

OFFICIAL BYLAWS OF THE MONTICELLO PLACE COMMUNITY ASSOCIATION, INC.

The **Monticello Place Community Association, Inc.** hereafter referred to as the Association, hereby declares these articles to be it's bylaws.

Article I Definitions

1. **Properties** shall mean and refer to that certain real property described in the Declaration of Protective Covenants, Conditions, Restrictions and Regulations as set forth in the deed restrictions of the Development known as Monticello Place, located in the city of Jeffersontown, county of Jefferson, Commonwealth of Kentucky and any Sections that are hereafter added.
2. **Common area** shall mean and refer to all real property owned and/or maintained by the Association for the common use and enjoyment of the Lot owners and their guests.
3. **Lot** shall mean and refer to any plot of land on file in the Jefferson County Clerk's Office in the plat recorded as Monticello Place and on any and all recorded subdivision maps of those same properties except the common areas as noted.
4. **Member** shall mean and refer to every person or entity who shall hold membership in the Association. Under the deed restrictions, all lot owners are obligated to pay dues and thus be members.
5. **Owner** shall mean and refer to the owner of record of that property, whether an individual, partnership or corporation, including those who have fee simple title to any lot which is a part of the properties. Specifically excluded are those having such interest merely as security for performance of an obligation. For all purposes involving the Association, each lot shall be deemed to have only one (1) owner and, consequently, one (1) vote in any Association business.
6. **Officer/Director.** These terms are used interchangeably thruout this document when referring to methods of election, procedures to remove and other items indigenously to all persons elected to any position in the Association. Specific notice as to the differential of the offices is duly noted wherever applicable.

ARTICLE II MEMBERSHIP MEETINGS

1. **General meetings** of all members shall be scheduled twice per year, a minimum of 175 days apart. Notice of date, time and place of each meeting shall be made in writing and delivered via prepaid first class US Mail to each lot owner a minimum of fifteen (15) days prior to said meeting and a maximum of thirty (30) days prior to said meeting.

DIRECTOR'S MEETINGS

2. The Board of Directors shall meet a minimum of two (2) times per year on a regular schedule. Said schedule to be announced a minimum of six (6) months in advance and available from the Secretary at any time.

A. At the Board's option, these meetings may coincide with the General Meeting of all Members.

SPECIAL MEETINGS

3. Special meetings of either the Board or the Members may be called at any time by the President or the majority vote of the Board of Directors or by written request signed by a minimum of ten percent (10%) Hof the total number of members.

QUORUM

4. One third (1/3) of all members shall be present before any meeting in which alterations, additions or deletions to the Bylaws of the Association may be held except in meetings regarding setting of dues rates wherein, as mandated by Deed Restrictions, 2/3 of all Lot Owners must vote.

A. Two Thirds (2/3) of the Board Members must be in attendance at Board Meetings in order for a Board Meeting to be held.

PROXIES

5. At all meetings, proxy votes shall be counted if submitted in writing to the Secretary a minimum of 48 hours prior to said meeting. Proxy votes shall be valid only during the particular vote and meeting which is spelled out in writing to the Secretary.

VOTE COUNTS AND MAJORITIES

6. In all matters requiring a vote, a simple 51% majority of a quorum of members assembled shall constitute the passage or defeat of all issues. A 51% majority of Board members must approve all officer's elections.

GENERAL PROCEDURES

All meetings shall be governed by Robert's Rules of Order.

ARTICLE III BOARD OF DIRECTORS

1. **NUMBER**
The affairs of the Association shall be managed by a Board of Directors consisting of two (2) Directors from each Section of the Development after said section has achieved developed homes on a minimum of ten percent (10%) of it's lots and two (2) members from the Development at large.
2. **TERMS OF OFFICE**
At the first semi-annual Meeting, the Members at large shall elect two (2) Directors from each Section to terms of one (1) year. Thereafter, elections to the Board shall be held at the LAST semi-annual meeting of each year.
3. **VACANCY AND/OR REMOVAL FROM OFFICE**
Any Director may be removed from the Board with or without cause by a majority vote of a quorum of Members. In the event of death, resignation or removal from office, their successor shall be selected to finish the remaining term of office by a simple majority vote of the remaining Directors.
3. **COMPENSATION**
No Director shall receive any compensation for any service they may render the Association in their position as Director. However, all Directors are entitled to reimbursement of actual expenses incurred in the performance of their duties.
4. **CONFLICT OF INTEREST**
While Directors may also serve as officers (President, Vice President, Secretary, Treasurer, etc.), no Director shall, either directly or indirectly, vote upon, influence, bid upon or accept any labor or service contract let by the Association that involves monetary or personal gain to that Director or his family.

ARTICLE IV NOMINATION AND ELECTION OF OFFICERS AND BOARD MEMBERS

1. **Nomination:** Nomination for any Board Seat shall be made by the following methods:
 - a). The potential Board Member shall submit their name in writing to any Director and said Director shall turn their name over to a 3 person nominating committee to be added to the ballot.
 - b). Nominations, with a second, shall be taken from the floor of a general meeting.
2. **Dual offices:** While any Director may be an officer, no person may hold more than one (1) office. The sole exception shall be in the event that, for logistical and/or practical reasons, the office of Secretary is merged with the office of Treasurer.
3. **Officers:** The Board shall elect all it's officers by a majority vote of a quorum of Board Members.
4. **General:** All elections shall be by written, secret ballot. Each Lot is accorded one (1) vote. All officers and Board Members must be lot owners who physically live on the premises of the Development.
Note: Until such time as 90% of all lots in the development are sold; the Developer retains ten (10) votes at every general meeting for every unsold lot pursuant to the Deed restrictions.
5. **Date of elections:** All elections shall be held at the LAST scheduled general meeting of the calendar year. Newly elected Board Members shall assume their positions immediately after the end of said meeting.

ARTICLE V POWERS AND DUTIES OF THE BOARD

POWERS

1. *The Board of Directors shall have the power to:*
 - A). Adopt and publish rules and regulations enforcing and/or maintaining the deed restrictions of the Development as a whole and the maintenance of the common areas as detailed in said deed restrictions.
 - B). To levy and collect the annual dues as set forth in the deed restrictions of the Development.
 - C). Accept bids and authorize the performance of services as needed to maintain the common areas of the Development.
 - D). Pay for said expenditures from the Association funds.
 - E). Levy surcharges if necessary to effect emergency repairs costing in excess of the available budget's funds.
 - F). To call special and/or emergency meetings of the Board without notification of the Membership.
 - G). To engage professional, clerical and service personnel as necessary to perform necessary duties within the Association and/or at it's meetings and/or to maintain the common areas and the legal and financial needs of the Association.

2.

DUTIES

It shall be the duty of the Board of Directors to;

- A). Cause to be kept a complete record of all it's acts and corporate affairs and to present a statement of said deeds and affairs to each Member on an Annual basis or at any time within 30 days of receipt of a written request for said records from any Member.
- B). Procure and maintain adequate liability and hazard insurance on the property owned or maintained by the Association and the personnel the Association engages to perform work thereupon. Said insurance shall also cover liability of each Director and Officer for liability incurred during and in conjunction with their performance of Association duties.
- C). Cause the common areas to be maintained.

**ARTICLE VI
OFFICERS AND THEIR DUTIES**

- 1. Enumeration:** There shall be a President, Vice President, Secretary and Treasurer.
- 2. Election:** Officers shall be elected by a simple majority vote of a quorum of the Board of Directors.
- 3. Terms of Office:** All officers shall be elected to terms of one (1) year. Officers may succeed themselves.
- 4. Resignation and removal:** Offices shall be removed from office thru the same procedure used to remove Directors. Should an officer resign, said resignation shall be submitted in writing to the Secretary and shall become effective with the date chosen and noted In said written resignation.
- 5. Vacancies:** All vacant offices shall be filled by a quorum vote of the Board of Directors at their next scheduled meeting and no special election will be held to fill vacancies unless so called by the Board.

A.

PRESIDENT

- 1).The President shall preside at all meetings of the General Membership and the Board of Directors. 2).The President shall have the power to sign all legal documents on behalf of the Association and to speak in it's behalf in any forum.
- 3).The President must co-sign all Association checks with the Treasurer.
- 4).The President must seek and examine a minimum of three (3) competitive bids for all services, goods and materials required to maintain the common areas wherein the total cost exceeds two hundred fifty dollars (\$250.00).
- 5).The President must give his recommendations for said purchases to the Board of Directors.
- 6).The President may NOT make purchases or authorize expenditures on behalf of the Association in amounts exceeding two hundred fifty dollars (\$250.00) per incident (or total miscellaneous expenditures totalling in excess of 10% of the Association's gross annual budget in total expenditures during any fiscal year regardless of number of items involved) without Board approval.
I.e.: if the President spends more than 10% of the Association Budget on items not requiring Board approval in a given year, ALL expenditures in mess of that total must be approved one at a time.

B.

VICE PRESIDENT

The Vice President shall act in the place of the President at any time when the President is unable to perform his duties. The Vice President may also undertake various other duties as assigned to him by the Board of Directors.

C.

SECRETARY

The Secretary shall record the minutes of all meetings, whether of the Board of Directors or the General Membership. The Secretary shall also keep an accurate mailing list of all Lot owners, including their mailing addresses and spouses (if applicable). The Secretary shall carry out any other tasks assigned by the Board.

D.

TREASURER

The Treasurer shall co-sign all checks with the President. The Treasurer shall deposit all dues and other monies into the appropriate bank accounts of the Association. The Treasurer shall keep proper books of the Association and file annual tax returns as may be required by state, federal and local law. The Treasurer shall prepare a financial report to be read into the minutes of every meeting held by the Board and the Membership and shall have the books audited by a certified public accountant annually.

The Treasurer shall be bonded and the cost of said bond paid by the Association.

E.

COMMITTEES

The Board of Directors and/or the Offices may, as need arises, appoint special committees to perform specific tasks as necessary to the maintaining of the Association and it's responsibilities.

MISCELLANEOUS

F.

Any Board Member may request that a vote of the General Membership be taken before any specific monetary issue is passed.

**ARTICLE VII
DUES AND ASSESSMENTS**

1. The Association shall send each lot owner an invoice for the affixed association dues on an annual basis. Said mailing shall be done after January 1st and before January 31st of each year. Said invoice shall be due and payable on receipt. Said invoice shall be deemed overdue upon the 31st day after it's postmark and, upon the 32nd day, shall begin to accrue interest in the amount of one and one half percent (1.5%) per month on the unpaid balance (18% per year). After the 91st day from date of postmark on the invoice, the Association may sue for any unpaid balances in the Jefferson County Small Claims Court. Each lot owner, by virtue of ownership and membership in the Association as required in the deed restrictions, agrees to pay said interest and applicable court and legal costs to collect their arrearages as generated.
2. Persons who shall be twice delinquent within a four (4) year period may, at the option of the Board of Directors, have their voting rights in the association terminated and, if applicable, shall be denied rights to usage of any Association owned recreational facilities and/or social functions.

**ARTICLE VIII
AMENDMENTS**

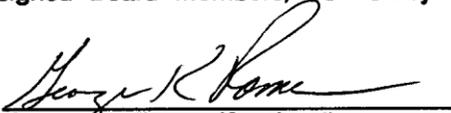
1. These bylaws may be amended by a simple (51%) majority vote of a quorum of the Members at any meeting which has been preceded by a minimum of 15 days written notice to all Members of it's time, date, place and purpose.
2. Any member may place an item into discussion for inclusion in the bylaws by submitting it in writing to the Secretary a minimum of 48 hours prior to said meeting.

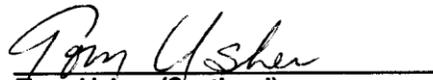
**ARTICLE IX
FISCAL YEAR**

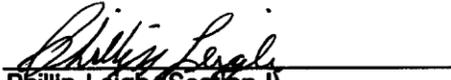
The Fiscal year of the Association shall be deemed to begin on January 1st and to end on December 31st.

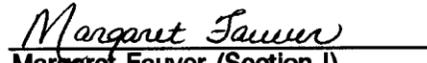
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The foregoing articles having been ratified by vote of a quorum of Members at a board meeting, we, the undersigned Board Members, do hereby affix and affirm our signatures this 9th day of July, 1991.


George K. Rome (Section I)
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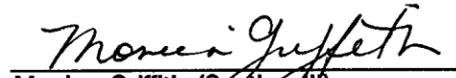

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