

BYLAWS OF THE LAMPLIGHTER HOME OWNER'S ASSOCIATION

ARTICLE I

NAME, MEMBERSHIP, APPLICABILITY, AND DEFINITIONS

Name

1:1 The name of the Association shall be the Lamplighter Home Owner's Association (hereinafter sometimes referred to as the "Association").

Purpose

2:1 The purpose for which this not-for-profit Association is formed is to set forth the procedures for governing the Lamplighter which is created by the recording of a Declaration and a Plat bearing the name, the Lamplighter.

Membership

3:1 Any person, entity, or combination thereof, on becoming an Owner of an interest in a Residence shall automatically become a member of this Association, as more fully set forth in the Declaration of Covenants, Conditions, and Restrictions for the Lamplighter. Such membership shall terminate without any formal Association action whenever such person, entity, or combination thereof, ceases to own an interest in a Residence, but such termination shall not relieve or release any former Owner from any liability or obligation incurred under, or in any way connected with, this Association during the period of such ownership and membership in this Association.

Applicability

4:1 All Owners, members of their households, tenants, members of their households, guests, and any other person or persons who use in any manner or are upon the premises of the Lamplighter are subject to these Bylaws and the Rules and Regulations adopted hereunder. The acquisition, rental, or occupancy of any Residence shall signify that these Bylaws as they are amended from time to time are accepted, ratified, and will be complied with.

Definitions

5:1 The words used in these Bylaws shall have the same meaning set forth in said Declaration unless the context shall prohibit and such definitions are incorporated here by reference.

ARTICLE II

MEETINGS, QUORUM, VOTING, PROXIES

Meetings

1:1 Place of meetings. Meetings of the Association shall be held at such place convenient to the Owners as may be designated by the Board of Directors, such place, whenever practicable, to be on the premises of the Lamplighter.

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1:2 Annual Meetings. The first meeting of the Association members shall be held within 180 days after 15 Residences have been sold as provided in Article VII, section 4:2 of the Declaration. Thereafter, the Association shall meet annually at least thirty (30) days prior to the close of the fiscal year. At such meetings there shall be elected by the members of the Association in accordance with these Bylaws. The members may also transact such other business of the Association as may properly come before them.

1:3 Special Meetings. It shall be the duty of the President of the Board of Directors to call a special meeting of the Association if so directed by resolution of the Board or upon receipt of a petition signed by at least 20% of all Owners. The notice of any special meeting shall state the 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. Any such meetings shall be held at such place and time as the President shall determine within thirty (30) days after receipt by the President of such resolution or petition.

1:4 Notice. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing or delivering a copy of such notice, postage prepaid, at least 10 and not more than 30 days before such meeting to each member entitled to vote thereat. Such notice shall specify the place, day and hour, and purpose of the meeting. Notice shall be sent to the legal address of each Owner as set forth in the Declaration (Article II, section 6:1).

1:5 Quorum. The presence at a meeting of members entitled to cast or proxies entitled to cast more than 50% of the votes shall constitute a quorum for any action except as otherwise provided in the Governing Documents.

1:6 Adjourned Meetings. If any meetings of the Association cannot be held because a quorum is not present the meeting may, by approval of those entitled to cast a majority of the votes present at the meeting, be adjourned to a time not less than forty-eight hours from the time the original meeting was called, at which time the quorum shall be one quarter of the votes in the Association. Any business which might lawfully have been transacted at the meeting as originally called may be transacted without further notice.

1:7 Conduct of Meetings. The President shall preside over all meetings of the Association and the Secretary shall keep the minutes of the meeting as well as a record of all transactions occurring thereat.

2:1 Size of votes. Each member of the Association shall be entitled to vote in the manner set forth in the Declaration

Voting

(Article VII, section 3:1) and such provisions are specifically incorporated here.

2:2 Majority. Except where otherwise provided by the Governing Documents the majority of the votes present, cast either in person or by proxy, shall decide any question brought before a meeting of the Association.

2:3 Proxy. A vote may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of the meeting and must conform with the Declaration (Article II, section 8:1).

2:4 Suspension of privileges. No member shall be eligible to vote or to be elected to the Board of Directors who is shown on the books of the Association to be more than thirty (30) days delinquent in the payment of any assessment due the Association.

ARTICLE III

BOARD OF DIRECTORS

Initial Board

1:1 The Declarant, acting on behalf of all Class "B" members, until the Class "B" membership terminates, or unless Declarant shall earlier surrender such right, shall have the right to appoint three members of the Board, who shall serve one year terms and who may be reappointed. Said appointed Board members need not be members of the Association. The directors named in the Articles of Incorporation of the Association, or their duly appointed successors shall serve as the first Board of the Association.

Election of Directors

2:1 First Election. When 15 Residences have been transferred from the Declarant to Class "A" Members, the first annual meeting of the Association will be held at which two additional members will be elected to the Board by all Members, increasing the total number of Directors to five. Until and unless the Board adopts a different procedure, elections of Board members shall be as follows. At the time of distribution to members of notice of the meeting to elect Directors, there shall be distributed ballots for the election of Directors. These ballots shall list all persons eligible to be elected to the Board of Directors, which shall be all members of the Association in good standing. The ballots shall also list the responsibilities of the Board of Directors. Members shall vote for all persons they feel are qualified to serve on the Board. Ballots shall be delivered in person or by duly appointed proxy at the Association meeting. Votes shall be tallied during the meeting. The two persons receiving the most votes shall be elected to one year terms as Directors. Ties shall be resolved by majority vote of those present at the meeting.

2:2 Subsequent Board Elections. All elections of members of the Board shall follow the procedure in section 2:1 of this Article unless and until an alternate procedure is approved by the Board. The Board may vote to increase the number of Directors from five to seven at the time of any annual membership meeting after the first and until the termination of Class "B" membership, but until the termination of Class "B" membership, all Directors elected shall be elected for one year terms. At the first annual meeting after the termination of Class "B" membership, seven directors shall be elected on a staggered term basis. The two members receiving the most votes shall be elected to terms of three (3) years, the two members receiving the next greatest number of votes shall be elected to terms of two (2) years, the three members receiving the next greatest number of votes shall be elected to terms of one year. At each annual meeting thereafter, directors shall be elected to terms of three years. Members of the Board of Directors may succeed themselves.

Vacancies

3:1 Removal of Directors. Directors other than those appointed by the Declarant may be removed with or without cause by a majority vote of Owners. In such event a successor shall then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed shall be given at least ten (10) days written notice of the calling of the meeting and the purpose thereof and shall be given an opportunity to be heard at the meeting. The newly elected Director shall serve for the unexpired term of his predecessor.

3:2 Other vacancies. Except in the case of Directors appointed by the Declarant, vacancies in the Board caused by any reason other than the removal of a Director by vote of Owners shall be filled by majority vote of the remaining Directors at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy, even though the Directors present at such meeting may constitute less than a quorum; and each person so elected shall be a member of the Board for the unexpired term of his predecessor.

Meetings of Directors

4:1 Regular Meetings. At the annual meeting of the Association a time and place shall be established for a meeting of the Board to take place within ten days of the Association meeting. In addition, the Board shall meet at regular times established by resolution of the Board, but in no case shall the Board meet less than four times per year.

4:2 Special Meetings. Special meetings of the Board shall be held when called by the President of the Association, or by any two Directors, after not less than three days notice to each Director which notice shall include time, place, and purpose of the meeting.

4:3 Quorum of Board. At all meetings of the Board of Directors, unless otherwise specified in the Declaration, a majority of the Directors shall constitute a quorum for the transaction of business and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board.

4:4 Adjournment of Meetings. If at any meeting of the Board there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At such adjourned meetings at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

4:5 Waiver of Notice. Any requirement of notice to a director provided under this Article may be waived by the director entitled thereto by written waiver of such notice signed by the director and filed with the secretary of the Association.

4:6 Conduct of Meetings. The President shall preside over all meetings of the Board of Directors and the Secretary shall keep a minute book, recording therein all resolutions adopted by the Board and a record of all transactions and proceedings occurring at such meetings.

5:1 Each member of the Board shall exercise his or her powers and duties in good faith and with a view to the interests of the Association. No contract or other transaction between the Association and any of its Directors, or between the Association and any corporation, firm, or Association (including the Declarant) in which any of the Directors of the Association are directors or officers or are pecuniarily or otherwise interested, is either void or voidable because any such Director is present at the meeting of the Board of Directors or any committee thereof which authorizes or approves the contract or transaction, or because his vote is counted for such purpose, if any of the conditions specified in any of the following subparagraphs exist:

- (a) The fact of the common directorate or interest is disclosed or known to the Board or a majority thereof or is noted in the minutes, and the Board of Directors authorizes, approves, or ratifies such contract or transaction in good faith by a vote sufficient for the purpose; or
- (b) The fact that the common directorate or interest is disclosed or known to at least a majority of the members of the Association and the members approve or ratify the contract or transaction in good faith by a vote sufficient for the purpose; or
- (c) The contract or transaction is commercially reasonable to the Association at the time it is authorized, ratified, approved, or executed.

6:1 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 as set forth more fully in the Declaration and as provided by law, and may do all acts and things as are not by the Declaration, Articles, or these Bylaws directed to be done and exercised exclusively by the Members. The Board shall have the power to adopt rules and regulations which it deems necessary and to impose sanctions for violation thereof, including, without limitation, reasonable monetary fines which may be collected as provided in the Declaration for assessments.

Common or
Interested
Directors

Powers of
the Board

From the termination of Class "E" membership, the Declarant or assigns shall have a veto power over all actions of the Board as is more fully provided below. This power shall expire when the Declarant or assigns shall no longer own, or have the right to build any Residences or other units on any of the land described in Exhibits "A" and "B" of the Declaration. This veto power shall be exercisable only by the Declarant, his representatives, agents, successors, or assigns. The veto shall be as follows:

No action authorized by the Board of Directors shall become effective, not shall any action, policy, or program be implemented until and unless:

- (a) Declarant shall have been given written notice of all meetings by certified mail, return receipt requested, or by personal delivery, at the address it has registered with the Secretary of the Association, as it may change from time to time, which notice complies with these Bylaws as to regular and special meetings of the Directors, and which notice shall set forth in reasonable particularity the agenda to be followed at said meeting; and
- (b) Declarant shall be given the opportunity, at any such meeting if he so desires, to join in, or to have its representatives or agents join in, discussion from the floor of any prospective action, policy, or program to be implemented by the Board. Developer and its representatives or agents shall make its concerns, thoughts, and suggestions known to the members of the Association and/or the Board. At such meeting, Declarant shall have, and is hereby granted, a veto power over any action, policy, or program authorized by the Board of Directors and to be taken by said Board, the Association, or any individual member of the Association if Board approval is necessary for said member's action.
- (c) Provided, however, that if Declarant does not exercise said veto, then the Board, the Association, or the individual members seeking approval of such action or to whose benefit such action accrues shall, within a reasonable time period, in any event not to exceed one hundred twenty (120) days, take or commence such action or effectuate said approval by the Board; and if such action is not taken or commenced within said 120 days the provisions of the Article shall once again become effective, and Declarant's veto power as to said action will once again become effective. Any veto power arising pursuant to this Subsection shall not extend to the requiring of any action or counter-action on behalf of the Board or Association.

ARTICLE IV

OFFICERS

Enumeration

X 1:1 The officers of this Association shall be a president and vice president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time be resolution create.

Election

2:1 The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members. Officers shall be elected by majority vote of the Board.

Term

3:1 The officers of this Association shall be elected annually by the Board and shall hold office for one (1) year except if any officer resigns, is removed, or otherwise becomes disqualified to serve.

Resignation

4:1 Any officer may resign at any time giving written notice to the Board, the president, or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. An officer may resign his office without resigning from the Board.

Removal

5:1 Any officer may be removed from office with or without cause by majority vote of the Board.

Vacancies

X 6:1 A vacancy in any office may be filled by appointment of the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces. Appointment shall be by majority vote of the Board, and shall occur promptly after the vacancy is created.

Special Officers

7:1 The Board may elect special officers, other than those designated in this Article, as the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Multiple Offices

8:1 No person shall simultaneously hold the office of President and any other office except in the case of special offices created pursuant to 7:1 of this Article. The offices of secretary and treasurer, or the offices of secretary and vice-president, or the offices of treasurer and vice-president may be combined and any such combination of two offices may be considered a single office.

Duties

9:1 Of the President. The President shall be the principal executive officer of the Association and shall have all of the general powers and duties which are usually vested in the office of chief executive of an association, including, but not limited to:

- (a) appointment of committees from among the members of the Association as he may decide is appropriate to assist in the conduct of the affairs of the Association;
- (b) presiding at all meetings of the Association and the Board;

(c) signing, with the Secretary or any other officer so authorized by the Board, any deeds, mortgages, bonds, contracts, or other instruments which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by the Governing Documents to some other officer or agent of the Association.

9:2 Of the Vice President. The Vice President shall have all the powers and authority, and perform all the functions and duties of the President in the absence of the President, or his inability for any reason to exercise such powers and functions or perform such duties, and shall exercise and discharge any other duties as may be assigned by the Board.

9:3 Of the Secretary. The Secretary's duties shall include all those incident to the office of Secretary and such others as may be assigned by the Board including, but not limited to:

- (a) keeping the minutes of the Association meetings and of the Board of Director's meetings in one or more books provided for that purpose;
- (b) insuring that all notices are duly given in accordance with the provisions of the Declarations and these Bylaws or as required by law;
- (c) acting as custodian of the Association records and of the seal of the Association and ascertaining that the seal is affixed to all documents, the execution of which on behalf of the Association under its seal is duly authorized in accordance with the provisions of the bylaws;
- (d) keeping the register of the addresses of each member of the Association as required by the Declaration;
- (e) signing with the President all documents for which the Association seal shall be approved; and
- (f) having general charge of the books of the Association.

9:4 Of the Treasurer. The Treasurer shall perform all the duties incident to the office of treasurer and such other duties as may be assigned by the Board including, but not limited to:

- (a) having charge and custody of and being responsible for all funds and securities of the Association;
- (b) receiving and giving receipts for moneys due and payable to the Association from any source whatsoever;
- (c) depositing all such moneys in the name of the Association in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of the Governing Documents;
- (d) preparing an annual operating budget for the Association, and submitting each budget to the Board; and
- (e) levying and collecting all assessments, fines, penalties, and other charges authorized by the Governing Documents.

The day to day responsibility for bookkeeping and collection and disbursement of funds may be delegated to a paid employee of the Association, to a service organization, or to a Manager.

ARTICLE V

GENERAL PROVISIONS

Committees

1:1 Committees may be created by the President or by majority vote of the Board to perform such tasks and to serve for such periods as may be designated in the resolution creating them.

Indemnification

2:1 The Association shall indemnify every Director or officer, including the Declarant, his heirs, executors, and administrators, against all losses, cost and expenses (including counsel fees) reasonably incurred by him in connection with any action, suit, or proceeding to which he may be made a party by reason of his being or having been a director or officer of the Association. This shall include any threatened, pending, or completed action, suit, or proceeding whether civil, criminal, administrative, or investigative, providing that he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the Association and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, in itself, create a presumption that the person failed to act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Association and not unlawful. All liability, loss, damage, cost, and expense incurred or suffered by the Association by reason or arising out of or in connection with this provision in excess of the coverage provided by insurance shall be common expenses of the Association.

Amendment

X 3:1 These Bylaws may be amended by an instrument approved by three-fifths (60%) vote of Owners and by the Declarant, so long as any Declarant rights remain.

Not-for-Profit

4:1 This Association is organized as a not-for-profit organization. No member, member of the Board, officer, or person from whom the Association may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operation thereof, and in no event shall any part of the funds or assets of the Association be paid as salary, or distributed or inure to the benefit of any member of the Board of Directors, officer, or Member, provided, however, that reasonable compensation may be paid to any Owner, Director, or officer while acting as agent or employee of the Association, for services rendered in effecting one or more purposes of the Association, and that any member, Director, or officer may be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Association. The provisions here are not applicable to the Manager, if any, who shall perform his duties and functions according to a written agreement between himself and the Board for the compensation stated therein.

No Waiver

5:1 The omission or failure of the Board of Directors or any Owner to enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations, or other provisions of the Governing Documents shall not constitute a waiver, modification, or release thereof and the Board or the Manager shall have the right to enforce the same hereafter.

Fiscal Year

6:1 The fiscal year of the Association shall be set by resolution of the Board of Directors.

Records

7:1 The books, records, and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Governing Documents shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.