

Proposed By-Laws Revision Item #1

Relating to voting rights of members with delinquent assessments

Proposed Text with ~~strikethrough~~ effect is present in current text of By-Laws and proposed to be deleted in the proposed revisions. Proposed text with double underline constitutes new language to be added in the proposed revisions.

<u>By-Laws Sections Affected</u>	<u>Current Text</u>	<u>Proposed Text A</u>	<u>Proposed Text B</u>
Article III 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.	No change	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, <u>and shall have an irrevocable right to notice of and participation in all elections with the same voting rights of all other members of the Association, which rights can never be withheld or restrained by the Board of Directors,</u> 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.
Article IV 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.	No member who is the sole or joint owner of <u>has any membership interest in</u> 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 <u>in excess of Fifty Dollars (\$50.00) as of the date of any election</u> shall be allowed to cast any vote <u>in such election.</u> 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.	Delete Article IV Section 4 in its entirety
Article VIII Section 10	None	No change	Add new Section: <u>The Inspectors shall be the final arbitrator regarding all issues</u>

<p>Article X Section 9</p>	<p>None</p>	<p>No change</p>	<p><u>concerning the validity and vote of all Official Ballots and Replacement Official Ballots.</u></p> <p>Add new Section: <u>The Inspectors shall be the final arbitrator 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.</u></p>
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Proposed By-Laws Revision Item #2

Relating to member elections as to dissemination to members of information, calling of special meetings and quorum requirement

Proposed Text with ~~strikethrough~~ effect is present in current text of By-Laws and proposed to be deleted in the proposed revisions. Proposed text with double underline constitutes new language to be added in the proposed revisions.

<u>By-Laws Sections Affected</u>	<u>Current Text</u>	<u>Proposed Text A</u>	<u>Proposed Text B</u>
Article VII 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.	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 <u>which rules shall be consistent with these By-Laws and with the Indenture of Covenants and Restrictions and Articles of Incorporation.</u>	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 <u>which rules shall be consistent with these By-Laws and with the Indenture of Covenants and Restrictions.</u>
Article XI 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 Master 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	Not later than six weeks (42 calendar days) before the election, the Chairman of the Board of Directors <u>shall publish a description of each item to be considered on the ballot including the text of the item as it shall appear on the ballot and shall certify the</u> 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'.) <u>The Board of Directors shall maintain on the Association's website a blog or similar page accessible by members of the Association for the purpose of publishing endorsements for or against any item on a ballot initiative, and shall ensure that such endorsements shall be available to members throughout the six weeks prior to the election.</u> Thereafter, any amendments revisions or changes to the Certified Master list must be specifically approved in writing, signed	Not later than six <u>nine</u> weeks (42 <u>63</u> calendar days) before the election, the Chairman of the Board of Directors <u>shall publish a detailed description of each item to be considered on the ballot including the text of the item as it shall appear on the ballot and shall certify the</u> 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'.) <u>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 Master List.</u> 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

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.

and dated by the Chairman of the Board of Directors and attached to the Certified Master List. ~~After the date of certification, the payment of past due assessments by members shall not render such member eligible to vote.~~ However, bona fide ~~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 certified public professional accountant appointed by the Board of Directors. The General Manager shall cause impartial election ballots with no endorsement of any position regarding the matters presented to the voters to be mailed to members eligible and qualified to vote in the election at least 30 days prior to the election. Any member who is an owner of a lot or living unit for which there was an unpaid delinquent assessment in excess of Fifty Dollars (\$50.00) as of the date of certification of the Master List for any election shall be allowed to cast his or her vote in such election upon payment in full of all past due assessments on all lots and living units for which such member is an owner. If such payment is received after the date election ballots have been mailed to members, the Board of Directors shall have no obligation to mail a ballot to such member, but the member shall be permitted to obtain a ballot from the Association's

~~allow an amendment of the Certified Master List. If any Member wishes to prepare endorsements for or against any item on the ballot initiative, such endorsements shall be provided to the Chairman of the Board of Directors not later than seven weeks (49 calendar days) before the election. All endorsements for or against any item on the ballot initiative, whether from the Board of Directors or from the Members shall be included with one mailing to all members on the Master List which shall be mailed at the expense of the Community Association not more than 49 calendar days before the election nor less than 10 calendar days before the ballots are mailed. This mailing shall be the only mailing to members at the expense of the Community Association in connection with any single election. Neither the Board of Directors nor any member shall endorse or promote any candidate or any position in any other manner at the expense of the Community Association. The foregoing notwithstanding, nothing herein shall prevent the Board of Directors or any member from endorsing any candidate or position in any publication or from mailing additional endorsements to members at their own expense. 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 impartial~~

<p>Article XIV Section 1(a)</p>	<p>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 (1/4) of the voting membership as provided in Article XVI,</p>	<p><u>office or to vote at the member meeting or such other means permitted under these By-Laws.</u></p> <p>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 (1/4) of the voting membership as provided in Article XVI, <u>members holding 800 votes in the Association,</u></p>	<p>election ballots with no endorsement of any position regarding the matters presented to the voters to be mailed to members eligible and qualified to vote in the election at least 30 days prior to the election.</p> <p>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 (1/4) of the voting membership as provided in Article XVI, <u>one fifth (1/5) of the voting membership,</u></p>
<p>Article XXII Section 2</p>	<p>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.</p>	<p>Special meetings of the members for any purpose may be called at any time by the Board of Directors, or <u>shall be called</u> 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 <u>holding 800 votes in the Association.</u></p>	<p>Special meetings of the members for any purpose may be called at any time by the Board of Directors, or shall be called 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 <u>comprising one fifth (1/5) of the votes of the Class A membership.</u></p>
<p>Article XXII Section 4</p>	<p>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.</p>	<p>For any action governed by these By-Laws, <u>unless a greater number is required by these By-Laws or by Missouri law,</u> 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.</p>	<p>For any action governed by these By Laws, <u>unless a greater number is required by these Bylaws or by Missouri law,</u> 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.</p>

Proposed By-Laws Revision Item #3

Relating to rules and regulations governing use of the Common Properties

Proposed Text with ~~strikethrough~~ effect is present in current text of By-Laws and proposed to be deleted in the proposed revisions. Proposed text with double underline constitutes new language to be added in the proposed revisions.

<u>By-Laws Sections Affected</u>	<u>Current Text</u>	<u>Proposed Text A</u>	<u>Proposed Text B</u>
Article XIV Section 1(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.	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. <u>However, with the exception of rules clearly necessary to protect property or personal safety, the Board of Directors shall not have power to adopt and publish new rules and regulations or change or grant variances to existing rules and regulations regarding the use of the lake including by way of example and not limitation, the size, nature or type of boats or motors for use on the lakes or to change the designated ski areas on the lakes unless such new rules and regulations are first approved in writing by at least two-thirds (2/3) of the voting members.</u>	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, <u>provided that no rules and regulations promulgated by the Board of Directors after [the date of this special election] shall be effective until such rules and regulations have been published on the Association's website for a period of at least thirty (30) days. The Board of Directors shall maintain on the Association's website a blog or similar page accessible by members of the Association for the purpose of publishing rules and regulations recently promulgated by the Board of Directors, and if members holding 1,000 or more votes in the Association sign and deliver to the Board of Directors a petition opposing any such rule or regulation, the Board of Directors shall immediately suspend enforcement thereof and such rule or regulation shall become ineffective unless approved by the members at a special meeting called for such purpose or at the next annual meeting of the members.</u>

Proposed By-Laws Revision Item #4
 Relating to authority of the Board of Directors

Proposed Text with ~~strikethrough~~ effect is present in current text of By-Laws and proposed to be deleted in the proposed revisions. Proposed text with double underline constitutes new language to be added in the proposed revisions.

<u>By-Laws Sections Affected</u>	<u>Current Text</u>	<u>Proposed Text A</u>	<u>Proposed Text B</u>
Article XIV Section 1(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.	To exercise for the Association all powers, duties, and authority vested in or delegated to the Association, except those reserved to the members in <u>these Bylaws and in</u> applicable Covenants and Restrictions.	To exercise for the Association all powers, duties, and authority vested in or delegated to the Association, except those reserved to the members in <u>these By-Laws and in</u> applicable Covenants and Restrictions <u>and the Articles of Incorporation.</u>
Article XIV Section 1(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 ¾ of all Directors.	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 ¾ of all Directors.	<i>No change</i>
Article XVII 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	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	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

	<p>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.</p>	<p>authority of the Board of Directors in the management of the affairs of the Association, provided, however, that no such committee <u>neither the Board of Directors nor any such committee</u> 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 <u>none of which may be amended or repealed except by approval of a two thirds (2/3) majority of the voting members.</u></p>	<p>authority of the Board of Directors in the management of the affairs of the Association, provided, however, that no such committee <u>neither the Board of Directors nor any such committee</u> 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.</p>
<p>Article XXI Section 1</p>	<p>These By-Laws may be altered, amended, or repealed and new By-Laws adopted by the Board of Directors.</p>	<p>These By-Laws may <u>not</u> be altered, amended, or repealed and new By-Laws adopted by the Board of Directors <u>except by approval of a two thirds (2/3) majority of the voting members.</u></p>	<p>These By-Laws may be altered, amended, or repealed and new By-Laws adopted by the Board of Directors <u>by the members by two-thirds of the votes cast or a majority of the voting power, whichever is less.</u></p>
<p>Article XXI Section 2</p>	<p>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, these Bylaws shall control.</p>	<p><i>Delete Article XXI Section 2 in its entirety</i></p>	<p><i>No change</i></p>

Proposed By-Laws Revision Item #5

Relating to authority of the Board of Directors

Proposed Text with ~~strikethrough~~ effect is present in current text of By-Laws and proposed to be deleted in the proposed revisions. Proposed text with double underline constitutes new language to be added in the proposed revisions.

<u>By-Laws Sections Affected</u>	<u>Current Text</u>	<u>Proposed Text A</u>	<u>Proposed Text B</u>
Article XIV Section 1(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.	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. <u>The foregoing notwithstanding, any incurring of debt by the Board of Directors on behalf of the Association shall be strictly subject to the following limitations: (a) the Board of Directors may incur long-term debt only in connection with the acquisition of real property, the construction of capital improvements, or to complete a repair, replacement or improvement required by an applicable governmental authority; (b) the Board of Directors will use reasonable efforts to pay for all costs and expenses of the Association, including capital projects and improvements on a pay-as-you-go basis using current Association revenues whenever possible; (c) the Board of Directors will use reasonable efforts to limit the amount of outstanding debt of the Association; and (d) the Board of Directors will take the following factors into consideration when incurring debt: (i) the Association will adhere to its debt covenants; (ii) the Association will periodically review its debt capacity; (iii) the Association will not incur long-term debt with maturity longer than the</u>	Insofar as permitted by law, to do any other thing <u>with the exception of any action that would incur new and unnecessary debt without the approval of (2/3) of the voting members</u> that, in the opinion of the Board of Directors, would promote the common benefit and enjoyment of the residents of The Properties. <u>New and unnecessary debt shall be understood to mean debt that is not incurred in response to an immediate need that would endanger the value or safety of existing property if not addressed immediately.</u>

<p>Article X Section 10</p>	<p>None</p>	<p><u>useful life of the project or item funded; (iv) the cost/benefit ratio of the improvement should be positive and the budget and assessment estimates used to calculate repayment of the debt should be conservatively projected; and (v) the Association will maintain solid relationships and communications with lenders will strive to maintain a good credit rating.</u></p> <p>Add new Section 10: <u>The Board of Directors shall cause each annual budget for the Association, upon approval by the Board, to be published on the Association's website specifying proposed use of any capital acquisitions or improvements provided in the budget for not less than thirty (30) days prior to the effective date of such budget. Members holding 1,000 votes in the Association may by petition signed by such members and delivered to the Board of Directors require a special meeting of the members to approve such annual budget. In the event said budget is disapproved by a majority of the members present at such a special meeting at which a quorum is present under these By-Laws, then the budget for the period immediately prior shall remain in effect subject to an overall increase of five percent (5%). In the event the budget is not disapproved by the members pursuant to the foregoing sentence, then said budget shall become effective immediately following the special meeting.</u></p>	<p>None</p>
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Proposed By-Laws Revision Item #6

Relating to executive sessions of the Board of Directors

Proposed Text with ~~strikethrough~~ effect is present in current text of By-Laws and proposed to be deleted in the proposed revisions. Proposed text with double underline constitutes new language to be added in the proposed revisions.

<u>By-Laws Sections Affected</u>	<u>Current Text</u>	<u>Proposed Text A</u>	<u>Proposed Text B</u>
Article XV 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.	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, <u>capital expenditures provided that such expenditures have a total cost of not more than \$500,000 unless a specific cap of a larger amount has been approved by an instrument approved by two-thirds (2/3) of the voting members consenting to the specific amount of such larger cap,</u> and orders of business of a similar nature.	<i>No change:</i> 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.

Proposed By-Laws Revision Item #7

Relating to Association acquisition of real property

Proposed Text with ~~strikethrough~~ effect is present in current text of By-Laws and proposed to be deleted in the proposed revisions. Proposed text with double underline constitutes new language to be added in the proposed revisions.

<u>By-Laws Sections Affected</u>	<u>Current Text</u>	<u>Proposed Text A</u>	<u>Proposed Text B</u>
Article XV 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.	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. <u>The foregoing notwithstanding, the Board of Directors may not approve any purchase of real property unless the purchase and a specific maximum cost has been approved by two-thirds (2/3) of the voting members in a special election.</u>	No change: 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.

Proposed By-Laws Revision Item #8

Relating to indemnification of Association officers and directors

Proposed Text with ~~strikethrough~~ effect is present in current text of By-Laws and proposed to be deleted in the proposed revisions. Proposed text with double underline constitutes new language to be added in the proposed revisions.

<u>By-Laws Sections Affected</u>	<u>Current Text</u>	<u>Proposed Text A</u>	<u>Proposed Text B</u>
Article XVI	<p>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:</p> <p>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</p> <p>The Board of Directors of Lake St. Louis Community Association makes the following findings and votes by simple majority to authorize such indemnification:</p> <p>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.</p>	<p>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:</p> <p>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</p> <p>The Board of Directors of Lake St. Louis Community Association makes the following findings and votes by simple majority to authorize such indemnification:</p> <p>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.</p> <p><u>each officer and director of the Association who was or is a party or is threatened to be</u></p>	<p>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:</p> <p>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 <u>and</u></p> <p>The Board of Directors of Lake St. Louis Community Association makes the following findings and votes by simple majority to authorize such indemnification: <u>The Court in which such claim or action was brought or could have been brought makes the following findings:</u></p> <p>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</p>

		<p><u>made a party to any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of the corporation, by reason of the fact that he or she is or was a director, officer, employee or agent of the Association, or is or was serving at the request of the corporation, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding if he or she acted in good faith and in a manner reasonably believed to be in or not opposed to the best interests of the Association and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.</u></p> <p><i>[Language taken from the Missouri Nonprofit Corporation Statute word for word]</i></p>	<p>at the time of such alleged act or omission.</p>
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