

**REVISED  
BY-LAWS OF  
STONEBRIDGE VILLAGE  
PROPERTY OWNERS ASSOCIATION, INC.  
JANUARY, 2014**

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**ARTICLE I**

**IDENTITY**

Section 1. These By-Laws shall govern the operation of STONEBRIDGE VILLAGE PROPERTY OWNERS ASSOCIATION, INC. (hereinafter referred to as the Association) for the purpose of operations, maintenance and administration of Stonebridge Village, Missouri, pursuant to the Declaration of Covenants and Restrictions filed in connection therewith.

Section 2. The office of the Association shall be at Stonebridge Village (hereinafter referred to as the Village) or at such other place as may be subsequently designated by the Board of Directors of the Association.

Section 3. The seal of the Association shall bear the name of the Association, the state of incorporation, and the year of incorporation.

Section 4. All words, as used herein, shall have the same definitions as attributed to them in the Declaration of Covenants and Restrictions for Stonebridge Village, Missouri.

**ARTICLE II**

**MEMBERSHIP AND VOTING PROVISIONS**

Section 1. Membership: Membership shall be as provided in the Declaration of Covenants and Restrictions and Articles of Incorporation. The membership of each owner in the Association is appurtenant to and inseparable from his ownership. Except as provided in the Declaration, transfer of ownership, either voluntary or by operation of law, shall terminate membership and said membership shall become vested in the transferee.

A. General Membership: Every person or entity, other than the Developer, Certificate Member or CooperShare Member, who is the record owner of a fee interest in, or who is purchasing from the Developer a fee or undivided fee interest in a Lot or Living Unit which is subject to Assessment by the Association, even though such Assessment has not yet commenced, shall be a General Member of the Association.

General Members shall be entitled to the privileges of membership for each such Lot or Living Unit they own.

If ownership is vested in more than one person, then all of the persons so owning shall be Members eligible to hold office, attend meetings, etc., but they shall have only one (1) vote in the Association, except in the case of the Developer which has ten (10) votes, for each Lot or Living Unit, which shall be exercised as they among themselves determine and cast by the "voting member." If ownership is vested in a corporation, said corporation may designate an individual officer or employee of the corporation as its "voting member". Notwithstanding the foregoing, any person or entity other than the Developer who holds such ownership merely as security for the performance of an obligation shall not be a member and such membership will remain vested in the real party in interest.

B. Certificate Membership: In order to provide operating revenue to the Association and enhance utilization of the recreational facilities during the early development of the project, the Developer shall have 1,000 Certificates of Membership in the Association. Such Certificate Memberships may be sold by the Developer and shall not require the ownership of a Lot or Living Unit. Any person who owns or is purchasing from the Developer an interest in such Certificate Memberships shall be entitled to the privileges of membership in the Association except as hereinafter provided. At the expiration of fifteen (15) years from the date of recording of the Declaration or upon the completion of five thousand five hundred (5,500) Living Units, whichever is later, the Members other than Certificate Members shall, at the next annual meeting of the Membership, vote on the issue of continuing the Certificate Memberships. If a majority of the total votes cast favor continuing said Certificate Memberships, said Certificate Memberships shall continue for a period of five (5) years thereafter until, if ever, a majority of the voters elect to terminate said Certificate Memberships. Upon such termination, the Association shall be required to promptly purchase any such Certificate Memberships which have been sold by the Developer from the then Owners at a price equal to ten percent (10%) of the original purchase price of said Certificate Membership from the Developer. Except as to the Developer, Certificate Memberships may be owned only by natural persons and are not transferable other than between spouses and shall terminate in the event of the death of both spouses. Such Certificate Memberships may also be terminated by the Developer for failure of the purchasing owner to pay in full the purchase price therefor from the Developer or any other breach of such contract of purchase by the parties thereto, and by the Association for the failure to pay any assessments or other amounts owed by the Owners therefor to the Association or for any other breach by such Owner of the Declaration which failure to pay or breach shall not be cured within six (6) months after notice to such Owner by the Association. Notwithstanding anything hereinabove to the contrary, upon the termination of a Certificate Membership, for any reason whatsoever other than the vote of the Association Membership as hereinabove provided, the Developer shall have the right, but not the obligation, to create and sell an additional Certificate Membership in the place thereof, without payment of any kind by the Developer therefor, so long as the total of the

outstanding Certificate Memberships does not exceed 1,000 and so long as Certificate Memberships have not been terminated by vote of the Association Membership.

If ownership is vested in more than one person, then all of the persons so owning shall be members eligible to hold office, attend meetings, etc., but, as hereinafter provided, they shall have only one (1) vote in the Association, except in the case of the Developer which has ten (10) votes, for each Certificate Membership, which shall be exercised as they among themselves determine and cast by the "voting member." Notwithstanding the foregoing, any person or entity other than the Developer who holds such ownership merely as security for the performance of an obligation shall not be a member and such membership will remain vested in the real party in interest.

C. CooperShare Membership: Every person or entity, other than the Developer, who is the record owner of a fee or a fee or undivided fee interest or who is purchasing from the Developer a fee or undivided fee interest in a CooperShare Interest, which CooperShare Interest is subject to Assessment by the Association, even though such Assessment has not yet commenced, shall be a CooperShare Member. CooperShare Members shall be entitled to all privileges of membership as set out in the Declaration for each separate CooperShare Interest.

If the ownership is vested in more than one person, then all of the persons so owning shall be members eligible to hold office, attend meetings, etc., but, as hereinafter provided, they shall jointly be entitled to that portion of one (1) vote as their CooperShare Interest bears to fifty (50) weeks. When more than one person or entity holds such interest in a single CooperShare Interest, the pro-rated portion of the single vote shall be exercised as they among themselves determine and cast by the "voting member," but in no event shall more than one vote be cast with respect to a single CooperShare Interest. CooperShare Members may agree to combine their fractional votes and authorize their representative to vote their interest. If ownership is vested in a corporation, said corporation may designate an individual officer or employee of the corporation as its "voting member". Notwithstanding the foregoing, any person or entity other than the Developer who holds such ownership merely as security for the performance of an obligation shall not be a member and such membership will remain vested in the real party in interest.

D. Developer Membership: The Developer, its successors and assigns, shall be a Member of the Association so long as it shall be the record owner of a fee or undivided fee interest in any Lot, Living Unit, Certificate Membership or CooperShare Interest which is subject to assessment by the Association, even though such Annual Assessments have not yet commenced, and shall further be a Member until it is paid in full for every such Lot, Living Unit, Certificate Membership or CooperShare Interest it shall sell. The Developer, its successors and assigns, shall be entitled to the privileges of a Member for each such Lot, Living Unit, Certificate Membership or CooperShare Interest and shall be further entitled to the issuance of Membership guest cards during such membership to the extent it may deem necessary in its sole discretion to assist in the development and sale of such interests.

The Developer shall continue to have the right to cast votes as set out in the Declaration and herein even though it may have contracted to sell the Lot, Living Unit, Certificate Membership or CooperShare Interest or may have same under a mortgage or deed of trust.

Section 2. Voting:

A. All those persons or entities as set forth in Section 1.A, Section 1.B. or Section 1.D herein, who have paid the Developer in full for the purchase price of the Lot, Living Unit or Certificate Membership, shall have one (1) vote in the Association, except the Developer who shall have ten (10) votes and except the CooperShare Member, for each Lot, Living Unit or Certificate Membership owned, all in the manner set forth in the Declaration. A single vote is not divisible, and when more than one person or entity holds a single vote, their vote shall be exercised as they among themselves determine in accordance with and subject to the provisions and restrictions set forth herein.

B. All those persons or entities as defined as a CooperShare Member in Section 1.C of this Article II, who hold the interest required for CooperShare Membership and who have paid the Developer in full for the purchase price of the CooperShare Interest, shall be entitled to that portion of one (1) vote as their CooperShare Interest bears to fifty (50) weeks, all in the manner as set forth in the Declaration. When more than one person or entity holds such interest in a single CooperShare Interest, the pro-rated portion of the single vote shall be exercised as they among themselves determine but in no event shall more than one vote be cast with respect to a single CooperShare Interest. CooperShare Members may agree to combine their fractional votes and authorize their representative to vote their interests. Notwithstanding anything hereinabove to the contrary, with respect to CooperShare Interests, the Developer shall participate in the vote only in the same proportion as any other owner of a CooperShare Interest.

C. For purposes of determining the votes allowed herein when Living Units are counted, the Lot or Lots upon which such Living Units are situated shall not be counted.

D. A majority of the total votes cast in a duly qualified vote shall decide any question unless the Declaration or these By-Laws provide otherwise.

Section 4. Quorum: Unless otherwise provided in these By-Laws, the presence in person or by proxy of twenty-five percent (25%) of the total votes shall constitute a quorum. If the required quorum is not present, meetings may be called and the required quorum at such subsequent meetings shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than ninety (90) days following the preceding meeting.

Section 5. Proxies: Votes may be cast in person or by proxy. All proxies shall be in writing and signed by the person entitled to vote as set forth below in Section 5. Where a Lot, Living Unit, CooperShare Interest, or Certificate Membership is owned jointly by a husband and wife, and if they have not designated one of them as a voting member, a proxy must be signed by both husband and wife.

Section 6. Designation of Household Voting Member: If a Lot, Living Unit, CooperShare Interest, or Certificate Membership is owned by more than one (1) person or a corporation or other entity, the Household entitled to the easement of enjoyment and the person entitled to cast votes shall be designated in a certificate signed and filed with the Secretary of the Association. The person designated to vote in such certificate shall be known as the “voting member”. Such certificates shall be valid until revoked or superseded or until a change in ownership. In the absence of a designated voting member, the vote may only be cast by all owners thereof or their proper officers. In the absence of a designated Household, the same may be presumed to be the first named on the instrument of conveyance or withheld until so designated, in the discretion of the Association.

## I

### MEETING OF THE MEMBERSHIP

Section 1. Place: All meetings of the Association membership shall be held at the Project or at such other place and at such time as shall be designated by the Board of Directors and stated in the notice of the meeting.

Section 2. Notices: Except as otherwise provided in the Declaration or the Articles of Incorporation, it shall be the duty of the Secretary to mail or deliver a notice of each annual or special meeting, stating the time and place thereof, to each Owner of record at least five (5) but not more than forty (40) days prior to such meeting. Notice of any special meeting shall state the purpose thereof. All notices shall be mailed to or served at the address of the Owner as it appears on the books of the Association.

Section 3. Annual Meeting: The annual meeting shall be held in May of each year at a date, time and place to be determined by the Board for the purpose of electing Directors and transacting any other business authorized to be transacted by the members. At the annual meeting, the voting members shall elect by plurality vote (cumulative voting prohibited) a Board of Directors and shall transact such other business as may properly be brought before the meeting.

Section 4. Special Meeting: Special meetings of the Members for any purpose or purposes may be called by the President or by the Board of Directors on its own initiative and shall be called upon the request in writing of voting members representing twenty-five percent (25%) of the members’ total votes, which request shall state the purpose or purposes of the proposed meeting. Business transacted at all special meetings shall be confined to the objects stated in the notice thereof.

Section 5. Adjourned Meeting: If any meeting of Members cannot be organized because a quorum of voting members is not present, either in person or by proxy, the meeting may be adjourned from time to time until a quorum is present.

Section 6. Informal Action: With approval of the Board of Directors, any action which may be taken at a meeting of Members may be taken without a meeting if a consent in writing setting forth the action to be taken shall be signed by a quorum of Members who would be entitled to vote upon such action at a meeting and filed with the Secretary to be kept in the corporate minute book.

## **ARTICLE IV**

### **DIRECTORS**

Section 1. Number, Term and Qualifications: The affairs of the Association shall be governed by a Board of Directors composed of at least three (3) but no more than seven (7) persons. A change in the number of Directors to greater than seven (7) shall be made only by an amendment to its Articles of Incorporation.

The names and addresses of the persons constituting the initial Board of Directors and the annual meeting to which their respective terms shall extend are as follows:

<u>Position</u>	<u>Name and Address</u>	<u>Term Ending</u>
1	Larry Cooper P.O. Box 1587 Branson, MO 65616	1994
2	James Abrahamson P.O. Box 1587 Branson, MO 65616	1995
3	Richard H. Smith 1801 Forest Hills Blvd. Bella Vista, AR 72714	1996

Thereafter, Directors shall be elected for a term of three (3) years and shall serve until their respective successors are duly elected and qualified, or until removed in the manner provided in Section 3 below.

Section 2. First Board of Directors: The initial Board of Directors of the Association, who shall hold office and serve for the designated terms and until their successors have been elected and qualified, are set forth herein.

Section 3. Removal of Directors: At any duly convened regular or special meeting of the membership, any one or more of the Directors may be removed,

with or without cause, by the affirmative vote of the voting Members casting not less than a majority of the total votes of all members of the Association and a successor may then and there be elected to fill the vacancy thus created. Should the membership fail to elect said successor, the Board of Directors may fill the vacancy in the manner provided in Section 4 below.

Section 4. Vacancies on Directorate: If the office of any Director or Directors becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the remaining Directors, even though less than a quorum, shall choose a successor or successors who shall hold office for the balance of the unexpired term in respect to which such vacancy occurred. The election held for the purpose of filling said vacancy may be held at any regular or special meeting of the Board of Directors.

Section 5. Resignation of Directors: Any Director may resign at any time by sending a written notice of such resignation to the Secretary of the Association. Unless otherwise specified therein, such resignation shall take effect upon receipt thereof by the Secretary.

Section 6. Regular Meetings: The Board of Directors may establish a schedule of regular meetings to be held at such time and place as the Board of Directors may designate. Notice of such regular meetings shall nevertheless be given to each Director personally or by mail, telephone or telegraph at least five (5) days prior to the day named for such meeting. All meetings of the Board of Directors, including special meetings, shall be open to all Members with the exception of the discussion of personnel matters and matters covering litigation contemplated, threatened or existing.

Section 7. Special Meetings: Special meetings of the Board of Directors may be called by the President, and in his absence, by the Vice President, or by any Director by giving (5) days' notice, in writing, to all of the members of the Board of Directors of the time and place of said meeting. All notices of special meetings shall state the purpose of the meeting.

Section 8. Directors' Waiver of Notice: Before or at any meeting of the Board of Directors, any Director may waive notice of such meeting and such waiver shall be deemed equivalent to the giving of notice. Attendance at any meeting shall be a waiver of notice of the time and place thereof, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. If all Directors are present at any meeting, no notice shall be required and any business may be transacted at such meeting.

Section 9. Quorum: At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business and the acts of the majority present at such meetings shall be the acts of the Board of Directors; provided, that in no event shall a quorum consist of less than one-third of the whole Board of Directors. If, at any meeting of the Board of Directors, there shall be less than a



quorum present, the majority of those present may adjourn the meeting from time to time. At each such adjourned meeting, any business which might have been transacted at the meeting, as originally called, may be transacted without further notice. A Director may join in the action of a meeting by signing and concurring in the minutes thereof.

Section 10. Compensation: The Directors shall not be compensated for their services as such directors, but may be reimbursed for payment of all necessary and reasonable expenses incurred by them in connection with their duties.

Section 11. Election Process: The nomination and election of the Board of Directors shall be as follows:

A. Election of Board of Directors shall be by written ballot as hereinafter provided. At the election, voting members may elect one person for each position to be filled. If the voter selects more than one person for each position, that vote will not be counted.

B. Nominations for election to the Board of Directors may be made by a Nominating Committee. The Nominating Committee shall consist of three (3) or more Members appointed by the Board of Directors and one (1) member shall be designated as Chairman of the Committee. The Nominating Committee shall be appointed as soon as the Board of Directors shall deem it appropriate, and shall serve until a successor Nominating Committee shall be appointed by the Board of Directors.

C. The Nominating Committee may make as many nominations for election to the Board of Directors as it shall deem appropriate, but not less than the number of vacancies that are to be filled. Nominations may be made from among non-members as well as Members ***provided the nominee has never been convicted of a felony***. Nominations from the Nominating Committee and from voting membership as set out hereinbelow, shall be placed on a written ballot as hereinafter provided. Nominations from the Nominating Committee shall be made in advance of the time fixed hereinafter for the mailing of such ballots ***to the*** Members.

D. Any person, whether he is a Member or non-member, desiring to be a candidate for a vacancy on the Board of Directors to be filled at the annual election may cause his name to appear on the ballot by presenting to the Board of Directors a Petition of Nomination signed by the holders of at least twenty-five (25) qualified votes recommending his nomination. Said Petition shall be presented to the Board of Directors in advance of the time fixed hereinafter for the mailing of the Ballots to the members.

E. All Elections to the Board of Directors shall be made on written ballot which shall (1) describe the vacancies to be filled; (2) set forth the names of those candidates for such vacancies. Such ballots shall be prepared and mailed by the Secretary to the voting members at least seven (7) days in advance of the date designated

by the Board of Directors as the date for the election. The date of the election shall ordinarily be ten (10) days prior to the date of the annual meeting, but may be held at any time selected by the Board of Directors, and the term of office of a Director shall be for three (3) years, or until his successor shall have been elected and shall have qualified; the term shall expire upon the date of the annual meeting of Members three (3) years after his election, unless a successor shall not have been elected and shall not have qualified, and in such event, he shall continue to serve until his successor is elected and shall qualify.

F. Ballots shall be mailed by the Secretary to each voting member with a return envelope addressed to the President.

G. Upon receipt of each ballot returned, the President, *or his designate selected from a member of the Board of Directors*, shall place same in a safe place and upon the date designated by the Board of Directors as the date of the election, shall open the ballots and count same in the presence of not less than two (2) Directors appointed by the Board of Directors who, with the President *or his designate*, shall constitute the Election Committee. In the event two (2) or more persons are candidates for a vacancy, the person receiving the greater number of votes shall be declared elected. In the event only one (1) person is a candidate for a vacancy, such person must receive more than one-half (1/2) votes of the total votes cast to fill the particular vacancy, otherwise, such fact shall be reported to the Nominating Committee and the Nominating Committee shall forthwith nominate one (1) or more persons to fill the vacancy, or vacancies, which was or were not filled at the election. The new names or name shall be placed upon a ballot and the same procedure aforesaid shall be carried out promptly. Under no circumstances will a "write in" vote or votes be counted in any election of Directors.

Section 12. Powers of Duties: The Board of Directors of the Association shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or by the Declaration or these By-Laws, directed to be exercised and done by Owners. These powers and duties shall specifically include, but shall not be limited to the following:

A. To exercise all powers specifically set forth in the Declaration, in these By-Laws, and in any laws, ordinances or regulations applicable to the Project, and all powers incidental thereto.

B. To make and determine assessments and other fees, collect said assessments and other fees, and use and expend the assessments and other fees to carry out the purposes and powers of the Association.

C. To employ, dismiss and control at pleasure the personnel necessary for the administration, maintenance and operation of the Project, including the right and power to employ attorneys, accountants, contractors, and other professionals as the need arises. Nothing contained in these By-Laws shall prohibit the employment of any Member, Officer or Director in any capacity whatsoever.

D. To make, enforce and amend rules and regulations respecting the operation and use of the Common Properties and Limited Common Properties and the personal conduct of Members, guests and others thereon.

E. To further improve the Village, to purchase realty and items of furniture, furnishings, fixtures and equipment for the foregoing, and to enter into agreements in connection therewith, subject to the provisions of the Declaration and these By-Laws.

F. To designate one or more committees which, to the extent provided in the resolution designating said committee, shall have the powers of the Board of Directors in the management and affairs and business of the Association.

G. To call special meetings of the Members whenever it deems necessary and it shall call a meeting at any time upon written request of the Members as provided in I, Section 4 hereof.

H. To declare a vacancy in the office of any Director who shall be absent from three (3) or more consecutive regular meetings of the Board of Directors.

I. To cause to be kept a complete set of all of its acts and corporate affairs and to present a statement thereof to the annual meeting of Members or at any special meeting of Members.

J. As more fully provided in Article X of the Declaration, to (1) fix the amount of assessments, (2) prepare a roster of properties and assessments applicable thereto for keeping in the office of the Association and open to inspection by Members, (3) send written notice of each special assessment to Members, and (4) issue, or cause an appropriate officer to issue, upon demand, a certificate setting forth whether any assessment has been paid with such certificate to be conclusive evidence of any assessment therein stated to have been paid.

K. To enter into an agreement to manage the Stonebridge Village Condominium Owners Association, Inc.

## **ARTICLE V**

### **OFFICERS**

Section 1. Elective Officers: The principal officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors. One person may be both Secretary and Treasurer.

Section 2. Election: The officers of the Association shall be elected annually by the Board of Directors at the meeting of the Board following the annual meeting of the Members.

Section 3. Appointive Officers: The Board may appoint Assistant Secretaries, Assistant Treasurers and such other officers as the Board of Directors deems necessary.

Section 4. Compensation: The compensation, if any, of all officers of the Association shall be fixed by the Board of Directors.

Section 5. Term: The officers of the Association shall hold office until their successors are chosen and qualify in their stead, provided such term shall not exceed three (3) years. Any officer elected or appointed by the Board of Directors may be removed at any time, with or without cause, by the Board of Directors. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Directors.

Section 6. The President: The President shall be the chief executive officer of the Association. He shall have executive powers and general supervision over the affairs of the Association and other officers. He shall sign all written contracts and perform all of the duties incident to his office and which may be delegated to him from time to time by the Board of Directors.

Section 7. The 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 President or Board of Directors of the Association.

Section 8. The Secretary: The Secretary shall issue notices of all Board of Directors' meetings and all meetings of the Members and shall attend and keep the minutes thereof. He shall have charge of all of the Association books, records and papers, except those kept by the Treasurer. The Assistant Secretary shall perform the duties of the Secretary when the Secretary is absent.

Section 9. The Treasurer: The Treasurer shall:

A. Have custody of the Association funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association and shall deposit all monies and other valuable effects in the name of and to the credit of the Association in such depositories as may be designated from time to time by the Board of Directors.

B. Disburse the funds of the Association as may be ordered by the Board of Directors, making proper vouchers for such disbursements, and shall render to the President and Board of Directors at the regular meetings of the Board of Directors, or whenever they may require it, an account of all of his transactions as the Treasurer and of the financial condition of the Association.

C. Collect the assessments and other fees due the Association and promptly report the status of such collections and of all account delinquencies to the Board of Directors.

D. Provide relevant account status reports to potential transferees of lots on which reports the transferees may rely.  
The Assistant Treasurer shall perform the duties of the Treasurer when the Treasurer is absent.

## **ARTICLE VI**

### **COMMITTEES**

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

- A. The Nominating Committee
- B. The Election Committee
- C. The Recreation Committee
- D. The Public Works Committee
- E. The Architectural Control Committee
- F. The Golf Committee
- G. The Finance Committee
- H. The Communications Committee
- I. The Advisory Committee

Unless otherwise provided herein, each committee shall consist of a Chairman and two (2) 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 Nominating Committee shall have the duties and functions described in Article IV hereof.

Section 3. The Election Committee shall have the duties and functions as set out in Article IV hereof.

Section 4. 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 5. The Public Works Committee shall advise the Board of Directors on all matters pertaining to the construction, maintenance, repair or improvement of the Common Properties, Limited Common Properties and Facilities of the Association, and shall perform such other functions as the Board, in its discretion, determines.

Section 6. The Architectural Control Committee shall have the duties and functions described therefor in the Declaration. It shall watch for any proposals, programs, or activities which may adversely affect the residential values of the Village and shall advise the Board of Directors regarding Association action on such matters.

Section 7. The Golf Committee shall advise the Board of Directors on matters pertaining to all golf-related activities within the village and any golf courses operated by the Association.

Section 8. The Finance Committee shall examine the annual review or audit of the Association's books and also review the annual budget and balance sheet statement to be presented to the membership at its regular annual meeting. The Treasurer (or a director or officer designated by the Treasurer) shall be an ex-officio member of the Committee.

Section 9. The Advisory Committee shall consist of persons residing within the communities and other areas surrounding Stonebridge Village and shall advise the Board of Directors with respect to harmonious relations between Stonebridge Village and such surrounding areas and shall perform such other functions as the Board, in its discretion, determines.

Section 10. With the exception of the Nominating Committee, Election Committee and the Architectural Control Committee, each committee shall have power to appoint a subcommittee from among its membership, or an ad hoc committee of property owners or non-property owners, and may delegate to any such subcommittee or ad hoc committee any of its powers, duties and functions.

Section 11. 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 VII**

### **FINANCES**

Section 1. Depositories: The funds of the Association shall be deposited in such banks and depositories as may be determined by the Board of Directors from time to time and shall be withdrawn only upon checks and demands for money signed by such persons as may be designated by the Board of Directors. Obligations of the Association shall be signed by at least two (2) officers of the Association.

Section 2. Fidelity Bonds: All persons or firms who are authorized to sign checks or otherwise handling or responsible for Association funds shall be bonded in such amounts as may be determined by the Board of Directors. The premiums on such Bonds shall be paid by the Association.

Section 3. Fiscal Year: The fiscal year for the Association shall be the calendar year, provided, however, that the Board of Directors is expressly authorized to change to a different fiscal year, in accordance with the provisions and regulations from time to time prescribed by the Internal Revenue Code of the United States of America, at such time as the Board of Directors deems it advisable.

Section 4. Reviews or Audits: A review or audit of the accounts of the Association shall be made annually. Said review or audit shall be prepared by such independent certified public accountant as the Board of Directors determines, and a copy of said report shall be available to the Members of the association in the Association office and with the Treasurer of the Association. Such report shall be available not later than three (3) months after the end of the year for which the report is made.

## **ARTICLE VIII**

### **AMENDMENTS TO THE BY-LAWS**

The By-Laws may be altered, amended or added to at any duly called meeting of the Board of Directors, by a majority vote of a quorum present and voting, provided:

(1) Notice of the meeting shall contain a statement of the proposed Amendment.

(2) Provisions of these By-Laws which are governed by the Declaration may not be amended except in the manner provided therein or otherwise by applicable law.

(3) A copy of the proposed Amendments to the By-Laws shall be mailed to the Members not less than thirty days (30) days prior to the Board of Directors meeting at which the amendments will be considered. The Members shall be given written notice of

the time and place at which the meeting of the Board of Directors shall be held and such meeting shall be open to the Members. Upon written application of the holders of twenty-five percent (25%) of the vote of the Members, a special meeting of the members shall be held upon no less than ten (10) days' written notice to each Member, but within thirty (30) days of the delivery of such application to the Board of Directors, at which special meeting Members may consider and revoke the amendments. Unless these By-Laws shall require a larger vote, such revocation by Members shall require a vote of a majority of Members. The Board of Directors may, in any event, propose amendments to the By-Laws at any meeting of Members or in writing and if such be approved by the Members at the meeting, or in writing, such amendments shall not thereafter be re-examined by the Members in the manner hereinabove set forth.

(4) All such amendments shall be recorded and certified as and if required by the Missouri law and shall not become effective until so recorded where required.

(5) Notwithstanding the foregoing, these By-Laws may only be amended with the written approval, when required, of the parties specified in the Declaration.

## **ARTICLE IX**

### **NOTICES**

Whatever notices are required to be sent hereunder shall be delivered or sent in accordance with the applicable provisions for notices as set forth in the Declaration.

## **ARTICLE X**

### **INDEMNIFICATIONS**

The Association shall indemnify every Director and every Officer, his heirs, executors, and administrators, against all loss, cost and expense 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 as to matters wherein he shall be finally adjudged in such action, suit or proceeding to be liable for or guilty of gross negligence or willful misconduct. The foregoing rights shall be in addition to and not exclusive of all other rights to which such Director or Officer may be entitled.

## **ARTICLE XI**

### **LIABILITY SURVIVES TERMINATION OF MEMBERSHIP**



The termination of membership in the Association shall not relieve or release any such former Owner or Member from any liability or obligations incurred under or in any way connected with the Project during the period of such ownership and membership, or impair any rights or remedies which the Association may have against such former Owner and Member arising out of or in any way connected with such ownership and membership, and the covenants and obligations incident thereto.

## **ARTICLE XII**

### **LIMITATION OF LIABILITY**

Notwithstanding the duty of the Association to maintain and repair parts of the Village, the Association shall not be liable for injury or damage caused by a latent condition in the property, nor for injury or damage caused by the elements or by other Owners or persons.

## **ARTICLE XIII**

### **BOOKS AND PAPERS**

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

## **ARTICLE XIV**

### **CONFLICTS**

In the case of any conflict between the Rules and Regulations adopted, or from time to time amended, and the Village documents or applicable laws, ordinances and regulations, the latter shall prevail. If any unreconciled conflict should exist or hereafter arise with respect to the interpretations of these By-Laws and the Declaration, the provisions of said Declarations shall prevail. If any unreconciled conflict should exist or hereafter arise with respect to the interpretation of these By-Laws and the Articles of Incorporation, the Articles of Incorporation shall prevail.

Revised 05.19.11

IN WITNESS WHEREOF, the undersigned have hereunto set their hands this 19 day of May, 2011.

BOARD OF DIRECTORS

\_\_\_\_\_  
Neff Basore, President

\_\_\_\_\_  
Charles Whitfield, Vice President

\_\_\_\_\_  
Loren Lund, Secretary/Trea.

\_\_\_\_\_  
Sam Rodehaver, Director

\_\_\_\_\_  
Mark Menefee, Director

\_\_\_\_\_  
William Hunt, Director

\_\_\_\_\_  
Larry Miller, Director

KNOW ALL MEN BY THESE PRESENTS: That the undersigned Secretary of the Association does hereby certify that the above and foregoing By-Laws were duly adopted by the Board of Directors of the Association as the By-Laws of said Association on the 19 day of May, 2011, and that they do now constitute the By-Laws of the Association.

ATTEST:

\_\_\_\_\_  
Secretary