
BY-LAWS

OF

**HATHAWAY MANOR NORTH
HOMEOWNERS' ASSOCIATION**

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**ARTICLE ONE
MEMBERSHIP, OFFICES, APPLICABILITY, DEFINITIONS**

1.1 Name. The name of the Association shall be Hathaway Manor North Homeowners' Association ("Association"), which shall be deemed to be the homeowners' association pursuant to the "Declaration of Covenants, Conditions and Restrictions" of Hathaway Manor North Subdivision as recorded on _____ in Book _____, Page _____ of the records of St. Louis County, Missouri, as may be amended ("Declaration").

1.2 Status. The Association shall be organized as a nonprofit corporation under Chapter 355, Mo. Rev. Stat., the Nonprofit Corporation Act of the State of Missouri ("NPCA"). The Members may approve a different form of organization by vote of two-thirds of the Owners voting as provided in these By-Laws.

1.3 Membership. The Members of the Association shall consist of the Lot Owners of the Subdivision in accordance with their allocated voting interests as provided in the Declaration. The membership of each Owner shall terminate when he ceases to be an Owner, and upon the sale, transfer or other disposition of his ownership interest, his membership in the Association shall automatically be transferred to the new Owner succeeding to such ownership interest.

1.4 Office. The principal office of the Association shall be located within the Subdivision or St. Louis County, as determined by the Board.

1.5 Applicability. The provisions of these By-Laws are applicable to all of the Property subjected to the Declaration.

1.6 Definitions. The definition of words and terms contained in the Declaration shall apply to these By-Laws. In addition, the following definitions shall apply:

(a) "Majority" means those votes, Members, or other group as the context may indicate totaling more than 50% of the total eligible number.

(b) "E-mail" means an electronic communication or transaction made in accordance with the Missouri Uniform Electronic Transactions Act, Section 432.200, *et seq.*, Mo. Rev. Stat., as may be amended.

ARTICLE TWO
ASSOCIATION: MEETINGS, QUORUM, VOTING

2.1 Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or to such other convenient location as the Board may designate.

2.2 Annual Meetings. The annual meeting of the Members shall be held in the first week of _____ or as soon thereafter as reasonably practical. At such meeting, the Directors shall be elected by the Members as provided in Article Three. The Members may transact other business at such meetings as may properly come before them, provided that written notice is given as provided in Section 2.4.

2.3 Special Meetings. Special meetings of the Association may be called by the President, by resolution of a majority of the Board or upon a petition signed by at least 20% of the total Members in Good Standing. No business shall be transacted at a special meeting except as stated in the notice provided under Section 2.4.

2.4 Notice of Meetings. The Secretary or other officer authorized by the Board shall deliver or cause to be delivered to each Member, at his Lot address, by personal delivery, U.S. mail, or by E-mail, a notice of each annual or special meeting of the Association. The notice shall state the date, time, and place of the meeting, and the purpose thereof. Notices shall be served not less than 14 nor more than 30 days before a meeting. Delivery of a notice pursuant to this Section shall be considered service of notice.

2.5 Waiver of Notice. Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may waive notice in writing, either before or after the meeting. Attendance at a meeting by a Member shall be deemed waiver by such member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting also shall be deemed waiver of notice of all business transacted at such meeting unless an objection on the basis of lack of proper notice is raised before the business is put to a vote.

2.6 Adjournment of Meetings. If any meeting of the Association cannot be held because a quorum is not present as provided in Section 2.8 below, the Board shall reschedule the meeting. At the rescheduled meeting, if a quorum of Members in Good Standing is present equal to one-half the quorum set in Section 2.8, any business which might have been transacted at the meeting originally called may be transacted.

2.7 Voting. The voting rights of the Members are set forth in the Declaration and may be exercised as follows:

(a) Multiple Members who are record Owners of a Lot shall collectively be entitled to one vote.

(b) If only one of such multiple Members is present at a meeting of the Association, that Member is entitled to cast the vote allocated to that Lot. If more than one of the Members are present, the vote allocated to that Lot may be cast only in accordance with the agreement of a majority in interest of the multiple Members. There is a majority agreement if any one of the Members casts the vote allocated to the Lot without protest being made promptly to the person presiding over the meeting by any of the other Members of the Lot. If a protest is made, the vote of that Lot shall not be counted.

(c) If an Owner is a corporation, any designated officer of such corporation may act as the Member and cast the vote allocated to such Lot. If an Owner is a partnership, a designated partner of such partnership may act as Member and cast the vote allocated to such Lot. The person presiding over the meeting may require reasonable evidence that the person who is voting on behalf of a corporation or partnership is qualified to so vote.

(d) Votes may be cast pursuant to a written proxy specifying the Lot for which it is given, duly executed by the Member as record Owner of said Lot, and filed with the Secretary of the Association prior to the meeting for which it is to be effective. The proxy holder shall be another Member in Good Standing or the managing agent. Unless otherwise specifically provided in the proxy, a proxy shall be presumed to cover all votes which the Member giving such proxy is entitled to cast, and in the event of any conflict between two or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated as of the same date, both shall be deemed invalid. A "directed proxy" may be used, containing instructions which shall bind the holder as to the casting of the vote. A proxy is void if it is not dated or purports to be revocable without notice. Every proxy shall be revocable and shall automatically cease upon (1) conveyance of any Lot for which it was given, (2) receipt by the Secretary of a written notice of revocation of the proxy or of the death or judicially declared incompetence of a Member who is a natural person, or (3) eleven (11) months from the date of the proxy, unless a shorter period is specified in the proxy.

(e) The Board may provide for voting by E-mail, by secret ballot at a meeting, or by mail ballot.

(f) No vote allocated to a Lot owned by the Association may be cast.

(g) The Lot of any Member who is not in Good Standing is not eligible for voting purposes, and shall not be counted in determining whether a quorum is present at any meeting.

(h) There shall be no cumulative voting.

2.8 Quorum. The presence at the beginning of any duly called meeting, in person or by proxy, of ten percent (10%) of all the Members in Good Standing of the Association shall constitute a quorum at all meetings of the Association.

2.9 Action by Association. The Association may take action by the affirmative vote of a majority of the Members in Good Standing present at a meeting (in person or by proxy) at which a quorum is present, unless a different percentage is expressly provided by the Governing Documents for specific actions.

ARTICLE THREE **BOARD OF DIRECTORS: NUMBER, MEETINGS**

3.1 Governing Body. The affairs of the Association shall be governed by a Board of Directors ("Board"). The Directors shall be qualified as provided in Section 3.6(a) of the Declaration.

3.2 Number of Directors. The Board shall consist of seven (7) Directors, one Director from each of the seven plats described in Exhibit "A" of the Declaration. The number of Directors may be changed by amendment of these By-Laws, provided that the number shall not be less than three.

3.3 Term of Office of Directors. Directors shall each have three year terms, which shall be staggered, and shall hold office until their respective successors have been elected. There is no limit on the number of terms or years a Director may serve.

3.4 Nominating Committee. Not less than 60 days before the annual meeting, the Board may appoint a Nominating Committee of at least three Members in Good Standing (other than Directors) to solicit candidates, prepare rules for the election and oversee the election.

3.5 Removal of Directors. Upon petition signed by at least one-third of all Members in Good Standing and presented to the Board requesting a vote to remove one or more Directors, with or without cause, the Board within 60 days after receipt of the petition shall hold a special meeting of the Members for said purpose. At such meeting, any Director named in the petition, after opportunity to be heard, may be removed by the affirmative vote of two-thirds of the Members in Good Standing who cast votes. In the event any Director is removed under this provision, the remaining Directors shall set a special meeting of the Association, to be held within 14 to 30 days following such removal, for the Members to elect a successor to fill each vacancy created by such removal for the remainder of the term.

3.6 Vacancies. In the event of the death, disability, or resignation of a Director, or if a Director ceases to meet the qualifications in Section 3.6(a) of the Declaration, the Board may declare a vacancy and appoint a successor to fill the vacancy until the next annual meeting, at which time the Members in Good Standing may elect a successor for the remainder of the term. Any Director who has three unexcused absences from Board meetings within one year or who is delinquent in the payment of any assessment or installment thereof for more than 60 days may be removed by a majority vote of the Board at a meeting at which a quorum is present, and the Board may appoint a successor to fill the vacancy for the remainder of the term.

3.7 Organization Meetings. The first meeting of the Directors following each election shall be held within ten days thereafter at such time and place as shall be fixed by the Board to elect officers, designate signature authority for Association accounts, set a schedule for Board meetings, and take other organizational actions. .

3.8 Regular Meetings. Meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Directors. Directors may participate in a meeting of the Board by means of conference telephone or similar communications equipment, by means of which all persons participating in the meeting can hear each other, and participation pursuant to this Section shall constitute presence in person at such meeting.

3.9 Special Meetings. Special meetings of the Board shall be held when called by notice by the President or by a majority of the Board specifying the time and place of the meeting and the nature of any special business to be considered.

3.10 Notice; Waiver of Notice. Notices of Board meetings shall be given to each Director by personal delivery, mail, E-mail, or by such other means reasonably expected to communicate such notice promptly, shall specify the time and place of the meeting and, in the case of a special meeting, the nature of any special business to be conducted. The transactions of any meeting of the Board shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes.

3.11 Quorum of Board. A majority of the Directors, present at the beginning of any Board meeting, shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board.

3.12 Conduct of Meetings. The President shall preside over all meetings of the Board, and the Secretary shall keep a minute book of Board meetings, recording all Board resolutions and transactions and proceedings occurring at such meetings. The order of business shall be:

- (a) Calling the roll;
- (b) Proof of notice of meeting and waiver(s) of notice;
- (c) Reading and disposal of any unapproved minutes;
- (d) Reports of officers;
- (e) Reports of committees;
- (f) Election of officers (if necessary);
- (g) Unfinished business;
- (h) New Business; and
- (i) Adjournment.

3.13 Compensation. No Director shall receive any compensation for acting as such; provided, however, that the Association may approve compensation by the affirmative approval of a majority of the Members in Good Standing at a meeting called for this purpose. A Director shall be entitled to reimbursement for actual and reasonable expenses incurred on behalf of the Association upon Board approval. Nothing herein shall prohibit the Association from compensating a Director, or any entity with which a Director is affiliated, for services or supplies furnished to the Association in a capacity other than as a Director pursuant to a contract or agreement with the Association, in accordance with the provisions of Section 3.16.

3.14 Open Meetings; Executive Session. Except as provided in this Section, all meetings of the Board shall be open to all Members. Except in an emergency, notice of Board meetings shall be posted at least 48 hours in advance of the meeting at each entrance to the Subdivision. The Board may designate portions of the meetings for the purpose of participation by the Members. Notwithstanding the foregoing, the President may adjourn any meeting of the Board and reconvene in executive session, and may exclude persons other than the Directors, to discuss confidential matters, such as pending or threatened litigation and personnel matters.

3.15 Consent to Corporate Action. If the Directors individually or collectively consent in writing to any action taken or to be taken by the Board, and the number of the Directors constitutes a quorum for such action, such action shall be valid as though it had been authorized at a meeting of the Board. The Secretary shall file such consents with the minutes of the official Board meetings.

3.16 Conflict of Interest. Any Director who has a financial interest or other conflict of interest in connection with any transaction or business of the Association shall fully disclose same before the Board votes on such matter, and said Director shall abstain from discussion and voting. The remaining Directors may appoint a disinterested Owner to the Board for the limited purpose of voting upon such matter(s).

3.17 Training; Code of Ethics. The Board may adopt and provide funding for training and education of Directors, and may adopt a code of ethics for the conduct of Directors.

ARTICLE FOUR

POWERS AND DUTIES OF THE BOARD

4.1 Authority. The Board shall be responsible for the affairs of the Association and shall have all the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do all acts and things as are not by the NPCA or Declaration exclusively reserved to be exercised by the Members.

4.2 Administrative Powers and Duties. In addition to the powers and duties imposed by the Declaration, these By-Laws or by any resolution of the Association, the Board shall have the following powers and duties, to be carried out in accordance with the Declaration.

(a) To collect assessments under the Declaration as follows:

(1) The annual assessment shall be due by February 1 and if payment is not received by the close of business 30 days thereafter shall be designated as late and the Board shall provide written notice to the Member.

(2) If payment of any assessment or installment thereof, or fine, is not received within 30 days of the date due, the unpaid amount shall bear interest until payment is received at the rate of 12% per annum, or any other legal rate (not exceeding 18%) adopted by Board resolution. The interest shall be calculated as simple interest and not be compounded. In addition, the Board shall charge a late fee in the sum of \$25.00 or such other reasonable fee as may be adopted by Board resolution. The Board shall be entitled to recover all of its reasonable processing and administrative costs, recording fees, expenses for title search, attorney's fees, costs and paralegal expenses.

(3) If any payment of an assessment has not been received within 60 days of the date due, a second written notice shall be provided.

(4) If any monthly installment has not been paid within 90 days after the due date, and the delinquent Owner has made no arrangements to pay, the Board may authorize the recordation of a Notice of Lien against the Unit or initiation of a legal action to collect the debt against the Owner, including (to the extent applicable):

- a. Past due annual assessment.
- b. Special assessment (if any).
- c. Late charges.

- d. Interest on the delinquent assessment.
- e. Acceleration.
- f. Attorney's fees.
- g. Recording costs, including release.
- h. Other actual expenses incurred.

(5) Part payments on a delinquent account shall be applied in the following order:

- a. Court costs and attorney's fees.
- b. Management and other professional fees.
- c. Expenses, administrative costs and other charges incurred.
- d. Late charges accrued.
- e. Interest charges accrued.
- f. Oldest portion of the amount due of the annual assessment
- g. Oldest portion of any special assessment.
- h. Other: _____.

(6) Any Member who ceases to be a Member in Good Standing by virtue of unpaid assessments shall not be entitled to vote for Directors, serve on the Board, or utilize recreation facilities (if any).

(7) The Board may waive late fees, interest and costs for good cause, and adopt such further Rules to provide for the efficient and effective collection of unpaid assessments.

(b) To open bank accounts on behalf of the Association and designate the signatories required, to deposit all funds received on behalf of the Association, and to use such funds to operate the Association; provided, that reserve funds may be deposited in depositories other than banks. All funds shall be deposited in insured accounts. Reserve funds may be accessed only by approval of at least two officers of the Board.

(c) To keep books with detailed accounts of the receipts and expenditures affecting the Association and its administration. All books and records shall be kept in accordance with generally accepted accounting principles and practices. All records shall be preserved for the period of time required by applicable law or regulation.

(d) A review of the accounts of the Association shall be made annually in such manner as the Board may decide; provided, however, after having received the Board's review at the annual meeting, the Members in Good Standing, by resolution, may require that the accounts of the Association be audited as a Common Expense by a certified public accountant.

(e) To arrange or contract for and to pay the cost of all services to be provided by the Association.

(f) To permit utility and service providers to use the Common Ground reasonably necessary for services to the Property and individual Lots and Dwellings.

(g) To establish committees, and to appoint chairs and members thereof, to perform such tasks and to serve for such periods as may be designated by a resolution which shall set forth the committee's duties, powers and duration. Each committee shall operate in accordance with the terms of the Board resolution and with rules adopted by the Board.

(h) To employ a management agent to perform such duties and services as the Board shall authorize, but the Board may not delegate the approval of budgets and assessments; adoption, amendment or termination of Rules; opening bank accounts or designation of signatories; access to reserve funds; or enforcement by legal means of any provision of the Governing Documents.

(i) To arrange for and pay the cost of such accounting, legal or other professional services as may be required or necessary to the operation of the Association.

4.3 Notice and Opportunity to be Heard. The Association shall have the power, as provided in the Declaration, to impose penalties for any violation of the Governing Documents. To the extent required by the Declaration, the Board shall comply with the following procedures prior to imposition of penalties:

(a) **Notice.** The Board or its delegate shall serve the alleged violator with written notice describing (1) the nature of the alleged violation, (2) the proposed sanction to be imposed, (3) a period of not less than ten days within which the alleged violator may present a written request for a hearing to the Board, and (4) a statement that the proposed sanction shall be imposed as contained in the notice unless a challenge is begun within ten days of the notice. If a timely request for a hearing is not made, the sanction stated in the notice shall be imposed; provided the Board may, but shall not be obligated to, suspend any proposed sanction if the violation is cured within the ten (10) day period. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions of the Governing Documents by any Person.

(b) **Hearing.** If a hearing is requested within the allotted ten (10) day period, the hearing shall be held before the Board in executive session. The alleged violator shall be afforded a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, Director or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator or his or her representative appears at the meeting. The minutes of the meeting

shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

4.4 Board Standards. The Board shall be guided by the following standards:

(a) **Business.** While conducting the Association's business affairs, the Board shall be protected by the business judgment rule. The business judgment rule protects a Director from personal liability so long as the party claiming liability does not prove that the Director failed to (1) act within his or her authority, (2) serve in a manner the Director believes to be in the best interests of the Association and its Members, (3) serve in good faith, or (4) act with such care as an ordinarily prudent person in a like position would use under similar circumstances.

(b) **Governance.** In fulfilling its governance responsibilities, the Board's decisions and actions shall be governed and tested by the rule of reasonableness. The Board shall exercise its power in a fair and nondiscriminatory manner and shall adhere to the procedures established in the Declaration.

(c) **Operations.** Operational standards of the Board and any committee appointed by the Board shall be the requirements set forth in the Declaration or the minimum standards which the Board may establish. Operational standards may evolve as the needs and demands of the community and the Association change over time.

ARTICLE FIVE

OFFICERS

5.1 Designation. The officers of the Association shall be a President, Secretary, and Treasurer, all of whom shall be elected by the Board. The Board may elect such other officers, including a Vice-President, one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board. The President, Vice President (if any), Secretary and Treasurer shall be elected from among the Directors.

5.2 Election, Term of Office and Vacancies. The officers of the Association shall be elected annually by the Board at the first meeting of the Board following each annual election.

5.3 Removal and Vacancies. The Board may remove any officer whenever in its judgment the best interests of the Association will be served, and may fill any vacancy in any office arising because of death, resignation, removal, or otherwise, for the unexpired portion of the term.

5.4 Powers and Duties. The officers of the Board shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time be specifically conferred or imposed by the Board. The President shall be the chief executive officer of the Association. The Secretary shall keep all official records and minutes of the Board and Association and provide all required notices. The Treasurer shall maintain all financial records and prepare the budget.

5.5 Resignation. Any officer may resign at any time by giving written notice to the President or Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, acceptance of such resignation shall not be necessary to make it effective.

5.6 Agreements, Contracts, Deeds, Leases, Checks. All agreements, contracts, deeds, leases, and other instruments of the Association approved by the Board shall be executed by the President or, in the absence of the President, any officer or such other person or person as may be designated by resolution of the Board. Checks shall be signed by the Treasurer and/or such other officer(s) designated by resolution of the Board. In the event of an emergency, the President shall have such authority as reasonably necessary under the circumstances to act on behalf of the Association.

5.7 Certification. The President, Secretary and Treasurer, in said order, shall be authorized to prepare, execute and record amendments to the Declaration and other instruments on behalf of the Association, and the Secretary shall be authorized to certify any instrument or document requiring certification.

5.8 Compensation. Compensation of officers shall be subject to the same limitations as compensation of Directors under Section 3.13 of these By-Laws.

ARTICLE SIX

INSURANCE; DAMAGE OR DESTRUCTION

6.1 Required Coverage. The Association shall maintain, to the extent reasonably available and with such coverages as the Board, in its discretion, may determine reasonable:

(a) Property insurance covering any improvements on the Common Ground, for broad form covered causes of loss. The total amount of insurance shall be for the full replacement cost of the insured property, less the applicable deductibles, at the time the insurance is purchased and at each renewal date, exclusive of land, excavations, foundations, and other items normally excluded from property policies; and

(b) General liability insurance against claims and liabilities arising in connection with the ownership, existence, use, maintenance or management of the Common Ground in an amount sufficient in the judgment of the Board, insuring the Board, the Association, the managing agent (if any), and their respective employees, agents and all persons acting as agents. The Members shall be included as additional insureds but only for claims and liabilities arising in connection with the ownership, existence, use, maintenance or management of the Common Ground and their interests in the Association. The insurance shall cover claims of one or more insured parties against other insured parties; and

(c) Directors' and officers' liability insurance against claims and liabilities arising in connection with the Board's decisions, acts, and omissions, insuring the Directors, officers, and managing agent, if any. Such insurance shall include nonmonetary defense; and

(d) Fidelity insurance in an amount not less than one year's current assessments plus reserves calculated from the current Association budget. Any person who independently contracts with the Association for the purposes of managing the Association shall obtain and maintain fidelity insurance in an amount not less than the amount specified in the preceding sentence, unless the Association names such person as an insured employee in the Association's fidelity insurance policy; for the purposes herein, such coverage shall include, but not be limited to, employees of a professional manager. The Association may carry fidelity insurance in amounts greater than required herein, and may require said independent contractor to carry fidelity insurance coverage in amounts greater than required herein.

6.2 Additional Coverages. The Association may carry any other insurance it considers appropriate to protect the Association, Board or Members, or Association assets or property.

6.3 Unavailability or Cancellation. If any insurance described in Section 6.1 is not reasonably available, or if there is a material change or cancellation, the Association promptly shall cause notice of that fact to be sent to all Members.

6.4 Required Insurance Provisions. Insurance policies carried pursuant to subsections 6.1(a) and (b) shall provide that:

(a) Each Member is an insured person under the policy with respect to liability arising out of his interest in the Common Ground or membership in the Association;

(b) The insurer waives its right to subrogation under the policy against any Member or person in his household;

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

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

6.5 Adjusting Losses. Any loss covered by the property policy under subsection 6.1(a) shall be adjusted with the Association. The insurance proceeds for such loss are payable to the Association, and not to any holder of a Security Interest. The Board, on behalf of the Association, shall hold any insurance proceeds in trust for the Association, Owners, and lien holders as their interest may appear. The proceeds shall be disbursed first for the repair or restoration of the damaged property, and the Association. Members and lien holders are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the property has been completely repaired or restored, or the Subdivision is terminated.

6.6 Owner Insurance. Each Owner, at his own expense, shall be responsible for obtaining insurance for his own benefit.

6.7 Notice of Cancellation. An insurer issuing any policy under Sections 6.1 or 6.2 shall issue certificates or memoranda of insurance to the Association and, upon written request, to any Member or holder of a Security Interest. Unless otherwise provided by statute, the insurer may not cancel or refuse to renew the policy until 30 days after notice of the proposed cancellation or non-renewal has been mailed to the Association and each holder of a Security Interest to whom a certificate or memorandum of insurance has been issued at their respective last known addresses. The foregoing provision shall apply to any cancellation or refusal to renew the policy, except by reason of nonpayment of premiums, in which event the insurer shall provide a ten day notice as otherwise stated herein.

6.8 Premiums. Premiums and other expenses for insurance obtained by the Association are Common Expenses and shall be allocated pursuant to the Declaration.

ARTICLE SEVEN

MISCELLANEOUS

7.1 Fiscal Year. The fiscal year of the Association shall be a calendar year unless otherwise set by resolution of the Board.

7.2 Parliamentary Rules. The Board may adopt parliamentary rules and procedures to govern the conduct of Association proceedings, provided that they are not in conflict with Missouri law or the Governing Documents.

7.3 Conflict of Law. In the event of conflict between the NPCA and the Articles of Incorporation, Declaration or these By-Laws, the provisions of the Articles of Incorporation, Declaration and the By-Laws (in that order) shall control unless not permitted under the NPCA.

7.4 Access to Books and Records. The following procedures apply to inspection and copying of Association books and records:

(a) The membership register, books of account, and minutes of meetings of the Members, the Board, and committees shall be made available for inspection and copying by any Member, a duly appointed representative, or holder of a first Security Interest at any reasonable time and for a purpose reasonably related to his or her interest as a Member at the office of the Association or at such other place as the Board shall prescribe. The request to inspect shall be in writing and directed to a Director or the community manager (if any), and a response shall be made within five (5) days after receipt of a proper request.

(b) Correspondence and other records protected by attorney-client privilege or other privilege, competitive bids, any matter in which an individual Member may have a protectable right of privacy, and such other records as the Board may reasonably determine, are not subject to inspection by Members without prior written consent of the Board.

(c) Communications by E-mail shall be considered as records of the Association to the extent the subject matter is the same as other forms of communication, and shall be preserved for the same period of time.

(d) Rules for Inspection. The Board may establish reasonable Rules and procedures with respect to notice to be given to the custodian of the records by the Member desiring to make the inspection, and payment of the cost of reproducing copies of documents requested by a member.

(e) Except to the extent of a conflict of interest under Section 3.16, every Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties of the Condominium that are the Association's responsibility. The right of inspection by a Director includes the right to make extracts and copies of documents at the expense of the Association.

7.5 Notices. Unless otherwise provided in the Governing Documents, all notices, demands, bills, statements, or other communications required by the Governing Documents shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by first class U.S. mail, postage prepaid, or by E-mail:

(a) to a Member, at the address of the Lot of such Member or such other address as the Member has designated in writing and filed with the Secretary.

(b) to the Association, the Board, or the community manager (if any), at the principal office of the Association or the community manager (if any), or at such other address as shall be designated by the notice in writing to the owners pursuant to this Section.

7.6 Amendment. These By-Laws may be amended only as provided in the Declaration.

7.7 Applicability. These By-Laws shall be effective upon adoption by the Members.

CERTIFICATION

We, the undersigned, being the President and Secretary of the Board of Directors of Hathaway Manor North Homeowners' Association, a Missouri nonprofit corporation, do hereby certify that the foregoing By-Laws constitute the By-Laws of said Association, as duly adopted by a majority of all the Members of the Association.

IN WITNESS WHEREOF, we have hereunto subscribed our names this _____ day of _____, 2010.

HATHAWAY MANOR NORTH HOMEOWNERS' ASSOCIATION,
a Missouri nonprofit corporation

By: _____
President

[No Seal]

Attest:

Secretary