

BY-LAWS

of

COUNTRY CLUB OF SUGAR CREEK

PROPERTY OWNERS ASSOCIATION. INC.

A Nonprofit Corporation under the

Laws of the State of Missouri

ARTICLE I

NAME, MEMBERSHIP, APPLICABILITY AND DEFINITIONS

Section 1 Name. The name of the Corporation shall be **Country Club of Sugar Creek Property Owners Association, Inc.** (hereinafter said Corporation sometimes referred to as the "**Association**").

Section 2 Principal Office. The principal office of the Association shall be located at **625 Landmark Drive, Arnold, Missouri 63010.**

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Section 3 Definitions. The words used in these By-Laws shall have the same meaning as set forth in that **Declaration of Covenants, Conditions and Restrictions for Country Club of Sugar Creek, recorded in Book 465 at Page 531** of the Jefferson County Recorder of Deeds Office, (said Declaration, as amended, renewed, or extended from time to time, is hereinafter sometimes referred to as the "**Declaration**"), unless the context shall prohibit. The "**Grantor**" under these By-Laws is the Grantor under said Declaration, which is **Landmark Excavating and Equipment Company**, its successors and/or assigns. The "**Period of Grantor Control**" under these By-Laws and under said Declaration expires on **December 31, 1999**. The "**Subdivision**" under these By-Laws is all recorded plats that are subject to the Declaration.

ARTICLE II

ASSOCIATION: MEETINGS. QUORUM, VOTING, PROXIES

Section 1 Membership. The Association shall have Members, as more fully set forth in the Articles of Incorporation of the Association and the Declaration, the terms of which pertaining to membership are specifically

incorporated herein by reference. As used herein "Member" shall mean every person or entity who holds membership in the Association.

Section 2 Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as may be designated by the Board of Directors either in the Subdivision or as convenient thereto as possible and practical.

Section 3 Annual Meetings. The first meeting of the Members, whether a regular or special meeting, shall be held within one (1) year from the date of incorporation of the Association in the month of July. The next annual meeting shall be set by the Board so as to occur no later than sixty (60) days after the close of the Association's fiscal year. Subsequent regular annual meetings of the Members shall be held within thirty (30) days of the same day of the same month of each year thereafter at an hour set by the Board. Subject to the foregoing, the annual meeting of the Members shall be held at a date and time as set by the Board of Directors, upon at least ten (10) days written notice to the Members.

Section 4 Special Meetings. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of a majority of a quorum of the Board of Directors or upon a petition signed by at least ten (10) Members of the Association. The notice of any special meeting shall state the date, time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice. Following the expiration of the Period of Grantor Control, the President shall call a special meeting of the Members of the Association, to elect the Directors to be elected by the Members.

Section 5 Notice of Meetings. Written or printed notice stating the place, day and hour of any meeting of the Members shall be delivered, either personally or by mail, to each Member entitled to Vote at such meeting, not less than ten (10) nor more than forty (40) days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting. In the case of a special meeting or when required by statute or these By-Laws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his address as it appears on the records of the Association, with postage thereon prepaid.

Section 6 Waiver of Notice. Waiver of notice of meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member, whether in person or by proxy, 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 shall also be deemed waiver of notice of all business transacted thereat unless objection to the calling or convening of the meeting, of which proper notice was not given, is raised before the business is put to a Vote.

Section 7 **Voting.** Each Member shall be entitled to one (1) vote ("Vote") for each Lot in the subdivision owned by such Member. Additional provisions relating to the voting rights of the members shall be as set forth in the Declaration, and such voting rights provisions are specifically incorporated herein.

Section 8 **Proxies.** At all meetings of Members, each Member may Vote in person or by proxy. All proxies shall be in writing and filed with the Secretary before the appointed time of each meeting. Each proxy shall be revocable and shall automatically cease upon conveyance by the Member of his or her Lot or upon receipt of notice by the Secretary of the Board of the death or judicially declared incompetence of a Member or upon the expiration of eleven (11) months from the date of the proxy.

Section 9 **Quorum.** Except as otherwise provided in these By-Laws or in the Declaration, the presence in person or by proxy of the Members representing at least thirty percent (30%) of the Votes of the membership shall constitute a quorum at all meetings of the Association. If a quorum is not present or represented at a meeting, the Members in attendance shall have the authority to adjourn the meeting from time to time without notice other than announcement at the meeting until a quorum shall be present.

Section 10 **Conduct of Meetings.** The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring thereat.

Section 11 **Vote Necessary for Action.** Except as otherwise provided by law, the Articles of Incorporation of the Association, the Declaration, or these By- Laws, the Vote of a majority of Votes entitled to be cast by the Members present at a meeting at which a quorum is present, shall be necessary for the adoption of any matter Voted upon.

Section 12 **Action Without a Meeting.** Any action required by law to be taken at a meeting of the Members, or any action which may be taken at a meeting of the Members, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by two-thirds (2/3) of the Members entitled to Vote with respect to the subject matter thereof, and such consent shall have the same force and effect as a unanimous Vote of the Members.

ARTICLE III

BOARD OF DIRECTORS: NUMBER, POWERS, MEETINGS

COMPOSITION AND SELECTION

Section 1 **Governing Body.** The affairs of the Association shall be governed by a Board of Directors.

Section 2 Directors During Grantor Control. During the Period of Grantor Control under the Declaration, the Directors shall be selected by the Grantor as provided in the Declaration. Upon the expiration of the Period of Grantor Control under the Declaration, the Board shall be elected by the Members as provided in the Declaration.

Section 3 Numbers of Directors. The number of Directors in the Association shall be seven (7). The initial Board shall consist of those persons who are identified in the Articles of Incorporation.

Section 4 Nomination of Directors. Except with respect to Directors selected or appointed by the Grantor, nominations for election to the Board of Directors shall be made by the Members at the annual meeting of the Association. Nominations shall be permitted from the then current Board of Directors and/or from the floor. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit Votes.

Section 5 Election and Terms of Office. At the first special or annual meeting of the membership occurring after the Period of Grantor Control, when the Directors other than the initial Directors selected by the Grantor are to be elected to the Board of Directors, and at such annual meetings of the membership thereafter, Directors shall be elected. The Directors shall be elected in such manner and for such terms as provided in the Declaration.

Section 6 Removal of Directors and Vacancies. Except for Directors appointed by the Grantor during the Period of Grantor Control, any Director may be removed from the Board, with or without cause, by a majority of the Votes of the Members (present or represented by proxy at which a quorum is present) of the Members. In the event of the death or resignation of a Director, a successor shall be selected by a majority Vote of the remaining Directors to serve until the next annual meeting of the Association, at which time a new Director shall be elected to serve for the unexpired term of his predecessor.

MEETINGS OF DIRECTORS

Section 7 Regular Meetings. Regular meetings of the Board of Directors shall be held at least once in each calendar year at a place, date and time as may be fixed from time to time by resolution of the Board. Additionally, the Board of Directors shall be required to meet within fifteen (15) days following the annual meeting of the Association for the purpose of electing officers of the Association.

Section 8 Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any Director, after not less than three (3) days' written notice either mailed or personally delivered to each Director. Such notice shall be deemed given when actually received.

Section 9 Quorum. Four (4) members of the Board of Directors shall constitute a quorum for the transaction of business. Every act or decision of a majority of the Directors present at a meeting at which proper notice is given and at which a quorum is present, shall be regarded as the act of the Board.

Section 10 Action without Meeting. The Board of Directors shall have the right to take any action, which they could take at a meeting by obtaining the written approval of all Directors in lieu of holding such a meeting. Any action so approved shall have the same effect as though taken at a meeting of the Board of Directors.

POWERS AND DUTIES

Section 11 Powers. The Board of Directors shall be responsible for the affairs of the Association and shall have all of 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 Declaration, the Articles of Incorporation, or these By-Laws directed to be done and exercised exclusively by the Members.

In addition to the duties imposed by these By-Laws or by any resolution of the Association that may be hereafter adopted, the Board of Directors shall have the power to and be responsible for the following, in way of explanation, but not limitation:

(a) preparation and adoption of an annual budget in which there shall be established the contribution of each owner to the common expenses, as provided in the Declaration;

(b) making assessments to defray the common expenses, establishing the means and methods of collecting such assessments, and establishing the period of the installment payments of the annual assessment, all as provided in the Declaration, and unless otherwise determined by the Board of Directors, the annual assessment against the proportionate share of the common expenses shall be payable in one annual installment, due and payable in advance of the 15th day of February;

(c) providing for the operation, improvement, care, upkeep, repair and maintenance of all of the Common Ground and all private roads and streets of the Subdivision;

(d) employing such agents, contractors or employees as the Board of Directors deem necessary to carry out its powers and duties;

(e) collecting the assessments, depositing the proceeds thereof in a bank depository, which it shall approve, and using the proceeds to administer the Association;

(f) making and amending rules and regulations governing the use of the Common Ground by Members and their guests, and to establish penalties for infractions of such rules and regulations;

(g) opening of bank accounts on behalf of the Association and designating the signatories required;

(h) enforcing by legal means the provisions of the Declaration, these By-Laws, and the rules and regulations adopted by it and bringing any proceedings, which may be instituted on behalf of or against the Owners concerning the Association;

(i) obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof;

(j) paying the cost of all services rendered to the Association or its Members and not chargeable to owners;

(k) keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred. The said books and vouchers accrediting the entries thereupon shall be available for examination by the Members and mortgagees, their duly authorized agents, accountants, or attorneys, during general business hours on working days at the time and in a manner that shall be set and announced by the Board of Directors for the general knowledge of the owners;

(l) make available to any prospective purchaser of a Lot, any Member, any first Mortgagee, and the holders, insurers, and guarantors of a First Mortgage on any Lot, current copies of the Declaration, the Articles of Incorporation, the By-Laws, rules governing the Lots and Living Units, and all other books, records, and financial statements of the Association; and,

(m) exercise of those express or implied powers given the Association by the Declaration

Section 12 Management Agent.

(a) The Board of Directors may employ for the Association a professional management agent or agents at a compensation established by the Board of Directors to perform such duties and services, as the Board of Directors shall authorize. The Board of Directors may delegate to the managing agent or manager, subject to the Board's supervision, all of the powers granted to the Board of Directors by these By-Laws, other than the powers set forth in Sections 11(a), (b), (f), (g), (h), and (m) of this Article III. The Grantor, or an affiliate of the Grantor, may be employed as managing agent or manager,

(b) No management contract may have a term in excess of three (3) years and must permit termination by either party without cause and without termination fee on ninety (90) days or less written notice.

Section 13 Compensation. No Director shall receive compensation for any service he renders to the Association in his capacity as a Director. However, each Director shall be reimbursed for the actual reasonable expenses incurred by him in the performance of his duties as a Director. Nothing herein contained shall prohibit the Board from retaining and compensating a Director for any proper purpose in a capacity other than as a Director, provided that such compensation shall be on reasonably competitive terms.

Section 14 Indemnification. Each Director, in consideration of his services as such, shall be indemnified by the Association to the extent permitted by law against all loss, cost, damage, or expense reasonably incurred by him in connection with the defense of any action, suit or proceeding, civil or criminal, to which he may be a party by reason of his past or present role as a Director of the Association, unless such action, or proceeding was a result of his gross negligence or willful misconduct.

ARTICLE IV

OFFICERS

Section 1 Officers. The officers of the Association shall be a President, Vice President, Secretary and Treasurer. The Board of Directors may elect such other officers, including 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 of Directors.

Section 2 Term of Office and Vacancies. The officers of the Association shall be elected annually by the Board of directors at the first meeting of the Board of Directors following each annual meeting of the Members, as herein set forth in Article III. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term

Section 3 Removal. Any officer may be removed by the Board of Directors whenever in its judgment the best interests of the Association will be served thereby.

Section 4 Powers and Duties. The officers of the Association 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 of Directors. The President shall be the chief executive officer of the Association. The Treasurer shall have primary responsibility for the preparation of the budget as provided for in the Declaration and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

Section 5 Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, the President, or the 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, this acceptance of such resignation shall not be necessary to make it effective.

Section 6 Signature Execution. All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least one (1) officer or by such other person or persons as may be designated by resolution of the Board of Directors.

Section 7 Indemnification. Each officer, in consideration of his services as such, shall be indemnified by the Association to the extent permitted by law against all loss, cost, damage and expense reasonably incurred by him in connection with the defense of any action, suit or proceeding, civil or criminal, to which he may be a party by reason of his past or present role as an officer of the Association, unless such action, suit or proceeding was a result of his gross negligence or willful misconduct.

ARTICLE V

COMMITTEES

Section 1 Committee. The Board of Directors shall have the power and authority to appoint such committees as are required or appropriate or contemplated by the Declaration, and such other committees as it, in its discretion, deems necessary or desirable.

ARTICLE VI

MISCELLANEOUS

Section 1 **Fiscal Year.** The initial fiscal year of the Association shall be the calendar year. Thereafter, the fiscal year may be changed by the Board of Directors.

Section 2 **Conflicts.** If there are conflicts or inconsistencies between the provisions of Missouri law, the Articles of Incorporation, the Declaration, and these By-Laws, the provisions of Missouri law, the Declaration, the Articles of Incorporation, and the By-Laws (in that order) shall prevail.

Section 3 **Books and Records.**

(a) **Inspection by Members and Mortgagees.** The Declaration and By-Laws, 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 mortgagee, Member of the Association, or by his or her duly appointed representative 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 within the Project as the Board shall prescribe.

(b) **Rules for Inspection.** The Board shall establish reasonable rules with respect to:

- (2) notice to be given to the custodian of the records;
- (3) hours and days of the week when such an inspection may be made; and
- (4) payment of the cost of reproducing copies of documents requested.

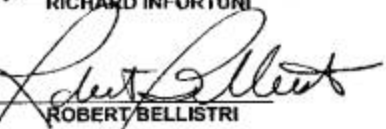
(c) **Inspection by Directors.** Every Director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a Director includes the right to make extracts and copies of documents at the expense of the Association.


Section 4 Amendment. These By-Laws may be thereafter amended only by the affirmative Vote (in person or by proxy) or written consent of Members representing a majority of the total Votes of the Association. Notwithstanding the above, during the Period of Grantor Control, no amendments to these By-Laws may be made without prior written approval of Grantor.

IN WITNESS WHEREOF, we the Initial Directors of the Association have adopted these By-Laws as the By-Laws of the Country Club of Sugar Creek Property Owners Association, Inc., this 22nd day of December 1999.

22nd day of December, 1999.

x 
RICHARD INFORTUNI

x 
ROBERT BELLISTRI

x 
JUDITH BELLISTRI

x 
THOMAS BELLISTRI

x 
JAMES BELLISTRI

x 
SCOTT CARR

x 
BARBARA FRENCH