (30) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast forty (40%) percent of all votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Rate of Assessment. Both the general and the special assessments shall be set by the Board of Directors at the uniform rate for the Owners of all Lots and may be collected on a monthly or an annual basis. However, notwithstanding anything to the contrary contained herein or elsewhere in this Declaration, no assessment shall be levied

against the Declarant, or any builder who has purchased one or more Lots for the purpose of construction of a residence thereon for sale to an Owner.

Section 7. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following when all of the lots have acquired dwellings on them or at such other time as Declarant may elect. A conveyance to a builder who has purchased a Lot for the purpose of constructing a residence thereon for sale to an Owner shall not be deemed to be a conveyance to an Owner. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the assessment against each Lot at least thirty (30) days in advance of each assessment period. Written notice of the assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association. In order to defray the costs of collection, any assessment not paid in full within thirty (30) days after its due date shall bear interest from the due date at the highest lawful interest rate per annum until paid and shall be subject to a late payment fee in the amount of Fifty and 00/100 (\$50.00) Dollars. The Association may bring an action at law against the owner personally obligated to pay the same, or foreclose the lien against such Owner's lot. The Owner shall be responsible to pay for any attorneys fees and other expenses incurred by the Association in collecting the amount due. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of any common area or abandonment of his lot.

Section 9. Exempt Property. All Common Areas, if any, and all other property exempt from taxation by state or local governments and dedicated for public use shall be exempt from the assessments, charge and lien created herein.

Section 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any lot shall not affect the assessment lien. The sale or transfer of any lot pursuant to mortgage foreclosure proceedings or a judgment of foreclosure, shall extinguish the lien of such assessments as to payments which became due prior to such foreclosure sale but shall not relieve such lot from liability for any future assessments thereafter becoming due or from the lien thereafter created.

Section 11. Liability of Board Members. Neither any Member of the Board nor the Declarant shall be personally liable to any Owner, or to any other party, for the damage, loss or prejudice suffered or claimed on account of any act or omission of the

Association, the Board, the Declarant or any other representatives or employees of the Association.

ARTICLE VI - MEETINGS OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of those members entitled to vote shall be held within one (1) year from the date of incorporation of the Association, and each- subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter, at the hour of five (5:00) o'clock p.m. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special meetings. Special meetings of the members may be called at any time by the president or by vote of the Board of Directors, or upon written request of the members who are entitled to vote one-half (1/2) of all of the votes.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) days before such meeting of each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Each member shall register his address with the secretary, and notices of meetings shall be mailed to him at such address. Such notice shall specify the place, date and hour of the meeting, and in the case of a special meeting, the purpose of the meeting. If business of any meeting shall involve any special assessments authorized, notice of such meeting shall be given or sent as provided in Article V.

Section 4. Quorum. The presence at the meeting of the members entitled to cast, or of proxies entitled to cast, one-tenth (1/10th) of the votes shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his lot.

ARTICLE VII - BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of not less than one (1), but not more than fifteen (15) Directors who need not be members of the Association. Such Board of Directors shall be appointed by the Declarant until such time that Declarant transfers voting rights to the Owners. Thereafter, the Board of Directors shall be elected by the owners.

Section 2. Transfer of Right to Appoint Directors. In the event that following the transfer of operating rights by the Declarant, the Owners are unwilling or unable to elect a Board of Directors who desire to serve as directors, the Declarant reserves the right to grant to a Management Agent of the Association or to such other designee chosen by Declarant the right to appoint a Board of Directors composed of either Owners or non-owners, or some combination thereof. The fee charged by such Management Agent or other designee and by the directors shall be paid directly by the Association. The right of the Management Agent or other designee to appoint the Board of Directors shall continue until the next annual meeting of the members at which the Owners are willing and able to elect a Board of Directors of Owners who desire to serve as directors.

Section 3. Term of Office. At the first annual meeting, and at each annual meeting thereafter, the members of the Association entitled to vote shall elect at least three (3) Directors for a term of one (1) year. A Director shall hold office for the term for which he is elected and until his successor is elected and qualified or until his resignation or removal.

Section 4. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the members of the Association then entitled to vote.

Section 5. Vacancies. Vacancies in the Board of Directors caused by death, resignation or removal of a Director shall be filled by appointment by and upon the vote of a majority of the remaining Directors, and such Director or Directors, so appointed, shall serve for the unexpired term of his predecessor.

Section 6. Compensation. No Director other than as set forth in Section 2, shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

ARTICLE VIII - MEETINGS OF DIRECTORS

Section 1. Place of Meeting. The Directors may hold their meetings in such place or places within or without this State as a majority of the Board of Directors may, from time to time determine.

Section 2. Meetings. Meetings of the Board of Directors may be called at any time by the president or the secretary or by a majority of the Board of Directors. The Directors shall be notified in writing of the time, place and purpose of all meetings of the Board at least three (3) days prior to the date scheduled for said meeting with the exception of the annual meeting of the Board of Directors, for which no notice shall be provided, and which shall be held immediately after the annual meeting of the members. Attendance of a Director at a meeting constitutes a waiver of notice of said meeting, except where the Director attends the meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 3. Quorum. A majority of the members of the Board then in office constitutes a quorum for the transaction of business. The vote of the majority of members present at a meeting at which a quorum is present constitutes the action of the Board; provided that amendment of the By-Laws by the Board of Directors requires the vote of not less than a majority of the members of the Board then in office.

Section 4. Action Without a Meeting. Any action which might be taken at a meeting of the Board may be taken without a meeting if before or after the said action all members of the Board consent thereto in writing. The written consents shall be filed with the Minutes of the proceedings of the Board. The consent has the same effect as a vote of the Board for all purposes.

ARTICLE IX - POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to, in addition to any and all powers conferred by Statute, to:

- a. Adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;
- b. Suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may

also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of the published rules and regulations;

- c. Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, the Declaration of Restrictions, if any;
- d. Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive scheduled meetings of the Board of Directors;
- e. Employ a manager, an independent contractor, professional maintenance contractors or such other employees as they deem necessary, and to prescribe their duties; and
- f. To delegate to the appropriate officers the carrying out of its policies and directives.

Section 2. Duties. The Board of Directors shall:

- a. Fix the amount of the assessments against each lot at least thirty (30) days in advance of each assessment period;
- b. Send written notice of each assessment to every owner subject thereto at least thirty (30) days in advance of each assessment period;
- c. Initiate collection of delinquent assessments including, in their discretion, the foreclosure of the lien against any property for which assessments are not paid after due or to bring an action at law against the Owner personally obligated to pay the same;
- d. Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- e. Procure and maintain adequate liability and hazard insurance on property owned by the Association;
- f. Cause any Common Areas and the facilities and improvements to be maintained and preserved, as is more fully defined in the Declaration of Restrictions and By-Laws;

- g. To exercise for the Association all powers, duties and authority vested in or delegated to the Association.

ARTICLE X - OFFICERS

Section 1. At the annual meeting of the Board of Directors the Board shall select a president, a secretary and a treasurer and may select one or more vice presidents, assistant secretaries and assistant treasurers who shall serve for the period of one (1) year or until their successors shall be chosen. Two or more offices may be held by the same person but an officer shall not execute, acknowledge or verify an instrument in more than one capacity if the instrument is required by law or the Articles of Incorporation or By-Laws to be executed and acknowledged or verified by two (2) or more officers.

Section 2. The Board of Directors may also appoint such other officers and agents as they may deem necessary for the transaction of the business of the Corporation, including a Managing Agent. All officers and agents shall respectively have such authority and perform such duties in the management of the property and affairs of the Association as may be designated by the Board of Directors. The Board of Directors may remove any officer or agent whenever, in their judgment, the interests of the Association will be served thereby.

Section 3. The Board of Directors may secure the fidelity of any or all of such officers by bond or otherwise.

ARTICLE XI - DUTIES OF OFFICERS

Section 1. President. The President shall be the chief executive officer of the Association, and in the recess of the Board of Directors shall have the general control and management of its business and affairs, subject, however, to the right of the Board of Directors to delegate any specific power except such as may be by statute exclusively conferred upon the President, to any other officer or officers of the Association. He shall preside at all meetings of the Directors and all meetings of the members.

Section 2. Vice-President. In case of the office of President shall become vacant by death, resignation, or otherwise, or in case of the absence of the President, or his disability to discharge the duties of his office, such duties shall, for the time being, devolve upon the Vice-President who shall do and perform such other acts as the Board of Directors may, from time to time, authorize him to do.

Section 3. Treasurer. The Treasurer shall have custody and keep account of all money, funds and property of the Association, unless otherwise determined by the Board of Directors, and he shall render such accounts and present such statement to

the Directors and President as may be required of him. He shall deposit all funds of the Association which may come into his hands in such bank or banks as the Board of Directors may designate. He shall keep his bank accounts in the name of the Association, and shall exhibit his books and accounts, at all reasonable times, to any Director of the Association upon application at the office of the Association during business hours. He shall pay out money as the affairs of the Association require upon the order of the properly constituted officer or officers of the Association, taking proper vouchers therefor; provided, however, the Board of Directors shall have power by resolution to delegate any of the duties of the Treasurer to other officers, and to provide by what officers, if any, all bills, notes, checks, vouchers, orders or other instruments shall be countersigned. He shall perform, in addition, such other duties as may be delegated to him by the Board of Directors.

Section 4. Secretary. The Secretary of the Association shall keep the minutes of all the meetings of the members and Board of Directors in books provided for that purpose; he shall attend to the giving and receiving of all notices of the Association to the members, he shall have charge of the books and papers as the Board of Directors may direct; all of which, shall, at all reasonable times, be open to the examination of any Director upon application at the office of Secretary, and in addition such other duties as may be delegated to him by the Board of Directors; and shall keep appropriate records of the names and addresses of the members.

Section 5. Contracts Signed by Officers. Any of the following officers, President, Vice President, Secretary or Treasurer may sign any contracts of the Association unless otherwise provided by the Board of Directors.

ARTICLE XII - COMMITTEES

The Board of Directors may appoint such committees as deemed appropriate in carrying out its purposes.

ARTICLE XIII - PROXIES

Section 1. At all meetings of members, each member entitled to vote may vote in person or by proxy.

Section 2. All proxies shall be in writing and filed with the Secretary. No proxy shall extend beyond a period of eleven (11) months, and every proxy shall automatically cease upon sale by the member of his lot.

ARTICLE XIV - CORPORATE SEAL

No seal shall be required to be adopted as the corporate seal of this Association for the regular conduct of its business. In the event a seal should be required for any transaction, then any blank corporate seal may be utilized as the seal for this Association.

ARTICLE XV - AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of two-thirds (2/3) of each class of members present, either in person or by proxy, and entitled to vote, provided that any matter stated herein to be or which is in fact governed by the Declaration of Covenants applicable to the Subdivision(s), and recorded, may not be amended except as provided in such Declaration of Covenants, if any.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control.

ARTICLE XVI - MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except the first fiscal year shall begin on the date of incorporation.

ARTICLE XVII - INDEMNITY

Limitation of Liability of Directors. No volunteer director, as that term is defined in Act 162, Public Acts of 1982, as amended ("Act"), shall be personally liable to the Association or its members for monetary damages for breach of fiduciary duty as a director, provided that the foregoing shall not eliminate the liability of a director for any of the following: (i) breach of the director's duty of loyalty to the Association or its members; (ii) acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law; (iii) a violation of Section 551 (1) of the Act; (iv) a transaction from which the director derived an improper personal benefit; or (v) an act or omission that is grossly negligent. If the Act hereafter is amended to authorize the further elimination or limitation of the liability of directors, then the liability of a director of the Association, in addition to the limitation on personal liability contained herein, shall be limited to the fullest extent permitted by the amended Act. No amendment or repeal of this Article XVII shall apply to or have any effect on the liability of any director of the Association or with respect to any acts or omissions of such director occurring prior to such amendment or repeal.