

BYLAWS OF  
MASTER KEY PLACE HOMEOWNERS ASSOCIATION

ARTICLE I  
PURPOSES

The purposes of the Corporation shall be as follows:

- A. To act as a homeowners association.
- B. To own, manage, and maintain the roads, lake, park, landscaping, signage, and easements of Master Key Place Subdivision No. I; and, the enforcement of the Covenants and Restrictions of such subdivision.
- C. To acquire property whether real, personal or mixed, by purchase, gift, legacy, bequest or in any other manner, to sell, lease, mortgage and otherwise dispose of the same, and to borrow money, issue bonds or notes, and all other documents necessary or appropriate in carrying out the objects and purposes of this corporation.
- D. To do all and everything necessary, suitable or proper for the accomplishment of any of the purposes or the attainment of any one or more of the objects herein enumerated, or incidental to the powers named, or which shall at any time appear conducive or expedient for the promotion of its welfare, and the accomplishment of the purposes herein enumerated.
- E. No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to, its members, directors, officers, or other private persons except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered.
- F. No substantial part of the activities of the corporation shall be the carrying on of propaganda or otherwise attempting to influence legislation and the corporation shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.

ARTICLE II  
DEFINITIONS

The following words when used in these bylaws shall have the following meanings:

A. "Association" shall mean Master Key Place Homeowners Association.

B. "The properties" shall mean and refer to all existing properties in Master Key Home Place Subdivision No. I.

C. "Lot" shall mean and refer to any plot of land shown on the recorded plat of Master Key Home Place Subdivision No. I.

D. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot situated upon the properties, but, notwithstanding any applicable theory of the mortgage, shall not mean or refer to the mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

E. "Member" shall mean and refer to all those owners who are members of the Association as provided in Article III, Section 1 hereof.

ARTICLE III  
MEMBERSHIP, VOTING RIGHTS IN THE ASSOCIATION,  
AND BOARD OF DIRECTORS

Section 1. Membership. Every person or entity who is a record owner of a fee or undivided fee interest in any lot which is subject by covenants of record to assessments by the Association shall be a member of the Association, provided that any such person or entity who holds such interest merely as a security for performance of an obligation shall not be a member.

Section 2. Voting Rights. The members of the Association shall be entitled to one vote for each lot in which they hold the interest required for membership by Section 1. When more than one person holds such interest or interests in any lot, all such persons shall be members and the vote for each such lot shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast with respect to any such lot.

Section 3. Board of Directors: Membership. The Board of Directors of the Association shall be composed of three (3) individuals who, at the first annual meeting of Owners shall be elected by the members at the annual meeting of the Association, and who shall, following such first election be Owners. The Board of Directors shall conduct the general business of the Association, and shall serve in accordance with these bylaws.

A. Term and Election of Directors. Each director shall be elected for a term of one (1) year at the annual meeting of the Board of Directors. A Director may resign at any time by delivering written notice to the board of directors or the President or Secretary of the Corporation; the resignation shall be effective at the time stated therein or if no such time is stated, upon delivery. Directors may be removed without cause by the vote of two-thirds of the Directors then in office. Vacancies occurring on the Board of Directors, including vacancies due to an increase in the number of directors, may be filled by the directors then in office. Any director may succeed himself or herself indefinitely.

B. Meetings. The Annual Meeting of the Board of Directors shall be held on the first Thursday of the month of August, at 2:00 p.m. at the principal office of the Corporation, or at such time and place within or without the State of Missouri as shall be designated by the President or if not designated by the President then as determined by the Board of Directors. The annual meeting shall be held for the purpose of electing officers and Directors and transacting such other business as may come before the meeting. Special meetings of the Board of Directors may be called by or at the request of the President, or in the President's absence by the Vice President, or by any three Directors at the time and place designated in the call of the meeting. If no place is designated for such meeting, then the special meeting shall be held at the principal office of the Corporation.

Members of the Board of Directors, or of any committee designated by the Board of Directors, may participate in a meeting of the Board or committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation in a meeting in this manner shall constitute presence in person at the meeting.

Any action which is required to be or may be taken at a meeting of the directors, or of any committee of the directors, may be taken without a meeting if consents in writing, setting forth the action so taken, are signed by all of the members of the Board or of the committee as the case may be. The consent shall have the same force and effect as a unanimous vote at a meeting duly held, and may be stated as such in any certificate or document. The Secretary shall file the consents with the minutes of the meetings of the Board of Directors or of the committee as the case may be.

The order of business for all meetings shall include: roll call, reading and approval of minutes from the previous meeting, correspondence, reports, old business, new business, adjournment.

D. Notice. Notice of any meeting shall be given at least five days prior thereto by written notice delivered

personally or mailed to each Director at such Director's business or home address. If mailed, such notices shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, 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. Neither the business to be transacted at, nor the purpose of, any special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

E. Quorum. A majority of the incumbent members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

F. Manner of Acting. The act of the majority of the Directors present at a meeting of the Directors at which a quorum is present shall be the act of the Board of Directors unless a greater number is required under the Articles of Incorporation, these Bylaws or any applicable laws of the State of Missouri.

G. Committees. The Board of Directors may by resolution adopted by a majority of the directors in office establish one or more committees, each of which shall consist of two or more directors, under such terms and with such powers as shall be specified in such resolution.

#### ARTICLE IV OFFICERS

A. Number and Election. The officers of the Corporation shall be a President, a Vice President, a Secretary and a Treasurer. The Board of Directors may also elect one or more additional Vice Presidents, Assistant Secretaries and Assistant Treasurers. All officers shall be elected at the annual meeting of the Board by a majority of those Board members present including newly-elected members, and said officers shall hold office at the pleasure of the Board for a term of one (1) year or until their successors shall have been elected and qualified. Where a vacancy occurs in an office, it shall be filled by the Board for the unexpired term. Any two or more offices, except the offices of President and Vice President or President and Secretary, may be held by the same person.

B. President. The President shall be the chief executive officer of the Corporation. The President shall preside at all meetings of the Board of Directors, shall have the power to transact all of the usual, necessary and regular business of the Corporation as may be required and, with such prior authorization of the Board as may be required by these Bylaws, to execute such contracts, deeds, bonds and other evidences of indebtedness, leases and other documents as shall be required by the Corporation; and, in general, the President shall perform all such other duties incident to the office of President and chief executive officer and such other duties as may from time to time be prescribed by the Board of Directors.

C. Vice President. The Vice President shall act as chief executive officer in the absence of the President and, when so acting, shall have all the power and authority of the President. Further, the Vice President shall have such other and further duties as may from time to time be assigned by the Board of Directors.

D. Secretary. The Secretary shall record and preserve the minutes of the meetings of the Board of Directors and all committees of the Board, shall cause notices of all meetings of the Board of Directors and committees to be given where required, and shall perform all other duties incident to the office of Secretary or as from time to time directed by the Board of Directors or by the President.

E. Treasurer. The Treasurer shall have charge and custody of and be responsible for all funds of the Corporation, shall deposit such funds in such bank or banks as the Board of Directors may from time to time determine, and shall make reports to the Board of Directors as requested by the Board. The Treasurer shall see that an accounting system is maintained in such a manner as to give a true and accurate accounting of the financial transactions of the Corporation, that reports of such transactions are presented promptly to the Board of Directors, that all expenditures are presented promptly to the Board of Directors, that all expenditures are made to the best possible advantage, and that all accounts payable are presented promptly for payment. The Treasurer shall further perform such other duties incident to the office and as the Board of Directors or the President may from time to time determine.

F. Removal and Resignation. Any officer may be removed, with or without cause, by the vote of a majority of the entire Board of Directors at any meeting of the Board. Any officer may resign at any time by giving written notice to the Board of Directors, the

President or the Secretary. Any such resignation shall take effect at the time specified therein; and unless otherwise specified therein, the acceptance of a resignation shall not be necessary to make it effective.

ARTICLE V  
GENERAL PROVISIONS

A. Contracts, Etc., How Executed. Except as in these Bylaws otherwise provided or restricted, the Board of Directors may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances; and, unless so authorized, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable pecuniarily for any purpose or in any amount unless in the ordinary course of business.

B. Loans. Unless in the ordinary course of business, no loans shall be contracted on behalf of the Corporation and no negotiable paper shall be issued in its name, unless and except as authorized by the Board of Directors in accordance with the provisions of these Bylaws. To the extent so authorized, any officer or agent of the Corporation may effect loans and advances at any time for the Corporation from any bank, trust company, or other institution, or from any firm, corporation or individual, and for such loans and advances may make, execute and deliver promissory notes, bonds or other evidences of indebtedness of the Corporation, and when authorized as aforesaid, may pledge, hypothecate or transfer any and all stocks, securities and other personal property at any time held by the Corporation as security for the payment of any and all loans, advances, indebtedness and liabilities of the Corporation, and to that end may endorse, assign and deliver the same.

C. Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation with such banks, bankers, trust companies or other depositaries as the Board of Directors may select or as may be selected by any officer or officers, agent or agents of the Corporation to whom such power may be delegated from time to time by the Board of Directors.

D. Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes, acceptances or other evidence of indebtedness issued in the name of the Corporation, may be signed by the President, the Vice President, or the Treasurer or such officer or officers, agent or agents of the Corporation as

authorized by the Board of Directors, but to bind the Corporation, such checks, drafts, or other orders must be signed by two officers of the Corporation or other authorized agents of the Corporation. Endorsements for deposit to the credit of the Corporation in any of its duly authorized depositories may be made without countersignature, by the President, Vice President or Treasurer, or by any other officer or agent of the Corporation to whom the Board of Directors, by resolution, shall have delegated such power, or by hand-stamped impression in the name of the Directors.

E. General and Special Bank Accounts. The Board of Directors from time to time may authorize the opening and keeping of general and special bank accounts with such banks, trust companies or other depositories as the Board of Directors may select and may make such rules and regulations with respect thereto, not inconsistent with the provisions of these Bylaws, as they may deem expedient.

#### ARTICLE VI AMENDMENTS

These Bylaws may be amended by a majority vote of the Board of Directors.

#### ARTICLE VII FISCAL YEAR

The fiscal year of the Corporation shall begin January 1 and end December 31.

#### ARTICLE VIII COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each owner of any lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed, and whether such deed has been accepted in the past or will be accepted in the future, shall be deemed to covenant and agree to pay to the Association: (1) annual assessments or charges; (2) special assessments for capital improvements, such assessments to be fixed, established and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person who

was the owner of such property at the time the assessment fell due.

Commencing in 2006, the annual assessment shall be Five Hundred Ninety-five Dollars (\$595.00) per lot to be paid no later than April 1 of each year, provided, however, that the Board of Directors may increase such annual assessment by as much as five percent (5%) per year upon majority decision of such Board, which increase may be cumulative, each year, even if an annual increase is not made. By way of example, if an increase in the annual assessment is not made in 2006, but an increase is made in 2007, the increase in 2007 may be as much as ten percent (10%) of the original annual assessment of Five Hundred Ninety-five Dollars (\$595.00). (That is, the increase in annual assessment for 2006 may be as much as \$59.50). The annual assessment may be decreased by the Board of Directors.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the health, safety, and welfare of the residents and the properties; and, in particular, for the improvement and maintenance (including the cost of labor, equipment, material, and management) of the roads, lake, park, sewage plant and sewage system, or other property conveyed to the Association, including that described in the plat as stated above.

Section 3. Special Assessments for Capital Improvements. In addition to the annual assessments, the Association may levy a special assessment applicable only to that year in which the assessment is made for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of a described capital improvement related to the roads, lake, park, sewage plant and sewage system, and/or other improvement conveyed to the Association, as authorized by the affirmative vote of two-thirds (2/3) of the votes of the members.

Section 4. Duties of the Board of Directors. The Board of Directors of the Association shall fix the date of commencement and the amount of the special assessment against each lot, as provided for above, and shall maintain a roster of the properties and assessments applicable thereto which shall be kept by the Association Secretary and shall be open to inspection by any Owner.

Written notice of the assessment shall be sent to every Owner subject thereto.

Section 5. Effect of Non-Payment of Assessment; the Personal Obligation of the Owner; the Lien; Remedies of Association. If the

assessments are not paid on the date when due, then such assessment shall become delinquent and shall, together with such interest thereon and costs of collection thereof as hereinafter provided, become a continuing lien on the property which shall bind such property in the hands of the then Owner, his heirs, devisees, personal representatives and assigns. Voting rights of the Owner in the Association will be forfeited until assessments are paid in full.

If the assessment is not paid within 60 days after the delinquency date, the assessment shall bear interest from the delinquency date at the legal rate, and the Association may bring an action at law against the Owner personally obligated to pay the same or to foreclose the lien against the property, and there shall be added to the amount of such assessment the costs of preparing and filing such action, and in the event judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee to be fixed by the court together with the costs of the action.

Section 6. Subordination of the Lien to Mortgagees. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the properties subject to assessment. Any sale or transfer of the property against which the lien is placed, however, shall not relieve such property from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

The above Bylaws of the Corporation are adopted Nov. 17, 2005.

Bill Williams  
Bill Williams, Director

Bonnie Williams  
Bonnie Williams, Director

Martha Fay  
Martha Fay, Director