

# **COBBLESTONE HOMEOWNERS ASSOCIATION**

## **BYLAWS**

**AS AMENDED NOVEMBER 27, 2007**

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# **COBBLESTONE HOMEOWNERS ASSOCIATION**

## **BYLAWS**

**AS AMENDED NOVEMBER 27, 2007**

### **ARTICLE I**

The name of the corporation is COBBLESTONE HOMEOWNERS, hereinafter referred to as the "Corporation" or the "Association". The principal office of the corporation shall be located in Lee's Summit, Missouri, or such other place as is hereafter designated by the Board of Directors, but meetings of members and directors may be held at such places within the State of Missouri, as may be designated by the Board of Directors. Also, the Corporation shall, at all times, maintain a registered office and agent in the State of Missouri.

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### **ARTICLE II**

This instrument shall hereafter for convenience and for purposes of brevity and clarity, be designated as the "ByLaws". For the purpose of brevity, certain words, phrases and terms used in these ByLaws are defined as follows:

- (a) "Association" and/or "Corporation" shall mean and refer to Cobblestone Homeowners, a Missouri not-for-profit corporation, its successors and assigns.
- (b) "Properties" or "District" shall mean and refer to all such existing properties, and additions thereto, as are subject to the Declaration (as hereafter defined) and any supplements or amendments thereto.

(c) "Common Properties" and/or "Common Areas" shall mean and refer to all properties within the District as it may hereafter be enlarged or contracted not included within a "Unit" or "Tract" as hereinafter defined.

(d) "Articles of Incorporation" shall mean the Articles of Incorporation of the Association as such Articles of Incorporation may from time to time be amended.

(e) "Declarant" shall mean R. T. Developers, Inc., a Missouri Corporation, its successors, assigns or designees.

(f) "Declaration" shall mean the Declaration of Covenants, Conditions and Restrictions, as amended January 18, 2006 and recorded January, 20,2006; instrument number/book & page 2006I0005030 at the Office of the Recorder of Deeds of Jackson County, Missouri, and as the Declaration may from time to time be amended according to its terms.

(g) "Attached Unit(s)" shall be deemed to mean a structure within the District which is comprised of Units attached one to the other by common roof(s), common foundation(s) and exterior sheathing.

(h) "Owners" shall mean those persons or entities who may, from time to time, own the fee simple interest in a Unit(s) or Tract(s) within the District but excluding those having an interest merely as security for the performance of an obligation.

(i) "Dwelling Unit" shall mean and refer to a building or portion thereof constructed for the occupancy of one household. A duplex shall consist of two (2) dwelling units, a triplex shall consist of three (3) dwelling units, and a fourplex shall consist of four (4) dwelling units and shall constitute two, three or four separate parcels on any recorded lot split survey or resurvey.

(j) "Tenant" shall mean the individual(s) occupying a Unit under and according to a written or unwritten lease or rental agreement with an Owner.

(k) "Tract" shall mean the area of platted land within the District which is owned by an Owner, on which a Unit is, or is to be, constructed, including patio areas, if any, as legally described on the recorded certificate or survey of each platted lot, or the plat of the Project. Except where context prohibits a "Tract" shall refer to platted land and a "Unit" shall refer to the improvements constructed thereon.

(l) "Annual Assessment" as used herein shall be deemed to mean an assessment against particular Unit or Tract within the District which is passed and/or approved by the Directors and arises out of the action or absence of action by and in respect to the Owner of that Particular Unit or Tract.

(m) "Special Assessment" as used herein shall be deemed to mean an assessment against a particular Unit or Tract within the District which is passed and/or approved by the Directors and arises out of the action or absence of action by and in respect to the Owner of that particular Unit or Tract.

(n) "Member" as herein used shall be deemed to mean a Member in good standing of the Association.

(o) "Capital Assessment" as used herein shall mean any assessment as approved by the Association's Director for and in respect to an improvement, amenity, renovation or repair to common properties.

(p) "Common Expenses" as used herein shall mean:

(1) all expenses of administration (including but not limited to maintenance, operation, repair, replacement, cleaning, improvement, accounting fees, legal fees, or other expenses incurred in connection with the Common Properties within the District and portions of the Units owned or to be maintained by the Association, including

assessments in connection with the easements appurtenant to the Units, Tracts and Common Properties;

(2) expenses declared to be common expenses by provisions of the Declaration of these By-Laws, including taxes assessed against the Property or the Association and expenses for insurance;

(3) any valid charge against the District or the Association as a whole;

(4) any reserves established by the Directors;

(q) "Directors" and "Officers" as used herein shall mean the members of the Association's Board of Directors according to the terms of these Bylaws and the Articles of Incorporation and shall also mean their designee except where context prohibits.

(r) "Board" as used herein shall be deemed to mean the Association's Board of Directors, and except where context prohibits shall also be deemed to mean the Board's designee.

(s) "Members qualified to cast a vote" or "total votes of the Membership" shall be deemed to be the total votes after multiplying one (1) vote for each Unit or Tract in which a Class A member holds the interest required from Membership times the number of Tracts or Units as set out in Article III, Section 2.

### **ARTICLE III**

### **MEMBERSHIP**

**Section 1. Membership:** Every Owner of a Unit or a Tract shall automatically be a Member of the Association.

**Section 2. Classification and Qualification:** The Corporation shall have one (1) class of voting members and the voting rights and qualifications shall be as follows:

- Members shall be entitled to one vote for each Unit or Tract in which they hold the interest required for membership.
- When more than one person holds such interest or interests in any Unit or Tract, all such persons shall be members, and the vote for such Unit shall be exercised as they, among themselves, determine.
- In no event shall more than one vote be cast with respect to any Unit or Tract.
- Further provided that in the event such Unit or Tract is subject to such multiple ownership or a Unit is owned by a partnership or corporation, the partners or officers shall keep on file with the Association's Secretary a certified resolution stating which partner, owner, or officer is entitled to cast vote or votes.

**Section 3. Election to Board of Directors:** Election to the Board of Directors shall be by secret written ballot. In such election, the Members or their proxies may cast, in addition to, with respect to each vacancy as many votes as they are entitled to exercise under the provisions of the Declaration and these Bylaws. The person receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

**Section 4. Proxies:** Proxies shall be in writing and signed by the Members executing them or by their duly authorized attorney-in-fact. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise specifically provided in the proxy.

**Section 5. Loss of Right to Vote for Non-Payment of Assessments:** Any Member who is in default in respect to the payment of any Annual, Capital or Special Assessment shall forfeit his right to cast a vote. For purposes hereof "default" shall be deemed to mean the failure to pay Annual, Capital or

Special Assessments within sixty (60) days after any Member has received notice of the existence of an Annual, Capital or Special Assessment.

**Section 6. Annual, Capital and Special Assessments:** The Corporation's Board of Directors shall determine and set Annual, Capital and Special Assessments in such a manner as is provided in the Declaration.

## **ARTICLE IV**

### **MEETINGS OF MEMBERS**

**Section 1. Annual Meetings:** Commencing with the year 1995, annual meetings of the Members for the election of Directors and for the transaction of such other business as may properly come before such meeting shall be held on the third Sunday of July (provided that if such Sunday should fall on a nationally recognized holiday, then on the next Sunday thereafter) at 7:00 p.m. Failure to hold the Annual Meeting at the designated time shall not result in a forfeiture of the Corporation's charter or dissolution of the Corporation.

**Section 2. Special Meetings:** Special meetings of the Members may be called at any time by the President or by a majority of the Board of Directors or shall be called by the President upon the written request of the Members equaling one-fourth (1/4) of the number of Members entitled to vote at such meeting. The request of the members shall state the purpose or purposes of the meeting and shall be delivered to the Corporation's Secretary.

**Section 3. Place of Meeting:** Annual meeting of the Corporation shall be held at the place, day and hour of the meeting designated in written notice of such meeting to each Member. Such meeting shall be held at such place within the State of Missouri, as may be designated by the Board of Directors.

**Section 4. Notice of Meeting:** Written or printed notice of Annual and Special Meetings,

stating the place and hour, and in the case of special meetings, the purpose or purposes for which the meeting is called, shall be delivered not less than three (3) nor more than forty (40) days before the date of the meeting, either personally or by mail, or by email to each Member entitled to vote at such meeting, or by posting on CHOA website.

**Section 5. Notice:** For purposes of these ByLaws, written notice shall be deemed to be made when deposited in the United States Mail, postage prepaid and addressed to any Member at his or her address as it is listed in the Corporation's records, delivered personally or by email.

**Section 6. Agenda Items:** Except in the case of special meetings, the Board of Directors shall not be required to submit a meeting agenda to the Members unless the subject matter is placed upon the agenda by a petition duly executed by one-third (1/3) of the Members.

**Section 7. Quorum:** Except as otherwise provided by the Statutes of the State of Missouri, in these ByLaws or in the Declaration, the presence at the commencement of any meeting in person or by proxy of Members having voting rights equal to one-fourth (1/4) or more of the voting rights of the entire membership shall be necessary and sufficient to constitute a quorum for the transaction of business. The vote of a majority of the Members present at a meeting at which a quorum is present shall be necessary for the adoption of any matter voted upon by the Members, unless a greater proportion is required by the statutes of the State of Missouri, the Corporation's Articles of Incorporation, the Declaration and any amendments or supplements thereto, or by these Bylaws. In the absence of a quorum, either a majority of the members entitled to vote, present in person or by proxy, or any officer entitled to preside or act as secretary of such meeting may adjourn the meeting from time to time for a period not less than ten (10) days nor exceeding ninety (90) days in any one case, provided that written notice must be given to members not present at the meeting. At any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called.

**Section 8. Actions of Members Without a Meeting:** Any action required by the General Not-For-Profit Corporation Law of Missouri to be taken at a meeting of the Members of the Corporation, or any action which may be taken without a meeting if consents in writing, setting forth the action so taken, shall be signed by two-thirds (2/3) of the Members entitled to vote with respect to the subject matter thereof. The Secretary shall file such consents with the Minutes of the meeting of the Members.

## **ARTICLE V**

### **BOARD OF DIRECTORS**

**Section 1. Number:** The affairs of this Association shall be managed by a Board of seven (7) Directors who shall be members of the Association.

**Section 2. Term of Office of Directors:** The Corporation shall have seven (7) Directors who shall be elected by Class A members according to the vote of the membership contained in Article III of the Bylaws. Each Director shall serve for terms of two (2) years, beginning with the annual membership meeting held on the 16th day of July, 1995. Four (4) Directors shall be elected for a two (2) year term and three (3) Directors shall be elected for a one (1) year term. Thereafter, at each successive annual meeting of the membership, the vacancies on the Board of Directors shall be filled by annual election for two (2) year terms, with the number remaining at seven (7) unless changed by amendment of the Bylaws of the Association

**Section 3. Annual meetings:** The annual meetings of the Board of Directors shall be held following the annual meeting of the Members of the Corporation; provided, however, such meeting may be immediately adjourned until a designated date in the future. The Board of Directors may provide by resolution the time and place within Lee's Summit for holding additional meetings without other notice than such resolution.

**Section 4. Special meetings:** Special meetings of the Board of Directors may be called by or at the request of the President or any director. The person or persons authorized to call special meetings of the Board may fix any place within Lee's Summit as the place for holding any special meeting of the Board of Directors called by them.

**Section 5. Notice:** In the absence of any specific provision herein, notice of any meeting of the Board of Directors shall be given at least fifteen (15) days prior thereto. The Business to be transacted at the meeting need not be specified in the notice unless specifically required by law or these ByLaws.

**Section 6. Quorum:** A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting to the meeting of the Board of Directors; but, if less than a majority of the Board of Directors is present at a meeting, a majority of the directors then present may adjourn the meeting from time to time without further notice.

**Section 7. Manner of Acting:** The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or these ByLaws or Cobblestone Homeowners Association Declaration.

**Section 8. Vacancies:** Any vacancy occurring in the Board of Directors and any directorship to be filled, shall be selected by the Board of Directors. A Director selected to fill a vacancy shall be elected by the Board for a term expiring at the next annual meeting of the Members of the Association. The Members at such meeting shall then elect a Director (who may be the individual selected by the Board) for the unexpired term of the predecessor in office.

**Section 9. Compensation:** Directors as such shall not receive any stated salaries for their services, but nothing herein contained shall be construed to preclude any Director from serving the Association in any other capacity and receiving compensation therefore.

**Section 10. Qualifications of Directors:** It shall be required that Directors be Members of the Association as defined in Article 111 of these Bylaws.

**Section 11. Removal of Directors:** Any Director may be removed from the Board with or without cause by a vote of two-thirds (2/3) majority of the Members then entitled to vote at an election of Directors. In the event of death, resignation, or removal of a Director by two-thirds (2/3) vote of the Owners, his successor shall be elected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

**Section 12. Power and Duties of Directors:** The Directors, for the benefit of the Association's Members, Owners and properly authorized Tenants, shall provide and pay for out of the funds provided by the Annual, Special and Capital Assessments provided for herein the following:

- (a) Taxes and assessments, and other liens and encumbrances, which shall properly be assessed or charged against the individual Units or Tracts.
- (b) Care, upkeep, maintenance, repair and preservation of the Common Properties, irrigation system or driveways, and full maintenance of a utility service for benefit of the Common Properties and Unit Owners and the furnishing and upkeep of any desired personal property for use in carrying out the duties described herein as the Directors may deem appropriate and as provided for in Section 13 herein below.
- (c) The services of a person or firm retained to manage the Association or any separate portion thereof, to the extent deemed advisable by the Board, and the services of such other personnel as the Board shall determine to be necessary or proper for the operations of the Association, whether such personnel are employed directly by the Board or by the designee, manager or managers

retained by the Board.

(d) Legal and accounting services.

(e) The purchase and maintenance of insurance coverage for such risks as may be deemed reasonable and/or appropriate by the Directors incident to their carrying out the business of the Association and in such amounts as the Directors deem appropriate.

(f) Such fidelity bonds as may be required by the Bylaws or as the Board may determine to be advisable.

(g) Any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations, taxes or assessments which the Board is required to obtain or pay for pursuant to the terms of this Declaration or by law or which in its opinion shall be necessary or proper for the carrying out of the Association's and Directors' duties and exercising the Association's and Directors' powers and for the enforcement of this Declaration.

**Section 13. Additional Duties and Powers of Association by and Through its**

**Directors:** The Association by its Directors or their designees in order to carry out the intent of this Declaration shall have the following powers provided that nothing herein contained shall be deemed to prevent any Owner or Member having the contractual right to so do from enforcing any one or more of the following, and further provided that except where context prohibits the granting of such powers shall not create an obligation to exercise them when the exercise is not deemed feasible or in the best interest of the Association by its Directors or their designees:

(a) To enforce either in its own name or the name of any Owner within the district, including any action in law or in equity, injunctive, declaratory or extraordinary remedies, any or all building or use restrictions which may have been heretofore or may hereafter be imposed upon any of the land in said District, either in the form as originally placed thereon, or as modified subsequently thereto; provided, however, that this right of enforcement shall not serve to prevent such changes, releases or modifications or restrictions or reservations being made by the parties having the right to make such changes, releases or modifications as are permissible in the deeds, contracts or plats in which such restrictions and reservations are set forth, not shall it serve to prevent the assignment of those rights by the proper parties, whenever and wherever such right of assignment exists.

(b) To provide for the plowing and removal of snow from any driveway, within the District and other areas as deemed appropriate by the Directors.

(c) To care for all permanent plantings on front part of each Unit within the District; provided, however, that any duly authorized plantings of an individual Owner On the side or back of each Unit shall be cared for by or at that particular Owner's cost, and in the event any Owner fails to care for or pay costs for such maintenance or replacement, the Association may replace the plantings and the cost shall become a Special Assessment in respect to his or her Unit and/or Tract.

(d) To mow lawns and to do any other thing necessary or desirable in the judgment of the Directors of the Association, to keep the lawns and property in the District neat in appearance and in good order. In the event fences are constructed on the Tracts or Lots in such a manner as to restrict the access , the Owner of that particular Unit shall provide access to the Association or it's contractor or be required to maintain the restricted area

themselves.

- (e) To arrange for the periodic collection of rubbish and for the disposal of such rubbish as is collected pursuant to such rules as are promulgated by the Association or deemed appropriate by the Directors.
- (f) To exercise such control over and execute any documents necessary in so doing in respect to easements within the District as may be required from time to time.
- (g) To repair or maintain, repave and reconstruct paved drives private streets driveways, parking areas, lanes and pedestrian ways, except those streets and sidewalks which are dedicated to public use, provided that the Association may, in its discretion, make such repairs to areas so dedicated as it deems appropriate and in the best interest of the Association and the District, which may be funded by Special Assessment pursuant to Article III, Section 4 of the Declaration of Covenants.
- (h) To erect and maintain signs and entrance markers as may be deemed appropriate by the Directors.
- (i) To acquire and hold title to such real estate as may be reasonably necessary to carry out the purposes and maintain the standards of the Association and District and to pay real estate taxes and carry and pay for such insurance as it deemed appropriate by the Directors.
- (j) To maintain or have the right to maintain the exterior of each unit within the District as follows: Yearly cleaning of gutters and downspouts, routine maintenance of exterior building surface deterioration caused by normal wear and tear, provided, however, that in the event that the Association's treasury does not have enough money to cover the cost of such normal wear and tear upkeep, a Special Assessment may be made to the Owners. Any Damage to the exterior of the Units above and beyond normal wear and tear shall be

the responsibility of the individual Owner to repair and in the event that the Owner does not make such repairs, the Association shall have the right to make such repairs and assess the cost of such repairs to the individual Owner's property for the cost of the repairs. The maintenance to be done by the Association shall not in any event include mechanical and/or electrical service or disconnect boxes or mechanical devices installed or used in connection with providing heating, ventilation or air conditioning or maintenance to exterior glass surfaces, the exterior of entrance doors, garage doors, deck doors, patios and decks; provided, however, that in the event the need for maintenance or repair is caused through the willful or negligent acts or omissions of the owner, his family, guests, invitees or tenant, the cost of such maintenance or repairs shall be added to and become a Special Assessment to which such Unit is subject; and provided further; that the Association shall not be responsible for repairs, refurbishments or maintenance resulting or arising from any losses which could have been insured against or covered by fire or extended coverage in insurance or other forms of insurance whether or not such insurance was in effect at the time of such loss, provided that in the event the Directors, in their sole discretion, make such repair, then in such event the cost of such shall become a Special Assessment against the Unit. For purposes hereof, the repairs and/or maintenance for which the Association shall be responsible shall not include any maintenance or repair occasioned by structural defects in any improvement or improved property within the District.

- (k) To maintain improvements, including fences segregating yards into limited access yards, as may be allowed or provided for in the Association's Bylaws.

(l) In the event any Owner creates an undue burden upon the Association in respect to excess rubbish, trash or refuse or maintains his Unit or Tract in such a manner as detracts from the other Units or Tracts within the District or fails to timely repair or rebuild his Unit or tract after any fire or casualty, then the Directors may, in this discretion, take such steps as are necessary and appropriate to remove the trash, refuse or rubbish or remedy the detractions and the cost of same shall become a Special Assessment in respect to the Owner's Unit and/or Tract,

(m) To provide outside light fixtures and light bulbs. The responsibility of the maintenance and repair or replacement of such fixtures shall be that of the Association. Replacement of such fixtures must be in accordance with existing fixtures as to style, size and quality.

(n) To repair damage to yards and lawns occasioned by the repairs, maintenance or construction to or in regard to any Unit and/or Tract provided that the cost of such repair shall become a Special Assessment in respect to such Unit and/or Tract.

(o) To enforce leash laws, pet control restrictions, general nuisance restrictions and sound and noise restrictions as may be promulgated in its ByLaws or amendments thereto or as may be set out herein.

(p) Maintain a list of all residents and Tenants within the District.

(q) To execute all Declarations of ownership for tax assessment purposes with regard to the Common Properties on behalf of all Owners.

(r) To borrow funds to pay costs or operation, repairs or capital improvements, secured by assignment or pledge of rights against delinquent Owners, or by a pledge of funds from Annual, Special or Capital Assessments as the Board sees fit.

- (s) To enter into contracts, maintain one or more bank savings or checking accounts, and generally to have all the powers necessary or incidental to the operation and management of the Association.
- (t) To protect or defend the Common Properties from loss or damage by suit or otherwise, and to provide adequate reserves for replacements.
- (u) To make reasonable rules and regulations for the operation of the Common Properties and to amend them from time to time; provided that, any rule or regulation so promulgated may be amended or repealed by an instrument in writing signed by a majority of the Members entitled to cast a ballot or by a vote of a majority of the Members at an annual meeting or at a special meeting so called for that purpose (without limiting the generality of the foregoing language, the rules and regulations may be provided for limitations on use or fees of the swimming pools or other common recreational areas during certain periods by persons, visitors or otherwise).
- (v) To adjust the amount, collect and use any insurance proceeds to repair damage or replace Common Property; and, if proceeds are insufficient, to repair damage or replace Common Property, to assess the Members in proportionate amounts to cover the deficiency.
- (w) To enforce the provisions of this Declaration and any rules made hereunder and to enjoin and seek damages from any Owner for violation of such provisions or rules.
- (x) To retain legal counsel for the Association.
- (y) To take such steps as are reasonably necessary to control sound and noise levels within the District so as to benefit all Owners.

(z) To transfer, deed, grant easements or licenses to and for property owned by the Association or Declarant for minor additions to any Unit or to correct encroachments and to own real or personal property within the District.

(aa) To require that each owner notify it of any condemnation or casualty loss (whether actual, pending or threatened) affecting the Member's Unit or Tract.

(bb) To notify the holder, insurer or guarantor of any first priority mortgage or Deed of trust secured by a Unit or Tract of:

(i) any condemnation or casualty loss (whether actual, pending or threatened) affecting a Unit or Tract;

(ii) any delinquency in payment of any Annual, Special or Capital Assessment Resulting in the filling of a lien.

(cc) to require the Owners of any Unit or Tract within the District to acquire such types and amounts of insurance on such Units or Tracts as they may reasonably require (including all risk) and to require that proof of such policies be provided to the Association, and updated as they are revised.

**Section 14. Board Powers, Exclusive:** The Board shall have the exclusive right to contract for all goods, services and insurance, payment for which is to be made from the Association's funds, and the exclusive right and obligation to perform the function of the Association, except as otherwise provided herein.

**Section 15. Additional Powers of Directors:** In addition to the powers generally conferred upon the Directors by law or custom, they shall have the power to carry out their obligations, powers and duties as are set out in the Declaration as it may from time-to-time be amended and shall specifically have the right to borrow money on behalf of the corporation and in so doing to pledge any of its assets including its rights to receive annual, special or capital assessments, and further shall have the

right to enter into binding commitments, contracts or agreements the full performance or term of which may extend beyond the terms of any or all of the Directors approving or ratifying the agreement, commitment or contract.

**Section 16. Additional Duties of Directors:** In addition to the Directors other duties, and in the event the District is approved by the Federal National Mortgage Association, General National Mortgage Association, the Veterans Administration or other governmental, quasi-governmental or nationally recognized purchaser of home mortgages, then the Directors shall be required to meet the standards and requirements established by such entities including the effecting and maintaining of various policies of insurance and fidelity bonds. Further, in the course of obtaining the approval of such entities, it shall be the duty of the Directors to amend these Bylaws and, if appropriate, the Articles of Incorporation to comply with the requests or requirements of the Federal National Mortgage Association, the General National Mortgage Association, the Veterans Administration or other governmental or quasi-governmental or nationally recognized purchaser of home mortgages.

## **ARTICLE VI**

### **OFFICERS**

**Section 1. Number:** The Officers of the Corporation shall consist of a President, Vice President, a Secretary and a Treasurer and such other officers as may be deemed appropriate by the Board of Directors. The officers of the Corporation must first be elected or appointed to the Corporation's Board of Directors. The Board may also elect one or more Assistant Secretaries or Assistant Treasurers. Any two or more offices may be held by the same person except the offices of President and Secretary.

**Section 2. Election and Term of Office:** The officers shall be chosen by the Board of

Directors at their annual meeting and shall hold office until their successors are chosen and qualified.

Failure to elect officers annually does not dissolve the Corporation.

**Section 3. Removal:** Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors, whenever in the judgment of a majority of the Board of Directors, the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

**Section 4. Vacancies:** Vacancies among the officers arising from any cause shall be filled for the unexpired portion of the term in the manner provided for the election of the officer to such office at a special meeting of the Board of Directors called for that purpose.

**Section 5. The President:** The President shall be the Chief Executive Officer of the Corporation and serve as the Chairman of the Corporation's Board of Directors and, subject to the direction and under the supervision of the Board of Directors, shall have general charge of the business, affairs and property of the Corporation and control over its officers, agents and employees; shall preside and perform such other duties and may exercise such other powers as from time-to-time may be assigned to him or her by these Bylaws or by the Board of Directors.

In the event a Chairman of the board shall have been elected, the President shall have and may exercise all of the powers of the Chairman in the absence of the Chairman and shall do and perform such other duties and may exercise such other powers as from time-to-time may be assigned to him or her by these Bylaws or by the Board of Directors of the Corporation. The President shall ensure that all checks have dual signatures by naming one (1) additional and one (1) alternate member of the Board to co-sign the Treasurer's signature.

**Section 6. The Vice President:** The Vice President shall act in the place and stead of the President in his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board of Directors.

**Section 7. The Secretary:** The Secretary shall record all the proceedings of the meetings of the Corporation, Members and Directors in a book to be kept for that purpose; maintain a complete list of all Members entitled to vote at meetings of Members and have said list available for inspection of any Member who may be present at such meetings; act as custodian of the records of the Corporation and of the Board of Directors and of its corporate seal and shall affix the seal to all documents, the execution of which, on behalf of the Corporation, shall have been duly authorized; see that all books, reports, statements, certificates and other documents and records required by law to be kept or filed are properly kept and filed; and, in general, perform all duties and have all powers incident to the office of secretary and perform such other duties and have such other powers as may from time-to-time be assigned to him or her by these Bylaws, the Chairman of the Board, the President or by the Board of Directors.

**Section 8. The Treasurer:** The Treasurer shall have supervision of the funds, securities, receipts and disbursements of the Corporation; cause all monies and other valuable effects of the Corporation to be deposited in its name and to its credit in such depositories as shall be selected by the Board of-Directors, if pursuant to authority conferred by the Board of Directors; cause to be kept at the accounting office of the Corporation correct books of account, proper vouchers and other papers pertaining to the Corporation's business; render to the Chairman of the Board, the President or the Board of Directors, whenever requested, an account of the financial condition of the Corporation and of his or her transaction as Treasurer; and, in general, perform all duties and have all powers incident to the Office of Treasurer and perform such other duties and have such other powers as from time-to-time may be assigned to him or her by these Bylaws, the Chairman of the Board, the President or by the Board of

Directors.

**Section 9. The Assistant Secretary and Assistant Treasurer:** The Assistant Secretary and Assistant Treasurer (or in the event thereby more than one Assistant Secretary or Assistant Treasurer, in the order of their seniority, designation or election) shall, in the absence or disability of the Secretary or Treasurer, perform the duties and exercise the powers of the Secretary or Treasurer and shall perform such other duties as the President or the Board of Directors shall prescribe.

**Section 10. Salaries:** The salaries or other compensation, if any, of all officers shall be fixed by the Board of Directors and may be changed from time to time by a majority vote of the Board.

**Section 11. Services or Agreements:** Nothing set out in these Bylaws or in the Corporation's Articles of Incorporation shall be deemed to prevent the Association from entering into a binding contract.

## **ARTICLE VII**

### **INDEMNIFICATION OF OFFICERS, DIRECTORS AND OTHERS**

**Section 1.** The Corporation will indemnify any person who was or is a party or is threatened to be 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 Corporation, or is or was a directors, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner her or she reasonably believed to be in or not opposed to the best interests of the Corporation, and with respect to

any criminal action or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

**Section 2.** The Corporation will indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he or she is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses, including attorney's fees actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation; except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for gross negligence or misconduct in the performance of his or her duty to the Corporation unless and only to the extent that the court in which the action or suit was brought determines upon application that, despite the adjudication of liability and in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper. In respect to every agreement entered into by an officer or director on behalf of the Corporation, it shall be understood that such officer or director shall have no personal liability.

**Section 3.** To the extent that a director, officer, employee or agent of the Corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Sections 1 and 2 of this Article, or in defense of any claim, issue or matter therein, he or she shall be

indemnified against expenses, including attorney's fees, actually and reasonably incurred by him or her in connection with the action, suit or proceeding.

**Section 4.** Any indemnification under Section 1 and 2 of this Article, unless ordered by a court, shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he or she met the applicable standard of conduct set forth in this Article. The determination shall be made by the Board of Directors of the Corporation by majority vote of a quorum consisting of directors who were not parties to the action, suit or proceeding, or if such a quorum is not obtainable, then by independent legal counsel in a written opinion, or by the Members of the Corporation.

**Section 5.** Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of the action, suit or proceeding as authorized by the Board of Directors in the specific case upon receipt of an undertaking by or on behalf of the director, officer employee or agent to repay such amount unless it shall ultimately be determined that he or she is entitled to be indemnified by the Corporation as authorized in this Article.

**Section 6.** The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any Bylaws, agreements, votes of Members, disinterested directors or otherwise, both as to actions in his or her official capacity and as to actions in another capacity while holding such office, and shall continue as to a person who has cease to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such person.

**Section 7.** The Corporation shall purchase and maintain liability insurance in the amount of Five Hundred Thousand Dollars (\$500,000.00) on behalf of any person who is or was a directors, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other

enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such whether or not the Corporation would have the power to indemnify him or her against such liability under the provision of this Article.

**Section 8.** For the purpose of this Article, references to the "Corporation" include all constituent corporations absorbed in a consolidation or merger, as well as the resulting or surviving corporation so that any person who is or was a director, officer, employee or agent of such a constituent corporation as a director, officer, employee or agent or another corporation, partnership, joint venture, trust or other enterprise shall stand in the same position under the provisions of this Article with respect to the resulting or surviving corporation as he or she would if he or she had served the resulting or surviving corporation in the same capacity.

## **ARTICLE VIII**

### **COMMITTEES**

**Section 1. Standing Committee:** The Board of Directors shall appoint a three (3) member Architectural Review Board, (it not being required that such members be either residents within the District or Member of the Association) and this committee shall assist the Board of Directors in the implementing and enforcement of the restrictive provisions as set out in the Declaration and in addition thereto, the Board of Directors may delegate to this committee such of its powers as it deems necessary for the effective assistance by the committee in the enforcement and implementing of the terms of the Declaration.

**Section 2. Other Committees:** Other committees not having and exercising the authority of the Board of Directors and the management of the Corporation may be designated by a resolution adopted by a majority of the Board of Directors present at any annual or special meeting of the Board of Directors. Except as otherwise provided in such resolution, members of such committees shall be Members of the Corporation and the President of the Corporation shall appoint the members thereof, subject, however, to the approval of the Board of Directors. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Corporation shall be served by such removal.

**Section 3. Term of Office:** Each member of a committee shall continue as such until the next annual meeting of the Members of the Corporation unless the committee shall be sooner terminated by resolution of the Board of Directors, or unless such members shall be removed, provided, however, that the Members of the Architectural Review Board shall serve until they submit their resignation or as removed by a two-thirds (2/3) majority vote of the Board of Directors and upon such removal or termination the vacancy as so created shall be filled by the then remaining members of the Architectural Review Board.

**Section 4. Chairman:** One member of the committee shall be appointed Chairman by the President of the Corporation.

**Section 5. Vacancies:** Vacancies in the membership of any committee may be filled by appointment made in the same manner as provided in the case of original appointment.

**Section 6. Quorum:** Unless otherwise provided by resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

**Section 7. Rules:** Each committee may adopt rules for its own government not inconsistent with these Bylaws or with the rules adopted by the Board of Directors.

## **ARTICLE IX**

### **EXECUTION OF INSTRUMENTS**

**Section 1. Execution of Instruments Generally:** All documents, instruments, or writings of any nature shall be signed, executed, verified, acknowledged and delivered by such officer or officers or by such agent or agents of the Corporation and in such a manner as the Board of Directors from time to time may determine and in no manner shall any director or officer assume any personal liability by execution of such documents.

**Section 2. Checks, Drafts and Other Documents:** All notes, drafts, acceptances, checks, endorsements and all evidence of indebtedness of the Corporation whatsoever, shall be signed by such officer or officers or by such agent or agents of the Corporation and in such a manner as the Board of Directors from time to time may determine. Endorsements or instruments for deposit to the credit of the Corporation in any of its duly authorized depositories shall be made by rubber stamp of the Corporation or in such other manner as the Board of Directors may from time to time determine.

**Section 3. Proxies:** Proxies to vote with respect to shares of stock of other corporations that may be owned by or stand in the name of this Corporation may be executed on behalf of this Corporation by the President, Secretary or by any other person or persons authorized so to do by the Board of Directors.

**ARTICLE X**  
**DISTRIBUTIONS**

No part of the income or property of the Association shall be distributed to or inure to the benefit of the Members, directors or officers of the Association.

**ARTICLE XI**  
**CORPORATE SEAL**

The corporate seal of the Association shall be in the form of a circle and shall bear the name "COBBLESTONE HOMEOWNERS ASSOCIATION", as well as the words "Corporate Seal".

**ARTICLE XII**  
**FISCAL YEAR**

The Corporation's fiscal year shall be as determined by the Association's Board of Directors.

**ARTICLE XIII**  
**AMENDMENTS**

The ByLaws of the Association may from time to time be altered, suspended, amended or repealed, or new ByLaws may be adopted at an annual or special meeting of the Board of Directors, at which a quorum is present, by the affirmative vote of a two-thirds ( 2/3 ) majority of the directors present at such meeting provided in Article III.

**ARTICLE XIV**  
**MISCELLANEOUS**

**Section 1. Trade Names:** The Corporation may operate or transact business under such certain trade names other than its corporate name as may be adopted by the Board of Directors.

**Section 2. Inspection of Records by Members:** The Corporation shall keep correct and complete books and records of account and minutes of the proceedings of its Members, of its Board of Directors and of any committee having any authority of the Board of Directors. The Corporation shall also maintain at its registered office a record of the names and addresses of its Members who are entitled to vote.

**Section 3. Loans to Officers Prohibited:** No loan shall be made by the Corporation to any of its officers or directors. Any director of the Corporation who vote for or assents to the making of any such loan and any officer participating in the making of such loan shall be jointly and severally liable to the Corporation for the amount of such loan until its repayment.

**Section 4. Wavier of Notice:** Whenever any notice is required to be given under the laws of the State of Missouri or under the provision s of the Articles of Incorporation, Cobblestone Homeowners Association Declaration and any amendments or supplements thereto, or by these Bylaws, a waiver of such notice in writing signed by the person or persons entitled to such notice, whether before or after the time stated in such Waiver, shall be deemed equivalent to the giving of such notice.

**Section 5. Rules adopted from, time to time, by the Board of Directors:**

(a) There shall be no outdoor public or private auctions, estate sales, or any similar type public sales upon any members properties without prior approval by the Cobblestone Board of Directors. The reason for this rule is to maintain the integrity of the underground irrigation system, plantings and lawns. Written application is to be submitted to the Cobblestone ARB at least fourteen (14) days prior to the proposed event. The ARB request must be accompanied with the appropriate proof of liability and workers compensation insurance from the vendor providing the service. The ARB will make their recommendation to Board and if approved, will provide a schematic of the irrigation system in that area to the homeowner. All costs to repair damages shall be the responsibility of the individual homeowner and it will be their responsibility to be reimbursed by the vendor. This rule does not apply to individual or community garage sales that may be held from time to time.

(b) 7/22/2007 – CHOA Board adopted, through Board action at a Special Meeting, the following Standard Operating

Procedure pertaining to the willful neglect of property:

1. The CHOA Board will bring to a vote the issue and proposed remedy in order to have it on record in the minutes that there is a 2/3 majority concurring with the proposed action.
2. A letter is to be mailed, certified mail, to the resident, citing the infraction, the remedy, the Board action and a deadline of 30 days to correct the problem. The CHOA attorney is to be copied.
3. If the resident responds negatively, within the 30 days, or does not respond at all within the 30 day deadline the CHOA attorney is to be notified and instructed to write a demand letter on the attorney's Corporate letterhead giving the resident 15 days to respond to the attorney.
4. If the resident responds negatively, within the 15 days, or does not respond at all within the 15 day deadline the CHOA attorney will coordinate with CHOA President to write a letter notifying the resident of the date and time a professional contractor and member of the Board will arrive to inspect and obtain an estimate of repairs. The President is to contact the Jackson County Sheriff's office to notify them of this meeting and alert them of potential safety concerns for the contractor and Board Member.
5. If at any time in this process the resident refuses to allow access to the premises or is uncooperative, the event is to be documented and action terminated. CHOA attorney is then to be advised and instructed to proceed with initiating a court order to enforce our Covenants and By Laws.

Note: This action can be terminated by either compliance by the homeowner or a 2/3 vote by the CHOA Board

## Amendment History

- AMENDED FEBRUARY 28, 2006 for the purpose of updating and clarifying the entire document.
- AMENDED JULY 22, 2007 for the purpose of adding Article XIV , Section 5 (b), SOP for addressing willfully neglected property.
- AMENDED NOVEMBER 27, 2007 for the purpose of allowing a minimum of 3 days notification of a Special Meeting instead of 15 days notice.