

AMENDED
BY-LAWS
OF
MAGNOLIA PLACE SUBDIVISION RESIDENTS ASSOCIATION, INC.

ARTICLE I
Name and Location

The name of the corporation is MAGNOLIA PLACE SUBDIVISION RESIDENTS ASSOCIATION, INC. hereinafter referred to as the "Association". The principle office of the Association shall be located at P. O. Box 503, Shelbyville, KY 40066-0503, but meetings of members and directors may be held at such places within the State of Kentucky, as may be designated by the Board of Directors.

ARTICLE II
Definitions

Section 1. "Association" shall mean and refer to MAGNOLIA PLACE SUBDIVISION RESIDENTS ASSOCIATION, INC., a Kentucky non-profit corporation, its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain property or properties defined as such in the Plats or Declarations of Covenants, Conditions, and Restrictions of Magnolia Place Sections I-II, recorded in the Real Property Records of Shelby County, Kentucky (the "Declaration"), and any additional properties which may hereafter be brought within the jurisdiction of the Association pursuant to the Declaration.

Section 3. "Lot" shall mean and refer to any Lot as shown on the Plats recorded in the Office of the Shelby County Clerk or that as defined in the Declarations.

Section 4. "Owner" shall mean and refer to the record owner, whether one or more entities, of any Lot, which is part of the Properties subject to maintenance, charge assessment by the Association, but excluding those having such interest merely as security for the performance of any obligation.

Section 5. "Declarations" shall mean and refer to the Declarations of Restrictions applicable to the Properties (including Sections I-II or any other property which may be brought within the jurisdiction of the Association).

Section 6. "Member" shall mean and refer to those persons who are Owners of Lots in Magnolia Place Subdivision. By acceptance of a deed for any lot in Magnolia Place Subdivision, every owner of a lot agrees to accept membership in and does thereby become a member of the Association. All members shall abide by the Association's By-Laws, rules and regulations; shall pay the assessments provided for when due; and shall comply with the decisions of the Association's duly elected Board of Directors.

ARTICLE III
Meetings of Members

Section 1. Annual Meetings. The first annual meeting of the members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter, and the principal office of the Association unless written notice is provided otherwise. If the day for the annual meeting of the Members is a Saturday, Sunday or legal holiday, the meeting will be held at the same hour of the first day following which is not a Saturday, Sunday or legal holiday.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of at least one quarter of all members of the association.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the directions of, the secretary or the person authorized to call the meeting, by hand delivering or mailing a copy of such notice, postage prepaid, not less than fifteen (15) nor more than thirty (30) days before such meeting to each member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or such other address that is supplied in writing by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and the purpose of the meeting.

Section 4. Quorum. A quorum at any meeting of the Association shall consist of the members present. Except where otherwise prescribed in the bylaws, decisions shall be made by majority vote.

Section 5. Proxy. At all meetings of members, each vote entitled to be cast may be cast in person or by proxy. The person appointed as proxy shall be a member of the Association. All proxies shall be in writing and filed with the secretary at or before the meeting. All proxies are to be entered into the record of the minutes of the meeting. Every proxy shall be revocable.

Section 6. Order of Business. The order of business for meetings shall be as follows:

1. Call to order;
2. Calling of the roll and certifying the proxies;
3. Proof of notice of meeting;
4. Reading and approval of minutes (regular & special meetings);
5. Treasurer's report;
6. Annual budget review and approval;
7. Committee reports;
8. Election of Directors;
9. Old business;
10. New business;
11. Adjournment

ARTICLE IV

Board of Directors

Section 1. Board of Directors. A Board of six (6) Directors, who are required to be Members of the Association, shall manage the affairs of this Association, and only one member per lot shall serve simultaneously on the Board.

Section 2. Term of Office. Directors shall be elected in two-year terms. If any Director is required to resign his/her office, then he/she must inform the other directors. At that time the remaining Directors must call a meeting so that the Members can elect a new Director to complete the term of the departing Director. Regular elections should be held at the annual meeting. Terms of the Directors shall be staggered such that three of the Directors shall be elected in even numbered years and the remaining directors in odd numbered years. After the original Directors are elected, three of those elected Directors shall hold their offices for just one year.

Section 3. Nomination. At the annual meeting nominations will be taken for election to the Board. Nominations may be made by any member. Members may make as many nominations for election to the Board of Directors as they wish. Any person nominated must be a Member of the Association.

Section 4. Election. Election shall be done by secret ballot. Each member shall have three votes, and the three persons who receive the most votes will be the new Directors to the Board.

Section 5. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association.

Section 6. Vacancies. Any Director may resign at any time by giving written notice to the President or Secretary of the Association. Such resignation shall take effect at the time specified therein; and unless otherwise specified therein the acceptance of such resignation shall not be necessary in order for it to be effective. In the event of death, resignation, or removal of a Director, a meeting shall be called and a new director will be elected by the Members to fill the unexpired

term.

Section 7. Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting that they could take at a meeting by obtaining the written approval of all of the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Board.

ARTICLE V

Meetings of Directors

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held quarterly with a minimum of five (5) day notice, of such place and hour as may be fixed from time to time by resolution of the Board.

Section 2. Special Meetings. A special meeting of the Board of Directors may be called by written notice signed by the President of the Association or by any two members of the Board other than the President. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be sent to all members of the Board and posted in the manner for notice of regular meetings not less than seventy-two (72) hours prior to the scheduled time of the meeting.

Section 3. Open Meetings. Regular and special meetings of the Board shall be open to all members of the Association; provided, however, that Association members who are not on the Board may not participate in any deliberation or discussion unless expressly so authorized by the vote of a majority of a quorum of the Board. The Board may, with approval of a majority of a quorum of the Board, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

Section 4. Quorum. A majority of the Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 5. Order of Business. The order of business for meetings shall be as follows:

1. Call to order;
2. Calling of the roll;
3. Proof of notice of meeting;
4. Reading and approval of minutes (regular and special meetings);
5. Approval of financial statement;
6. Reports of officers and committees;
7. Election of officers, if necessary;
8. Old business;
9. New business;
10. Adjournment

ARTICLE VI

Powers and Duties of the Association

Section 1. Powers. The Association by and through its Board of Directors, shall have the following rights and powers:

To suspend the voting rights and right to the use of any facilities or services provided by the Association of a Member during any period in which such Member shall be in default in the payment of any assessment levied by or any other amount payable to the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days, for infraction of published rules and regulations;

To exercise all powers, duties and authority vested in or delegated to this Association and not reserved to the membership pursuant to the other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;

To declare the office of a member of the Board of Directors to be vacant in the event such Member shall be absent from three (3) consecutive regular meetings of the Board of Directors;

To employ a manager, an independent contractor, or such other employees as it deems necessary, and to describe their duties and the terms of employment of services;

To exercise such other rights and powers granted to the Association and not reserved to the membership under the Declaration, the Articles of Incorporation of the Association, or these By-Laws;

To adopt and publish rules and regulations, which may change, from time to time governing the use of the Common Area and Common Facilities, and the personal conduct of the Members and their guests thereon.

Section 2. Duties. It shall be the duty of the Association, by and through its Board of Directors, to:

Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or any special meeting when such statement is requested in writing by a Member of the Association;

Supervise all officers, agents, and employees of this Association, and to see that their duties are properly performed;

Fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period and take such actions, as it deems appropriate to collect such assessments and enforce the liens given to secure payment thereof;

Send written notice of each assessment to every owner subject thereto at least thirty (30) days in advance of each annual assessment period;

Issue, or cause an appropriate officer, manager, contractor or employee to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made for the issuance of these certificates. If a certificate states that an assessment has been paid, such certificate shall be conclusive evidence of such payment;

Procure and maintain such liability, workers compensation, Directors and officer's liability, and other insurance, as it may deem appropriate to protect the position of the Association;

Cause any officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

Cause the Common Area, if any, to be maintained.

ARTICLE VII

Liability

Section 1. Exculpation. No Director or officer of the Association shall be liable for acts or defaults of any other director or officer or for any loss sustained by the Association or any member thereof, unless the same has resulted from his/her own willful misconduct or gross negligence.

Section 2. Indemnification. The rules of fairness, equality, and respect for other shall govern the organization in all cases to which they are applicable and not inconsistent with these By-Laws.

ARTICLE VIII

Officers and Their Duties

Section 1. Enumeration of Offices. The officers of this Association shall be a President, a Vice President; a Secretary; and a Treasurer; and such other officers as the Board may from time to time by resolution create. The President and Vice President shall be at all times a member of the Association and the Board of Directors.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one year unless he/she shall sooner resign, or shall be removed, or otherwise be disqualified to serve.

Section 4. Special Appointment. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. The Board may remove any officer from office with cause. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary in order for it to be effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he/she replaces.

Section 7. Multiple Offices. No person shall simultaneously hold more than one office.

Section 8. Duties. The duties of the Officers of the Association are as follows:

President

The President shall preside at all meetings of the Board of Directors of the Association; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds, and other written instruments and shall co-sign all promissory notes.

Vice President

The Vice President shall be vested with all the powers that are required to perform the duties of the Association President in the absence of the President. The Vice President may act for the President only when the President is actually absent or otherwise unable to act. The Vice President may assume such additional duties as are defined by the Board of Directors.

Secretary

The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep appropriate records of the Members of the Association together with their property address and any alternate address as may be provided in writing by such Member, and shall perform such other duties as required by the Board.

Treasurer

The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall co-sign all promissory notes of the Association; keep proper books of account; cause to be prepared an annual operating budget which shall be distributed to each member of the Association not less than thirty (30) days before the annual meeting; and cause to be prepared a balance sheet as of the last day of the Association's fiscal year; copies of which documents shall be distributed to each member at the annual meeting and keep accurate books and records of the fiscal affairs of the Association and make same available for inspection by Members of the Association during normal business hours by appointment.

ARTICLE IX Committees

The Board of Directors may appoint such committees as it may from time to time deem appropriate to carry out the purposes of the Association.

ARTICLE X

Books and Records

The books, records and papers of the Association shall at all times during reasonable business hours be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any Member at the principle office of the Association, where copies may be purchased at a reasonable cost.

ARTICLE XI

Assessments

Section 1. Common Areas. Common areas may be conveyed to the Magnolia Place Subdivision Residents Association, Inc. by the developer upon completion of the development. Each lot owner shall become a member of the Association; to share the use of the common area; and each lot owner shall be assessed for common expenses at the rate of One Hundred Dollars (\$100.00) per annum payable to Magnolia Place Subdivision Residents Association, Inc. thereafter, however, the developer will be assessed at a rate of Twenty Five Dollars (\$25.00) per lot per annum as shown on recorded plat of subdivision. The Association is responsible to use the funds collected as assessments to promote the recreation, health, safety and welfare of the residents of the development, the improvements and maintenance of the common area, daily operations and maintenance of the common areas, and taxes or assessments imposed upon the common areas for the Association.

Section 2. Annual and Special Assessments. The Association, by vote of the majority of members of said Association, may increase the annual assessment or may vote a special assessment required to defend or support the actions of the Association.

Section 3. Obligations. The Owner of any lot within the Development by acceptance of a Deed to any such lot, whether or not it shall be expressed in such Deed, is deemed to covenant and agrees to pay an annual assessment. Beginning with the initial conveyance of the lot from the Developer prorated monthly and thereafter due in full on the following 1st of July of each year. The annual assessment, together with interest, cost, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property on which such assessment is made. Each assessment together with interest, cost and reasonable attorney fees shall also be the personal obligation of the person who was the owner of such property at the time the assessments are due. The personal obligations for delinquent assessments shall not pass to his successors in the title unless expressly assumed by them in the Deed to such lot.

Section 4. Nonpayment. Any assessments not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of ten percent (10%) per annum. The Association may bring an action at law against the property. No owner may waive or otherwise escape liability for the assessment provided for herein by non-use of the Common Area or abandonment of such lot.

Section 5. Subordination of the liens and mortgages. The liens of the assessment provided for herein shall be subordinated to the lien of any first mortgage in existence at the time that the assessment becomes a lien. Sale or transfer of any lot shall not affect the assessment lien, however, the sale or transfer of any lot pursuant to any mortgage foreclosure or any proceedings in lieu that of, shall extinguish the lien of such assessments a stop payments which become due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability from the assessment thereafter becoming due or from the lien thereof.

ARTICLE XII

Corporate Seal

The Association shall have a seal in circular form having within its circumference the words "Magnolia Place Subdivision Residents Association, Inc." and within the center of the seal the word "Kentucky".

ARTICLE XIII

Amendments

Section 1. Amendment. These By-Laws may be altered, repealed or amended, at a regular or special meeting of the Members by a majority vote of the Members present.

ARTICLE XIV

Miscellaneous

Section 1. Fiscal Year. The fiscal year of the Association shall begin on the first day of July and end on the 30th day of June of every year, except that the first fiscal year shall begin on the date of incorporation.

In witness whereof, we being all the Directors of the Magnolia Place Subdivision Residents Association, Inc., hereunto set our hands this 31st day of OCTOBER, 2005.

Michael Lambert
DIRECTOR

Phil Rogge
DIRECTOR

Kathy Kleymeyer
DIRECTOR

[Signature]
DIRECTOR

Danise H. Harris
DIRECTOR

[Signature]
DIRECTOR

[Signature]
DIRECTOR

DIRECTOR

CERTIFICATION

I, the undersigned do hereby certify:

That I am the duly elected and acting secretary of the Magnolia Place Subdivision Residents Association, Inc., a Kentucky non-profit corporation, and,

That the foregoing By-Laws constitute the original By-Laws of said Association, as duly adopted by the Board of Directors thereof, on the 31 day of October, 2005.

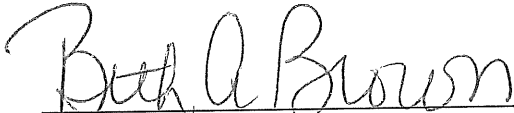
Kathy Kleymeyer
SECRETARY

AMENDMENT CERTIFICATION

I, the undersigned do hereby certify:

That I am the duly elected and acting secretary of the Magnolia Place Subdivision Residents Association, Inc., a Kentucky non-profit corporation, and,

That the foregoing By-Laws constitute the Amended By-Laws of said Association, as duly adopted by the Members thereof, on the 13th day of August, 2014. These bylaw amendments shall go into effect on July 1, 2015.


SECRETARY