



Gaslite Square Condominium Homes

Board Governance
Operational Procedures
August 2025

GASLITE SQUARE CONDOMINIUM HOMES, INC.

2025 Board Governance Operational Procedures

Article I. Identity

Gaslite Square Condominium Homes, Inc., is a non-profit corporation of Kentucky. This Homeowner's Association was organized for the purposes of administering the operation and management of Gaslite Square Condominium Homes, Inc. (hereinafter called "Association"). This condominium development is described in the Master Deed and in Horizontal Property Law (hereinafter called the "Declaration") for properties located at 4875, 4851 and 4825 Sherburn Lane, Jefferson County, Louisville, Kentucky 40207. The use of the pronouns "he" or "she" in the wording of this document does not necessarily refer to any gender.

The Master Deed contains the By-Laws applicable to the Association. The terms and provisions are subject to the terms, provisions, conditions and authorizations as contained in the formal Master Deed and Amendments as recorded 3/15/74, Book 4714, pages 68 thru 105; 8/29/74, Book 4748, Pages 711 thru 730; 11/19/76, Book 4896, Pages 820 thru 833, 01/25/79, Book 5073, pages 791-797 and 09/29/17, Book 11073 pages 762-824.

- (a) All present or future owners, their employees, or any other person that might use the facilities of the Association are subject to the regulations set forth in the Master Deed.
- (b) The office of the Association will be at 4851 Sherburn Lane, Louisville, Kentucky 40207.
- (c) The fiscal year of the Association will be the calendar year. As of January 1, 2025, the Association will maintain financial records using accrual accounting rather than cost accounting methods. A monthly financial statement will be shared with owners in Board Meeting notes.

Article II. Membership

Section 1. Qualification

All owners of units of the Association will constitute the Council of Co-owners, herein called "Council."

- (a) The owner of any unit upon acquiring title will automatically become a member of the Council and will remain a member until such time as his ownership ceases for any reason, at which time his membership in the Council will automatically cease.
- (b) Each unit will have one vote.

Section 2. Place of Meetings

All meetings will be held in the clubhouse of the Association if possible. If such is not possible, then some other suitable place convenient to the unit owners may be designated by the Board of Directors hereinafter called the "Board".

Section 3. Annual Meeting

Annual meetings of the Council will be held on the first Tuesday of October.

Section 4. Special Meetings

Special meetings of the Council may be held at any time upon the call of the Board or a petition, signed by twenty-five per cent (25%) of the unit owners, presented to the Secretary. The only business to be discussed at any special meeting would be as set forth in the notice of such meeting.

Section 5. Notice of Meetings

The Secretary supported by the Management Company hired by the Board will give written or printed notice of each annual and special meetings to unit owners according to the Association's record of ownership, at least five days in advance. Please keep your contact information updated. The notice will state if this will be an annual or special meeting, why the meeting is being called, the place, day, hour and purpose in any of the following ways:

- (a) by delivering it to him personally,
- (b) by leaving it at his unit in the Association or at his usual residence or place of business,
- (c) by mailing it addressed to the address as it appears on the Association's record of ownership.

The failure of any unit owner to receive actual notice of any meeting will in no way invalidate such meeting or any proceedings. If the owner or proxy attends the meeting they cannot object to the meeting because of the failure to give notice.

Section 6. Quorum

The presence at any meeting in person or by proxy of a majority of unit owners will constitute a quorum and will be binding upon the Council.

Section 7. Voting

Any specified percentage of unit owners, whether majority or otherwise, for the purpose of voting and for all purposes and wherever provided in the Master Deed, will mean such percentage in the aggregate in interest of the undivided ownership of the common elements of the section in which the unit is located, together with the percentage of interest in Section 2, Building C, as set forth in Paragraph 6 of the Master Deed.

If any unit is owned by more than one person, the voting rights with respect to such units will not be divided but will be exercised as if the unit owners consisted of only one person in accordance with the proxy or other designation made by persons constituting such unit owner. The unit owners will have one vote for each unit owned in the Association.

Section 8. Proxies and Pledges

The authority given by any unit owner to another unit owner to represent him at meetings of the Council will be in writing, signed by such owner and filed with the Secretary, and will be limited to a specific meeting. Voting rights transferred will be exercised only by the person designated in such instructions until the written release or other termination thereof is filed with the Board in like manner. No proxy can be exercised if any owner of that unit is present.

Article III. Board of Directors

Section 1. Number

The affairs of the Association will be governed by a Board of Directors consisting of six (6) unit owners. The Board members will serve without compensation unless otherwise authorized by the majority of unit owners. The Board President will be a non-voting member except when their vote is needed to break a tie.

Section 2. Qualifications and Eligibility

To successfully serve on the Board of Directors, the following qualifications are recommended:

- (a) Be a resident unit owner for at least one year. Be current in all maintenance fees and assessments.
- (b) Demonstrated a willingness to abide by and support the Master Deed, rules and regulations adopted by the Board.
- (c) Experience in finance, business administration, construction, contract / property law or building maintenance is welcomed but not required.
- (d) Shown a willingness to serve on committees and display abilities to successfully chair a committee.

To serve on the Board of Directors, the following philosophy of service is recommended;

- (a) Put the common good above your own interests every time
- (b) Strive for excellence
- (c) Follow through with commitments
- (d) Be honest, friendly, use good communication skills
- (e) Value teamwork and experience in reaching compromise in organizations or businesses

Section 3. Powers

The Board will have all powers necessary for the administration of the affairs of the Association and may act to implement all actions needed that are not by law, or the Master Deed, directed to be exercised or done only by the unit owners.

Section 4. Election and Term

- (a)Time: The election of the Board members will be by secret ballot at each annual meeting or any special meeting called for that purpose. Three (3) Board members will be elected annually to a two-year term.
- (b)Qualifications: No member may be a candidate unless he has been nominated in accordance with these Board Governance Operating Procedures.

Nominating Committee

- (a) The Nominating Committee will nominate from among the eligible unit owners as detailed in Section 2 above. Each year three owners will be nominated for a two-year term. The nominating committee will submit the slate of candidates no less than 20 days before the annual election. The Board Secretary will post the names and qualifications of nominees and notify all owners of those nominated.
- (b) Additional Nominations

Additional nominations of eligible unit owners may be made by written petition presented to the Board not less than 10 days prior to election, signed by 10 owners and accompanied by the written acceptance of each such additional nominee, signifying a willingness to be a candidate.

(c) Unopposed Election

If no valid additional nominations are received by the Board at least 10 days prior to election, the nominating committee's slate will be declared elected at the time of the annual meeting and no balloting will be required.

(d) Opposed Election

If one or more valid additional nominations are received by the Board at least 10 days prior to the annual meeting, the Secretary will at least 5 days prior to the annual meeting notify all unit owners of all nominations. One ballot listing all nominations will be furnished each unit owner. The ballots will be numbered to prevent duplication. The ballots and all proxies will be deposited into a box at the beginning of the annual meeting.

(e) Tellers

Three tellers will be appointed by the President on the evening of the annual meeting. After all ballots are cast, the tellers will promptly count the ballots. The tellers must check the number of ballots and make sure all ballots are numbered without duplication. If any duplication is found, all such ballots are void. The candidates receiving the largest number of votes will be declared elected.

(f) Tie Votes

In the event an equal number of votes is received by two or more candidates before the required number are elected with more votes, the members present at the meeting will vote by written secret ballots on the candidates receiving such equal number of votes until one candidate receive a majority. The vote provision applies only to last place, or third candidate. If three candidates receive the same number of votes, and this number is higher than any other candidate's, all three will be elected.

Section 5. Vacancies

Vacancies on the Board caused by any reason other than removal of a Board member by the Council will be filled by a vote of a majority of the remaining Board members. Each person so elected will serve the balance of the unexpired term and until his successor is elected at the annual meeting at the end of his term. Incapacity of any Board member, or his continued absence for more than three months, will cause his office to be vacant.

Section 6. Removal of Board Members

At any regular or special meetings of the Council duly called, any one or more of the Board members may be removed with cause by vote or two-thirds of the unit owners, and a successor may be elected to fill the unexpired term of the vacancy created, using election procedures described above. Any Board member whose removal has been proposed by unit owners will be given an opportunity to be heard at such a meeting, prior to impeachment vote.

Section 7. Election of Officers

At the annual meeting, immediately following the election of Board members, the elected Board members will caucus to elect the officers for the forthcoming year. The officers will consist of a President, Secretary, and Treasurer. As soon as new officers are elected by the Board members, the newly elected Board will recess their meeting and announce the new officers to those remaining at the annual meeting of the Council. The annual meeting of the Council is then adjourned with newly elected Board reconvening at an Annual Planning Meeting to further discuss and outline their responsibilities for the coming year. The Planning Meeting will take place prior to December 1 of each year.

Section 8. Board Meetings

Regular Board meetings will be held at times and places set by a majority of Board members, with at least one meeting each month. The Board President will prepare the agenda and provide notice to members by email, phone, or mail. Meetings are typically attended by Board members and invited guests only. Unit owners wishing to address the Board must contact the President at least five days prior to the meeting to request an invitation. Invited guests are excused after their discussion.

Section 9. Special Board Meetings

Special meetings of the Board may be called on at least one day's notice to each director, given by email, phone, or mail, including the time, place and purpose of such meeting. Special meetings of the Board will be called by the President or by the Secretary, on the written request of at least three directors.

Section 10. Waiver of Notice to Board Meetings

Before or at any meeting of the Board of Directors, any director may in writing waive notice of such meeting, and such waiver will be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board will be a waiver of notice to him of such meeting.

Section 11. Quorum of Board

At all meetings of the Board of Directors, a majority of the total number of directors will constitute a quorum for the transaction of business, and the acts of a majority present at any meeting at which a quorum is present will be the acts of the Board. If less than a quorum is present at any meeting of the Board, no business may be transacted until such time when a meeting can be duly called with a quorum present.

Section 12. Fidelity Bonds of Board Members

The Board of Directors will require the officers handling or responsible for its funds to furnish adequate fidelity bonds. The premiums on such bonds will be paid by the Association.

Article IV. Officers

Section 1. Designation

The officers of the Association will be a President, a Secretary, and a Treasurer.

Section 2. Election and Term

The officers of the Association will be elected annually by and from the Board of Directors at its annual meeting and will hold office at the pleasure of the Board.

Section 3. Removal

Any officer may be removed with cause by vote of a majority of the Board, and his successor elected by the Board at a regular or any special meeting.

Section 4. President

The President will be the chief executive of the Association and will preside at all meetings of the Council and of the Board of Directors. Subject to the control of the Board, he will exercise general supervision and direction over the management, conduct the business and affairs of the Association. He may sign, together with any other officer designated or approved by the Board, any contracts, drafts, or other instruments designated or approved by the Board. Checks may be signed by any two of the following three officers: President, Treasurer and Secretary. He will also have such other powers and duties as may be provided by the Master Deed or assigned to him from time to time by the Board. He will be a member ex- officio of all committees except the nominating and audit committees

Section 5. Secretary

The Secretary will attend and keep the minutes of all meetings of the Council and of the Board of Directors; will give all notices as provided by the Master Deed and By-Laws; maintain and keep a continuous and accurate record of ownership of all units; have charge of such books, documents and records of the Council as the Board may direct; prepare ballots as required; notify all owners of all nominations; and post on clubhouse bulletin board a copy of all Board and council meetings as soon as possible after each meeting.

Section 6. Treasurer

The Treasurer will keep all financial records and books of account; all expenses, maintenance, repair or replacement of the common elements; and any other expenses, charges or costs which the Board may incur or expend which will be approved by the Board. The Treasurer may work with a Management Company hired by the Board to maintain an operating account and a reserve account for capital repair and replacement. This will include tasks required to maintain financial reporting, supporting documentation, and the collection of fees, dues, or other charges required from unit owners and others. There will be no structural alteration, capital addition to, or capital improvements on, the common elements (other than for purposes of replacement or restoring) that require expenditures in excess of \$1,000.00 without prior approval of a majority of the unit owners. The Treasurer will be the chairperson of the finance committee, will cooperate with all audits and turn over records to new Treasurer after the new Treasurer has been bonded.

Section 10. Committees

The Board will appoint the chairperson of the following committees at the first meeting following the annual meeting. The chairperson will take office immediately upon said notice of appointment and will assume the duties for their position. Nominating, Grievance, Building, Grounds, Finance (budget), Audit, Pool, Rules and By-laws.

Section 11. Liaison Representative

A Liaison Representative is a Board member assigned by the Board to serve on a committee. This liaison representative is in addition to the number of members provided for each committee. The liaison representative can make valuable contributions and input to a committee, as well as to serve as a communication conduit between the Board and the committee. The liaison representative should not usurp the responsibilities normally reserved for the chairperson of a committee.

Article V. Standing Committees

Section 1. Committees and Their Duties

It will be the duty of all committees to hold sufficient meetings to properly discharge the duties assigned to them and submit a report to the Board for their approval. Frequency of such reports will vary, dependent upon committee and upon pleasure of the Board. The Board may assign a Board member to act in a liaison capacity in lieu of or in addition to a report. Any committee may be discharged if duties are not being properly carried out, in the opinion of the Board. No committee will have the power or authority to carry out any actions without expressed consent of the Board, including purchases, hiring of personnel, and approving of contract recommendations.

- (a) The chairperson will appoint his own committee (unless otherwise specified) and submit a list of successors that have been appointed and approved. Committees shall continue to function until their successors have been appointed and approved.
- (b) Except for Finance Committee, all other committee chairpersons will be non-Board members.
- (c) Audit Committee will consist of three members. The committee will examine the records of the Treasurer and audit the Treasurer's books and report its findings to the Council at the annual meeting. No one from the Board may serve on the audit committee. The committee will secure the services of a professional accountant to assist in the audit. Any cost must be submitted to the Board for approval. The cost of these services, once approved by the Board, will be paid by the Association.
- (d) Building Committee will consist of five members. They will work the Board to support the community and any Management Company hired by the Board to (1) supervise and enforce all rules and regulations on Buildings A, B and Clubhouse; (2) supervise all maintenance to these buildings; (3) obtain competitive bids on all work, except in emergency; and (4) prepare maintenance report to include both current and future needs that align with recommendations and long range plans based on a Reserve Study conducted by a qualified engineering firm. There will be a Board member serving as liaison representative.
- (e) Finance Committee (Budget) will consist of five members, including the Treasurer as chairperson. The Finance Committee will prepare the budget, and the Board will render final approval as prescribed in the Master deed and By-Laws.
- (f) Grievance Committee will consist of three persons plus a Board member serving as liaison representative. It will be the responsibility of this committee to investigate any grievance submitted to the Board in writing. Any grievance that is not submitted in writing and signed is deemed to lack merit. The grievance committee will hold hearings with the accused and accuser present. The accuser should be able to furnish witnesses. After due investigation and hearings, the grievance committee will submit a written report of their finding to the Board. The Board will make the final decision on what action to take that would be fair to all and in the best interests of the Association.
- (g) Grounds Committee will consist of three members plus a Board member assigned as liaison representative. They will support the following actions and act in partnership with a Management Company hired by the Board to (1) supervise and enforce all rules and regulations pertaining to the grounds around Buildings A, B and Clubhouse; (2) supervise all work required to maintain and keep grounds clear; (3) obtain bids for landscaping, lawn and shrub needs; (4) obtain bids for snow removal; (5) be responsible for care of carports and all outside lighting; (6) make sure dumpsters are properly covered and maintained; and (7) prepare a report to include both current and future needs.
- (h) Nominating Committee will be appointed by the Board not less than 60 days prior to annual election meeting. It will consist of three members, none of whom will be members of the then-current Board. The committee will select their own chairperson. The committee will look into

qualifications of residents as well as determine those willing to serve. The committee will submit its slate to the Board not less than 20 days prior to the annual election.

(i) Pool committee will consist of three members plus a Board member assigned as liaison representative. The committee will support the following actions and act in partnership with a Management Company hired by the Board to supervise operations of the pool, including employees. They will enforce current rules and regulations and make recommendations to the Board.

(k) Rules and By-Laws Committee will consist of five members plus a Board member assigned as liaison representative. The committee will be responsible for (1) writing all rules and regulations as requested by the Board; (2) keeping By-Laws current; and (3) writing any amendments deemed necessary by the Board.

(j) Social Committee will consist of a minimum of five members plus a Board member assigned as a liaison representative. They will have charge of entertainment, social functions, and fund raising not handled by a special committee.

Article VI. Administration

Section 1. Management

The Board of Directors will at all times manage and operate the Association and have such powers and duties as may be necessary or proper therefore, including without limitation the following:

- (a) Supervision of the immediate management and operation of the Association;
- (b) Maintenance, repair, replacement and restoration of the common elements and any additions and alterations thereto;
- (c) Purchase, maintenance and replacement of any equipment and provision for utility services required for the common elements;
- (d) Provision at each unit of all water, sewer, electricity and such other utility services and utilities as the Board will deem necessary either at the expense of such unit or as a common expense as determined by the Board;
- (e) Employment, supervision and dismissal of such personnel as may be necessary for the maintenance and operation of the Association;
- (f) Preparation by December 1st of each fiscal year of a proposed budget and schedule of assessments for the following year; and will by December 15 notify each owner in writing as to the amount of such estimate with reasonable itemization;
- (g) Collection of all installments of monthly maintenance fees and any assessments levied, and payment of all common expenses authorized by the Board;
- (h) Purchase and maintenance all policies of hazard and liability insurance for the Association required by the Master Deed and such other insurance and bonds as may be required or authorized by the Master Deed, the Council or the Board;
- (i) Notification of all persons having any interest in any unit, according to the Council's record of ownership of delinquency exceeding 30 days in the payment of any assessment against such unit;
- (j) Assignment and supervision of motor vehicle parking, outside of carports, including the authority to make reasonable rules in regard thereof; and
- (k) Supervision of the use of the common elements.

Section 2. Managing Agent

The Board of Directors may employ from time to time a responsible Management Company to manage and control the Association, subject at all times to direction by the Board, with all the administrative functions set forth specifically in preceding Section 1, and such other power and duties, and at such compensation as the Board may establish.

Section 3. Representation

The President or Management Company, subject to the direction of the Board, will represent the Council or any two or more unit owners similarly situated as a class in any action, suit, hearing or other proceeding concerning the Council, the common elements or more than one unit, and on its or their behalf may institute, defend, intervene in, prosecute and settle any such actions, suits and proceedings without prejudice to the rights of any unit owners individually to appear, sue or be sued. Service of process in any such action, suit or proceeding may be made by the President or Managing Agent.

Section 4. Execution of Instruments

All checks, drafts, notes, acceptances, conveyances, contracts and other instruments will be signed on behalf of the Council by such person or persons as will be provided by general or special resolution of the Board or, in the absence of any such resolution application to such instrument, by the President or the Treasurer.

Article VII. Obligations of Unit Owners

Section 1. Assessments

There are two different types of assessments that unit owners are responsible for; the Monthly Maintenance Fee and an Annual Special Assessment.

The Board, with input from the Finance Committee determines the Monthly Maintenance Fee amount for common expenses of the Association, as outlined in the Master Deed. These payments cover all expenses, water, gas, taxes, assessments, and other maintenance and operation charges due from the unit owner. All unit owners will pay the Board a Monthly Maintenance fee in advance, due on the first day of each and every month.

Annual Special Assessments pay for major repairs and replacement to our common property. Payments are due on January 1 of the year unless owners make prior arrangement in writing to pay the Special Assessment monthly.

In the event any unit owner is delinquent in the payment of any monthly assessment or special assessment for a period in excess of thirty days, the Board may at its discretion sever or disconnect all gas and water connections to his unit after fifteen days' written notice and after a reasonable effort to contact owner has been made.

Section 2. Maintenance of Units

Each unit owner is responsible for maintaining and repairing their unit, including all internal installations (e.g., water, electricity, gas, telephone, sewer, sanitation, air conditioning, lights, and other fixtures). They must keep the unit's interior surfaces in good condition. Owners are liable for any damage caused by their failure to perform these duties and must reimburse the Council for any expenses incurred to repair or replace common elements. This includes common area furniture, furnishings and equipment damage caused by the owner. Additionally, owners and occupants must reimburse the Council for any uninsured damage due to negligence or vandalism and promptly notify the Board or Managing Agent of any such damage or defects.

Section 3. Use of the Association

All units of the Association will be used only for one-family residential unit purposes. Units must be owner occupied except for Grandfathered rental arrangements. The legacy rental unit agreements will not transfer upon sale of the unit. No new rentals are permitted.

- a) All common elements of the Association will be used only for their respective purposes as designed.
- b) No unit owner or occupant will place, store or maintain in the halls, lobbies, stairways, walkways, grounds or other common elements of similar nature any furniture, packages or objects of any kind or otherwise obstruct transit through such common elements or permit said elements to be unsightly or disorderly.
- c) Every unit owner and occupant will at all times keep his unit and any limited common element appurtenant thereto in a strictly clean and sanitary condition and observe all laws, ordinances, rules and regulations now or hereafter made by any governmental authority over the Council applicable to the Association.
- d) No unit owner or occupant will make or suffer any waste or unlawful, improper or offensive use of his unit or the Association nor alter or remove any furniture, furnishings or equipment of the common elements.
- e) No unit owner or occupant will erect or place in the Association any building or structure including fences and walls, nor make any additions or alterations to any common elements of the Association, except as permitted in the Master Deed and except in accordance with plans and specifications, including detailed plot plan, prepared by a licensed architect, if so required by the Board, unless approval by a majority of unit owners (or such larger percentage required by law or the Master Deed) including all owners or units thereby directly affected.
- f) No visible signs, posters or bills may be placed in or outside your unit.
- g) No unit owner will decorate or landscape any entrance, hallway or planting area appurtenant to his unit except in accordance with standards established by the Board or specific plans approved in writing by the Board.
- h) All occupants will exercise extreme care about making noises and in the use of musical instruments, radios, televisions and amplifiers that may disturb other occupants.
- i) No garments, rugs or other objects will be hung from the windows or facades of the Association.
- j) No rugs or other objects will be dusted or shaken from the windows of the Association or cleaned by beating or sweeping on any hallway or exterior part of the Association.
- k) No refuse, garbage or trash of any kind will be thrown, placed or kept on any common elements of the Association outside of the disposal facilities provided for such purpose. Garbage must be placed in fastened plastic bags prior to placement in disposal facilities.
- l) No livestock, poultry, rabbits, snakes or other such animals will be allowed or kept in any part of the Association.
- m) Dogs and cats will be allowed subject to regulation by the Board, including regulation as to the number of animals and the weight limit allowed. Any pet permitted under this section when outside the confines of owner's unit must be kept on a leash and accompanied by responsible person.
- n) No unit owner or occupant will without the written approval of the Board install any wiring for electrical or telephone installations, television antenna, machines or air-conditioning units, or other equipment or appurtenances whatsoever on the exterior of the Association buildings or protruding through the walls, windows or roof thereof.
- o) Nothing will be allowed, done or kept in any units or common elements of the Association which would overload or impair the floors, walls or roofs thereof, or cause any increase in the ordinary premium rates or the cancellation or invalidation of any insurance thereon maintained by or for the Council.

- p) A unit owner or his agent will have the right to show the unit at reasonable time of the day for the purpose of sale.

Section 4. House Rules

The Board may adopt, amend or repeal any rules and regulations governing detail of the operation and use of the Association not inconsistent with any provision of law or the Master Deed.

Section 5. Expenses of Enforcement

Every unit owner will pay to the Council promptly on demand all costs and expenses including reasonable attorneys' fees incurred by or on behalf of the Council in collecting any delinquent assessments against such unit, foreclosing its lien therefore or enforcing any provisions of the Master Deed against such owner or any occupant of such unit.

Section 6. Record of Ownership

Every unit owner will promptly cause to be duly recorded the deed, assignment or other conveyance to him of such unit, or other evidence of his title thereto, and will file a copy of same with the Board, and the Secretary will maintain all such information in the record of ownership of the Council with support of a Management Company hired by the Board.

Section 7. Mortgages

Any unit owner who mortgages his unit, or any interest therein, will notify the Board or the Managing Agent the name and address of his mortgages and the release of such mortgage, and the Secretary will maintain all such information in the record of ownership of the Council with support of a Management Company hired by the Board. Not in the Deed, requires a vote.

The Board or Managing Agent at the request of any mortgages or prospective purchaser of any unit, or interest therein, will report to such person the amount of any assessments against such unit then due and unpaid.

Article VIII. Miscellaneous

Section 1. Amendment

These Board Governance Operational Procedures may be amended in any respect not inconsistent with provisions of law or the Master Deed by vote of seventy -five per cent (75%) of the unit owners (as defined in the Master Deed) at any meeting of the Council duly called for such purpose. A special meeting will first be called to discuss a proposed amendment. A second meeting scheduled fifteen days after the first meeting will call for a vote. Proposed amendment will be posted during the time between these two meetings.

Section 2. Indemnification

The Council will indemnify every Board member and officer, and his executors and administrators, against all expenses reasonably incurred by or imposed on him in connection with any action, suit or proceeding to which he may be made a party by reason of being or having been a Board member or officer of the Council, except in relation to matters as to which he will be finally judged in such action, suit or proceeding to be liable for gross negligence or misconduct; and in the absence of such final adjudication, indemnification will be provided only in connection with such matters as to which the Council is advised by its legal counsel that the person to be indemnified committed no such breach of duty. The foregoing right of indemnification will not be exclusive of any other rights to which such person may be entitled.

Section 3. Interpretation

In case any provision of the Master Deed will be held invalid, such invalidity will not render invalid any other provision. Nothing in the Master Deed will be deemed or construed to authorize the Council or Board to conduct or engage in any active business for profit or on behalf of any or all unit owners.

These Board Governance Operating Procedures have been adopted without any intentional conflict with the provisions Master Deed recorded at Book 4748 page 711 including Section (11) Association (Council of Co-Owners): By-Laws which begins on page 726 and is dated August 29, 1974. Should such conflict arise, the Master Deed will take precedence.

Section 4. Parliamentary Rules

Robert's Rules of Order (latest edition) will govern conduct of all meetings.

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