

GREEN SHORES PROPERTY OWNERS ASSOCIATION, INC. BY-LAWS

Revised July 2, 2016 Annual Meeting

ARTICLE I: NAME AND LOCATION

The name of the Corporation is GREEN SHORES PROPERTY OWNERS ASSOCIATION, INC., hereinafter referred to as the "Corporation". The official mailing address of the Corporation is P.O. Box 272, Shell Knob, Missouri 65747, but meetings of members and Directors may be held at such places within or without the State of Missouri as may be designated by the Board of Directors.

ARTICLE II: DEFINITIONS

Section 1. "Corporation" shall mean and refer to the Green Shores Property Owners Association, Inc. its successors and assigns.

Section 2. "The Properties" shall mean and refer to those areas of land shown on any recorded subdivision plat of the properties and any facilities or improvements now or hereafter placed thereon or conveyed to the Corporation and intended to be devoted to the common use and enjoyment of the owners of the properties.

Section 3. "Common Properties" shall mean and refer to those areas of land shown on any recorded subdivision plat of the properties and any facilities or improvements now or hereafter placed thereon or conveyed to the Corporation and intended to be devoted to the common use and enjoyment of the owners of the properties.

Section 4. "Lot" shall mean and refer to any plot of land shown upon the recorded subdivision map of The Properties, with the exception of:

- (a) The Common Properties, as heretofore defined.
- (b) Any re-definition made by the Board of Directors.

Section 5. "Owner" shall mean and refer to the recorded owner, whether one or more persons or entities, of the fee simple title to any lot situated upon The Properties but, notwithstanding, any applicable theory of mortgage or deed of trust shall not mean or refer to the mortgagee or trustee unless and until such mortgagee or trustee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure. However, trustees of any lot held in trust for the purpose of avoiding probate shall qualify as an owner for purposes of this definition.

Section 6. "Member" shall mean and refer to all those fee simple Owners who are members of the Corporation, as provided in Article III, Section I, of these By-Laws.

Section 7. “Declaration” shall mean and refer to the Restrictions applicable to The Properties, and to the provisions of the real estate contract entitled “Green Shores Property Owners Association, Inc. and Water Supply”, recorded among the land records in the Office of the Recorder of Deeds in Barry County, Missouri, in Book 239 (Page 100), as subsequently amended or modified.

Section 8. “Board” shall mean and refer to the Board of Directors of Green Shores Property Owners Association, Inc. as described in Article V.

ARTICLE III: MEMBERSHIP

Section 1. Membership. Membership in the Corporation shall be acquired when any individual or entity obtains a deed to any lot in fee simple and the same is recorded in the land books of Barry County, Missouri. Each household regardless of number of individuals shall have one vote and each lot owner regardless of the number of lots owned shall have one vote.

Section 2. Suspension of Membership. The rights of membership are subject to the payment of assessments, dues and rates for water service applicable to each lot, which are levied by the Corporation, the obligation of which are imposed against each owner and become a lien upon the property against which such assessments, dues and rates are made, to which the Properties are subject. During any period in which a member shall be in default in the payment of any annual and/or special assessment, dues, or rates for water service, levied by the Corporation, the voting rights and rights to use of Corporation’s facilities by such member may be suspended by the Board until such delinquency has been paid. Such rights of a member may also be suspended, after notice, for violation of any rules and regulations duly promulgated by the Board governing the use of the Common Properties and facilities.

ARTICLE IV: PROPERTY RIGHT: RIGHT OF ENJOYMENT

Each member shall be entitled to the use and enjoyment of the Common Properties and facilities as provided by the Declaration, and by the provisions of the Real Estate Contract entitled “Green Shores Property Owners Association, Inc.”, and “Water Supply”, pursuant to which each lot within Green Shores Subdivision was sold to its original owner, and by such rules and regulations as may be duly promulgated by a vote of two-thirds (2/3) of the membership present and voting at any annual or special meeting. Any member may delegate their rights of enjoyment of the Common Properties and facilities to the members of their family residing in their household or to any of their guests upon The Properties, but the rights and privileges of such delegatee are subject to suspension in the same manner as those of a member. However, trustees of any lot held in trust for the purpose of avoiding probate shall qualify as an owner for purposes of this definition.

ARTICLE V: BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Member. The affairs of this Corporation shall be managed by a Board of Directors comprised of six (6) Directors who must be members of the Corporation.

Section 2. Election. At each annual meeting (other than the first annual meeting) the members shall elect two Directors for a term of three years.

Section 3. Removal. Any Director may be removed from the Board with or without cause by a vote of two-thirds (2/3) of the members of the Corporation. In the event of death, resignation, or removal of a Director, their successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of their predecessor and until their successor is elected and qualified.

Section 4. Compensation. No Director or member of that Director's immediate family shall receive compensation for any service they may render to the Corporation; however, any Director may be reimbursed at the discretion of the Board for actual expenses incurred in the performance of duties.

Section 5. Action Taken Without a Meeting. The Board shall have the right to take any action in the absence of a meeting, which they could take at a meeting by obtaining the written approval of all Directors. Such written approval may be obtained by e-mail. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE VI: MEETING OF DIRECTORS

Section 1. Meetings for Election of Officers. A meeting of the Board shall be held within a two (2) week period following the annual meeting of members for the purpose of electing officers.

Section 2. Regular Meetings. The Board shall establish a meeting schedule and location consistent with its needs. In every way practicable, members will be encouraged to attend Board meetings. It is the obligation of the members to contact the Secretary or any Board member to determine the schedule and location of said meeting. However, non-Board members shall have no vote or voice in meetings until asked for their opinions.

Section 3. Special Meetings. Special meetings of the Board shall be held when called by the President of the Corporation and may also be called by the Secretary upon the written request of two Directors.

Section 4. Quorum. A majority of the number of Directors then in office shall constitute a quorum for the transaction of business. In the event a quorum is not present, a lesser number may adjourn the meeting to some future time. Notice of such adjourned meeting shall be given in the manner required for any other meeting of the Board.

Section 5. Notice of Meetings to Directors. Notice of meetings of Directors shall be given by service upon each Director in person or by mailing such notice to them at their last known address in the records of the Corporation or by e-mail at least twenty-four (24) hours before the date designated in such notice for the meeting specifying the date, time and place of such meeting. Any meeting held without notice shall be a valid meeting provided all Directors not present shall execute a waiver notice either before or after the meeting, that business transacted might have been transacted if the meeting had been called on notice.

ARTICLE VII: NOMINATION AND ELECTION OF DIRECTORS.

Section 1. Nominating Committee. A nominating committee of three (3) members, one of which shall be a Board Member, appointed by the President, shall be named and approved by the Board each year. The nominating committee shall select and present the name of a member as a candidate for each vacancy on the Board, to be voted upon by the membership at the annual meeting. The nominations shall be included in the notice of the annual meeting.

Section 2. Nomination by Petition. Nominations for Board vacancies may also be made by a petition signed by at least 20% of the membership. Up to two names may be nominated by each petition. Such petition must be received by Green Shores Property Owners Association, Inc. at Post Office Box 272 Shell Knob, MO, 65747 no later than 45 days in advance of the annual meeting. The names of those persons nominated by petition shall be included in the notice of the annual meeting, to be voted upon by membership as set out in Section 3, below.

Section 3. Election. Nominations other than those presented by the nominating committee or by petition may be made from the floor at the annual meeting. Election to the Board shall be by written ballot if called for by any member, otherwise by voice vote or show of hands. At such election, members or their proxies may vote as entitled under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected.

ARTICLE VIII: POWERS AND DUTIES.

Section 1. Powers. The Board of Directors shall have the power to:

(a) Determine and recommend to the membership for consideration rules and regulations, rates for water service, and to fix reasonable dues, fees and assessments, governing the use of the Common Properties and facilities and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

(b) Exercise for the Corporation all powers, duties and authority vested in or delegated to this Corporation and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;

(c) Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board to:

(a) Make available the minutes of the actions of the board of directors to the members at the annual meeting of the members, at any special meeting or when requested by any member who is unable to attend the meeting.

(b) Supervise all officers, agents and employees of this Corporation, and to see that their duties are properly performed;

(c) Establish, levy, assess, and collect the assessments, dues, fees, rates or charges or costs referred to in the Declaration, Real Estate Contract entitled "Green Shores Property Owners Association, Inc. and Water Supply, Articles of Incorporation and these By-Laws;

(d) Issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) Procure and maintain adequate (i) liability and hazard insurance on property owned by the Corporation, and (ii) liability insurance on all Board members;

(f) Determine if officers or employees having any fiscal responsibilities need to be bonded, and ensure action as deemed appropriate;

(g) Cause the Common Properties to be maintained and operated for the common good and welfare of all the members.

(h) The Board shall retain an Independent Certified Accountant to prepare annual financial statements of the Association and issue an accountant's compilation report thereon in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants and prepare state and federal income tax returns.

ARTICLE IX: COMMITTEES.

Section 1: The Board shall appoint committees as deemed appropriate in carrying out its purposes, such as, but not limited to:

(a) An Environmental and Water Committee shall advise the Board on matters pertaining to maintenance and upkeep on the monument, maintenance and/or

improvements to wells, well houses and water distribution system and the fee for a new connection to the Association's water distribution line, receive complaints from owners on water and environmental concerns, remedy situations concerning Common Properties and water supply, monitor water usage and excess usage and make reports to the Board, and perform such other duties required by the Board.

(b) Property Maintenance Committee, which shall advise the Board on all matters pertaining to the maintenance, repair, or improvement of the Common Properties and facilities (excluding those associated with water service) and perform such other functions as the Board, in its discretion, determines.

(c) An Architectural and Building Committee shall be responsible to the Board for monitoring adherence of new construction and qualifying remodeling projects to standards described in the Declaration. Duties include:

- 1) Receipt of "Application for Construction" and Construction Documents,
- 2) Review of submitted documents and coordination with the Owner, as required, to achieve a project, as described on these documents, that complies with requirements contained in the Declaration,
- 3) Recommend approval action to the Board,
- 4) a. Observe the project during construction in order to form an opinion as to whether standards contained in the Declaration are being met,
b. attempt to resolve any discrepancies with the Owner and
c. report any unresolved violations to the Board,
- 5) Receive and review Appeals, described in the Declaration, and recommend the appropriate action to the Board and
- 6) Perform other duties as determined by the Board.

Section 2. It shall be the duty of each committee to receive complaints from members on any matter involving Corporation functions, duties and activities within its field of responsibility. Subject to the approval of the Board, it shall dispose of such complaints and in such manner as the Board deems appropriate or refer them to such other committee, director or officer of the Corporation as is further concerned with the matter presented.

ARTICLE X: MEETINGS OF MEMBERS.

Section 1. The Annual Meeting of the members of the Association shall be held at a place and time as determined by the Board of Directors.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the President of the Corporation or by the Board or upon written request of two-thirds (2/3) of the members.

Section 3. Notice of Meetings. Written notice of the annual meeting of the members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, or by electronic

notification (e-mail) at least fifteen (15) days before such meeting to each member, addressed to the member's address or e-mail address last appearing on the books of the Corporation, or supplied by such member to the Corporation for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, its purpose.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-fourth (1/4) of the votes of the membership shall constitute a quorum for any action. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or represented. If the number of members in attendance at a meeting constitutes a quorum, they may act on any business that comes before the assembly. If the number of members present at a meeting does not constitute a quorum and it becomes necessary to use proxies in order to achieve a quorum, only items that were identified on the meeting announcement agenda may be acted upon. When proxies are counted toward a quorum or in voting during the meeting, the Board of Directors shall confirm that such proxies are from members not in attendance at the meeting.

Section 5. ROBERT'S RULES OF ORDER, Revised, shall govern all deliberations of this Corporation and its Board of Directors, except as otherwise provided in these By-Laws, in the Articles of Incorporation, or in the Declaration.

ARTICLE XI: OFFICERS AND THEIR DUTIES.

Section 1. Enumeration of Offices. The officers of this Corporation shall be a President, Vice President, Secretary and Treasurer (which offices may be combined as provided in Section 8), who shall at all times be members of the Board of Directors; and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. Election of officers shall take place at the first Board meeting following the Annual Meeting of members, which will be governed by Article VI, Section 1.

Section 3. Term. The officers of this Corporation shall be elected annually by the Board and each shall hold office for one (1) year unless they shall sooner resign, be removed, or otherwise disqualify to serve, or until their successor is elected and qualified. Officers shall not be disqualified to succeed themselves if duly elected as provided herein.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Corporation 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.

Section 5. Resignation and Removal. An officer may be removed from office with or without cause by the affirmative vote of two-thirds (2/3) of the Directors then in office. Any officer may resign at any time by 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.

Section 6. Vacancies. An office becomes vacant in the event an officer dies or resigns. The Board of Directors shall appoint a member to fill such vacancies for the remainder of the term of the officer replaced, and will notify membership at the first opportunity.

Section 7. Compensation. Non-Board member officers may receive such compensation for any service rendered to the Corporation as the Board may determine. Any officer may be reimbursed at the discretion of the Board for actual expenses incurred in the performance of duties.

Section 8. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any other office except in the case of special offices created pursuant to Section 4 of this article.

Section 9. Duties. The duties of the officers are as follows:

(a) President. The President shall preside at all meetings of the Board; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, dues and other written instruments. The President will be an ex-officio member of all committees.

(b) Vice-President. The Vice-President shall act in the place and stead of the President in the event of his/her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him/her by the Board.

(c) Secretary. The Secretary shall record the votes and keep the minutes and proceedings of the Board and of the members, serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Corporation together with their addresses and perform such other duties as required by the Board.

(d) Treasurer. The Treasurer shall receive and deposit in the appropriate bank account all monies of the Corporation and disburse such funds as directed by resolution of the Board; sign all checks and promissory notes of the Corporation, maintain written records of Association financial activities in conformance with current professional accounting practices, supervise the services of an outside bookkeeper, be available to meet with and make records available to an independent Professional Accounting firm for their use in preparing Annual Financial Statements and an Accountants Compilation Report at the completion of each fiscal year; prepare an annual budget and statement of

income and expenditures to be sent to the membership in their annual meeting notice packet.

ARTICLE XII: ASSESSMENTS, DUES, FEES AND RATES.

Section 1. Creation of the Lien and Personal Obligation. All assessments, dues, fees and rates for water and other services shall create a lien against the lot(s) of the member and personal obligation of such member.

Section 2. Purpose. The purpose of assessments, dues, fees and rates are as specified in the Declaration and By-Laws.

Section 3. Basis of Assessments, Dues, Fees or Rates. The basis of any annual or special assessment, dues, fees, or rates for water and other services shall be determined by the Board. Assessments for the Corporation's general administrative costs will be determined on a per Owner basis. Assessments for water usage and updates to the water extraction, storage and delivery system will be determined on the basis of lots, or on a service basis as circumstances, current and future needs and costs may warrant, and be collected on an annual or a monthly or other installment basis.

Section 4. Effect of Non-Payment: Remedies of Corporation. The effect of nonpayment of assessments, dues, fees and rates for water and other services, and the remedies of the Corporation shall be by way of enforcement of a lien against the lot(s) of the owner. Assessments sixty (60) days past due will be charged a penalty of 1.5% per month on the outstanding balance, beginning on the 61st day.

Section 5. Subordination of the Lien to Contracts and Mortgages. The lien provided for herein shall be subordinated to any mortgage on said lot or lots.

ARTICLE XIII: BOOKS AND RECORDS.

The books, records and papers of the Corporation shall, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Corporation shall be available for inspection by any member upon request to an officer of the Corporation, from whom copies may be purchased at a reasonable price.

ARTICLE XIV: AMMENDMENTS.

These By-Laws may be amended by two-thirds (2/3) vote of the members of the Corporation present and voting at any regular or special meeting, provided that a quorum as prescribed in Article X, Section 4, herein, is present at any such meeting. Amendments may be proposed to the Board by petition signed by at least 20% of the members of the Corporation. A statement of any proposed amendment shall accompany the notice of any regular or special meeting at which such proposed amendment shall be voted upon.

ARTICLE XV: FISCAL YEAR.

The fiscal year of the Corporation shall begin on the first day of June and end on the thirty-first day of May of every year.