

**ASHWOOD BLUFF CONDOMINIUMS HOMEOWNERS'
ASSOCIATION, INC.**

**Re-Stated
Bylaws**

BYLAWS OF ASHWOOD BLUFF CONDOMINIUMS HOMEOWNERS' ASSOCIATION, INC.

As provided in Section 20 of the Master Deed and Declaration of Condominium Property Regime for Ashwood Bluff Condominiums. Recorded in Deed Book 6673, page 811 the Bylaws of Ashwood Bluff Condominiums Homeowners' Association, Inc. (which were adopted at the first meeting of the Board of Directors held in November 15, 1994) are hereby amended and modified and restated to read in its entirety as follows:

Article I

Principal Office

The principal office of **Ashwood Bluff Condominiums Homeowners' Association, Inc.** (the "Association") is located at JBM Properties, Inc., 7400 LaGrange Rd. Suite 312, P.O. Box 6662, Louisville, KY 40206, but meetings of Members and directors shall be held at such places within or without the Commonwealth of Kentucky as may be designated by the Board of Directors.

Article II

Definitions

"Ashwood Bluff" shall mean the real estate development located in Jefferson County, Kentucky, the plat of which is recorded in Plat and Subdivision Book 6548, Page 435, in the Office of the Clerk of Jefferson County, Kentucky, and such additional real estate as may be added thereto pursuant to the Master Deed.

"Common Areas" shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

"Master Deed" shall mean the Master Deed Horizontal Property Law for Ashwood Bluff recorded in Deed Book 6673, Page 811, in the Office of the Clerk aforesaid.

"Developer" shall mean Rudy Lane, Inc., a Kentucky corporation, its successors and assigns.

"Unit" shall mean each single-family residential condominium or townhouse unit, which comprises a part of Ashwood Bluff as shown on the recorded subdivision plat, or any amendments thereto.

"Management Company" shall be any person or entity, whether one or more, employed by the Association to carry out any of the obligations of the Association.

"Member" shall mean Owner.

"Owner" shall mean the record owner, whether one or more persons or entities of fee simple title to a Unit in Ashwood Bluff, but excluding a mortgage having merely a security interest.

Article III
Membership and Voting Rights

- A. Appurtenance. Membership shall be appurtenant to and may not be separated from ownership of any unit.
- B. Voting Rights. With respect to any Unit where the Owner consists of more than one person or entity, the vote for such Unit shall be exercised as such persons or entities determine among themselves, but in no event shall more than one vote be cast for each unit.
- C. Suspension. No member who is delinquent in the payment of assessments or maintenance fees or fines shall be entitled to exercise the right to vote hereunder until such default has been cured.

Article IV
Management Company

The association may employ, by contract, a Management Company to carry out all or part of the functions of the Association, which Management Company may control, be under common control with, or be controlled by the Association.

Article V
Meetings of Members

- A. Annual Meetings. The first annual meeting of the Members shall be held within 30 days after notice from the Developer that the Members' voting rights have commenced pursuant to Article 3, Section 3.2 hereof, which notice shall fix the time and place of the meeting. Each subsequent regular annual meeting of the Members shall be held within 120 days of the anniversary of the first meeting at such time, date and place as may be determined by the Board of Directors.
- B. Special Meetings. Special meetings of the Members may be called at any time by the President of the Association, by the Board of Directors, or by Members having at least 25% of the votes entitled to be cast at such meeting.
- C. Notice of Meetings. 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 personal delivery or mailing a copy of such notice, postage prepaid, at least 10 days before such meeting to each Member entitled to vote, addressed to the Members' Unit or to such other address which has been supplied by such Member to the Association for the purpose of such notice. Such notice shall specify the place, day and hour of the meeting

and, in the case of a special meeting called other than by the President, the purpose of the meeting.

D. Quorum. The presence at the meeting in person or by dated and signed proxy of the Members entitled to cast 51% of the total votes 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 who are in attendance shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present in person or by proxy.

E. Proxies. At all meetings of Members, each Member entitled to vote in person or by proxy. All proxies shall be dated and in writing and filed with the secretary. Every proxy shall be revocable.

Article VI **Board of Directors, Selection, Term of Office**

A. Number. The initial Board of Directors shall be the three persons named in the Articles. Commencing with the first annual meeting of the Members, the affairs of the Association shall be managed by a Board of five directors elected by the Members.

B. Term of Office. At the first annual meeting of the Members, they shall elect one director for a term of one year, two directors for terms of two years, and two directors for terms of three years. At each annual meeting thereafter the Members shall elect the number of directors necessary to fill any expired term and to bring the number of directors to five for a term of three years.

C. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association entitled to vote. In the event of death, resignation or removal of a director, a successor shall be elected by the remaining members of the Board of Directors and shall serve for the unexpired term of his predecessor.

D. Compensation. No director shall receive compensation for any service he may render to the Association; however, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

E. Action Taken Without A Meeting. The directors 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 the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

Article VII
Nomination and Election of Directors

A. Nomination. Nomination for election to the Board of Directors shall be made by a nominating committee. Nominations may also be made from the floor at the annual meeting. The nominating committee shall consist of a Chairman and two or more voting Members of the Association. The nominating committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

B. Election. Election to the Board of Directors shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Master Deed. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Article VIII
Meetings of Directors

A. Regular Meetings. Meetings of the Board of Directors shall be held monthly, or as the Board may determine without notice at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

B. Special Meetings. Special meetings of the Board shall be held when called by the President of the Association, or by any three directors after not less than one day's notice to each director.

C. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Article IX
Board of Directors

- A. Powers. The Board of Directors shall have the power to:
1. adopt and publish rules and regulations governing the use of the Common Areas and facilities, and the conduct of Members and their guests thereon, and other matters as set forth in the Master Deed, and to establish penalties for the infraction thereof;
 2. exercise for the Association all powers, duties and authority vested in or delegated to the Association and not expressly reserved to the membership

- by other provisions of these Bylaws, the Articles of Incorporation or the Master Deed;
3. employ as an independent contractor, a Management Company, or a manager, or such other employee(s) as they deem necessary, and to prescribe their duties; and
 4. authorize the borrowing of money by the Association in connection with the carrying out of its rights and obligations, provided that the principal amount of such borrowings outstanding at any time shall not exceed \$20,000 without the approval of at least two-thirds of the Members entitled to vote; provided, however, that such approval shall not be required where the saving of funds is required by the terms of the Master Deed.

B. Duties. It shall be the duty of the Board of Directors to:

1. cause to be kept a record of its meetings and the Association's affairs and to allow inspection of such records by any Member upon reasonable request;
2. supervise all officers, agents and employees of the Association, and see that their duties are properly performed;
3. fix the amount of the assessments, maintenance fees and fines against each Unit; and enforce collection of all assessments, maintenance fees and fines.
4. procure and maintain insurance, including officers and directors liability and indemnification insurance; and
5. cause the Common Areas, Maintenance Easement Areas and all Building Exteriors as those terms are defined in the Master Deed to be maintained.

Article X **Officers and Their Duties**

A. Enumeration of Offices. The officers of the Association shall be a President and a 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, by resolution, create.

B. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors, and at the first meeting of the Board of Directors following each annual meeting of the Members.

C. Term. The officers of the Association shall be elected annually by the Board of Directors and each shall hold office for one year and until a successor is elected and qualified, unless the officer shall sooner resign, or shall be removed, or otherwise disqualified to serve.

D. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. 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 herein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

E. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer replaced.

F. 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 of the other offices except in the case of special offices created by the Board pursuant to Section 10-A of this Article.

G. Duties. The duties of the officers are as follows:

1. President: the President shall preside at all meetings of the Board of Directors and all meetings of the Members; shall see that orders and resolutions of the Board are carried out; shall sign all leases notes, mortgages, deeds and other written instruments and shall co-sign all checks and in the event a property management company is not authorized to do so.
2. Vice President: the Vice President shall act in the place and stead of the President in the event of the President's absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required by the Board.
3. Secretary: the Secretary shall record the votes and keep the minutes of all meetings 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 Association together with their addresses, and shall perform such other duties as required by the Board.
4. Treasurer: the Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolutions of the Board of Directors; shall co-sign all checks and promissory notes and mortgage of the Association; keep proper books of accounts and shall prepare a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy to the Members. The Board of Directors may elect to have these duties performed by a property management company or committee chairperson or as directed by the Board of Directors.

Article XI
Indemnification of Directors and Officers

The Association shall indemnify each of its directors and officers who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association) by reason of the fact that he is or was a director or officer of the Association against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association, and with respect to any criminal action or proceedings, had no reasonable cause to believe his conduct was unlawful.

Except as provided herein below, any such indemnification shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the director or officer is proper in the circumstances because he has met the applicable standard of conduct set forth above. Such determination shall be made: (a) by the Board of Directors by a majority vote of a quorum of directors who were not, or are not, parties to such action, suit, or proceedings, or (b) by the Members.

Expenses (including attorneys' fees) incurred in defending a civil or criminal action, suit, or proceeding may be paid by the Association in advance of the final disposition of such action, or proceeding if authorized by the Board of Directors and upon receipt of an undertaking by or on behalf of the director or officer to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association.

To the extent that a director or officer has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to above, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith, without any further determination that he has met the applicable standard of conduct set forth above.

Article XII
Committees

The Board of Directors shall appoint a Nominating Committee as provided in Article 7 of these Bylaws, and in addition, shall appoint such other committees as deemed appropriate in carrying out its purpose.

Article XIII
Books and Records

The books and records and papers of the Association shall at times, during reasonable business hours, be subject to inspection by any Member. The Master Deed, the Articles of Incorporation, the Bylaws and any Rules and Regulations of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at a reasonable cost.

Article XIV
Amendments

A. **Amendments.** The power to alter, amend or repeal or adopt new Bylaws shall be vested in the Board of Directors, but shall be subject to change or repeal by the Members from and after the date when the Members become entitled to vote in the election of the Directors. The amendment must be in writing, setting forth such amendment, signed by a majority of the members of the Board and owners of at least 51% of the Units.

B. **Conflicts.** In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles of Incorporation shall control; and in the case of any conflict between the Master Deed and amendments to the Master Deed and these Bylaws, the Master Deed and amendments to the Master Deed shall control.

Article XV
Miscellaneous

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation of the Association.

We, the undersigned Directors of Ashwood Bluff Condominiums Association, Inc., a Kentucky Corporation, certify that on November 7, 2001, the following "Re- Stated Bylaws" and attached "Rules and Regulations" were duly adopted by a majority vote of the Board of Directors and Members, as and for the Bylaws and Rules and Regulations of the Corporation, and we further certify that these constitute the duly enacted Bylaws, and Rules and Regulations of the Corporation effective this the 7th day of November, 2001.

Fred Moir

Cyril DiMercurio

Anne Williams

Doris Skees

Alfred S. Fazio