

BY-LAWS
OF
LAKE SAINT LOUIS COMMUNITY ASSOCIATION

* * * * *

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to the Lake Saint Louis Community Association, a not-for-profit corporation organized and existing under the laws of the State of Missouri.

Section 2. "The Properties" shall mean and refer to properties which have been subjected to Lake Saint Louis Declaration(s) of Covenants and Restrictions by instrument(s) recorded in St. Charles County, Missouri.

Section 3. The terms "Common Properties" and "Common Ground" are equivalent and are each defined as tracts of land which are reserved for common use and enjoyment of the owners of The Properties. The Common Properties and Common Ground shall consist of those tracts of land heretofore or hereafter dedicated as such by the Developer or the Board of Directors of Lake Saint Louis Community Association by their reference to a tract of land as such in a recorded plat or in a recorded deed.

Section 4. "Developer" shall mean and refer to Lake Saint Louis Estates Company, a Missouri corporation.

Section 5. "Chairman" shall mean the President of the Community Association or such members of the Community Association Board of Directors elected by the Board to serve as the Chairman.

Section 6. "Inspectors" shall mean one or more persons or an entity appointed by the Chairman. The Chairman of the meeting, in his or her absolute discretion, may appoint one or more Inspectors of Election (the "Inspectors") to serve at any meeting of the Association where an election is to be held.

Section 7. "Master List" shall mean the list of Community Association members who are eligible and qualified to vote in the election as of the date of certification which is no later than thirty (30) calendar days before the election.

Section 8. "Certified Master List" shall mean the Chairman shall certify the 'Master List' as containing those members who are eligible and qualified to vote in the election as of the date of certification.

ARTICLE II

-

LOCATION

Section 1. The principal office of the Association shall be located in Saint Charles County, Missouri.

ARTICLE III

-

MEMBERSHIP

Section 1. Every person or entity who is a record owner of a fee or undivided fee interest in any Lot or Living Unit which is subject by covenants of record to assessments by the Association shall be a member of the Association, provided that any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a member.

Section 2. The rights of membership are subject to the payment of annual and special assessments levied by the Association, the obligation of which assessments is imposed

against each owner of and becomes a lien upon the property against which assessments are made as provided by the Declaration of Covenants and Restrictions to which The Properties are subject.

Section 3. The membership rights of any member whose interest in The Properties is subject to assessments under Article III, Section 2, whether or not such member be personally obligated to pay such assessments, are hereby automatically suspended by action of the Directors during the period when the assessments remain unpaid; but, upon payment of such assessments, such member's rights and privileges shall be automatically restored. The membership rights of any member, who is determined by the Directors to be in violation of any adopted and published rule or regulation interpreting, governing or relating to any covenant, restriction or agreement applicable to The Properties or who is determined to be in violation of any covenant, restriction or agreement applicable to The Properties, may be suspended by action of the Directors for a period not to exceed thirty days for any such violation. Additional suspension periods of up to thirty days may be imposed by the Directors for continuing violations. The membership rights of any such member who is in violation of any of the foregoing may be suspended as herein provided notwithstanding the fact that such member owns one or more Lots or Living Units which are not in violation of any of the foregoing.

The General Manager, Board of Directors President or Board of Directors Vice President, hereinafter referred to as CA representatives, shall have the authority to order any person to cease and desist from using any Community Association amenity and to immediately vacate any Community Association owned property if such CA representative believes in good

faith that such person is in violation of any rule, regulation, by-law or covenant and restriction of the Community Association. The CA representative making such order shall have authority to revoke such person's amenity rights and/or order them to remain off of Community Association owned property for a period of time not to exceed 30 days or until the next meeting of the Board of Directors, whichever shall first occur. Such order shall be at the discretion of such CA representative and shall not be subject to an appeal except to the Board of Directors. Any person who shall fail to immediately comply with such order by such CA representative, or by the Board of Directors, shall be deemed to be trespassing on Community Association property and shall be subject to arrest for such trespass.

ARTICLE IV

-

VOTING RIGHTS

Section 1. The Association shall have two classes of voting membership.

Class A. Class A members shall be all those owners as defined in Article III, Section 1, with the exception of the Developer. Class A members shall be entitled to one vote for each Lot or Living Unit in which they hold the interests required for membership by Article III, Section 1. When more than one person holds such interest or interests in any Lot or living Unit all such persons shall be members, and the vote for such Lot or Living Unit shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Lot or Living Unit.

Class B. Class B members shall be the Developer. The Class B member shall be entitled to two times the number of votes to which all Class A members are entitled, provided that the Class B membership shall cease and become converted to Class A membership on the happening of any of the following events, whichever occurs earlier:

(a) When the total number of votes to which the Class B Member would be entitled (if the Class B membership were converted to Class A membership) is less than 5% of the total votes; or

(b) On December 31, 1977.

From and after the happening of these events, whichever occurs earlier, the Class B member shall be deemed to be a Class A member entitled to one vote for each Lot or Living Unit in which it holds the interests required for membership under Article III, Section 1.

Section 2. For purposes of determining the votes allowed under this Section, when Living units are counted, the Lot or Lots upon such Living Units are situated shall not be counted.

Section 3. There shall be no cumulative counting.

Section 4. No member who is the sole or joint owner of any lot or living unit for which there was an unpaid delinquent assessment as to the date of final certification of the Master List as provided in Article XI shall be allowed to cast any vote. Delinquency on any lot or living unit by a member shall disqualify that member from casting any vote even if such member is paid up on other lots or living units.

ARTICLE V

-

ENJOYMENT OF COMMON PROPERTY

Section 1. Each member shall be entitled to the use and enjoyment of the Common Properties and facilities in accordance with the Declaration of Covenants and Restrictions applicable to The Properties and subject to the limitations in Article V, Section 3, below and Article III herein.

Section 2A. Any member not residing on the property may delegate his rights of enjoyment in the Common Properties and facilities to the members of his family who reside upon The Properties or to any of his one tenant and his/her blood relatives who reside thereon under a leasehold interest for a term of one year or more. Such delegation shall be given in writing to the Board of Directors of the Community Association in order for such delegation to be effective.

Section 2B. In the event any Lot or Living Unit is owned of record by a corporation, then the corporation may delegate its rights of enjoyment in the Common Properties and facilities to one person & the members of his family, provided that such person is either a stockholder, director, or employee of the corporation. In no event shall stockholders, directors, or employees of the corporation be vested with such rights merely because of their position as such.

Section 3. In the event that any Lot of Living unit is owned of record by more than one person as tenants in common or joint tenants (as distinguished from tenants by the entireties), then only one of such owners and the members of his family who reside upon The Properties shall be entitled to use and enjoy the Common Properties and facilities. All other such owners shall be entitled to use the Common Properties and facilities only as guests under applicable rules and regulations adopted by the Board of Directors.

Section 4. Any member who shall delegate his rights of enjoyment under Sections 2 & 3 above shall notify the Secretary in writing of the name of any such person and the relationship of the member to such person. The rights and privileges of such person are subject to suspension under Article III, Section 3, to the same extent as those of the member.

Section 5. (Deleted this section 11\25\97)

Section 6. That as additional fees for the use of the Common Properties, the following fees are imposed upon members delinquent in payment of assessments:

(a) A late fee of \$25.00 for any assessment which remains delinquent as of April 2nd of each year, or delinquent as of the date upon which the assessment is due as set by the Board of Directors.

(b) Any and all lien fees and costs incurred by the Association of recordation and/or release of any lien placed upon a member's property.

(c) Any and all costs of collection including but not limited to collection agency fees, legal costs and court costs.

All costs referenced in subsections (a), (b), and (c) shall be assessments against the delinquent member and that member's lot and shall be imposed and collected in the manner as provided for regular assessments.

ARTICLE VI

-

BOARD OF DIRECTORS

Section 1. The property, business and affairs of the Association shall be managed and controlled by its Board of Directors.

Section 2. The Board of Directors shall consist of six members of the Association who shall be divided into three classes in respect to term of office, each class to contain two members. At each annual meeting of the members, one class of Directors shall be elected to serve until the annual meeting of members held three years next following and until their successors shall be elected and qualified under applicable election rules. Each Director or any candidate for the office of Director shall be a member of the Association in good standing, shall not be delinquent in the payment of any assessment or in the performance of any legal obligation owed to the Association, shall not be an officer, director, shareholder or employee of any corporation or other legal entity which is delinquent in the payment of any assessment or in the performance of any legal obligation owned to the Association, (if a candidate for the office of Director) shall not currently be a Director unless running for re-election for that class of Director, and shall not be a party personally or, be an officer, director, shareholder, member, or employee of a party in any legal action initiated by same member or entity wherein the Community Association is an adversary position to that member or entity. Removal of any unqualified Director or removal of any unqualified candidate for the office or Director shall be immediate upon approval of a majority of the remaining Directors.

Section 3. Vacancies in the Board of Directors shall be filled by a majority of the remaining Directors, though less than a quorum, to hold office during the unexpired term of their predecessors.

-

ARTICLE VII

ELECTION OF OFFICERS: NOMINATING COMMITTEE

Section 1. At all meetings of members of the Association called for the purpose of electing Directors of the Association and/or for other valid purposes, the voting for Directors of the Association shall be in person and/or by mail. Voting by proxy for the purpose of electing Directors of the Association shall not be permitted.

Section 2. In all meetings of the members of the Association called for the purpose of electing Directors of the Association and/or for other valid purposes, voting, except for Directors of the Association, shall be in person. Voting by proxy shall not be permitted, except to the extent permitted and in accordance with any election rules promulgated by the Board of Directors.

Section 3. The conduct and procedure regarding any elections held at meetings of members of the Association shall be specified in election rules promulgated by the Board of Directors.

ARTICLE VIII

-
SPECIAL RULES REGARDING
ELECTIONS OF DIRECTORS.

Section 1. Definitions. "Chairman" shall mean the President of the Community Association or such members of the Community Association Board of Directors elected by the Board to serve as the Chairman. "Inspectors" shall mean one or more persons or an entity appointed by the Chairman as indicated in ARTICLE XIII Section 1.

Section 2. Use of Proxies. Except as specified below, the use of proxies shall not be permitted in elections of the members of the Association.

Section 3. In any election for Directors, members may either vote in person or by mail. To vote by mail, a member must mark his or her vote on the Official Ballot included with a notice of election mailed to each member, sign the ballot, and mail the Official Ballot. With the approval of the Chairman, the Inspectors may institute a "double envelope" or similar system to provide for more confidentiality regarding the Official Ballots that are to be mailed by members.

Section 4. Official Ballots will be numbered, and each member must vote on the Official Ballot mailed to that member, and on no other ballot. Copies of Official Ballots may not be used.

Section 5. In the event that a member loses his or her Official Ballot, a Replacement Official Ballot may be obtained at the Community Association Office during regular office hours or at the membership meeting. The person so requesting a Replacement Official Ballot must sign a statement setting forth that his or her Official Ballot was lost or was not timely received in the mail, and agreeing that the Member's Official Ballot shall be void and of no effect. If both the Official Ballot and Replacement Ballot of a member are voted by mail, the Member's Official Ballot shall be rendered invalid and shall not be counted, and the member to whom the ballot belongs shall not be permitted to vote in person.

Section 6. All Official Ballots and Replacement Official Ballots which members wish to be voted by mail must be received at the address noted on the ballot by 5:00 p.m. on the day of the election or else they shall be rendered invalid and shall not be counted. If an Official Ballot is timely received by the Inspectors, then the members voting by mail shall be precluded from voting in person. If an Official Ballot which has been mailed by a member has not been timely received by the Inspectors, then the member may request a Replacement Official Ballot from the inspectors at the membership meeting. Once received, the Inspectors shall retain the Official Ballot box immediately prior to the close of the polls on the evening of the election.

Section 7. Any Official Ballot or Replacement Official Ballot that is not signed and presented or mailed by the member to whom it was sent shall be invalid and shall not be counted.

Section 8. Failure to sign and print the member's name in a legible fashion shall render any Official Ballot invalid and the ballot shall not be counted.

Section 9. Any Official Ballot upon which ambiguous markings have been placed regarding the vote for candidates for Directors shall be invalid and shall not be counted.

Section 10. The Inspectors shall be the final arbitrator of whether any member is qualified to vote and shall be the final arbitrator regarding all issues concerning the validity and vote of all Official Ballots and Replacement Official Ballots.

ARTICLE IX

RULES OF ELECTION FOR BOARD DIRECTOR

-
That the Resolution regarding rules of election adopted on July 25, 1989, and amended on

December 21, 1993, is hereby made a part of the By-Laws. Any provisions of the By-Laws inconsistent with said Resolution of December 21, 1993, are hereby repealed.

Section 1. That any member wishing that their name appear on the ballot for an annual Board of Directors election shall submit their name on a form provided by the Community Association Office not earlier than

9:00 a.m. on the first business day of August prior to said election and not later than 5:00 p.m. on the last business day of August prior to said election.

Section 2. No person may withdraw their name from the election ballot later than 5:00 p.m. on the second Friday of September prior to the election, and anyone withdrawing their name from the ballot after the last business day of August prior to the election cannot have their name reinstated on the ballot. All requests for removal of the candidate's signature must be witnessed by a member of the Community Association staff or a Notary Public.

Section 3. Candidate resumes must conform to the space and format requirements of the form provided by the Community Association office staff. Candidate resumes must be submitted no later than 5:00 p.m. on the last business day of August prior to the election.

ARTICLE X

SPECIAL RULES REGARDING ELECTIONS FOR ANNUAL OR SPECIAL ASSESSMENTS AND OTHER ELECTIONS (EXCEPT DIRECTOR'S ELECTIONS):

-
Section 1. In these elections, members may either vote in person or by proxy. To vote by proxy, a member must sign his or her Official Ballot included with a notice of election mailed to each member and shall designate thereon the person or entity to whom they have given their proxy and the conditions of said proxy, if any. Members may designate the Community Association Board of Directors as the entity to whom they have given their proxy and may mail any Official Ballot so designated to the Inspectors who will realize said Official Ballots to the Community Association Board for voting prior to the closing of the polls.

Section 2. Official Ballots will be numbered, and each member must use the Official Ballot mailed to that member. Copies of Official Ballots may not be used.

Section 3. In the event that a member loses his or her Official Ballot, a Replacement Official Ballot may be obtained at the Community Association Office during regular office hours or at the membership meeting. The person so requesting a Replacement Official Ballot must sign a statement setting forth that the Official Ballot was lost, and agreeing that the Member's Official Ballot shall be void and of no effect. If both the Official Ballot and Replacement Ballot of a member are signed and placed in the Official

Ballot box, the Member's Official Ballot shall be rendered invalid and shall not be counted.

Section 4. In the event that a member wishes to revoke his or her previously-given proxy designation on an Official Ballot and vote in person at the Membership meeting, then that member must execute a Proxy Revocation Statement to revoke the previously-given proxy designation on his/her Official Ballot and to void his or her previously-issued Official Ballot. Thereupon, the member shall be given a Replacement Official Ballot to be voted in person by that person. Any Official Ballot so revoked and voided by the member shall not be counted if it is voted or in the Official Ballot box, notwithstanding any other provisions herein.

Section 5. With the exception of the provisions of Article X, (Section 1) herein, persons who have been designated on any Official Ballot as the member's proxy shall deliver said Official Ballot to the Inspectors on the evening of the election for verification designated by the Inspectors and approved by the Chairman. After verification and processing as the member's proxy shall be eligible to place the voting portion of the Official Ballot into the Official Ballot box maintained by the Inspectors.

Section 6. Any Official Ballot or Replacement Official Ballot that is not signed by the member to whom it was sent shall be invalid and shall not be counted.

Section 7. Failure to sign and print the member's name in a legible fashion shall render any Official Ballot invalid and the ballot shall not be counted.

Section 8. Any Official Ballot upon which ambiguous markings have been placed regarding the vote on any matter shall be invalid and shall not be counted.

Section 9. The Inspectors shall be the final arbitrator of whether any member is qualified to vote, of whether a person has been properly designated as the member's proxy, of whether a proxy designation has been properly revoked and shall be the final arbitrator regarding all issued Ballots and Replacement Official Ballots.

ARTICLE XI

-

GENERAL RULES REGARDING VOTING PROCEDURES

Section 1. The Community Association shall maintain a master list of Community Association members (the "Master List"). Prior to its transfer to the Inspectors, the Master List shall be in the possession or control of the General Manager of the Community Association and shall be available for review by any Community Association member at a reasonable time in the Community Association office.

Section 2. Not later than six weeks (42 calendar days) before the election, the Chairman of the Board of Directors shall certify the Master List as containing the names of those members who are eligible and qualified to vote in the election as of the date of the certification ("Certified Master List".) Thereafter, any amendments revisions or changes to the Certified Master list must be specifically approved in writing, signed and dated by the Chairman of the Board of Directors and attached to the Certified Mater List. After the date of certification, the payment of past due assessments by members shall not render such member eligible to vote. However, bonifide clerical errors may be considered by the Chairman in determining whether or not to allow an amendment of the Certified Master List. On the day of the certification by the Chairman, the General Manager shall transfer the certified Master List to the Election Judge who shall retain custody of it. The Election

Judge shall be a professional accountant appointed by the Board of Directors. The General Manager shall cause election ballots to be mailed to members eligible and qualified to vote in the election at least 30 days prior to the election.

Section 3. The Community Association staff shall be responsible for the printing of Official Ballots and Replacement Official Ballots in accordance with the form of Official Ballots and Replacement Official Ballot specifically approved by the chairman. The Community Association staff shall obtain from the printer of such ballots all originals and any extras, discarded or wasted ballots and shall count all of these ballots. After the mailing to the members of their Official Ballots by the Community Association staff, all remaining ballots except for specified Replacement Official Ballots shall be delivered to the Inspectors who shall maintain control over all unused ballots at all times.

Section 4. The Certified Master List shall be used by the CA staff for purposes of mailing the notice of election, any materials pertaining to the election and the Official Ballot(s) to those members on the Certified Master List. The Community Association Staff shall send any statements from members requesting a Replacement Official Ballot to the Inspectors.

Section 5. On the evening of the membership meeting, members who are listed on the Certified Master List may vote in person upon bringing with them their Official Ballot to the meeting. To avoid undue delay in calling to order the membership meeting, members who wish to vote in person are encouraged to pre-register their Official Ballot with the Inspectors beginning at 6:30 p.m. on the evening of the election.

Section 6. Members wishing to vote in person shall present their Official Ballot (or Replacement Official Ballot) to the Inspectors who: shall inspect the Official Ballot and the signature and printed name thereon; shall cross-check the Official Ballot with the Certified Master List and note the presentation of the Official Ballots thereon; shall issue any Replacement Official Ballots pursuant to these rules if requested; shall complete any other necessary control procedures established by the Inspectors and approved by the Chairman; shall separate the signature portion of the Official Ballot from the voting portion of the Official Ballot and shall affix a sticker over the voting portion of the Official Ballot covering the control number thereon; shall return the voting portion of the Official Ballot to the member, retain the signature portion of the Official Ballot and, at that time or thereafter, observe the member placing the Official Ballot in the Official Ballot box maintained by the Inspectors.

Section 7. The Chairman shall call the meeting to order to determine whether a quorum is present. In the case of an election of Directors, Official Ballots received by mail shall be counted as members present for purposes of declaring a quorum for the election of directors.

Section 8. When the meeting has been called to order, or within such time period as the Chairman shall set in keeping with the number of members wishing to vote in person, the Chairman shall order the Inspectors to stop registering Official Ballots of Members who wish to vote in person.

(a) After conducting such business as the chairman shall determine, the meeting shall be recessed by the Chairman for such time as is necessary for all eligible and qualified members to mark the ballot portion of their Official Ballots and place same in the Official Ballot box to be maintained by the Inspectors. After the voting has been completed, the Chairman shall reconvene the meeting and, upon approval by the Inspectors, declare the polls closed. The meeting shall then be recessed while the Inspectors tabulate the ballots

which have been placed in the Official Ballot box. The Inspectors shall tabulate the ballots in a separate room which will not be open to any person or member. Upon request of the Inspectors, the meeting shall be reconvened by the Chairman and the Inspectors shall present their report to the Chairman regarding the vote. Upon acceptance of their report by the chairman, the Chairman shall announce their results of the balloting.

ARTICLE XII

-

APPOINTMENT OF INSPECTORS

Section 1. Appointment of Inspectors. The Chairman of the meeting, in his or her absolute discretion, may appoint one or more Inspectors of Election (the "Inspectors") to serve at any meeting of the Association where an election is to be held. The Inspectors may adopt, with the approval of the Chairman, such additional procedures or regulations as they deem necessary to effectively carry out their duties.

ARTICLE XIII

-

CHAIRMAN AS FINAL ARBITRATOR

Section 1. Chairman as Final Arbitrator. Unless delegated in whole or in part to the Inspectors, the Chairman of the meeting shall be the final arbitrator of all questions or matters regarding the procedure or conduct of any election and shall be the person to receive any written protests filed by any candidate or member.

ARTICLE XIV

-

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. The Board of Directors shall have power:

- (a) To call special meetings of the members whenever it deems necessary and it shall call a meeting at any time upon written request of one-fourth ($\frac{1}{4}$) of the voting membership, as provided in Article XVI,
- (b) To appoint and remove at pleasure all officers, agents and employees of the Association, prescribe their duties, fix their compensation, and require of them such security of fidelity bond as it may deem expedient. Nothing contained in these By-Laws shall be construed to prohibit the employment of any member, officer or Director of the Association in any capacity whatsoever.
- (c) Assessments for any living unit are due and payable upon first occupancy or upon first conveyance of the living unit, whichever comes first. The Community Association staff will determine through the City of Lake Saint Louis when (an occupancy) a building permit has been issued for a living unit and will bill the owner accordingly.
- (d) To adopt and publish rules and regulations governing the use of the Common Properties and facilities and the personal conduct of the members and their guests thereon.
- (e) To establish where it deems necessary, in its sole discretion, charges, and fees for the use of any portions of the Common Properties and facilities.

(f) To operate, maintain, and control, for the benefit of members and other entities to use such facilities, any

clubs, marinas, and related facilities owned by the Association.

(g) To enter into license agreements for the use of Common Properties as provided in the Covenants and Restrictions applicable to The Properties.

(h) To establish one or more accounts in banks selected by the Board of Directors into which all funds belonging to the Association shall be deposited, subject to withdrawal by those persons authorized from time to time by the Board of Directors.

(i) To provide exterior maintenance for lots and structures within The Properties.

(j) To arrange for garbage and trash collection.

(k) To arrange for fire and police protection.

(l) To maintain unkempt lands or trees.

(m) To supplement municipal services.

(n) To enforce any and all covenants, restrictions, and agreements applicable to The Properties.

(o) To pay taxes, if any, on the Common Properties and facilities.

(p) To exercise for the Association all powers, duties, and authority vested in or delegated to the Association, except those reserved to the members in applicable Covenants and Restrictions.

(q) Insofar as permitted by law, to do any other thing that, in the opinion of the Board of Directors, would promote the common benefit and enjoyment of the residents of The Properties.

(r) In the event that any member of the Board of Directors shall be absent from three consecutive regular meetings of the Board of Directors, the Board may by action taken at the meeting during which said third absence occurs, declare the office of said absent Director to be vacant.

(s) In the event any appointed member of any committee shall be delinquent in the payment of any assessment or legal obligation owed to the Association, he may be removed in the same manner as provided in Article VI, Section 2.

(t) No Common Properties or Common Ground, whether heretofore or hereafter dedicated as such, may be sold, leased or conveyed unless there shall have first been an instrument recorded signed by two-thirds (2/3) of the members who were entitled to vote when they signed such instrument consenting to such sale or conveyance, and unless written notice of the proposed sale or conveyance is sent to every Member at least 90 days before such sale or conveyance. The Subsection (t) may not be repealed by the Board of Directors except upon an affirmative vote of at least three-fourth $\frac{3}{4}$ of all Directors.

Section 2. limitation of Powers of Individual Directors. The Directors shall act only as a board and an individual director shall have no power as such. Individual Board members of the Board of Directors refrain from intruding on administrative issues that are the responsibility of management, except to monitor the result and prohibit methods that conflict with board policy. Individual Directors participation in the day to day management of the CA is to be limited to monitor results and implementation of Board policy.

ARTICLE XV

-

DIRECTORS' MEETINGS

Section 1. A regular meeting of the Board of Directors shall be held without other notice than by this By-Law, immediately after, and at the same place as, the annual meeting of the members. The Board of Directors may provide, by resolution, the time and place, either within or without the State of Missouri, for the holding of additional regular meetings, with notice of such resolution to all Directors.

Section 2. Special Meetings of the Board of Directors shall be held when called by written notice signed by a majority of a quorum. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each Director by one of the following methods: (a) by personal delivery; (b) written notice by first class mail, postage prepaid; or (c) by telegram, charges prepaid. All such notices shall be given or sent to the Director's address or telephone number as shown on the records of the Association. Notices when sent by first class mail or by telegraph, shall be deposited into a United States mailbox or given to the telegram company at least three (3) days before the time set for the meeting. Notices given by personal delivery shall be delivered at least twenty-four (24) hours before the time set for the meeting.

Section 3. The transaction of any business at any meeting of the Board of Directors, however called and noticed, or wherever held, shall be as valid as though made at a meeting duly held after regular call and notice if a quorum is present and, if either before or after the meeting, each of the Directors not present signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records and made part of the minutes of the meeting.

Section 4. The majority of the Board of Directors shall constitute a quorum thereof; but if less than a majority of the Directors are present at any meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 5. Directors as such shall not receive any stated salaries for their services, but by resolution of the Board of Directors a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board.

Section 6. The Board of Directors may, with approval of a majority of a quorum, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, acquisitions of real property, and orders of business of a similar nature.

ARTICLE XVI

-

INDEMNIFICATIONS OF OFFICERS AND DIRECTORS AGAINST LIABILITIES
AND EXPENSES IN ACTIONS

To the extent not paid or provided by available insurance coverage, all officers and directors of Lake St. Louis Community Association shall be entitled to indemnification of reasonable attorney's fees, reasonable cost of defense, actual damages and court costs resulting from a settlement approved by the Board of Directors of Lake St. Louis Community Association or from a judgment arising out of any claim or litigation if either:

- 1) The act or omission of the officer or director was done or omitted pursuant to an express instruction contained in a motion or resolution recorded in the minutes of the Board of Directors of Lake St. Louis Community Association; or
- 2) The Board of Directors of Lake St. Louis Community Association makes the following findings and votes by simple majority to authorize such indemnification:
 - (a) That such officer or director was in fact acting within the scope of their duties with Lake St. Louis Community Association at the time of such alleged act or omission giving rise to such claim or litigation; and
 - (b) That it appears to the Board of Directors of Lake St. Louis Community Association that such officer or director was acting in good faith to Lake St. Louis Community Association at the time of such alleged act or omission.

No officer or director shall be entitled to indemnification of punitive damages unless such punitive damages were awarded for a specific act or omission of the officer or director which was done or omitted pursuant to an express instruction contained in a motion or resolution recorded in the minutes of the Board of Directors of Lake St. Louis Community Association and such person seeking indemnification of punitive damages did not participate in making such motion nor such resolution.

In regard to indemnification of attorney's fees, no officer or director shall be entitled to indemnification for attorney's fees for legal services that merely duplicate the legal services provided by the Community Association's insurance carrier or general counsel. Further, no officer or director shall be entitled to indemnification of attorney's fees unless such officer or director shall first request of the Board of Director's authorization for incurring such attorney's fees, which the Board of Directors shall not unreasonably deny if such independent legal services are reasonably necessary.

No officer or director shall be entitled to indemnification of any settlement paid or agreed to by such officer or director unless such settlement is specifically approved by the Board of Directors.

Any officer or director who believes he has been denied indemnification to which he is entitled under this By-Law shall have the right to appeal such decision by the Board of Directors to the Circuit Court of St. Charles County.

For the purpose of such vote by the Board of Directors, any director who is subject to such claim or litigation shall be disqualified from voting thereon, and as few as three directors may constitute a quorum to vote thereon if all other directors are so disqualified from voting. If there are less than three directors eligible to vote thereon, then the remaining eligible directors, if any, and the three member legal advisory committee of Lake Saint Louis Community Association shall together vote thereon by simple majority. If there is no such legal advisory committee in existence at the time of such vote, the General Counsel of Lake Saint Louis Community Association shall appoint three attorneys to act as such legal advisory committee for the purpose of such vote.

Once a Board of Directors has authorized a specific amount or formula of indemnification under this Article, a successor Board of Directors may not revoke or reduce such authorized indemnification except by formal amendment of this Article of the By-Laws.

The provisions of this article shall apply retroactively to all prior events and omissions which could give rise to liability as well as all future claims and litigation.

Indemnification may be made available to past officers and directors as well as present officers and directors of Lake St. Louis Community Association.

ARTICLE XVII

-

COMMITTEES

Section 1. The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate one or more committees, each of which shall consist of two or more Directors, which committees, to the extent provided in the resolution, shall have and exercise the authority of the Board of Directors in the management of the affairs of the Association, provided, however, that no such committee shall have the authority of the Board of Directors to approve an amendment to the Articles of Incorporation of the Association, to the By-Laws of the Association, or to a plan of merger or consolidation.

Section 2. Other committees not having and exercising the authority of the Board of Directors in the management of the affairs of the Association may be designated by resolution adopted by the Board of Directors, to perform such duties and to have such powers as may be provided in the resolution.

Section 3. Each committee may adopt rules for its own government not inconsistent with the terms of the resolution of the Board of Directors designating the committee or with Article XXIV of the By-Laws or the Special Rules of Order adopted by the Board of Directors.

ARTICLE XVIII

-

OFFICERS

Section 1. The officers of the Association shall be a President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Secretary and a Treasurer. The Board of Directors may elect such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary. The President and at least one Vice-President shall be a Director of the Association. Other officers may be, but need not be, Directors of the Association.

Section 2. The officers shall be chosen by majority vote of the Directors annually by the Board of Directors within one month following the date of the regular annual meeting of the member. A president pro-tem, secretary pro-tem and treasurer pro-tem shall be chosen by majority vote of the Directors at a special meeting of the Directors held immediately following the regular annual meeting. These pro-tem officers shall serve until the permanent officers of the Association are chosen. Each officer shall hold office

until his successor shall have been duly elected. A vacancy in any office arising because of death, resignation, removal or otherwise shall be filled by the Board of Directors for the unexpired portion of the term.

Section 3. Any officer may be removed by the Board of Directors whenever, in its judgment, the best interests of the Association will be served thereby.

Section 4. The officers of the Association shall, except as otherwise provided by law, by the Articles of Incorporation of the Association, by these By-Laws, or by the Board of Directors, each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time be specifically conferred or imposed by the Board of Directors.

Section 5. The majority of the Directors of the Association in session may appoint from time to time members of the Association in good standing as special officers as the Board may deem desirable with the authority to perform such duties as prescribed by the Board. The officers appointed under this section need not necessarily be a Director of the Association.

ARTICLE XIX

-

CERTIFICATES

Section 1. The Board of Directors may provide for the issuance of certificates evidencing membership in the Association, which shall be in such form as may be determined by the Board. Such certificates shall be signed by the President or Vice-President and by the Secretary or any Assistant Secretary and shall be sealed with the seal of the Association. All certificates evidencing membership shall be consecutively numbered. The name and address of each member and the date of issuance of the certificate shall be entered on the records of the Association. If any certificate shall become lost, mutilated, or destroyed, a new certificate may be issued therefore upon such terms and conditions as the Board of Directors may determine.

ARTICLE XX

-

CORPORATE SEAL

Section 1. The Board of Directors shall provide a corporate seal, which shall be in the form of a circle and shall have inscribed thereon the name of the corporation and the words "Corporate Seal - Missouri".

ARTICLE XXI

-

AMENDMENTS

Section 1. These By-Laws may be altered, amended, or repealed and new By-Laws adopted by the Board of Directors.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Covenants and Restrictions applicable to The Properties and these By-Laws, the Covenants and Restrictions shall control.

ARTICLE XXII

-

MEETINGS OF MEMBERS

Section 1. The regular annual meeting of the members shall be held on the third Monday in October in each year, at the hour of 8:00 o'clock p.m. If the day of the annual meeting of the members shall fall upon a holiday, the meeting will be held at the same hour on the first day following which is not a holiday.

Section 2. Special meetings of the members for any purpose may be called at any time by the Board of Directors, or upon written request of the members who have a right to vote one-fourth (1/4) of all of the votes of the entire membership or who have a right to vote one-fourth (1/4) of the votes of the Class A membership.

Section 3. Notice of any meetings shall be given to the members by the Secretary. Notice may be given to the member either personally, or by sending a copy of the notice through the mail, postage thereon fully prepaid, to his address appearing on the books of the Association. Each member shall register his address with the Secretary, and notices of meetings shall be mailed to him at such address. Notice of any meeting, regular or special, shall be mailed at least six (6) days in advance of the meeting and shall set forth in general the nature of the business to be transacted, provided, however, that if the business of any meeting shall involve any action governed by the Articles of Incorporation or by the Covenants applicable to The Properties, notice of such meeting shall be given or sent as therein provided.

Section 4. For any action governed by these By-Laws, one-tenth (1/10) of the number of eligible votes entitled to be cast at any meeting of the members, whether such votes are to be cast in person, or if permitted, by mail, shall constitute a quorum. Any action governed by the Articles of Incorporation or by the Lake Saint Louis Declaration of Covenants and Restrictions applicable to The Properties shall require a quorum as therein provided.

ARTICLE XXIII

-

RULES OF ORDER

Section 1. The rules contained in the current edition of 21st Century Robert's Rules of Order, 1995 (ISBN 0-440-21722-9) shall govern the Community Association in all cases to which they are applicable and in which they are not inconsistent with these By-Laws and any Special Rules of Order the Community Association may adopt.

-

-

ARTICLE XXIV

-

SPECIAL RULES OF ORDER

WHEREAS, the Community Association Board of Directors wishes to promote harmony and order while maintaining a degree of precedence while in assembly or committee, do now resolve to adopt Special Rules of Order which superseded any rules in the parliamentary authority with which they may conflict. To wit:

Rule 1. Before a member in an assembly can make a motion or speak in debate he/she must obtain the floor.

Rule 2. The presiding officer may exercise the same rights of individual members in debate without relinquishing the chair.

Rule 3. Members do not need to stand to address the chair. Raising of a hand is sufficient recognition to indicate a desire to obtain the floor.

Rule 4. The chair need not rise to signal limit of debate, to put a question, or to rule on a point of order.

Rule 5. Members may speak more than twice to the same question on the same day at the pleasure of the chair.

Rule 6. Members, having obtained the floor while a debatable motion is immediately pending, can speak no longer than five minutes unless he/she obtains consent of the chair. If the member disagrees with the time limit imposed by the chair then he/she may obtain consent of the assembly by means of a motion to Extend Limits of Debate which requires a two-thirds (2/3) vote without debate.

Rule 7. Main motions must be seconded and restated by the chair to open debate.

ARTICLE XXV

-

CONFLICTS OF INTEREST

The word "Fiduciary" is defined as referencing any of the following: (A) Member of the board of Directors; (B) Candidate for the Board of Directors' (C) Legal Counsel; (D) salaried employees.

No Fiduciary shall participate in discussions, influence or vote on any decision when there is reasonable reason to believe that the decision may result in a gain personally, professionally, legally, or result in financial gain or loss to a Fiduciary, to a Fiduciary's spouse, to any individual related to the Fiduciary, or to any business with which the Fiduciary is associated.

The phrase "business with which the Fiduciary is associated" is defined as any of the following: (A) Any sole proprietorship owned by the Fiduciary, the Fiduciary's spouse, to any individual related to the Fiduciary. (B) Any partnership or joint venture in which the Fiduciary, the Fiduciary's spouse or any individual related to the fiduciary, is a partner, other than as a limited partner or a limited partnership, any corporation of limited partnership in which the Fiduciary is an officer or Director or of which either the Fiduciary, the Fiduciary's spouse or any individual related to the Fiduciary, whether singularly or collectively, owns in excess of ten (10) percent of the outstanding shares of any class of stock or partnership units; (C) Any trust in which the Fiduciary is a trustee or settler or in which the Fiduciary, the Fiduciary's spouse or any individual related to the Fiduciary, whether singularly or collectively, is the beneficiary or holder of a reversionary interest ten (10) percent or more of the corpus of trust; (D) Any entity in which the Fiduciary, Fiduciary's spouse or any individual related to the fiduciary, is also a director, officer, shareholder, member or employee with which the Community Association might litigate or have a contractual relationship.

Every member of the Board of Director, every candidate for the Board of Directors, legal counsel, and salaried employees shall provide the general Manager written disclosure with the name and address of each employer, business, personal organizations and professional organizations with which they are associated. This disclosure is required condition of employment of legal counsel and salaried employees. Every current member

of the Board of Directors, legal counsel, and salaried employees, shall provide such disclosure within one month after the date that this resolution is adopted. Every candidate for the Board of Directors shall provide such disclosure at the time that they file their candidacy. Every present and future member of the Board of Directors, legal counsel and salaried employees shall provide an updated disclosure within one month after each election, whether or not they were candidates in such election, and at any time as they have a change of employment, business, or organizational relationship with which they are associated.

Failure by any Director, Candidate of the Board, Legal Counsel, or Salaried Employee to provide full disclosure as described above may result in removal or dismissal by a majority vote of the Board of Directors.

ARTICLE XXVI

-

ARCHITECTURAL CONTROL FEES

Section 1. A processing fee of \$75, shall be paid by applicants for new home construction review by the Architectural control Committee. A processing fee of \$25, shall be paid by applicants for other types of

review, excluding color review, by the Architectural control Committee.

Section 2. A fee of up to \$1,000 per month may be assessed by the ACC and shall be paid by each person or entity who shall commence new home construction without approval of the board of Directors or the Architectural control Committee. A fee of \$100 per month, shall be paid by each person or entity, who shall commence any other type of construction including/or alteration governed by Architectural Control Guidelines without approval of the Board of Directors or the Architectural Control Committee. Such fee shall be paid on the date that construction commences and on the same day of each succeeding month until approval is given by the Board of Directors or the Architectural Control Committee. The phrase "commence construction" for the purpose of this Resolution shall mean the first date on which physical alteration of the lot takes place.

Section 3. Due process will be a hearing before the Executive Board within thirty (30) days after notice of the fine from the Architectural Control Committee.

Changes made to the By-Laws

Adopted on the 14th day of July, 1967.

January 1, 1971, amended COMMITTEES, Section 4 Amended Section 1 AMENDMENTS.

February 24, 1971, adopted Subsection 2 b of Section 2, PROPERTY RIGHTS & RIGHTS OF ENJOYMENT OF COMMON PROPERTY.

February 3, 1977, adopted Section DIRECTORS' MEETINGS.

April 14, 1977, added Subsection s & t of Section 1, POWERS & DUTIES OF BOARD OF DIRECTORS.

September 15, 1977, Rescinded Section 4, COMMITTEES.

Rescinded Section 1, AMENDMENTS.

December 15, 1977, amended Subsection c of Section 1, POWERS & DUTIES OF THE BOARD OF DIRECTORS.

June 1, 1978, added Subsection u of Section 1, POWER & DUTIES OF THE BOARD OF DIRECTORS.

September 21, 1978, adopted Section 2, OFFICERS.

Adopted Section 2, BOARD OF DIRECTORS.

February 21, 1979, added entire Article INDEMNIFICATION.

March 20, 1979, adopted Section 5, OFFICERS.

October 25, 1979, amended Section 2 BOARD OF DIRECTORS.

January 21, 1986, amended Section 2, DIRECTOR'S MEETINGS.

Added Section 6, DIRECTORS' MEETINGS.

June 17, 1988, amended Subsection c of Section 1, POWERS & DUTIES OF THE BOARD OF DIRECTORS.

October 20, 1986, amended Section 2 PROXIES

October 27, 1987, amended Section 3, COMMITTEES.

Adopted entire Article, RULES OF ORDER.

June 20, 1989, amended Section 1, PROPERTY RIGHTS & RIGHTS OF ENJOYMENT OF COMMON PROPERTY.

Adopted Section 5 a & 5 b of Section 5, PROPERTY RIGHTS & RIGHTS OF ENJOYMENT OF COMMON PROPERTY.

Amended Section 2, BOARD OF DIRECTORS.

Amended Section 1, 2, & 3 of ELECTION OF DIRECTORS: OTHER ELECTIONS.

Added Subsection c to Section 1, POWERS & DUTIES OF BOARD OF DIRECTORS.

Recinded Subsection s & t of Section 1, POWERS & DUTIES OF BOARD OF DIRECTORS.

Amended Section 4, MEETINGS OF MEMEBERS.

Recinded both Section 1 & 2 PROXIES.

Rescinded entire article on, INDEMNIFICATION.

Added entire Article, INDEMNIFICATION OF OFFICERS & DIRECTORS AGAINST LIABILITIES & EXPENSES IN ACTIONS.

Amended Section 3, MEMBERSHIP.

August 25, 1989, amended Section 2, BOARD OF DIRECTORS.

Amended Section 1, 2, & 3, ELECTION OF DIRECTORS; OTHER ELECTIONS.

Technical correction Subsection c of Section 1, POWERS AND DUTIES OF THE BOARD OF DIRECTORS..

May 18, 1993. Recinded Section 5 a PROPERTY RIGHTS & RIGHTS OF ENJOYMENT OF COMMON PEOPERTY.

July 20, 1993. Changes made on Article V.

ENJOYMENT OF COMMON GROUND, Deleted Section 5 b platting fee \$250.

July 20, 1993. Added Article V. ENJOYMENT OF COMMON GROUND, Section 5.

Adding C & R to property fee \$1,000.

December 21, 1993. Amended Election rules added to them the rules dated 7\25\89.

Added Section 1-10 to Article VIII. SPECIAL RULES REGARDING ELECTIONS OF DIRECTORS.

Added Section 1-4 to Article IX. RULES OF ELECTION FOR BOARD DIRECTOR.

Added Section 1-9 to Article X. SPECIAL RULES REGARDING ELECTIONS FOR ANNUAL OR SPECIAL ASSESSMENTS AND OTHER ELECTIONS (EXCEPT DIRECTOR'S ELECTIONS.)

Added to Section 1-9 to Article XI. GENERAL RULES REGARDING VOTING PROCEUDRES.

Added Section to Article XII. APPOINTMENT OF INSPECTORS.

Added Section 1 to Article XIII. CHAIRMAN AS FINAL ARBITRATOR.

Add Section 5, 6, 7, & 8 to DEFINITIONS.

April 19, 1994, the provisions of Article XVI. INDEMNIFICATIONS OF OFFICERSD AND DIRECTORS AGAINST LIABILITIES AND EXPENSES IN ACTIONS of the By-Laws of Lake Saint Louis Community Association regarding indemnification of officers and directors are hereby repealed.

The By-Laws of Lake Saint Louis Community Association are hereby amended by adding provisions to Article XVI. INDEMNIFICATIONS OF OFFICERS AND DIRECTORS AGAINST LIABILITIES AND EXPENSES IN ACTIONS.

August 16, 1994, that Article III. MEMBERSHIP.

Section 3, of the By-Laws of Lake Saint Louis Community Association is hereby amended by the

addition of the following provisions to Section 3. Authority to order any person to cease and desist from using CA amenities.

September 22, 1994, that Article IV. VOTING RIGHTS, is hereby amended by adding Section 4. Change to voting after certification of Master List.

April 18, 1995, that Article XI. GENERAL RULES REGARDING VOTING PROCEDURES, Section 2, of the By-laws is hereby repealed and replaced with section of Article XI. GENERAL RULES REGARDING VOTING PROCEDURES is changed certification of Master List date and payment of assessments.

July 18, 1995 that Article V. PROPERTY RIGHTS & RIGHTS OF ENJOYMENT OF COMMON GROUND, of the By-Laws is hereby amended by the addition of Section 6. Added late fee, lien fee, and collection fee for delinquent accounts.

August 27, 1996, that Article IV. VOTING, Section 4 is amended. Changed voting rights if assessments are not paid on all properties.

October 22, 1996, that Article 1. DEFINITIONS Section 3, is amended. Definition of Common Properties and Common Ground.

Amended by the addition of Subsection (t) to Article XIV. POWERS AND DUTIES OF THE BOARD OF DIRECTORS,. Limits Board repeal of subsection (t) related to sale conveyance of common ground.

October 22, 1996, addition of Section 1-5 to Article XXV. CONFLICTS OF INTEREST.

November 26, 1996, revises Article XXIII, to include 21st edition of Robert's Rules of Order, (ISBN O-440-21722-9.)

Revises Article XIV, RULES OF ORDER, Section 1 to be include the word leased. "dedicated as such, may be sold, leased, or conveyed..."

Added to Article XIV. POWERS AND DUTIES OF THE BOARD OF DIRECTORS. Section 2 Limitation of Powers of Individual Directors.

Adopted contents for the By-Laws defined in the 21st Century Edition of Robert's Rules of Order as a template for our By-Laws.

December 17, 1996, addition of Article XXVI. ARCHITECTURAL CONTROL FEES, Section 1 & Section 2 adopted fees for Architectural Control Reviews and fees for construction or alterations without approval of Architectural Control Committee or Board of Directors.

May 27, 1997 changed Article V. ENJOYMENT OF COMMON PROPERTY, Section 6 changed fees for past due assessments.

June 24, 1997 deleted words (per month) Article V. ENJOYMENT OF COMMON GROUND.

November 25, 1997 changed Article V. ENJOYMENT OF COMMON PROPERTY, Section 5 changed fees for past due assessments.

November 17, 1998 restated to properly reflect the actions of previous Board, Article XXI, Section 1.

February 23, 1999, amended Section 2 of Article XXVI. ARCHITECTURAL CONTROL FEES and added section 3 to this article.

