

MORNINGVIEW

2019 REVISION

**COVENANTS; RESTRICTONS; CONDITIONS;
EASEMENTS**

| Table of Contents | Page |
|---|------|
| Article I. Definitions | 5 |
| Sec 1.1 Association | 5 |
| Sec 1.2 Owner/Resident | 5 |
| Sec.1.3 Common Area | 5 |
| Sec 1.4 Exterior | 6 |
| Sec.1.5 Residence | 6 |
| Sec.1.6 Governance | 6 |
| Sec.1.7 Quorum | 6 |
| Sec.1.8 Older Person | 6 |
| Article II. Conveyances | 6 |
| Sec. 2.1 Covenants Run With The Land | 6 |
| Sec. 2.2 Restrictions | 6 |
| Article III. Easements | 7 |
| Sec. 3.1 Easements Created | 7 |
| Sec. 3.2 Utilities | 7 |
| Sec. 3.3 Additional Easements. | 7 |
| Sec. 3.4 Association Right of Ingress & Egress | 7 |
| Sec. 3.5 Owner’s Easements | 8 |
| Article IV. Covenants as to use & Maintenance of Lots | 8 |
| Sec. 4.1 Municipal Ordinances | 8 |
| Sec. 4.2 Use of Land | 8 |
| Sec. 4.3 Minimum Size of Residence | 8 |
| Sec. 4.4 Residential Setback | 9 |
| Sec. 4.5 Certain Items & Actions Prohibited | 9 |
| Sec. 4.6 Vested Interest. | 10 |
| Article V. Land Entitled to Benefits | 10 |
| Sec. 5.1 Subject to These Documents | 11 |
| Article VI. Mandatory Membership | 11 |
| Article VII. Powers of the Association | 11 |
| Sec.11.1 Powers and Duties | 11 |
| Sec.11.2 Trees in Morningview | 13 |
| Sec.11.3 Income | 13 |
| Article VIII. Assessments & Fees | 14 |
| Sec. 8.1 Assessments | 14 |
| Sec. 8.2 Special Assessments | 14 |

| | |
|--|----|
| Article IX. Insurance | 15 |
| Sec. 9.1 Casualty & Other Insurance | 15 |
| Article X. Architectural Control | 15 |
| Sec. 10.1 Structural/Other Additions | 15 |
| Article XI. Association Procedures | 16 |
| Sec. 11.1 Notices | 16 |
| Sec. 11.2 Meetings | 16 |
| Sec. 11.3 Directors, Officers (See Article IV in BYLAWS) | 17 |
| Sec. 11.4 Voting | 17 |
| Sec. 11.5 Observation of Laws | 17 |
| Article XII. Arbitration of Disputes | 17 |
| Sec. 12.1 Arbitration | 17 |
| Article XIII. Enforcement. | 18 |
| Sec. 13.1 Enforcement | 18 |
| Sec. 13.2 Addition of Land | 18 |
| Sec. 13.3 Captions | 18 |
| Sec. 13.4 Severability | 18 |
| Sec. 13.5 Effective Date. | 18 |

| | |
|---|-----------|
| BYLAWS | 20 |
| Article I. Definitions | 20 |
| Sec. 1.1 Association (See Article I: Sec. 1.1 [a] in “Covenants”) | 20 |
| Sec. 1.2 Owner/Resident (See Article I: Sec. 1.2 [a] [b] “Covenants”) | 20 |
| Sec. 1.3 Common Area (See Article I: Sec. 1.3 [a] “Covenants”) | 20 |
| Sec. 1.4 Improved Lot (See Article I: Sec. 1.4 [a] “Covenants”) | 20 |
| Sec. 1.5 Unit (See Article I: Sec. 1.5[a]) | 20 |
| Sec. 1.6 Member | 20 |
| Sec. 1.7 Documents | 20 |
| Sec. 1.8 Fiscal Year | 20 |
| Sec. 1.9 Bylaws | 20 |
| Sec.1.10 Quorum (See also Article I; Sec. 1.7 [a] in Covenants) | 20 |
| Article II. Association Meetings | 20 |
| Sec. 2.1 Notices | 21 |
| Sec. 2.2 Special Meetings | |
| Sec. 2.3 Quorum for Special Meetings | 21 |
| Article III. Voting | 21 |
| Sec. 3.1 Qualifications (See Article XI: Sec. 11.4 [a][b][c][d][e] in These Documents) | 21 |
| Article IV. Board of Directors; Officers; Powers; Duties | 21 |
| Sec. 4.1 Directors | 22 |
| Sec. 4.2 Removal and Vacancies of Directors | 22 |
| Sec. 4.3 Officers | 23 |
| Sec. 4.4 Choosing of Officers | 23 |
| Sec. 4.5 Officers and Their Duties | 23 |
| Sec. 4.6 Removal of Officers | 24 |
| Sec. 4.7 Delegation of Duties | 24 |
| Sec. 4.8 Governance | 24 |
| Sec. 4.9 Appointment of other Agents/Representatives | 25 |
| Sec. 4.10 Committees | 25 |
| Sec. 4.11 Assessments | 25 |
| Article V. General Provisions | 26 |
| Sec. 5.1 Financial Controls | 26 |
| Sec. 5.2 Bond | 26 |
| Sec. 5.3 Indemnification | 26 |
| Sec 5.4 Amendments to Bylaws/Documents | 27 |
| Sec. 5.5 Approval of Documents | 27 |

2018 REVISION OF MORNINGVIEW

COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS

WHEREAS: Morningview is a subdivision of single family residences that complies with the provisions of 42 U.S.C. 3607(b)(2) regarding "Housing for older Persons" as such provisions may exist from time to time, and

WHEREAS: an executed DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS was filed with the Recorder of Deeds of Cass County, Missouri on June 19, 1990 in Book 1126 at Page 327, restated in the RESTATED DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, AND EASEMENTS recorded on the 23rd day of October 1990, in Book 1139 at Page 159, and restated again in the AMENDMENT OF RESTATED DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS recorded on the 9th day of December 1996, in Book 1548 at Page 23, hereinafter referred to collectively, along with this 2018 Revision of Morningview Covenants, Conditions, Restrictions and Easements (which controls over all the prior documents) as the "DOCUMENTS", and

WHEREAS: the Morningview Homeowner's Association now seeks to revise, amend and replace those "DOCUMENTS", as heretofore provided for in Section 12.4 of the DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS and in Section 13.6 of the RESTATED DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, AND EASEMENTS. This revision is not intended to limit in any fashion or manner, future amendments or revisions.

ARTICLE I: DEFINITIONS

SECTION 1.1 "Association"

- a) Shall mean and refer to a Missouri Not for Profit Corporation herein known as "MORNINGVIEW HOMEOWNER'S ASSOCIATION", and hereinafter referred to as "ASSOCIATION".

SECTION 1.2: "OWNER/RESIDENT"

- a) Shall mean and refer to an "Owner of Record", (or someone currently residing in a residence), whether it be one or more persons or entities with a fee simple title to any Lot which is or has become a part of the Subdivision known as "MORNINGVIEW", and hereinafter referred to as OWNER.
- b) Any person or other entity holding a security interest or other obligation related to a Lot shall not be considered an "OWNER" nor have any rights otherwise accorded to an Owner of a Lot in MORNINGVIEW.

SECTION 1.3: "Common Area"

- a) Shall mean all property, real or personal, held by the ASSOCIATION for the use and enjoyment of OWNERS in good standing with the ASSOCIATION.

SECTION 1.4: "Exterior"

- a) Shall mean and refer to the Exterior walls of a residence and outside of that. Anything inside the Exterior walls is the responsibility of each OWNER/RESIDENT. Responsibility for anything to the exterior shall be governed by these DOCUMENTS.

SECTION 1.5 "Residence"

- a) Shall mean and refer to a building which is designed and used exclusively for single family residential purposes except as may hereinafter be set forth.

SECTION 1.6: "Governance"

- a) Governing of the ASSOCIATION shall be done by a duly elected Board of Directors as hereinafter set forth, and hereafter referred to as the "BOARD".

Section 1.7: "Quorum"

- a) A QUORUM for the purposes of passing resolutions or hereinafter amending the DOCUMENTS or amending this 2018 Revision of Morningview Covenants, Conditions, Restrictions and Easements shall be sixty (60%) percent of the OWNER(s) currently residing or living in MORNINGVIEW. A residence that no longer has an OWNER physically occupying the residence shall not be counted in determining a QUORUM. In addition, an OWNER whose right to vote has been suspended for nonpayment of an Assessment, special or otherwise, shall not be counted in determining a QUORUM. For voting purposes and to determine if there is a quorum, there shall be no more than one vote per residence.

Section 1.8: "Older Person"

- a) Older Person is defined as anyone age 55 and up.
- b) Each residence must have at least one person Age 55, and older, living in the residence.

ARTICLE II: CONVEYANCES SUBJECT THESE TO COVENANTS

SECTION 2.1 Covenants run with the land

- a) All Easements, Restrictions, Conditions, Covenants, Reservations, Liens, Charges, Benefits and Privileges which are or hereinafter granted, created, reserved or otherwise declared by these DOCUMENTS shall be deemed to be covenants appurtenant to, and running with the land and always, inure to the benefit of and is binding upon all persons having an interest in a Lot, improved or otherwise. This SECTION shall apply to any heirs, successors and assigns having an interest in said Lot.

SECTION 2.2: "Restrictions Legally Binding"

- a) All persons, residents, corporations or other legal entities who now own, or Shall hereinafter acquire any interest in a property or lot, improved or

otherwise, shall be taken subject to these DOCUMENTS. Furthermore, said persons, residents, corporations or other legal entities do hereby covenant and agree to conform to, observe and abide by these DOCUMENTS and as may be amended from time to time.

ARTICLE III: EASEMENTS

SECTION 3.1 "Easements Created"

- a) Lots one (1) through one hundred ninety-one (191) inclusive are hereby declared to be the dominant estates and the easements hereby created are appurtenant to and for the benefit of said Lots, improved or otherwise. This includes any additional Lots that may be added from time to time.

SECTION 3.2 "Utilities"

- a) For supplying utilities and assorted services to the Lots, the ASSOCIATION may grant easements to locate, construct, maintain and use, or otherwise authorize the location, construction, maintenance and use of such portion of the Lots as is necessary to install drains, sanitary and storm sewers, gas and water lines. This also applies to electrical, cable television lines, phone lines, community television antenna lines, fire warning and security systems and any other utility lines or conduits for all purposes.
- b) The Board of Directors is authorized to grant these or other Easements that it deems to be in the overall best interests of the ASSOCIATION, without a vote of the OWNER(s).

SECTION 3.3 "Additional Easements"

- a) In addition to the "Easements" granted in SECTION 3.2 above, the following additional Easements are created, established and reserved over, under and across all Lots, improved or otherwise.
- b) For draining snow or rain water from natural runoff, or from any lot either through gutters, or drains which may be constructed.
- c) For ground surface drainage control by swales and or other indentations on the surface of any Lot.

SECTION 3.4 "Association Right of Ingress and Egress"

- a) The ASSOCIATION hereby authorizes its duly elected BOARD to grant "ingress and egress easements" to any employees, agents, contractors, or public entities to the exterior of any Lots and/or exterior of any single family housing located on said Lots.
- b) This means yards, driveways, sidewalks, and any other exterior portions of said Lots for all purposes connected with the administration of, repair of,

replacement of, maintenance of, construction of, reconstruction of, and improvement of said LOT or Residence.

SECTION 3.5 "Owner's Easements to Common Areas"

- a) The right of the BOARD to suspend the voting rights and the right to the use of the recreational facilities by an OWNER for any period during which any assessment against OWNER(s) Lot remains unpaid as further defined in Article IV; Section 1.7 (c) of the Bylaws.
- b) The right of the BOARD to charge a reasonable admission and other fees for the use of a recreational facility situated in the Common Areas;
- c) The right of the BOARD to dedicate or transfer all or any part of the Common Area to any governmental agency, authority, or public or private utility, for such purposes and subject to such conditions as may be agreed to by the BOARD. Said dedication or transfer to any of the above requires a vote of the OWNER(s).
- d) Any OWNER(s) may delegate, in accordance with the Bylaws of the ASSOCIATION, its right of enjoyment to the Common Areas and facilities thereon to members of OWNER'S family, and OWNER'S guests, if an OWNER physically accompanies said family or guests.

ARTICLE IV: Covenants and Restrictions as to Use and Maintenance of Lots, improved or otherwise, and Common Areas

SECTION 4.1 Ordinances of City of Raymore, Missouri; Missouri County of Cass and State of Missouri

- a) Each OWNER shall abide by all ordinances and laws of the above mentioned governmental entities.

SECTION 4.2 "Use of Land"

- a) Only single family single story residences shall be constructed on any Lot in MORNINGVIEW.
- b) No residence, building or any portion thereof shall be used as a boarding house, nursing home or rooming house, nor shall any of the same be used for any manufacturing, industrial, commercial or other purpose not permitted by the appropriate zoning regulations as currently established and amended from time to time.
- c) No Lot or Residence shall be purchased for rental purposes. However, a family member may purchase a Lot/Residence for the benefit of parent(s) or grandparent(s).

SECTION 4.3 "Minimum Size of a Single Family Residence"

- a) Any Single Family residence constructed on a Lot in MORNINGVIEW must contain a minimum of nine hundred (900) square feet of enclosed floor area. The words "enclosed floor area" as used herein shall mean and include areas of the residence enclosed and finished for occupancy and shall not mean or include any areas in basements, garages, porches (enclosed or not), or attics. No Single Family Residences may have more than a single story above ground.

SECTION 4.4 "Set Back of Single Family Residences from Streets"

- a) No part of any Residence, except as hereinafter provided, may be erected or maintained on any Lot hereby restricted, nearer to the street in front of said lot or nearer to the side street (if any) of said lot than has been set forth in the Plats of MORNINGVIEW for Phases 1, 2, 3, and 4.

SECTION 4.5 "Certain Items and Actions Prohibited"

- a) No building or other structure appurtenant to a Single Family Residence may be erected on any Lot hereby restricted without the prior written consent of the BOARD. No Trailer, or garage, or "out" building or any temporary structure may be used or maintained either temporarily or permanently, for any residential or commercial purpose, without the prior written consent of the BOARD.
- b) No storage tanks may be erected or constructed or maintained on any Lot in MORNINGVIEW.
- c) Fireworks – the discharge, lighting, or setting off any fireworks of any kind or nature in MORNINGVIEW is expressly prohibited.
- d) All radio or television antennas, earth stations, ham radio towers or cable receivers/dishes shall be attached to or mounted on the Residence. These must be done in accordance with BOARD policies as may be established from time to time and must also have the prior written consent of the BOARD.
- e) No livestock or poultry of any kind may be kept on any lot or in any Residence. Dogs, Cats or other household pets may be kept in the Residence provided they are not bred or maintained for commercial purposes. All household pets must be kept inside a Residence and such pets shall be maintained and cared for in such a manner as to not cause property damage or annoyance or nuisance to the neighbors. In addition, there shall be no more than two (2) such household pets in any residence in MORNINGVIEW without the prior written consent of the BOARD.
- f) All OWNER(s) of any household pets must comply with City of Raymore ordinances (as may be amended from time to time) such as, but not limited to, licensing and vaccinations.

- g) No sign or advertisement may be erected or maintained on any Lot within the Morningview Subdivision that violates any City of Raymore ordinance that now exists or may hereinafter be adopted.**
- h) In addition to any Ordinances adopted by the City of Raymore, MORNINGVIEW has adopted the following sign restrictions: to wit, "For Sale" sign(s) may not be more than two (2) feet high and two (2) feet wide. Said "For Sale" sign(s) may be placed on the premises being sold in a manner that will not interfere with lawn mowing or other maintenance activities.**
- i) "Garage Sale" sign(s) are permitted on the premises where the sale is being held and must be removed within twenty-four (24) hours after the close of the sale; and nothing in this Section shall be construed to prohibit the erection of monuments at the entrance(s) of MORNINGVIEW.**
- j) Political signs cannot be placed in the yard of any residence sooner than ten (10) days prior to any election date and must be removed twenty-four (24) hours after the election. The sign cannot exceed two (2) feet by two (2) feet and must not interfere with mowers or any other maintenance activity. There can be only one sign per household. The penalty for failure to comply with this policy may result in a \$25 per day fine.**
- k) Motor Homes, recreational vehicles, boats, trailers, travel trailers, Fifth Wheel travel trailers, buses or trucks rated more than three-quarter (3/4 ton) ton in size shall not be parked or kept on the premises or in any driveways except as may be required for short periods of time (not to exceed 48 hours) for loading or unloading such vehicles; furthermore, all such vehicles are expressly prohibited from parking on the Activity Center parking lot.**
- l) The vehicles are also prohibited from parking on any grassy or MORNINGVIEW Common Areas. Moving said vehicles for a brief period (such as three or four hours) does not constitute being in compliance with this paragraph. However, if an OWNER determines that the purposes covered herein cannot be accomplished within forty-eight (48) hours, said OWNER shall immediately request, from the BOARD, for an extension of up to Three full (3) days to finish the loading or unloading of the above mentioned vehicles. If the BOARD grants an extension, an OWNER must pay in advance, a fee of Twenty-five (\$25.00) Dollars for each full day of extension herein granted.**
- m) Boats, trailers and non-motor driven vehicles are permitted if they are parked in the garage of the residence.**

- n) Any addition, alteration, or modification to the exterior of any residence, such as flag poles; and antennas of any kind must first have the prior written approval of the BOARD.
- o) Trash, or refuse or garbage receptacles may only be placed on the outside of the premises the day of, or the evening before scheduled collections.

Section 4.6 Vested Interest

- a) Each OWNER has a “vested” interest in the appearance and maintenance and upkeep of his or her neighbor’s residence as that affects the value of all the homes in MORNINGVIEW. Therefore, it is incumbent upon each OWNER to maintain their residence in accordance with these DOCUMENTS. If an OWNER fails to comply in the maintenance and upkeep of his or her residence, the BOARD may do so and charge the OWNER for any reasonable costs incurred in performing such maintenance and upkeep. Failure to reimburse the ASSOCIATION for these costs may result in a lien being filed against the residence.

Article V: Land entitled to Benefits

Section 5.1

- a) All Lots, whether improved or otherwise shall be subject to these DOCUMENTS as adopted or hereinafter amended.

Article VI: Homeowner’s Association and Membership Therein

Section 6.1 Mandatory Membership

- a) Anyone who becomes an OWNER(s) of a LOT in the subdivision known as MORNINGVIEW shall automatically become a member in the ASSOCIATION. In any voting procedure, however, there shall only be one vote per residence.

Article VII; Powers of the Association

Section 7.1; Powers and Duties.

- a) In addition to other powers, duties and responsibilities contained elsewhere in these DOCUMENTS, the ASSOCIATION shall have the following powers and duties which it may exercise or carry out, whenever the ASSOCIATION, in its discretion, deems it necessary and desirable. The ASSOCIATION shall designate the Board of Directors as its representative and delegate to the BOARD, the authority to implement policies and procedures necessary to carry out such “powers and duties” delegated to it.
- b) To own, manage, control and maintain for the benefit of MORNINGVIEW members, all Common Areas and all improvements thereon.

- c) To provide in its discretion, maintenance of EXTERIOR walls of each Residence subject to these REVISED COVENANTS as follows: to paint and/or repair said EXTERIOR walls; and or replace the following; sidewalks; or other similar exterior improvements. This maintenance shall not include glass surfaces nor any roof(s), nor driveways. The ASSOCIATION will not repair or replace garage doors, or gutters, or downspouts. It is meant to include mowing of residential yards and Common Areas.
- d) Painting, if needed, will occur a minimum of once every twelve (12) years. A residence with permanent siding installed will not be painted.
- e) All residence exteriors will be inspected by the Board of Directors or a designated representative on a maximum eight (8) year cycle and repaired and/or painted as needed. Following the inspection, the Board will advise the owner of the residence the results and if repairs and painting are needed at that time.

Prior to the scheduling of needed repairs and/or painting, the homeowner will be advised regarding shrubs and plantings which need to be cut back or removed by the homeowner to enable tradesmen to perform their work.

If an area of wood rot or damage is caused by homeowner's negligence in caring for plantings that are too close to the home on sides and back or damage due to insect infestations such as ants, termites, etc., the repair costs will be assessed to the homeowner for said repairs. It is the homeowner's responsibility to remove and/or re-install window awnings and repair any damage to the exterior caused by their presence on the structure. The same policy applies to any patio covers, add-on porches, room additions, replacement windows/trim, shutters, added guttering, etc. that were not built as part of the original structure. Exterior repairs and painting paid for by the Association will be done to the original structure EXTERIOR ONLY.

A palette of color schemes approved by the Board will be presented to the owner from which to select one scheme. The owner may choose a separate color for the front door with Board approval.

Additions to the original exterior structure (including those done by the previous owner) are the homeowner's responsibility for repair, painting and upkeep.

The homeowner may at any time, repair and re-paint their home exterior at their own cost after consulting the Board for approved color schemes. This will be recorded as a whole-house repair/paint and the home will be repositioned in the cycle.

- f) Any damage to the exterior of a residence caused by, but not limited to, hail, fire, rain, lightning, snow or wind is a normal “covered expense” in a Homeowner’s Insurance policy. Therefore, any damage from such “events” is not the responsibility of the ASSOCIATION to repair or replace or otherwise fix the damage incurred by them. The repair of Said damages must be commenced within three (3) months of receiving an insurance settlement, subject to availability of contractor and/or materials.
- g) Any damage caused by an OWNER, their family or guests shall be repaired by and paid for, by said OWNER.
- h) To provide for or furnish a trash pickup service to the residences of MORNINGVIEW. A Resident is responsible for placing all such trash to be picked up, at the end of their driveway, as close to the street as is possible the evening before, or on a scheduled pickup day.
- i) To provide for the plowing and removal of snow from sidewalks and driveways. Whenever the City of Raymore commences the removal of snow from the streets in Morningview, an ASSOCIATION contractor will also commence the removal of snow from our sidewalks and driveways.
- j) To exercise all control over such easements as maybe acquired from time to time.
- k) To levy and collect the assessments which are or may be provided for in these DOCUMENTS.
- l) To contract with and employ reputable contractors authorized to do business in the greater Kansas City area and in Raymore to perform any or all the maintenance duties referred to herein.
- m) To contract with and employ a Management Company to carry out either in part or in whole, the powers and duties of the ASSOCIATION as set forth in these DOCUMENTS.
- n) To establish, amend and publish such rules, policies, or bylaws as it deems necessary for the enjoyment and protection of the Owners in MORNINGVIEW.
- o) To acquire and own the title to any real estate as may be necessary to carry out the purposes of MORNINGVIEW as determined by the BOARD from time to time.

- p) To obtain and maintain policies of liability insurance as the BOARD deems advisable to protect the ASSOCIATION, the BOARD and individual members of the BOARD.
- q) The BOARD itself shall review and revise these DOCUMENTS, (if needed) at least once every five (5) years or appoint a committee to do the review and/or revision.
- r) To provide facilities, programs and/or services (as best it can) such as social, recreational, and educational, specifically for its MEMBERS to meet the physical or social needs of older persons.
- s) To grant “waiver(s)” of policies, bylaws or covenants in extenuating circumstances, up to a maximum of three (3) in any calendar year. Upon receiving a request from an OWNER, the BOARD may grant the “waiver” for no more than three (3) full days at a time and may collect a fee of up to Twenty-five (\$25.00) Dollars, in advance, for each day of the “extension”. A notation of the “waiver” and the reason for granting the extension shall be placed in the OWNER(s) file.

Section 7.2 Trees in Morningview

- a) Every OWNER is responsible for the maintenance and upkeep of all trees situated on their property. This includes, but is not limited to, trimming, removing, or pruning.
- b) Limbs may not extend over an OWNER’S lot onto a neighbor’s property or residence, nor over any curbing or streets or driveways.
- c) Trees that are damaged or dead must be removed.
- d) Should an OWNER(s) not abide by this “Section”, the BOARD, in its discretion, may perform the above functions and charge the OWNER, the costs incurred to accomplish the above. Should an OWNER not reimburse the ASSOCIATION for the costs incurred, the BOARD may file a lien against the OWNER for the non-payment. Said lien will bear interest at the rate of six (6 %) percent per annum.

Section 7.3 Income

- a) Should the ASSOCIATION experience a shortfall in income, then the BOARD, without a vote of the ASSOCIATION, is hereby authorized to temporarily eliminate or modify or reduce such discretionary duties as set forth in Section 7.1 or elsewhere in these DOCUMENTS, as it deems necessary to not deplete the ASSOCIATION’S checking account below the “Average of One Months” operating expenses as defined in the next paragraph.

- b) The BOARD should keep an amount in the ASSOCIATION checking account, equal to an average of one month's operating expenses. The "average of one month's" operating expenses shall be determined by adding up the previous twenty-four (24) months of expenses and dividing that number by twenty-four (24). When or if the ASSOCIATION checking account falls below the average set forth herein for two successive months, the BOARD shall take immediate action to reduce expenditures as allowed in Section 7.2(a) above.
- c) The BOARD shall strive to build a cash reserve equal to one full year's operating expenses. This reserve shall be equal to an average of the three (3) previous years of expenses and updated annually. The BOARD shall have five (5) years from the date of the adoption of these revised DOCUMENTS to fulfill this requirement.

ARTICLE VIII. Assessments/fees

Section 8.1 Assessments

- a) The BOARD is hereby authorized to establish and levy and collect assessments for the purposes of fulfilling and carrying out the duties and powers set forth in these DOCUMENTS and which may be amended from time to time.
- b) OWNER(s)/RESIDENT(s) may pay their assessments annually or monthly or as otherwise may be established by the BOARD. Annual payments should be paid in January of each year and monthly payments shall be made by the tenth (10th) of each month.
- c) The BOARD may not increase the annual assessment more than ten (10%) without a vote of two-thirds (2/3 rds) of its MEMBERS present in person or by proxy, at a duly called Regular or Special Meeting having a QUORUM.
- d) If the BOARD changes the annual assessment, either up or down, said change will take effect on the next "January 1st". The BOARD must notify all MEMBERS by mail thirty (30) days prior to the proposed effective date.
- e) The BOARD may assess a "Late Fee" of up to five (5%) of any monthly payment amount received after the tenth (10th) of each month.
- f) If an OWNER/MEMBER fails to make a payment during any successive ninety (90) day period, and the BOARD has notified the OWNER/MEMBER of the arrears as set forth in Section 8.1 (g) below, the BOARD may file a lien against the OWNER and his or her property. If a Lien is filed of record, it shall bear and accrue interest at the rate of six (6%) annually until payment is made in full. All costs of collection shall be borne by an OWNER and shall include, but not be limited to; filing fees, attorneys' fees and all other costs

incurred in the attempt to collect the obligation of the OWNER. Any lien filed by the BOARD shall be subordinate to a mortgage if a mortgage exists or is known to exist, at the time of the filing of a lien.

- g) At the time an OWNER becomes 30 days late in remitting a payment, the BOARD shall send a letter to that OWNER, informing them of the lateness of their payment. If an OWNER becomes sixty (60) days past due, a Certified Letter or Registered Letter shall be sent to that OWNER advising them of the delinquency and the impending filing of a lien against his or her property.
- h) If the situation described in the above paragraph exists, said OWNER shall not be allowed to vote on any issue that may come before the BOARD or the ASSOCIATION. In addition, the BOARD may impose additional sanctions such as, but not limited to, ceasing of snow and trash removal, and lawn mowing.

Section 8.2 Special Assessments

- a) In addition to the annual assessments set forth above in Section 8.1 the ASSOCIATION via its BOARD may levy Special Assessments.
- b) Special Assessments may be levied to correct any short fall in income, or to carry out any construction, or capital improvement, or repair or replacement of a Common Area asset including but not limited to, fixtures and personal property. In addition, the BOARD may request Special Assessment Meeting(s) it deems necessary for the future well-being of the ASSOCIATION.
- c) Special Assessments may only be authorized at a duly called Special Meeting. Notice of any Special Meeting shall be by mail to all OWNER(s), a minimum of thirty (30) days prior to the date set for such Special Meeting.
- d) Passage of a Special Assessment requires the affirmative vote of a two-thirds (2/3rds) majority of the OWNER(s) present in person or by proxy provided a QUORUM otherwise exists. A QUORUM for such meeting(s) shall be at least sixty (60%) percent of the OWNER(s) of MORNINGVIEW.
- e) Payment of a Special Assessment shall be in a manner and time as determined by the BOARD. Nonpayment of a Special Assessment in a timely manner shall result in a lien being filed against an OWNER and their residence.

ARTICLE IX. Insurance

Section 9.1 Casualty and Other Insurance.

- a) All OWNER(s) shall obtain and maintain policies of insurance, including fire, wind, hail, lightning, liability and extended coverage, that provides for the “full replacement cost” of their residence.

- b) Should an insurable loss to an OWNER(s) residence occur, the OWNER of that residence shall commence the repair of any damage within Three (3) months of receiving a settlement from their insurance company, subject to availability of materials and someone to do the repairs. (see Article IV; Section 4.6)

ARTICLE X. Architectural Control

Section 10.1 Structural and/or Other Additions to a Residence

- a) No OWNER shall commence construction or the erecting of a building, fence, porch (enclosed or otherwise), deck, or any other exterior addition to their Residence without the prior written approval of the BOARD.
- b) The OWNER shall submit plans to the BOARD'S Architectural Committee detailing the kind, nature of, materials and location of such proposed addition to their Residence. Said proposed construction must comply with the City of Raymore building codes as established and as amended from time to time, and including, but not limited to, the obtaining of a building "permit".
- c) Owner(s) shall provide a copy of said "permit" to the BOARD before the "project" is started and is to be kept on file at the ASSOCIATION office.
- d) Any such structure shall only be in the back of an existing residence and must not extend beyond any wall, width wise, of the Residence. In addition, if the structure involves a fence, said fence must have at least one gate with a minimum of forty-two (42) inches of inside clearance for lawn mowers.
- e) The BOARD shall have thirty (30) days to approve or disapprove of the proposed addition. If the BOARD fails to decide within thirty (30) days of receiving detailed plans from an OWNER, the BOARD shall immediately issue a written notice of approval to the OWNER. An OWNER may begin construction of said project so long as it continues to fully comply with the City Codes of Raymore and the detailed plans hereinbefore submitted to the BOARD. Any deviation from previously submitted detailed plans will automatically void the written approval letter and all construction shall immediately stop.
- f) Choices of colors for painting or siding shall be limited to a pre-approved list of colors available from the Architectural Committee.

ARTICLE XI. ASSOCIATION PROCEDURES

Section 11.1 Notice(s)

- a) Notices to OWNER(s) about regular or Special Meetings whether written or printed shall be deposited in the United States Mail with postage prepaid and addressed to the OWNER(s) of Record. Notices may also be in a Newsletter or Website (if any exists at the time) or may be delivered personally or by

electronic means to an OWNER. "REGULAR" meetings of the BOARD may be set by policy and therefore do not require any additional notice to OWNER(s).

- b) If these DOCUMENTS require that a notice be given a certain number of days prior to a meeting, then all such notices shall comply with the heretofore required notice(s).

Section 11.2 Meeting(s)

- a) The ASSOCIATION shall hold an Annual Meeting at such time and place as the BOARD shall determine.
- b) Special Meetings of the ASSOCIATION may be called by the BOARD or by written request of twenty-five (25%) percent of ASSOCIATION members. If a Special Meeting is called for at the written request of twenty-five (25%) of the ASSOCIATION, the BOARD shall set the date of said meeting no later than forty-five (45) days after receiving and verifying the authenticity of the signatures in the written request. The BOARD shall verify the authenticity of said signatures within fifteen (15) days of receiving said request.
- c) Special Meetings may also be called by a majority of the BOARD members.
- d) Attendance at any ASSOCIATION or BOARD meeting shall constitute "waiver of Notice".
- e) The duly elected BOARD shall set the time and place of all other ASSOCIATION meetings.

Section 11.3 Directors and Officers (See Article IV in BYLAWS)

Section 11.4 Voting

- a) Any person owning an interest in a Residence may vote on any issue before the ASSOCIATION. However, there shall only be one vote per Residence.
- b) A person may vote in person or by Proxy on any matter before the ASSOCIATION subject to Article 8; Section 8.1(e) above.
- c) Proxies may include instructions to cast a vote either for or against an issue, and in the absence of such instruction, the BOARD shall cast the Proxy vote as decided by a vote of a two-thirds (2/3rds) majority of the entire BOARD.
- d) Passage of any issue being voted on by the ASSOCIATION requires a two-thirds (2/3rds) majority of a QUORUM [as defined in the Article I; Section 1.7(a) of those present in person or by Proxy.
- e) The BOARD is hereby empowered to establish the parameters for conducting any election issue put before the ASSOCIATION, including but not limited to;

the time, the place, promotion and how Proxies may be gathered or generated.

Section 11.5 Observation of Laws

- a) The ASSOCIATION and BOARD shall observe and obey all laws, regulations, and ordinances of the City of Raymore, the County of Cass and the State of Missouri as they apply to Homeowner Associations.
- b) If any of the provisions of these DOCUMENTS are found to conflict with the laws, regulations and or ordinances of the above public entities, only such provisions shall be declared null and void until otherwise amended. The remaining provisions of these DOCUMENTS shall remain in full force and effect and binding upon MEMBERS of the ASSOCIATION.

ARTICLE XII. ARBITRATION OF DISPUTES

Section 12.1 Arbitration

- a) In the event of dispute or a difference of opinion arising between an OWNER over an activity or use or personal conduct by another OWNER and said dispute cannot be amicably settled by meeting with the President and Vice-President of the BOARD, then said dispute will be turned over to an Arbiter.
- b) The BOARD shall maintain a list of three (3) independent licensed Arbiters who cannot be an OWNER of MORNINGVIEW nor can an Arbiter be related to any member of the BOARD or other party to a dispute and his or her family. The BOARD shall select one of the three to serve as the Arbiter and determine the compensation for said Arbiter.
- c) The Arbiter shall set a time and place to meet with the parties to the dispute and to review any documents submitted, listen to statements from both parties and render a decision within ten (10) days of meeting with the parties.
- d) The parties to the Arbitration shall sign a document agreeing that the decision of the Arbiter is final and binding and further agree to fulfill the terms of the decision of the Arbiter within thirty (30) days of the Arbiter handing down its decision. Failure of the “at fault” party to comply with the Arbiter’s decision may result in a lien being filed against his or her Residence. If a lien is filed, it shall bear interest at the rate of six (6%) six percent per annum.
- e) The parties to the Arbitration shall equally share and pay the costs of the Arbiter within sixty (60) days of the Arbiter handing down his or her decision.

ARTICLE XIII ENFORCEMENT

Section 13.1 Enforcement

- a) The ASSOCIATION via its duly elected BOARD and/or an OWNER in MORNINGVIEW shall have the right to sue for and obtain an injunction, prohibitive or mandatory to prevent the breach of, or enforcement of these DOCUMENTS. The ASSOCIATION via its duly elected BOARD shall also be authorized to sue to collect moneys due and to also foreclose on liens.
- b) The victorious party to any such proceeding shall be entitled to recover its costs, including reasonable attorneys' fees, should the court determine that these DOCUMENTS have been violated.
- c) Failure on the part of the ASSOCIATION and its BOARD to enforce any of the provisions herein at the time of the violation shall never constitute a waiver of its right to do so thereafter.

Section 13.2 Addition of Land

- a) The ASSOCIATION via the BOARD, shall have and expressly reserves the right, from time to time, to add additional land as it may hereafter acquire for the enjoyment, benefit and welfare of its MEMBERS.
- b) The addition and cost of any such land shall be approved by a vote of the MEMBERS as set forth in Article XI: Section 55.4 subparagraphs (a) (b) (c) (d) (e).

Section 13.3 Captions

- a) The captions used herein are used for convenience of reference only and shall not be deemed to define or limit the intention of the DOCUMENTS.

Section 13.4 Severability

- a) The provisions hereof and herein shall be deemed independent and severable and the invalidity or partial invalidity of any one provision shall not affect the validity or enforceability of any other provision.

Section 13.5 Effective date

- a) These revised DOCUMENTS shall run with and bind the land immediately upon approval by MEMBERS of the ASSOCIATION. The DOCUMENTS shall be recorded in Cass County, Missouri within thirty (30) days of the MEMBERS approving these DOCUMENTS.
- b) Said approval of these DOCUMENTS shall be under the parameters outlined in Article XI: Section 11.4 subparagraphs (a)(b)(c)(d)(e) above.
- c) This 2018 Revision, after being approved, shall amend, supersede and replace any prior covenants, conditions, restrictions and easements.

2018 BYLAWS REVISION OF
MORNINGVIEW HOME OWNERS' ASSOCIATION

ARTICLE I: DEFINITIONS

SECTION 1.1 "Association" (See Article I: Section 1.1 [a])

SECTION 1.2: "OWNER/RESIDENT" (See Article I: Section 1.2 [a] [b])

SECTION 1.3: "Common Area" (see Article I: section 1.3 [a])

SECTION 1.4: "Improved Lot" (See Article I: Section 1.4 [a])

SECTION 1.5 "Unit" (See Article I: Section 1.5 [a])

Section 1.6 "Member"

- a) Anyone who is an OWNER in MORNINGVIEW shall be a MEMBER of the ASSOCIATION.

Section 1.7 "Documents"

- a) Shall refer to the 2018 Revision of the Morningview Covenants, Conditions, Restrictions and Easements, which hereinbefore and hereafter shall be referred to as the DOCUMENTS or these DOCUMENTS.

Section 1.8 "Fiscal Year."

- a) Shall mean a Calendar Year.

Section 1.9 "Bylaws"

- a) Shall mean the Bylaws of the Morningview Homeowners Association, a "Not-for-Profit Corporation" formed under the laws of the State of Missouri and hereafter referred to as BYLAWS. These BYLAWS shall supersede and replace any prior bylaws.

Section 1.10: Quorum (See Article 1: Section 1.7 (a) in these DOCUMENTS.

- a) A QUORUM for the BOARD shall be sixty (60) percent of the current serving board members, not counting vacancies.

ARTICLE II. ASSOCIATION MEETINGS

Section 2.1 Notice(s)

- a) See Article XI: Section 11.1 in these DOCUMENTS.

- b) Waiver of Notice. Attendance at any meeting whether in person or by Proxy, shall constitute a waiver of all required notices.

Section 2.3 Special Meetings

- a) See Article XI: Section 11.2 subparagraph (b) in these DOCUMENTS.
- b) Duly called Special Meetings must set forth the item(s) to be discussed and or voted upon. The BOARD shall have the power to limit the number of item(s) to be discussed at a Special Meeting.

Section 2.4 Quorum for Special Meetings

- a) See Article I; Section 1.7(a) hereinabove in these DOCUMENTS.

ARTICLE III. Voting

Section 3.1 Qualifications

- a) See Article XI: Section 11.4 Subparagraphs (a)(b)(c)(d)(e) hereinabove in these DOCUMENTS.
- b) In addition, the BOARD may establish such other qualifications as it deems necessary governing the eligibility of an OWNER to vote.

ARTICLE IV. Board of Directors, Duties, Officers, Powers

Section 4.1 Directors

- a) The authorized number of Directors is seven (7).
- b) Directors shall be elected or chosen at the Annual Meeting of the ASSOCIATION.
- c) The term of a Director is four (4) years and the terms shall be staggered so that all Directors are not elected at the same time.
- d) Persons desiring the "Office of Director" shall submit a letter and or a Resume' at least forty-five (45) days prior to the Annual Meeting announcing their desire to be a director, to allow sufficient time for the BOARD to interview prospective candidate(s) and to make or not make, in its discretion, any recommendations relating to said candidate(s).
- e) To serve as a Director, one shall be a residing Resident in MORNINGVIEW for one (1) year prior to the Annual Meeting and may not serve as an officer or director of another entity emanating from within MORNINGVIEW, and if elected to the "Office of Director", shall immediately resign his or her position in the other entity. If, after 3 months of announcing any Board vacancies at the monthly residents' Board meeting and in the monthly new letter, the Board, at its discretion, may wave the one-year residency requirement for applying for the Board of Directors.

- f) A candidate for “Director” must not be in arrears in the payment of their dues.
- g) The BOARD shall interview all nominees to acquaint them with the functions of the “Office of Director”; i.e. the duties; the time that may be required to serve; what talent(s) they feel they can bring to the BOARD; their ability to constructively interact with their fellow BOARD members; and determine if they can separate their thinking from that of being a resident to that of being a BOARD member and doing what is in the best interests of MORNINGVIEW.
- h) The BOARD may conduct a second interview, if necessary to answer any additional questions to decide if candidate(s) are to stand for election at the Annual Meeting of the ASSOCIATION. The BOARD, in its discretion, may issue a “recommend” or a “do not recommend” to the ASSOCIATION concerning suitability of a candidate(s) desiring to serve.
- i) The BOARD shall create a ballot listing the candidate(s) desiring to serve. The BOARD, in its sole discretion, may mail said ballot in advance of the Annual Meeting or it may wait until the Annual Meeting and distribute the ballot to those in attendance and qualified to vote. In the event there are more candidates for a Director’s position than there are “open positions”, an OWNER may only cast votes equal to the number of positions open (example; three candidates for two positions, vote for any two of the three candidates, likewise one candidate for one position, one vote). The person(s) receiving the highest number of votes shall be elected.
- j) If the number of people aspiring to the “Office of Director” does not exceed the number of open positions, the candidate(s) shall still go through the process hereinbefore set forth above. A candidate must receive more “yes” or “for” votes than “no” or “against” votes in order to be seated on the BOARD.

Section 4.2 Removal and Vacancies of Director(s).

- a) Should a Director resign, move from MORNINGVIEW, be removed from the BOARD with or without cause, or otherwise be unable to fulfill the duties set forth in these DOCUMENTS, a vacancy is herein created.
- b) The BOARD is hereby given the authority to appoint or attempt to appoint, someone to fill said vacancy. The person appointed shall serve until the next Annual Meeting and may stand for election to a full term if he or she so desires.
- c) Should a member of the BOARD miss three (3) consecutive meetings, that member, after being consulted by the President, may be removed from further service on the BOARD, thereby creating a vacancy.

- d) Should a Director fall behind in the payment of his or her dues and fails to cure said default within thirty (30) days of being notified, said Director may no longer serve as a member of the BOARD.
- e) Should a Director, or a candidate for the “Office of Director”, be found to have engaged in assault; battery; harassment and or any other behavioral conduct during the past twenty-four (24) months that reflects negatively on the ASSOCIATION, or the BOARD, or its MEMBERS, the BOARD, in its sole discretion, may remove said person from serving as a Director. The BOARD may also prohibit a candidate from continuing to seek the “Office of Director” for a period of three (3) years.

Section 4.3 Officers.

- a) Officers of the BOARD shall include a President, Vice-President, Secretary and Treasurer. An Officer must be a member of the BOARD. No person shall hold more than one (1) office at a time unless there are not enough members remaining to fill vacant position(s).
- b) Compensation. No Officer or Director shall receive compensation for any service he or she may render to the ASSOCIATION. However, any Officer or Director may be reimbursed for “out-of-pocket” expenditures incurred in the performance of his/her duties. Nothing in this Section shall preclude an ex-Director from serving the ASSOCIATION in another capacity and receiving compensation therefor.
- c) Hold Harmless. An Officer or Director shall not be held liable, personally or otherwise, for the conducting of ASSOCIATION business. In addition, the BOARD may obtain insurance policies such as “Errors and Omissions” and “Officer and Director’s Liability” to protect the BOARD and its individual members from the actions of others.

Section 4.4 “Choosing of Officers”

- a) Nominating Committee for Officers: Sixty (60) days prior to the Annual Meeting, the President shall appoint a nominating committee. The Nominating committee shall consist of two (2) current BOARD members and two (2) residents of MORNINGVIEW. The two residents selected to serve, must have attended a majority of the “REGULAR” BOARD meetings held during the previous twelve (12) months. This COMMITTEE is to nominate four (4) people who will faithfully carry out the duties of the offices to which they are being nominated and to also faithfully endeavor to carry out the duties and powers assigned to the BOARD herein. Other MEMBERS may make nominations.
- b) Officers of the Board shall be elected at the ASSOCIATION’S Annual Meeting. Said Officers shall also be considered “Officers of the ASSOCIATION”.

Section 4.5 Officers and their duties

- a) **President.** Shall preside at all meetings of the BOARD and ASSOCIATION. Shall see that policies, resolutions, and directives of the BOARD and ASSOCIATION contained in these DOCUMENTS are implemented for the welfare, benefit and enjoyment of the Residents of MORNINGVIEW. Shall sign such documents, legal or otherwise that are necessary for carrying on the business of the ASSOCIATION.
- b) **Vice-President.** Shall act in the place of the President in his/her absence and discharge such other duties as the BOARD may assign from time to time.
- c) **Secretary.** Shall be responsible for keeping an accurate record of the minutes of all meetings/proceedings. Shall record the votes taken on resolutions passed by the BOARD or the ASSOCIATION and record the results in the minutes of said meeting. Shall also perform such other duties as required or assigned by the BOARD.
- d) **Treasurer.** Shall be responsible for receiving and depositing all funds received in ASSOCIATION bank account(s). Shall be responsible for keeping an accurate record of all dues paid and by whom so the BOARD can determine delinquencies, if any, and the subsequent levying of authorized "late fees" as hereinbefore set forth in Article VIII; Section 8.1(d). Shall distribute funds as directed by the BOARD from time to time. Shall pay bills received and approved by another Officer of the BOARD. Shall assist and cause an Annual Audit of ASSOCIATION books to be made by a "Committee of Qualified OWNERS". Said Audit is to be completed within (90) days of the Annual ASSOCIATION Meeting. Said Audit Committee is to be selected by the Treasurer and President of the BOARD.

Section 4.6. Removal of Officers

- a) Any officer may be removed, with or without cause, by a vote of a two-thirds (2/3rds) majority of the Directors, either present or by Proxy at a duly scheduled Regular Meeting or a Special Board Meeting properly called for that specific purpose.
- b) **Resignation.** Any Officer of the BOARD may resign at any time by giving written notice to the President or Secretary of the BOARD.
- c) Vacancies of an Officer's position for any reason, shall be filled by the remaining members of the BOARD. That person shall serve until the next Annual Meeting. At that time, the person may be nominated to serve again as an Officer.
- d) **Removal.** Should an Officer become in arrears in the payment of their dues or found to have engaged in assault; battery; harassment; or other behavioral conduct that reflects negatively of MORNINGVIEW, the BOARD or the

ASSOCIATION, the BOARD, in its discretion, may remove said Officer from continuing to serve as an Officer and Director.

Section 4.7 Delegation of Duties:

- a) If any Officer or member of the BOARD is absent; or unable to act; or otherwise fulfill their duties, the BOARD may delegate some or all of that person(s) functions and/or duties to another member of the BOARD.
- b) If an Officer misses three (3) consecutive Regular Meetings or Work Session Meetings, the BOARD may remove that person from being an Officer.

Section 4.8 Governance.

- a) The BOARD is charged with the governing of the ASSOCIATION and the carrying out of the policies as herein set forth in these DOCUMENTS and as may be amended from time to time. The BOARD is empowered to establish such policies from time to time it deems necessary to carry out the duties set forth herein in these DOCUMENTS. Whenever the BOARD establishes a “new” policy, the BOARD must announce the “new” policy at the next two (2) “REGULAR” meetings and publish the “new” policy in the next two (2) issues of the Newsletter before it takes effect.
- b) Meetings of BOARD. The BOARD may hold Regular or other meetings at such times, dates and places as it deems necessary, with or without notice to OWNER(s). The BOARD may conduct any business it deems necessary for the welfare and benefit of the MEMBERS of the ASSOCIATION.

Section 4.9 Appointment of other Agents or Representatives

- a) The BOARD may appoint, from time to time, such other officers, agents, attorneys-in-fact, or other representatives as it may deem necessary for the welfare and benefit of the ASSOCIATION. Any such appointees shall hold their respective positions at the pleasure of the BOARD and for such term as specified by the BOARD. Compensation, if any is required by the above mentioned people, shall be determined by the BOARD. These Appointees shall exercise such powers and perform such duties as empowered and determined by the BOARD from time to time.
- b) No Agent or Representative or any other person has any authority to bind the BOARD or ASSOCIATION in any monetary or other matters that may come before them without the prior written approval of the BOARD.

Section 4.10 Committees

- a) The BOARD is empowered to establish such Committees and assign such powers and duties and functions as it deems necessary to assist the BOARD and for the welfare, benefit and enjoyment of the ASSOCIATION. Said Committees serve at the pleasure of the BOARD. A majority of the members

of said Committee(s) shall constitute a Quorum for purposes of carrying out any of its assigned functions or purposes. The Committee(s) shall meet at such times and places as it deems necessary unless otherwise directed by the BOARD.

Section 4.11 Assessments

- a) As hereinbefore set forth in Article 8 of these DOCUMENTS, MEMBERS shall pay dues to the ASSOCIATION on a monthly or annual basis. Failure to pay said dues may result in a lien being levied and filed against an OWNER. Article VIII, Section 8.1 (d), (e) of these DOCUMENTS also sets forth the “late fee” rate that may be applied to any dues payment not received by the tenth (10th) of the month in which said payment is due and owing.
- b) Article VII; Section 8.1 (e) of these DOCUMENTS also sets forth the parameters for authorizing the BOARD to file a Lien against an OWNER and his/her property and the interest rate that will accrue to said Lien.
- c) Anyone who is currently in arrears in the paying of their dues or has had a Lien placed against them shall not be allowed to participate in any election before the BOARD or the ASSOCIATION.
- d) The BOARD is empowered to bring any “action-at-Law” it deems necessary to collect all funds due and owing to the ASSOCIATION, including, but not limited to, attorney fees; interest, fees, or other costs of collection, foreclosure and even the sale of said property.

ARTICLE V. GENERAL PROVISIONS

Section 5.1 Financial Controls

- a) Funds of the ASSOCIATION shall be handled by the BOARD in a manner in keeping with generally accepted budget and accounting practices and under polices established by the BOARD from time to time.
- b) The BOARD shall post an “Income and Expense” statement and a “Balance Sheet” no later than ten (10) days after the end of each month on the bulletin board of the Activity Center. In addition, the BOARD shall attach a copy of the “Income and Expense” statement and the “Balance Sheet” to the Newsletter (if one exists) or post it on a Website, a minimum of once each quarter. If a Newsletter or Website does not exist, the BOARD shall cause these two statements to be delivered to each residence.

Section 5.2 Bond

- a) Any officer or employee or other agent handling monies of the ASSOCIATION may be bonded at the ASSOCIATION’S expense and in such amount as may be determined by the BOARD.

Section 5.3 Indemnification of Directors, Officers, and Employees

- a) Each person who is or was a Director, Officer, Employee or Agent of the ASSOCIATION or is serving at the request of the BOARD and/or ASSOCIATION, SHALL BE HELD HARMLESS AND INDEMNIFIED for all actions, while performing or seeking to perform, any duty, function or other act felt to be necessary to fulfill the functions of the offices listed above.
- b) Indemnification provided in this Section, shall cover expenses, including, but not limited to, attorneys' fees, judgments; fines and amounts paid in settlement actually and reasonably incurred by the person in connection with any action, suit or proceeding, if he or she acted in good faith and in a manner reasonably believed to be in or not opposed to the best interest of the BOARD or ASSOCIATION, and with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.
- c) No Person shall be liable to the ASSOCIATION or BOARD for any loss, damage, liability, or expense(s) suffered by it because of or due to any action taken or omitted to be taken, by him or her as a Director, Officer, Employee or Agent of the BOARD or ASSOCIATION. One of the tests that may be applied in determining if there was any negligence on the part of said person, is what would another person reasonably do, given the facts and circumstances in the same or comparable situation.
- d) The indemnification provided by this Section shall inure to the benefit of the heir(s), successor(s) and assign(s) of said person(s).

Section 5.4 Amendments to BYLAWS and/or DOCUMENTS

- a) These BYLAWS may be amended from time to time as the BOARD deems is necessary to carry out its duties and functions in a manner approved by the BOARD.
- b) Amendments proposed by the BOARD must not conflict with these DOCUMENTS.
- c) Amendments passed by the BOARD shall not take effect for a minimum of ninety (90) days and must be published in a newsletter (if any) or a website (if any) and or mailed to the OWNER(s) of record. If an OWNER(s) objects to an Amendment, he or she must notify the BOARD in writing requesting a meeting of the BOARD to discuss their objection. Should the objection of the OWNER not be satisfied, the OWNER will have the right to request that said Amendment be submitted to a vote of the ASSOCIATION upon obtaining the signatures of thirty (30) percent of the OWNER(s). The BOARD shall have fifteen (15) days upon receiving the signatures to verify the authenticity and validity of the signatures. If the signatures are valid, the BOARD shall set the date of the election within the next forty-five (45) days. The objecting OWNER(s) shall pay for the costs of said election.

Section 5.5 Approval of these Revised DOCUMENTS and BYLAWS

- a) **The BOARD shall make available a copy of these DOCUMENTS AND BYLAWS to each OWNER at least thirty (30) days prior to the date of a Special Meeting called to vote for the approval of these Revisions.**

- b) **A QUORUM necessary for the passage of these BYLAWS shall be as defined herein in Article II, Section 2.4(a) above. A two-thirds (2/3rds) majority of the QUORUM present in person or by Proxy is necessary for passage of these BYLAWS.**

- c) **The BOARD is hereby authorized to correct grammatical or spelling errors it may subsequently find in these BYLAWS.**

- d) **The BOARD may issue policies, from time to time, to help govern the implementation of these revised DOCUMENTS.**

- e) **This 2018 revision will become effective sixty (60) days after passage by the ASSOCIATION.**