

BYLAWS
OF
BENT OAKS HOMES ASSOCIATION, INC.

ARTICLE I
Definitions

Section 1. "ASSOCIATION" shall mean and refer to THE BENT OAKS HOMES ASSOCIATION, INC., a not for profit corporation organized and existing under the laws of the State of Missouri.

Section 2. "ARTICLES OF INCORPORATION" shall mean the Articles of Incorporation of The Bent Oaks Homes Association, Inc., as such Articles of Incorporation may from time to time be amended.

Section 3. "BYLAWS" shall mean the By-Laws of the Bent Oaks Homes Association, Inc., as originally adopted and as from time to time amended.

Section 4. "DECLARATION" shall mean the Declaration of Covenants, Conditions and Restrictions of Bent Oaks filed for record with the Recorder of Deeds for Clay County, Missouri, as such Declaration may from time to time be amended.

Section 5. "DEVELOPER" shall mean the Bent Oaks Associates, a Missouri Partnership, its successors and assigns.

Section 6. "COMMON AREAS" shall mean and refer to all real property and improvements thereon owned or leased by the Association or over which the Association has an easement for maintenance (excepting lots and dwelling units thereon) for the use and enjoyment of the members.

Section 7. "LOT" shall mean a structure composed of Living Units.

Section 8. "LIVING UNIT" shall mean the portion of a Building which is designed and used exclusively for single family residential purposes which shall include the patio area and such other areas within each Residential Tract as shown on the recorded certificate of survey of each platted lot of Bent Oaks not included in "Enclosed Floor Area."

Section 9. "OWNER" shall mean and refer to the record holder of the fee simple titled to any Lot, whether one or more persons or entities.

Section 10. "PROPERTIES" shall mean and refer to all real property which is subjected to the Declaration, together with such other real property as may from time to time be annexed thereto under the provisions of Article II hereof.

ARTICLE II
Location

Section 1. The principal office of the Association shall be located at _____, or such other place as may from time to time be designated by the Board of Directors of the Association.

ARTICLE III
Membership

Section 1. Every owner of a Lot or Living Unit included within the Properties, or any portion thereof as more particularly described on any document now or hereafter recorded, together with the owners of any other land which may from time to time be made subject to all of the terms and provisions of the Declaration, Articles of Incorporation and these By-Laws, shall be a member of the Association, and no Owner shall be permitted or allowed to disclaim said membership and the duties, obligations and benefits thereof nor withdraw from the Association for any reason; provided, that the foregoing is not intended to include persons or entities who hold an interest in the Residential Tract or Tracts merely as security for performance of an obligation.

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 an becomes a lien upon the property against which such assessments are made as provided by the Declarations to which the Properties are subject and which is recorded in the Records of the Recorder of Clay County, Missouri, and which provides for (a) creation of the lien and personal obligation for such assessment in the Declaration, (b) payment of annual assessments (c) special assessments, as provided for in the Declaration, and (e) foreclosures of liens as provided for in the Declaration.

Section 3. The membership rights, including but not limited to the rights provided for in Articles IV and V of these By-Laws, of any person whose interest in the Properties is subject to assessments under Article III, Section 2 of these By-Laws may be suspended by action of the Directors during the period when the assessments remain unpaid; but, upon payment of such assessments, his rights and privileges shall be automatically restored. The Directors shall adopt and publish rules and regulations governing the use of the Common Areas, and the personal conduct of any person thereon, as provided in Article IX, Section 1, and in the event of breach of such rules and regulations the Directors may, in their discretion, suspend the rights of any such person for violation of such rules and regulations, such suspension period not to exceed thirty (30) days for each separate violation.

ARTICLE IV
Voting Rights

Section 1. The Association shall have two classes of voting membership, as follows:

(a) Class A: Each Owner, with the exception of the Developer, of a Lot or Living unit in Bent Oaks, subdivision in the City of Liberty, Clay County, Missouri, shall be a Class A member. Each Class A member shall be entitled to one vote for each Lot or Living Unit in which he holds fee simple title. When more than one person holds such interest in any Unit, all persons shall be members, and the vote for such Unit shall be exercised as they, among themselves determine, but in no event shall more than one vote be cast with respect to any Unit; and

(b) Class B: The Class B member(s) shall be the Developer. The Class B member(s) shall be entitled to four (4) votes for each designated Lot in Bent Oaks, regardless of whether there is a completed Living Unit located thereon, in which the Developer holds fee simple title.

ARTICLE V
Property Rights and Rights of Enjoyment of Common Property

Section 1. Each member shall be entitled to the use and enjoyment of the Common Areas in the manner provided in rules and regulations adopted by the Board of Directors for such purpose in accordance with Article III, Section 3, of these By-Laws.

Section 2. Any member may delegate his rights of enjoyment of the Common Areas to the members of his family who reside upon the Properties or to any of his tenants who reside thereon under a leasehold interest for a term of one year or more. Such member shall notify the Secretary in writing of the name of any such person and of 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.

ARTICLE VI
Association Purposes and Powers

The Association has been organized for the purposed of promoting the health, safety, welfare and enjoyment of the residents within the Properties, and such additions thereto as may hereafter be brought within the jurisdiction of the Association. In connection with such purpose, the Association shall have the powers set forth in of the Articles of Incorporation of The Bent Oaks Homes Association, Inc.

ARTICLE VII
Board of Directors

Section 1. The affairs of the Association shall be managed by a Board of three (3) Directors who need not be members of the Association. The initial Board of Directors shall consist of three (3) Directors as established in the Articles of Incorporation of the Bent Oaks Homes Association, Inc., which Directors shall serve until the first annual meeting of the Association, which meeting shall be held on the fourth Tuesday of March of each and every year, commencing 1990, at which meeting the members shall elect Directors. The number and term of Directors for the Association may from time to time, be changed by majority vote of not less than two-thirds (2/3) of the members entitled to vote thereon, which change in number of Directors shall be reflected by amendment to the Articles of Incorporation and resultant amendment to these By-Laws; provided that the number of Directors as authorized by Articles of Incorporation and these By-Laws shall always be an odd number.

Section 2. Vacancies in the Board of Directors shall be filled by the remaining Directors, or the majority thereof if more than three (3). Any such appointed Director shall hold office until his successor is elected by the members or at any special meeting duly called for that purpose.

ARTICLE VIII
Election of Directors; Nominating Committee; Election Committee

Section 1. Election to the Board of Directors shall be by written ballot as hereinafter provided. At such election, the members or their proxies may cast, in respect of each vacancy, as many votes as they are entitled to exercise under the provisions of the recorded documents applicable to the Properties. The names receiving the largest number of votes shall be elected.

Section 2. Nominations for election to the Board of Directors shall be made by a Nominating Committee which shall be one of the Standing Committees of the Association.

Section 3. The nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each such annual meeting.

Section 4. The nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members, as the Committee in its discretion shall determine. Nominations shall be placed on a written ballot which shall be sent to all members with written notice of the meeting at which any such election is to be held. At the annual or special meeting at which such election is being held, the ballots shall be collected and counted, and the results of such election shall be announced at the meeting.

ARTICLE IX Power 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 (1/4) of the voting membership, as provided in Article XIII, Section 2;

(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 or 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) To adopt and publish rules and regulations governing the use of the Common Areas and the personal conduct of the members and their guests thereon;

(d) To exercise for the Association all powers, duties and authority vested in or delegated to this Association, including those referred to in Article III, Section 2, except those reserved to the meeting or to members in the covenants; and

(e) In the event that any member of the Board of Directors of this Association shall be absent from three (3) 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.

Section 2. It shall be the duty of the Board of Directors:

(a) To cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members or at any special meeting when such is requested in writing by one-fourth (1/4) of the voting membership, as provided in Article XIII, Section 2;

(b) To supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) To employ a professional real estate management company to carry out the purposes of this Association including, but not by way of limitation, maintenance of the Common Areas; and

(d) As more fully provided in the Declaration applicable to the Properties, to establish, levy and assess against the Lot or Living Unit, and collect the assessments, and in connection therewith:

(i) To fix the amount of the assessment against each Lot or Living Unit for each assessment period at least thirty (30) days in advance of such date or period and, at the same time;

(ii) To prepare a roster of the Properties and assessment applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any member, and, at the same time;

(iii) To send written notice of each assessment to every owner subject thereto; and

(iv) To issue, or to cause an appropriate officer to issue, upon demand by any person a certificate setting forth whether any assessment has been paid. Such certificate shall be conclusive evidence of any assessment therein stated to have been paid.

(e) To maintain liability insurance and property damage insurance protection for Board of Directors, the owners and the properties in such amounts as are reasonably necessary in the judgment of the Board.

ARTICLE X Directors' Meetings

Section 1. A regular meeting of the Board of Directors shall be held at 6:00 p.m. on the fourth Tuesdays of March, June, September, and December of each and every year (or the immediately succeeding business day if any such meeting date falls on a holiday) provided that the Board of Directors may, by resolution, change the day and hour of holding such regular meeting.

Section 2. Notice of such regular meeting is hereby dispensed with.

Section 3. Special meetings of the Board of Directors shall be held when called by a majority of the Directors then serving after not less than three (3) days' notice to each Director.

Section 4. 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, or 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 5. The majority of the Board of Directors shall constitute a quorum thereof.

ARTICLE XI Officers

Section 1. The Officers shall be a President, a Vice-President, a Secretary, and a Treasurer. The President and the Vice-President shall be members of the Board of Directors.

Section 2. The officers shall be chosen by majority vote or the Directors.

Section 3. All officers shall hold office during the pleasure of the Board of Directors.

Section 4. The President shall preside at the meetings of the Board of Directors, shall see that orders and resolutions of the Board of Directors are carried out and sign all notes, checks, leases, deeds of trust, chattel mortgages, financing statements, deeds and all other written instruments.

Section 5. The Vice-President shall perform all the duties of the President in his absence.

Section 6. The Secretary shall be ex officio the secretary of the Board of Directors, shall record the votes and keep the minutes of all proceedings in a book to be kept for the purpose. He shall sign all certificates of membership. He shall keep the records of the Association. He shall record in a book kept for that purpose the names of all members of the Association together with their addresses as registered by such members (see Article XIII, Section 3).

Section 7. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors, provided however, that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board. The Treasurer shall sign all checks and notes of the Association, provided that such checks and notes shall also be signed by the President or Vice-President.

Section 8. The Treasurer shall keep proper books of account and cause an annual audit of the Association books to be made by a certified public accountant at the completion of each fiscal year. He shall prepare an annual budget and an annual balance sheet statement and the budget and balance sheet shall be presented to the membership at its regular annual meeting. A majority of a quorum of Owners may waive the audit each year at the annual meeting upon the recommendation of the Audit Committee.

ARTICLE XII Committees

Section 1. The Standing Committee of the Association shall be:

The Nominations Committee
The Recreation Committee
The Maintenance Committee
The Design Review Committee

The Publicity Committee
The Audit Committee

Unless otherwise provided herein, each committee shall consist of a Chairman and two or more members and shall include a member of the Board of Directors for board contact. The committees shall be appointed by the Board of Directors prior to each annual meeting to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each such annual meeting. The Board of Directors may appoint such other committees as it deems desirable.

Section 2. The Nominations Committee shall have the duties and functions described in Article VIII.

Section 3. The Recreation Committee shall advise the Board of Directors on all matters pertaining to the recreational program and activities of the Association and shall perform such other functions as the Board, in its discretion, determines.

Section 4. The Maintenance Committee shall advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the Common Areas of the Association, and shall perform such other functions as the Board, in its discretion, determines.

Section 5. The Design Review committee shall advise the Board of Directors on all matters pertaining to construction of improvements on the Properties. It shall watch for any proposals, programs or activities which may adversely affect the residential value of the Properties and shall advise the Board of Directors regarding Association action on such matters.

Section 6. The Publicity committee shall inform the members of all activities and functions of the Association and shall, after consulting with the Board of Directors, make such public releases and announcements as are in the best interests of the Association.

Section 7. The Audit Committee shall supervise the annual audit of the Association's books and approve the annual budget and balance sheet statement to be presented to the membership at its regular annual meeting as provided in Article XI, Section 8. The treasurer shall be an ex officio member of the Committee.

Section 8. With the exception of the Nominations Committee and the Architectural Review Committee, each committee shall have power to appoint a subcommittee from among its membership and may delegate to any such sub-committee any of its powers, duties and function.

Section 9. It shall be the duty of each committee to receive complaints from members on any matter involving Association functions, duties, and activities within its field of responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other committee, director or officer of the Association as is further concerned with the matter presented.

ARTICLE XIII
Meetings of Members

Section 1. The regular annual meeting of the members shall be held on the fourth Tuesday of the month of March in each year, at the hour of 7:00 p.m. If the day for 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 a majority of the Board of Directors then serving, or upon written request of the members who have a right to vote one-fourth (1/4) of all 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 corporation. 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 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 an election governed by Article VIII or any action governed by the Articles of Incorporation, the Declaration of Covenants and Restrictions, notice of such meeting shall be given or sent as therein provided.

Section 4. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, fifty percent (50%) of the votes of each Class of membership shall constitute a quorum for any action governed by these By-Laws. Any action governed by the Articles of Incorporation, the Declaration shall require a quorum as therein provided.

ARTICLE XIV Proxies

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

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

ARTICLE XV Books and Papers

Section 1. The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to the inspection of any members.

ARTICLE XVI Corporate Seal

Section 1. The Association shall have a seal in circular form having within its circumference the words:

"THE BENT OAKS HOMES ASSOCIATION, INC."

ARTICLE XVII Amendments

Section 1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of each class of members present in person

or by proxy, provided that those provisions of these By-Laws which are governed by the Articles of Incorporation of this Association may not be amended except as provided in the Articles of Incorporation or applicable law; and provided further that any matter stated herein to be or which is in fact governed by the Declaration applicable to the Properties may not be amended except as provided in such Declaration.

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 Declaration applicable to the Properties referred to in Section 1 and these By-Laws, the Declaration shall control.

ARTICLE XVIII
Indemnification of Officers and Directors

Section 1. Each director, officer, former director and former officer of this Association and the legal representatives thereof shall be indemnified and held harmless by this Association against liabilities, expenses, counsel fees and costs reasonably incurred by him or his estate in connection with or arising out of any action, suit, proceeding or claim in which he is made a party by reason of his being, or having been, such director or officer; provided that this Association shall not indemnify such director or officer with respect to any matters as to which he shall be finally adjudged in any such action, suit or proceeding to have been liable for gross negligence or willful misconduct in the performance of his duties as such director or officer. The indemnification herein provided for, however, shall apply also in respect of any amount paid in compromise of any such action, suit, proceeding or claim asserted against such director or officer (including expenses, counsel fees and costs reasonably incurred in connection therewith), provided the Board of Directors of this Association shall have first approved such proposed compromise settlement and determined that the director or officer involved was not guilty of gross negligence or willful misconduct; but in taking such action any director involved shall not be qualified to vote thereon, and if for this reason a quorum of the Board of Directors cannot be obtained to vote on such matter, it shall be determined by a committee of three (3) persons appointed by the members at a duly called special meeting or at an annual meeting. In determining whether or not a director or officer was guilty of gross negligence or willful misconduct in relation to any such matters, the Board of Director or committee appointed by the members, as the case may be, may rely conclusively upon an opinion of independent legal counsel selected by such Board or committee. Any compromise settlement authorized herein shall not be effective until submitted to and approved by a court of competent jurisdiction. The right to indemnification herein provided shall not be exclusive of any other rights to which such director or officer may be lawfully entitled.

IN WITNESS WHEREOF, we, being all of the Directors of the Bent Oaks Homes Association, Inc. have hereunto set our hands this ___ day of _____, 1989.

