

BYLAWS  
OF  
FALCON'S WAY HOMEOWNERS ASSOCIATION, INC.  
A MISSOURI NONPROFIT CORPORATION

ARTICLE I  
OFFICES

The principal office of the corporation in the State of Missouri shall be located in the County of St. Charles. The corporation may have such other offices, either within or without the State of Missouri, as the business of the corporation may require from time to time.

The registered office of the corporation required by the Missouri Nonprofit Corporation Act to be maintained in the State of Missouri may be, but need not be identical with the principal office in the State of Missouri, and the address of the registered office may be changed from time to time by the board of trustees. Any conflict between any term, condition, or provision contained herein with any term, condition, or provision contained within the Declaration of Covenants and Restrictions for Alberta Drive Subdivision shall be resolved in favor of the Declaration.

ARTICLE II  
MEMBERS

**SECTION 1. Annual Meeting.** The annual meeting of the members shall be held on the first Monday in January in each year, beginning with the year 2005, at the hour of 6:00 P.M., for the purpose of electing trustees and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday, such meeting shall be held on the next succeeding business day. If the election of trustees shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the board of trustees shall cause the election to be held at a meeting of the members as soon thereafter as conveniently may be.

**SECTION 2. Special Meetings.** Special meetings of the members may be called by the president, by the board of trustees, or by a member.

**SECTION 3. Place of Meeting.** The board of trustees may designate any place, either within or without the State of Missouri, as the place of meeting for any annual meeting or for any special meeting called by the board of trustees. A waiver of notice signed by all members may designate any place, either within or without the State of Missouri, as the place for the holding of such meeting. If no designation is made, or if a special meeting be otherwise called,

the place of meeting shall be the registered office of the corporation in the State of Missouri, except as otherwise provided in Section 5 of this article.

**SECTION 4. Notice of Meeting.** Written or printed notice stating the place, day, and hour of the meeting, and in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten nor more than fifty days before the date of the meeting, either personally or by mail, by or at the direction of the president, or the secretary, or the officer or persons calling the meeting, to each members of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the shareholder at his address as it appears on the records of the corporation, with postage thereon prepaid.

**SECTION 5. Waiver of Notice.** Any notice required by these bylaws may be waived by the persons entitled thereto signing a waiver of notice before or after the time of said meeting and such waiver shall be deemed equivalent to the giving of said notice. Attendance of a member at any meeting shall constitute a waiver of notice of such meeting except where a member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

**SECTION 6. Quorum.** A majority of the members represented in person or by proxy, shall constitute a quorum at any meeting of members, but less than such quorum shall have the right successively to adjourn the meeting to a specified date not longer than 90 days after such adjournment and no notice need be given of such adjournment to members not present at the meeting. If a quorum is present, the affirmative vote of the majority of the members represented at the meeting shall be the act of the members

**SECTION 7. Proxies.** At all meetings of members, a member may vote by proxy executed in writing by the members or by his duly authorized attorney-in-fact. Such proxy shall be filed with the secretary of the corporation before or at the time of the meeting. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.

**SECTION 8. Voting.** Each member shall be entitled to one vote upon each matter submitted to vote at a meeting of members.

**SECTION 9. Cumulative Voting.** In all elections for directors, each member shall be entitled to one (1) vote. There shall be no cumulative voting.

**SECTION 10. Informal Action By Members.** Any action required to be taken at a meeting of the members, or any other action which may be taken at a meeting of the members, may be taken without a meeting if consents in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof.

**ARTICLE III  
TRUSTEES**

**SECTION 1. General Powers.** The property and business of the corporation shall be controlled and managed by its board of trustees.

**SECTION 2. Number, Tenure, and Qualifications.** The number of trustees of the corporation shall be one or more persons as provided for in the Articles of Incorporation. Each trustee shall hold office until the next annual meeting of members or until his successor shall have been elected and qualified. Trustees need not be residents of Missouri or shareholders of the corporation.

**SECTION 3. Regular Meetings.** A regular meeting of the board of trustees shall be held without other notice than this bylaw, immediately after, and at the same place as, the annual meeting of members. The board of trustees may provide, by resolution, the time and place, either within or without the State of Missouri, for the holding of additional regular meetings without other notice than such resolution.

**SECTION 4. Special Meetings.** Special meetings of the board of trustees may be called by or at the request of the president or any two trustees. The person or persons authorized to call special meetings of the board of trustees may fix any place, either within or without the State of Missouri, as the place for holding any special meeting of the board of trustees called by them.

**SECTION 5. Notice** Notice of any special meeting shall be given at least two days previous thereto by written notice delivered personally or mailed to each trustee at his business address, or by telegram. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any trustee may waive notice of any meeting. The attendance of a trustee at any meeting shall constitute a waiver of notice of such meeting, except where a trustee attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular meeting of the board of trustees need be specified in the notice or waiver of notice of such meeting.

**SECTION 6. Quorum.** A majority of the full board of trustees as prescribed in the Articles of Incorporation and these bylaws shall constitute a quorum for the transaction of business. The act of the majority of the trustees present at a meeting at which a quorum is present shall be the act of the board of trustees. Members of the board of trustees or of any committee designated by the board of trustees may participate in a meeting of the board or committee by means of conference telephone or similar communications equipment whereby all persons

participating in the meeting can hear each other, and participation in a meeting in this manner shall constitute presence in person at the meeting.

SECTION 7. Manner of Acting. The act of the majority of the trustees present at a meeting at which a quorum is present shall be the act of the board of trustees.

SECTION 8. Vacancies. Whenever any vacancy in the members of the board of trustees shall occur due to death, resignation, or otherwise, the remaining trustees or a majority of them may fill the vacancy or vacancies until a successor or successors shall be elected at a meeting of the members.

SECTION 9. Informal Action by Trustees. Unless specifically prohibited by the Articles of Incorporation or bylaws, any action required to be taken at a meeting of the board of trustees, or any other action which may be taken at a meeting of the board of trustees, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all the trustees entitled to vote with respect to the subject matter thereof. Any such consent signed by all the trustees shall have the same effect as a unanimous vote, and may be stated as such in any document filed with the Secretary of State.

SECTION 10. Compensation. The board of trustees, by the affirmative vote of a majority of trustees then in office, and irrespective of any personal interest of any of its members, shall have authority to establish reasonable compensation of all trustees for services to the corporation as directors, officers, or otherwise. By resolution of the board of trustees the trustees may be paid their expenses, if any, of attendance at each meeting of the board.

**ARTICLE IV**  
**OFFICERS**

SECTION 1. Number. The officers of the corporation shall be a president and secretary, the offices of vice-president and treasurer shall not exist unless a majority of the Board of trustees vote to create said offices. Any two or more offices may be held by the same person.

SECTION 2. Election and Term of Office. The officers of the corporation shall be elected annually by the board of trustees at the first meeting of the board of trustees held after each annual meeting of members. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Vacancies may be filled or new offices filled at any meeting of the board of trustees. Each officer shall hold office until his successor shall have been duly elected and shall have qualified or until his death or until he shall resign or shall have been removed in the manner hereinafter provided. Election or appointment of an officer or agent shall not of itself create contract rights.

SECTION 3. Removal. Any officer or agent elected or appointed by the board of trustees may be removed by the board of trustees whenever in its judgment the best interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

SECTION 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, may be filled by the board of trustees for the unexpired portion of the term.

SECTION 5. President. The president shall be the principal executive officer of the corporation and shall in general supervise and control all of the business and affairs of the corporation. He shall preside at all meetings of the members and of the board of directors. He may sign, any deeds, mortgages, bonds, contracts, or other instruments which the board of trustees has authorized to be executed except in cases where the signing and execution thereof shall be expressly delegated by the board of trustees or by these bylaws to some other officer or agent of the corporation, or shall be required by law to be otherwise signed or executed, and in general shall perform all duties incident to the office of president and such other duties as may be prescribed by the board of trustees from time to time.

SECTION 6. Vice-President. The corporation shall have no vice-president unless, by a majority vote of the board of trustees, the office of vice-president is created and a person is appointed to hold said office. If the office of vice-president is created, then in the absence of the president or in the event of his inability or refusal to act, the vice-president (or in the event there be more than one vice-president, the vice-presidents in the order designated, or in the absence of any designation, then in the order of their election) shall perform the duties of the president, and when so acting, shall have all the powers of and be subject to all the restrictions upon the president.

SECTION 7. Treasurer. The corporation shall have no treasurer unless, by a majority vote of the board of trustees, the office of treasurer is created and a person is appointed to hold said office. If the office of treasurer is created, then if required by the board of trustees, the treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the board of trustees shall determine. He shall (a) have charge and custody of and be responsible for all funds and securities of the corporation, receive and give receipts for moneys due and payable to the corporation from any source whatsoever, and deposit all such moneys in the name of the corporation in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of Article V of these bylaws, and (b) in general perform all the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him by the president or by the board of trustees.

**SECTION 8. Secretary.** The secretary shall (a) keep the minutes of the members and of the board of trustees meetings in one or more books provided for that purpose, (b) see that all notices are duly given in accordance with the provisions of these bylaws or as required by law, (c) be custodian of the corporate records and of the seal of the corporation which shall be affixed to all documents, the execution of which on behalf of the corporation under its seal is duly authorized in accordance with the provisions of these bylaws, (d) keep a register of the post-office address of each member which shall be furnished to the secretary by such member, and (e) in general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him by the president or by the board of directors.

**ARTICLE V**  
**CONTRACTS, LOANS, CHECKS, AND DEPOSITS**

**SECTION 1. Contracts.** The board of trustees may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

**SECTION 2. Loans.** No loans shall be contracted on behalf of the corporation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the board of trustees. Such authority may be general or confined to specific instances.

**SECTION 3. Checks, Drafts, Etc.** All checks, drafts, or other orders for the payment of money, notes, or other evidence of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents, of the corporation and in such manner as shall from time to time be determined by resolution of the board of trustees.

**SECTION 4. Deposits.** All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the board of trustees may select.

**ARTICLE VI**  
**TRANSFER OF INTEREST**

Members of the corporation may transfer, sell, or otherwise convey their interest in the corporation first, to the corporation itself, and second, to an individual member. In the event more than one member wishes to receive the interest to be conveyed, then each member wishing to be conveyed said interest shall take same in equal division.

ARTICLE VII  
FISCAL YEAR

The fiscal year of the corporation shall begin on the first day of January in each year and end on the last day of December in each year.

ARTICLE VIII  
SEAL

The board of trustees shall provide a corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the corporation and the words, "Corporate Seal, Missouri."

ARTICLE IX  
WAIVER OF NOTICE

Whenever any notice whatsoever is required to be given under the provisions of these bylaws or under the provisions of the Articles of Incorporation or under the provisions of the Missouri Nonprofit corporation Act, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE X  
AMENDMENTS

These bylaws, or any of them, or any additional or supplementary bylaws, may be amended or repealed, and new bylaws may be adopted at any annual meeting of the members without notice, or at any special meeting the notice of which shall set forth the terms of the proposed bylaws, amendment, or repeal, by a vote of the majority of the members represented in person or by proxy and entitled to vote at such annual or special meeting, as the case may be. The board of trustees shall also have the power to make, amend, and repeal additional and supplementary bylaws, and amend and repeal these bylaws, at any regular or special meeting of the board of trustees, and notice of such additional or supplementary bylaws, or the repeal or amendment of any bylaw need not be included in the call of said meeting. Any amendment or repeal of these bylaws so made by the board of trustees may be amended, repealed, or the former bylaw reinstated, and any such additional or supplemental bylaw so made, amended, or repealed by the board of trustees, may be amended, repealed, or the former supplemental bylaw reinstated by the shareholders, as provided in this section.

ARTICLE XI  
INDEMNIFICATION

1. Definitions. In this Article XI:

(a) Corporation includes any domestic or foreign predecessor entity of the corporation in a merger or other transaction in which the predecessor's existence ceased upon consummation of the transaction.

(b) Trustee means an individual who is or was a trustee of the Corporation or an individual who, while a director of the Corporation, is or was serving at the Corporation's request as a trustee, officer, partner, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise. A trustee is considered to be serving an employee benefit plan at the Corporation's request if his duties to the Corporation also impose duties on, or otherwise involve services by him to the plan or to participants in or beneficiaries of the plan. Trustee includes, unless the context requires otherwise, the estate or personal representative of a trustee.

(c) Expenses include counsel fees.

(d) Liability means the obligation to pay a judgment, settlement, penalty, fine (including an excise tax assessed with respect to an employee benefit plan), or reasonable expenses incurred with respect to a proceeding.

(e) Official capacity means: (1) when used with respect to a trustee, the office of trustee in the Corporation; and (2) when used with respect to an individual other than a trustee, as contemplated in Article I, the office in the Corporation held by the officer or the employment or agency relationship undertaken by the employee or agent on behalf of the Corporation. Official capacity does not include service for any other foreign or domestic corporation or any partnership, joint venture, trust, employee benefit plan, or other enterprise.

(f) Party includes an individual who was, is, or is threatened to be made a named defendant or respondent in a proceeding.

(g) Proceeding means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal.

2. Right to Indemnification.



(a) Except as provided in subsection (d), the Corporation shall indemnify an individual made a party to a proceeding because he is or was a trustee against liability incurred in the proceeding if:

- (1) he conducted himself in good faith; and
- (2) he reasonably believed:
  - (i) in the case of conduct in his official capacity with the Corporation, that his conduct was in its best interests; and
  - (ii) in all other cases, that his conduct was at least not opposed to its best interests; and
- (3) in the case of any criminal proceeding, he had no reasonable cause to believe his conduct was unlawful.

(b) A trustee's conduct with respect to an employee benefit plan for a purpose he reasonably believed to be in the interests of the participants in and beneficiaries of the plan is conduct that satisfies the requirement of subsection (a)(2)(ii).

(c) The termination of a proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent is not, of itself, determinative that the director did not meet the standard of conduct described in this section.

(d) A corporation may not indemnify a director under this section:

- (1) in connection with a proceeding by or in the right of the Corporation in which the director was adjudged liable to the Corporation; or
- (2) in connection with any other proceeding charging improper personal benefit to him, whether or not involving action in his official capacity, in which he was adjudged liable on the basis that personal benefit was improperly received by him.

(e) Indemnification permitted under this section in connection with a proceeding by or in the right of the Corporation is limited to reasonable expenses incurred in connection with the proceeding.

3. **Mandatory Indemnification.** The Corporation shall indemnify a trustee who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which he was a party because he is or was an trustee of the Corporation against reasonable expenses incurred by him in connection with the proceeding.

#### 4. Advance for Expenses.

(a) The Corporation may pay for or reimburse the reasonable expenses incurred by a trustee who is a party to a proceeding in advance of final disposition of the proceeding if:

- (1) the trustee furnishes the Corporation a written affirmation of his good faith belief that he has met the standard of conduct described in Article X, Section 2;

(2) the trustee furnishes the Corporation a written undertaking, executed personally or on his behalf, to repay the advance if it is ultimately determined that he did not meet the standard of conduct; and

(3) a determination is made that the facts then known to those making the determination would not preclude indemnification under this Article XI.

(b) The undertaking required by subsection (a)(2) must be an unlimited general obligation of the director but need not be secured and may be accepted without reference to financial ability to make repayment.

(c) Determinations and authorizations of payments under this section shall be made in the manner specified in Section 6.

5. Court-Ordered Indemnification. A trustee of the Corporation who is a party to a proceeding may apply for indemnification to the court conducting the proceeding or to another court of competent jurisdiction. On receipt of an application, the court after giving any notice the court considers necessary may order indemnification if it determines:

(a) the trustee is entitled to mandatory indemnification under Article XI, Section 3, in which case the court shall also order the Corporation to pay the director's reasonable expenses incurred to obtain court-ordered indemnification; or

(b) the trustee is fairly and reasonably entitled to indemnification in view of all the relevant circumstances, whether or not he met the standard of conduct set forth in Article XI, Section 2, or was adjudged liable as described in Article XI, Section 2, but if he was adjudged so liable his indemnification is limited to reasonable expenses incurred.

6. Determination and Authorization of Indemnification.

(a) The Corporation may not indemnify a trustee under Article XI, Section 2, unless authorized in the specific case after a determination has been made that indemnification of the trustee is permissible in the circumstances because he has met the standard of conduct set forth in Article XI, Section 2.

(b) The determination shall be made:

(1) by the board of trustees by majority vote of a quorum consisting of trustees not at the time parties to the proceeding;

(2) if a quorum cannot be obtained under subdivision (1), by majority vote of a committee duly designated by the board of trustees (in which designation trustees who are parties may participate), consisting solely of two or more trustees not at the time parties to the proceeding;

(3) by special legal counsel:

(i) selected by the board of trustees or its committee in the manner prescribed in subdivision (1) or (2); or

(ii) if a quorum of the board of trustees cannot be obtained under subdivision (1) and a committee cannot be designated under subdivision (2), selected by majority vote of the full board of trustees (in which selection trustees who are parties may participate).

(c) Authorization of indemnification and evaluation as to reasonableness of expenses shall be made in the same manner as the determination that indemnification is permissible, except that if the determination is made by special legal counsel, authorization of indemnification and evaluation as to reasonableness of expenses shall be made by those entitled under subsection (b)(3) to select counsel.

7. Indemnification of Officers, Employees, and Agents. An officer of the Corporation who is not a trustee is entitled to indemnification under Article XI, Sections 2, 3, and 5, in each case to the same extent as a trustee; and the Corporation may indemnify and advance expenses under this subchapter to an officer, employee, or agent of the Corporation who is not a trustee to the same extent as to a trustee. The Corporation may also indemnify and advance expenses to an employee or agent who is not a trustee or officer to the extent, consistent with public policy, that may be provided by general or specific action of its board of trustee, or by contract.

8. Insurance. The Corporation may purchase and maintain insurance on behalf of an individual who is or was a trustee, officer, employee, or agent of the Corporation, or who, while a trustee, officer, employee, or agent of the Corporation, is or was serving at the request of the Corporation as a trustee, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise, against liability asserted against or incurred by him in that capacity or arising from his status as a trustee, officer, employee, or agent, whether or not the Corporation would have power to indemnify him against the same liability under Article XI, Section 2 or 3.

9. Witness Fees. This Article XI does not limit the Corporation's power to pay or reimburse expenses incurred by a trustee or officer in connection with his appearance as a witness in a proceeding at a time when he has not been made a named defendant or respondent to the proceeding.

10. Amendment. This Article XI may be hereafter amended or repealed; provided, however, that no amendment or repeal shall reduce, terminate, or otherwise adversely affect the right of a person entitled to obtain indemnification hereunder with respect to acts or omissions of such person occurring prior to the effective date of such amendment or repeal.

NOW THEREFORE, the Bylaws of Falcon's Way Homeowners Association, Inc. are signed this 11 day of July, 2005.

BY:

James E. Gross  
James Gross,  
President and Chairman of the Board of Trustees,  
Falcon's Way Homeowners Association, Inc.

State of Missouri )  
                          ) ss:  
County of St. Charles )

On this 11<sup>th</sup> day of July, 2005, before me appeared James Gross to me personally known, who being by me duly sworn, did say that he is the person who executed the foregoing instrument and that he did so as President and Chairman of the Board of Directors of Falcon's Way Homeowners Association, Inc., and did so on behalf of and with the authority and knowledge of same.

WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

Diana Brooks  
Notary Public

My term expires: \_\_\_\_\_

