

BYLAWS
OF
CARRIAGE COURTS CONDOMINIUM ASSOCIATION, INC.

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THE CARRIAGE COURTS CONDOMINIUM ASSOCIATION, INC.

(a Missouri Non-Profit Corporation)

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BYLAWS
OF
THE CARRIAGE COURTS CONDOMINIUM ASSOCIATION, INC.

(a Missouri Non-Profit Corporation)

ARTICLE I
NAME

- 1.1 NAME: The name of the organization shall be THE CARRIAGE COURTS CONDOMINIUM ASSOCIATION, INC., hereinafter called Association".

ARTICLE II
PURPOSE AND OWNER OBLIGATION

2.1 PURPOSE: The purpose for which this non-profit Association is formed is to govern the condominium property (hereinafter sometimes referred to as the "Project" or the "Property"), situated in the County of Franklin, State of Missouri, which has been submitted to a condominium regime according to the provisions of the Uniform Condominium Act (the "Act") of the State of Missouri, pursuant to that certain Merger and Restatement of Condominium Declaration for Carriage Courts Condominium bearing an effective date of ___ , 1992 (the "Declaration").

2.2 OWNER OBLIGATION. All present or future owners, tenants, future tenants or any other person who might use the facilities of the Project in any manner, or subject to the regulations set forth in these Bylaws. The mere acquisition or rental of any of the Condominium Units (hereinafter referred to in the singular as "Unit" or in the plural as "Units") of the Project or the mere act of occupancy of any of said Units will signify that these Bylaws are accepted, ratified and will be strictly followed.

ARTICLE III
DEFINITIONS AND TERMS

3.1 MEMBERSHIP. Any person on becoming an Owner of a Unit (hereinafter referred to in the singular as "Unit Owner" and in the plural as "Unit Owners") shall automatically become a Member of this Association and be subject to these Bylaws. Such membership shall terminate without any formal Association action whenever such person ceases to own a Unit. Such termination shall not relieve or release any such former Unit Owner from any liability or obligation incurred under or in any way connected with THE CARRIAGE COURTS CONDOMINIUM during the period of such ownership and membership in

this Association, or impair any rights or remedies which the Executive Board of the Association or others may have against such former Unit Owner and Member arising out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto. No certificates of stock shall be issued by the Association, but the Executive Board, if it so elects, may issue one (1) Membership Card per Unit to the Owner(s) of each Unit. Such Membership Card shall be surrendered to the Secretary of the Executive Board whenever ownership of the Unit designated thereon is terminated.

3.2 VOTING. Unit ownership shall entitle the owner(s) to cast one (1) vote per unit in the affairs of the association. Voting shall not be split among more than one (1) unit owner. The present number of votes that can be cast by the unit owners is fifty-four (54)

3.3 MAJORITY OF UNIT OWNERS. As used in these bylaws the term "majority of unit owners" shall mean those Owners with fifty-one percent (51%) of the votes entitled to be cast.

3.4 QUORUM. Except as otherwise provided in these Bylaws, the presence in person or by proxy at the beginning of any meeting of the Association of twenty percent (20%) of the Unit Owners shall constitute a quorum.

3.5 PROXIES. Votes may be cast in person or by proxy. Proxies must be in writing and filed with the Secretary before the appointed time of each meeting. Unless a proxy specifies a shorter time period, it shall be deemed valid for one year. Proxies may only be revoked by a writing filed with the Secretary, such revocation being effective upon actual receipt of the same by the Secretary. A proxy is void if it is not dated or purports to be revocable without notice.

3.6. DEFINITIONS. Capitalized terms contained herein, which are not otherwise defined, shall have the same definition as set forth in the Declaration.

ARTICLE IV ADMINISTRATION

4.1 ASSOCIATION RESPONSIBILITIES. The Unit Owners will constitute the Association of Unit Owners, hereinafter referred to as "Association", who will have the responsibility of administering the Project through the Executive Board.

4.2 PLACE OF MEETINGS. All annual and special meetings of the Association shall be held at such suitable and convenient places as may be permitted by law and from time to time fixed by the Executive Board and designated in the notices of such meetings.

4.3 ANNUAL MEETINGS. Annual meetings shall be held in the month of February of each year.

4.4 SPECIAL MEETINGS. It shall be the duty of the President of the Executive Board to call a special meeting of the Unit Owners, as directed by petition approved by at least twenty percent (20%) of the Directors of the Executive Board, or upon a petition signed by at least twenty percent (20%) of the Directors of the Executive Board, or upon a petition signed by at least twenty percent (20%) of the Unit Owners and presented to the Secretary. The President may also call for a special meeting upon his own initiative. The notice of any special meeting shall state the time and place of such meeting and the purpose or purposes thereof, including the items on the agenda, including the general nature of any proposed amendment to the Declaration or these Bylaws, any budget changes, and any proposal to remove an officer or Director of the Executive Board. No business shall be transacted at a special meeting except as stated in the notice unless by consent of four-fifths (4/5) of the Unit Owners present, either in person or by proxy.

4.5 NOTICE OF MEETINGS. The secretary shall mail notice of annual and special meetings to each Unit Owner of the Association, directed to his last known post office address, as shown on the records of the Association, by uncertified United States mail, postage prepaid. Such notice shall be mailed not less than ten (10) days nor more than sixty (60) days before the date of such meeting and shall state the date, time and place of the meeting and the purposes thereof, including, but not limited to those purposes specified in Section 4.4 above. In lieu of mailing notice as herein provided, such notice may be delivered by hand to any Unit Owner.

4.6 ADJOURNED MEETING. If any meeting of Unit Owners cannot be organized because a quorum has not attended, the Unit Owners who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is attained.

4.7 ORDER OF BUSINESS. The order of business at all meetings of the Unit Owners shall be as follows:

- a. Roll call.
- b. Proof of notice of meeting or waiver of notice.
- c. Reading of minutes of preceding meeting.
- d. Reports of officers.
- e. Report of committees.
- f. Election of Directors.
- g. Unfinished business.
- h. New business.

ARTICLE V
EXECUTIVE BOARD

5.1 NUMBER AND QUALIFICATION. The affairs of this Association shall be governed by an Executive Board composed initially of six (6) persons who are Unit Owners.

5.2 POWERS AND DUTIES. The Executive Board shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of a residential Condominium Project. The Executive Board may do all such acts and things that are not by these Bylaws or by the Declaration directed to be exercised and done by the Unit Owners.

5.3 OTHER POWERS. The Executive Board may exercise the following powers:

- (a) To administer and enforce the covenants, conditions, restrictions, uses, limitations, obligations and all other provision set forth in the Declaration.
- (b) To establish, amend and enforce compliance with rules and regulations necessary for the orderly operation, use and occupancy of this Condominium Project. (A copy of such rules and regulations shall be delivered or mailed to each Unit Owner, and to holders, insurers, or guarantors of any first mortgage, promptly upon the adoption thereof.)
- (c) To keep in good order, condition and repair all the General and Limited Common Elements and all items of personal property used in the enjoyment of the entire Project, and to regulate the use, replacement and modification thereof.
- (d) To insure and keep insured all of the insurable Common Elements of the Property, as provided in the Declaration, the amount of which insurance shall be not less than the actual replacement value thereof at the time insurance is purchased at each renewal date, exclusive of land, excavations, foundations and other items normally excluded from property policies. Such insurance policies shall provide that:
 - (1) Each Unit Owner is an insured person under the policy with respect to liability arising out of his interest in the Common Elements or membership in the Association;
 - (2) The insurer waives its rights to subrogation under the policy against any Unit Owner or members of his household;

(3) No act or omission of any Unit Owner, unless acting within the scope of his authority on behalf of the Association, will void the policy or be a condition to recovery under the policy; and

(4) If, at the time of a loss under the policy, there is other insurance in the name of a Unit Owner covering the same risk covered by the policy, the Association's policy provides primary insurance.

Further, to obtain and maintain comprehensive liability insurance, including medical payments insurance, covering the entire Project in amounts not less than One Hundred Thousand Dollars (\$100,000.00) per person, One Million Dollars (\$1,000,000.00) per accident and Fifty Thousand Dollars (\$50,000.00) property damage, plus such other insurance as the Executive Board in its discretion may deem reasonable or necessary to insure and keep insured all the fixtures, equipment and personal property acquired by the Association for the benefit of the Association, the Unit Owners and their First Mortgagees.

(e) To adopt and amend budgets for revenues, expenditures and reserves, and to fix, determine, levy and collect the monthly prorated assessments to be paid by each of the Unit Owners; and by majority vote of the Executive Board to adjust, decrease or increase the amount of the monthly assessments subject to provisions of the Declaration; to levy and collect special assessments in order to meet increased operating or maintenance expenses or costs, and additional capital expenses. All monthly or other assessments shall be in itemized statement form and shall set forth in detail and various expenses for which the assessments are being made.

(f) To collect delinquent assessments by suit or otherwise and to enjoin or seek damages from a Unit Owner, as provided in the Declaration and these Bylaws, and to institute, defend or intervene in litigation or administrative proceedings in the name and on behalf of the Association or two or more Unit Owners on matters affecting the Project.

(g) To borrow funds in order to pay for any required expenditure or outlay; and to execute all such instruments evidencing such indebtedness which shall be the several obligations of all of the Unit Owners in the same proportion as their interest in the General Common Elements; provided, however, that the Common Elements maybe conveyed or subjected to a security interest only upon approval by person entitled to cast at least eighty percent (80%) of the votes in the Association; and provided further, that all owners of Units to

which any Limited Common Element is allocated shall agree in order to convey that Limited Common Element or subject it to a security interest.

(h) To acquire, hold, encumber and convey in the name of the Association any right, title or interest to real and personal property (provided, however, that any conveyance or encumbrance must be approved as set forth in section 5.3(g) above), and to cause additional improvements to be made as part of the Common Elements.

(i) To enter into contracts within the scope of the duties and power of the Executive Board.

(j) To maintain a bank account for the common treasury and for all separate funds which are required or may be deemed advisable by the Executive Board.

(k) To keep and maintain accurate books and records showing all of the receipts, expenses or disbursements and to permit examination thereof at any reasonable time by each of the Unit Owners, and to cause a complete audit of the books and accounts by a competent accountant, one each year. The Association shall cause to be prepared and delivered annually to each Owner a certified statement showing all receipts, expenses or disbursements since the last such statement.

(l) To meet at least once each quarter.

(m) To designate the personnel necessary for the maintenance and operation of the General and Limited Common Elements and to hire and terminate managing agents and other employees, agents and independent contractors.

(n) To impose and receive any payments, fees, or charges for the use, rental, or operation of the Common Element, other than Limited Common Elements, and services provided to Unit Owners.

(o) To impose charges for late payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of the Declaration, Bylaws, and rules and regulations of the Association.

(p) To impose reasonable charges for the preparation and recordation of amendments to the Declaration, resale certificates, or statements of unpaid assessments.

(q) To provide for the indemnification of its officers and the Executive Board and maintain directors' and officers' but only to the extent expressly provided in the Declaration.

(r) To assign the Association's rights to future income, including the right to receive common expense assessments, but only to the extent expressly provided in the Declaration.

(s) To exercise any other powers conferred by the Declaration or these Bylaws.

(t) To exercise all other powers that may be exercised in this state by legal entities of the same type as the Association.

(u) To exercise any other powers necessary and proper for the governance and operation of the Association.

(v) To grant easements, leases, licenses, and concessions through or over the Common Elements.

5.4 ELECTION AND TERM OF OFFICE. At the expiration of the term of office each Director, his successor shall be elected to serve a term of three (3) years. The persons acting as Directors shall hold office until their successors have been elected and hold their first (1st) meeting.

5.5 VACANCIES. Vacancies on the Executive Board caused by any reason other than the removal of a Director by a vote of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum. Each Director so elected shall serve out the remaining term of his predecessor.

5.6 REMOVAL OF DIRECTORS. At any regular or special meeting duly called, any one (1) or more the Directors may be removed with or without cause by a two-thirds (2/3) vote of the Unit Owners present either in person or by a valid proxy and entitled to vote at any such meeting at which a quorum is present, and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the Owners shall be given an opportunity to be heard at the meeting.

5.7 ORGANIZATION MEETING. The first (1st) meeting of a newly elected Executive Board shall be held within ten (10) days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, providing a majority of the whole Executive Board shall be present.

5.8 REGULAR MEETINGS. Regular meetings of the Executive Board may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least four (4) such meetings shall be held during each fiscal year. Notice of regular meetings of the Executive Board shall be given to

each Director, personally, by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting.

5.9 SPECIAL MEETINGS. Special meetings of the Executive Board may be called by the President or Secretary, or upon the written request of at least two (2) Directors. The President or Secretary will give three (3) days' personal notice to each Director by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting.

5.10 WAIVER OF NOTICE. Before or at any meeting of the Executive Board, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Executive Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Executive Board, no notice shall be required and any business may be transacted at such meeting.

5.11 BOARD OF DIRECTOR'S QUORUM. At any meeting of the Executive Board, the presence at the beginning of such meeting of person entitled to cast fifty percent (50%) of the votes on the Executive Board shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Executive Board. If, at any meeting of the Executive Board, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such subsequent meeting at which a quorum is present, any business which might have been transacted at the meeting, as originally called, may be transacted without additional notice.

5.12 FIDELITY BONDS. The Association may maintain adequate fidelity bonds for all officers, Directors, trustees, and employees of the Association and for all other persons handling or responsible for funds of, or administered by, the Association. In the event the Association delegates some or all of the responsibility for the handling of funds to a management agent, such bonds shall be maintained for its officers, employees, and agents handling or responsible for funds of, or administered on behalf of, the Association. The total amount of fidelity bond coverage required hereunder shall not be less than the estimated maximum funds in the custody of the Association or the management agent, if any, at any given time during the term of each bond. In no event shall the aggregate amount of such bonds be less than a sum equal to three (3) months' aggregate assessments on all Units. Such bonds shall also meet the following requirements:

- (a) fidelity bonds shall name the Association as an obligee;

(b) the bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees", or similar terms or expressions;

(c) the premiums on all bonds required herein for the Association (except for premiums on fidelity bonds maintained by a management agent for its officers, employees and agents) shall be paid by the Association as a common expense;

(d) the bonds shall provide that they may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least ten (10) days' prior written notice to the Association.

ARTICLE VI
OFFICERS

6.1 DESIGNATION. The officers of the Association shall be a President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Executive Board.

6.2 ELECTION OF OFFICERS. The officers of the Association shall be elected annually by the Executive Board at the organization meeting of each new Executive Board and shall hold office at the pleasure of the Executive Board.

6.3 REMOVAL OF OFFICERS. Upon an affirmative vote of a majority of the Directors of the Executive Board, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Executive Board or at any special meeting of the Executive Board called for such purpose.

6.4 PRESIDENT. The President shall be the chief executive officer of the Association. He shall preside at all meetings of both the Association and the Executive Board. He shall have all the general powers and duties which are usually vested in the office of president of an association, including, but not limited to, the power to appoint committees from among the Unit Owners to assist in the administration of the affairs of the Association. The President, or his designated alternate, shall represent the Association at all meetings of THE CARRIAGE COURTS CONDOMINIUM ASSOCIATION, INC.

6.5 VICE PRESIDENT. The Vice President shall perform all of the duties of the President in his absence and such other duties as may be required of him from time to time by the Executive Board.

6.6 SECRETARY.

(a) The Secretary shall keep the minutes of all meetings of the Executive Board and the minutes of all meetings of the Association. He shall have charge of such books and papers as the Executive Board may direct; and he shall, in general, perform all the duties incident to the office of the Secretary.

(b) The Secretary shall compile and keep up to date a complete list of Unit Owners and their last known addresses as shown on the records of the Association. Such list shall show opposite each Unit Owner's name and the parking space(s) assigned for use in connection with such Unit, if any. Such list shall be open for inspection by Unit Owners and other persons lawfully entitled to inspect the same at reasonable times during regular business hours.

(c) The Secretary shall issue notices of all regular and special meetings of the Association and the Executive Board as set forth in paragraphs 4.5, 5.8 and 5.9 above.

6.7 TREASURER. The Treasurer shall receive and deposit in appropriate bank accounts all money of the Association and shall disburse such as directed by resolution of the Executive Board; provided, however, that a resolution of the Executive Board shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Executive Board, including authority to sign all checks and promissory notes of the Association; keep proper books of account; cause an annual statement of the Association's books to be made at the completion of each fiscal year; prepare an annual budget and a statement of income expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Unit Owners; and prepare all other duties assigned to him by the Executive Board.

ARTICLE VII
MANAGEMENT CONTRACT

7.1 MANAGEMENT CONTRACT. The Executive Board may enter into a management agreement with a management company at a rate of compensation agreed upon by the Executive Board. The management company may have, but shall not be limited to, the following functions, which shall be exercised in accordance with the Declaration of these Bylaws:

(a) Fiscal Management.

(1) Prepare for approval by the Executive Board an annual operating budget detailed to reflect expected

operation for each month. This budget is established to show expected recurring receipts and operating disbursements and to be used for comparison with actual monthly income and disbursements. Within thirty (30) days after adoption by the Executive Board of any proposed budget for the Condominium, the Executive Board shall provide a summary of the budget to all the Unit Owners, and shall set a date for a meeting of the Unit Owners to consider ratification of the budget, which date shall be not less than fourteen (14) nor more than thirty (30) days after mailing of the summary. Unless at that meeting a majority of all the Unit Owners reject the budget, the budget is ratified, whether or not a quorum is present. In the event the proposed budget is rejected, the periodic budget last ratified by the Unit Owners shall be continued until such time as the Unit Owners ratify a subsequent budget proposed by the Executive Board.

(2) Prepare five (5) year sinking fund reserve budget projections for capital expenditures on items recurring periodically, i.e., painting, etc., for Common Elements.

(3) Prepare monthly operating and cash position statements and statements concerning sinking fund reserve accounts.

(4) Analyze and compare operating receipts and disbursements against the approved budget. Where a significant variation is shown (10% above or below the budgeted amount), prepare explanations of variations from budgeted figures. Suggest corrective recommendations, if applicable.

(5) Collect maintenance fees and special assessments; deposit them in checking, savings or other income producing accounts on behalf of the Executive Board and maintain comprehensive records thereof. Establish individual checking and sinking fund reserve accounts, as directed by the Executive Board.

(6) Mail notices of delinquency to any Owner in arrears, and exert reasonable effort to collect delinquent accounts.

(7) Examine all expense invoices for accuracy and pay all bills in accordance with the terms of the Property management agreement.

(8) Prepare year-end statement of operations for Unit Owners.

(b) Physical management.

- (1) Assume full responsibility for maintenance and control of Common Area improvements and equipment. Maintain the Property in constant repair to reflect Unit Owners pride and to insure high property values in accordance with the provisions of the operating budget, as approved by the Executive Board and the Unit Owners.
- (2) Enter into contracts and supervise services for lawn care, refuse hauling, pump maintenance, etc., in accordance with the approved operating budget.
- (3) Select, train and supervise competent personnel, as directed by the Executive Board.
- (4) Compile, assemble and analyze data; and prepare specification and call for bids for major improvement projects. Analyze and compare bids, issue contracts and coordinate the work; maintain close inspection to ensure that work is performed according to specifications.
- (5) Perform any other projects with diligence and economy in the Executive Board's best interests.

(c) Administrative Management.

- (1) Inspect contractual services for satisfactory performance. Prepare any necessary compliance letters to vendors.
- (2) Obtain and analyze bids for insurance coverage specified in Bylaws and recommend modifications or additional coverages. Prepare claims when required and follow up on payment; act as the Executive Board's representative in negotiating settlement upon written request of the Executive Board.
- (3) Exercise close liaison and supervision over all personnel to insure proper operational maintenance and to promote good Management-Resident-Owner relationships.
- (4) Upon request of the Executive Board, act as liaison for the Association in any negotiations or disputes with local, federal or state taxing agencies or regulatory bodies.
- (5) Exercise supervision over hours and working conditions of employed personnel to ensure compliance with Wage and Hour and Workman's Compensation Laws.

(6) Assist in resolving individual Unit Owner problems as they pertain to the Association, the Common Elements and the governing rules and regulations.

(7) Represent an absentee Unit Owner when requested by such Unit Owner.

(8) Administer the Project in such a way as to promote a pleasant and harmonious relationship within the complex for all Unit Owners, residents and tenants alike.

ARTICLE VIII

INDEMNIFICATION OF OFFICERS AND DIRECTORS

8.1 INDEMNIFICATION. The Association shall indemnify every Director or officer, his heirs, executors and administrators, against all loss, cost and expense, including counsel fees, reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a Director or officer of the Association, except in matters of gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters in which the Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his duty (as defined in Sec. 448.3-103.1 of the Act) as such Director or officer in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such Director or officer may be entitled. All liability, loss, damage, cost and expense incurred or suffered by the Association in connection with the foregoing indemnification provision shall be treated and handled by the Association as Common Expenses; provided, however, nothing contained in this Article VIII shall be deemed to obligate the Association to indemnify any Unit Owner who is or has been a Director or officer of the Association, with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of the Declaration as an Owner of a Unit covered thereby.

ARTICLE IX

OBLIGATIONS OF THE OWNERS

9.1 ASSESSMENTS. All Unit Owners shall be obligated to pay the quarterly assessments imposed pursuant to the approved annual budget to meet the Common Expenses as defined in the Declaration. The assessments shall be made in the proportion that the square footage of each Unit bears to the total square footage of all Units in the Association, and shall be due monthly in advance. A Unit Owner shall be deemed to be in good standing and entitled to vote at any annual or a special meeting of Unit Owners, within the meaning of these Bylaws, only if such Unit Owner is current in the assessments made or levied against him and any Unit he owns.

9.2 GENERAL.

(a) Each Unit Owner shall comply strictly with the provisions of the Declaration.

(b) Each Unit Owner shall always endeavor to observe and promote the cooperative purposes for which the Project was built.

9.3 USE OF GENERAL COMMON ELEMENTS AND LIMITED COMMON ELEMENTS. Each Unit Owner may use the General Common Elements and the Limited Common Elements in accordance with the purposes for which they were intended.

9.4 DESTRUCTION OR OBSOLESCENCE. Each Unit Owner shall, if necessary, execute a durable power of attorney in favor of the Association, irrevocably appointing the Association his Attorney in Fact to deal with such Owner's Unit upon its destruction, obsolescence or condemnation, as is provided in Paragraph 6.1 of the Declaration.

ARTICLE X
AMENDMENTS TO BYLAWS

10.1 BYLAWS. These Bylaws may be amended by the Association at a duly constituted meeting for such purpose. No amendment shall take effect unless approved by Owners representing at least sixty-six and two-thirds percent (66-2/3%) of the aggregate ownership interest of Owners in the General Common Elements. In no event shall the Bylaws be amended to conflict with the Declaration. In the event of a conflict between the two (2) documents, the Declaration shall control.

ARTICLE XI
COMPLIANCE

11.1 LEGAL REQUIREMENTS. These Bylaws are set forth to comply with the requirements of the Act. If any of these Bylaws conflict with the provisions of the Act, it is hereby agreed and accepted that the provisions of the Act will apply.

ARTICLE XII
NON-PROFIT ASSOCIATION

12.1 NON-PROFIT PURPOSE. This Association is not organized for profit. No Unit Owner, Director or member of the Executive Board or person from whom the Association may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operation of the Association, and in no

event shall any part of the funds or assets of the Association be paid as a salary or as compensation to, or distributed to or inure to the benefit of any Director of the Executive Board; provided, however, always (1) that reasonable compensation may be paid to any Unit Owner or Director while acting as an agent or employee of the Association for services rendered in effecting one (1) or more of the purposes of the Association and (2) that any Director of the Executive Board may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

ARTICLE XIII
PRINCIPAL OFFICE

13.1 ADDRESS. The principal office of the Association shall be located at P. O. Box 29, Washington, Missouri 63090, but may be located at such other suitable and convenient place as shall be permitted by law and designated by the Directors.

ARTICLE XIV
EXECUTION OF INSTRUMENTS

14.1 AUTHORIZED AGENTS. The persons who shall be authorized to execute any and all instruments of conveyance or encumbrances, including promissory note, shall be the President and the Secretary of the Association.

ARTICLE XV
CORPORATE SEAL

15.1 CORPORATE SEAL. The Directors may provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Association.

CERTIFICATE

I HEREBY CERTIFY that the foregoing is a true, complete and correct copy of the Bylaws of THE CARRIAGE COURTS CONDOMINIUM ASSOCIATION, INC., a Missouri non-profit corporation, as adopted on the ___ day of _____ 1992, A.D.

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of _____, 1992, A.D.

THE CARRIAGE COURTS CONDOMINIUM
ASSOCIATION, INC.

BY: _____
Secretary