

Eastern Gardens

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November 24, 2008

To: All Members/Shareholders of Eastern Gardens Cooperative, Inc.

Subject: Membership Definition

Dear Members/Shareholders:

Once again, it has been brought to the Board's attention that the issue of membership and its definition is in question, this usually occurs during the time of elections for the Board of Directors. The Board would like to provide clarification on this issue.

Eastern Gardens Articles of Incorporation and Bylaws clearly state that we have 112 memberships. There is only **ONE** original Subscribing Member per unit, that is, one shareholder, the only exception to this is husband and wife who equally have one-half ($\frac{1}{2}$) of the purchased share in the corporation and therefore are allowed to have both names on the certificate of membership.

Eastern Gardens does not have any other types of memberships than what is stated in its articles of incorporation or bylaws, for example, it does not have mother and son or mother and daughter memberships. Guest who move into the member's apartment do not become a member, this would include family members, friends, or partners. In accordance with the articles and bylaws they are recognized as guests of the subscribing member. Guest's who have signed an occupancy agreement do not become members but are only acknowledging that they will comply with Eastern Garden's policies, rules and regulations. This does not relieve or excuse the subscribing member of their responsibility for their guest(s) especially when they become combatant with members and/or management or refuse to comply with our policies, rules and regulations. Then the guest(s) can be requested to vacate the member's apartment unit. If the member's guest(s) do not vacate, the member maybe asked to surrender their apartment unit and their membership in the organization for failing to control the inappropriate behavior of their guest(s) and denying other members their right to a peaceful and enjoyable residency.

As to the subject of voting and assigned parking, i) only subscribing members are allowed to cast a vote, that is, one vote per member for a total of 112 votes available less one for management. In the case of husband and wife each have one-half ($\frac{1}{2}$) vote for a total of one vote for their household, this in accordance with the articles of incorporation and bylaws, to put it plainly, one vote per household or apartment unit. ii)

(Over)

As to assigned parking, Eastern Gardens is limited to a certain amount of covered parking stalls for its members and is not able to provide this to every members guest(s). Therefore, each member or household is assigned one (1) each covered parking stall. This will include husband and wife who receive only one assigned covered stall. It's noted that some members do not have vehicles, for whatever reason, but this does not allow other member's guest(s) to park in their covered parking stall, although most of us would like to have more than one covered parking stall for our spouse or family members. It's just not possible, nor would it be fair to the general membership to allow one member's guest(s) and not others. Guest(s) are permitted to park in any unmarked non-covered stalls or marked visitor's stalls.

The Board has a responsibility to its members and the organization and will continue to practice fairness and equality for its members as a whole and to uphold the agreed upon bylaws, rules and regulations of the general membership and recommends that all members do the same.

EASTERN GARDENS COOPERATIVE, INC.

Linda Patrick Janice Hoberg Donna Ripley-Schmelz
Ed Healy Frank Lenhart Merritt Miller Kathy Stotterback

Board of Directors

Reference: Members Handbook page 11, Article V, (Articles of Incorporation)
Members Handbook page 22, Article III, Section 4 &5. (Bylaws)
Members Handbook page 26, Section 7 (Bylaws)
Members Handbook page 35, Article 7. (Occupancy Agreement)
Members Handbook page 67 (Vehicle and Parking Policies)