

BENT TREE HARBOR
HOMEOWNER'S ASSOCIATION, INC.

Bylaws

Voted and Approved APRIL 17, 2010

Revisions/voted changes 2011-2022

Inserted

BYLAWS OF
BENT TREE HARBOR HOME OWNERS' ASSOCIATION, INC.

ARTICLE I. INTRODUCTION

Bent Tree Harbor Home Owners' Association, Inc. (hereinafter referred to as the "Association") is a Missouri non-profit corporation, organized and existing under the laws of the State of Missouri for the purposes of performing all duties and obligations assigned to it by the Declaration of Covenants and Restrictions for Bent Tree Harbor (hereinafter referred to as the "Declaration"), which document is to be recorded in the County Recorder's Office, Benton County, Missouri.

ARTICLE II. GENERAL PROVISIONS

1. Definitions. Unless expressly indicated to the contrary, the terms used herein shall have the meanings given to them in the Declaration.

2. Conflicts. In the event of any conflict between these Bylaws, as amended from time to time, and the Declaration, the Declaration shall control.

3. Membership. Each Owner, so long as it is deemed to be the Owner of any lot in Bent Tree Harbor, in accordance with the provisions of the Declaration or any amendments thereto, shall constitute the Members of the Association. Transferring a lot, whether such transfer occurs voluntarily or by operation of law, shall immediately and automatically terminate the transferor's membership in the Association, except to the extent that such transferor retains an interest in any other lot in the subdivision. The transferee shall, immediately and automatically upon the transfer of the lot, become a Member of the Association. If a lot is owned by more than one (1) person, then all of the persons owning said lot shall be Members of the Association and shall be eligible to hold office, attend meetings, and exercise all of the other rights of an Owner which are granted by the Declaration, except that only one owner per lot shall have voting rights. Co-owners shall determine which owner will be the designated "voting member" for the lot.

ARTICLE III. ASSOCIATION MEETINGS

Section 1. Annual Meetings. All annual Association meetings shall be held in Benton County, Missouri on the third Saturday in April each year at a time no earlier than nine a.m. The Meetings will be held on the third Saturday in April each year at no earlier than 9 a.m. The meeting shall not coincide with Easter Weekend. In the event the third Saturday in April of each year falls on Easter Weekend, the meeting date shall be held on the fourth Saturday in April of the year in question.

The purpose of the annual meeting shall be to hear reports from officers, to elect Trustees to the Board and to transact any other business pertaining to the notice thereof. Unless one third or more of all eligible voting members are present in person or by proxy, the only matters that may be voted upon at any annual meeting of members are those that are described in the meeting notice. **VOTED REVISED 4/17/21**

Section 2. Special Association Meetings. Special Association meetings for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President, and shall be called by the President at the request of a majority of the Board of Trustees, or at the request, in writing, of Members representing ten percent (10%) of the total votes eligible to be voted by all of the Members of the Association. Requesting members must all be members in good standing. Each such request shall state the purpose or purposes of the proposed meeting. The business transacted at all Special Association meetings shall be confined to the subject(s) stated in the notice thereof. If a Special Association meeting is called due to a request of ten percent (10%) of the Members and is for the purpose of removing an officer, the requesting members shall be responsible for the cost of mailing the notice "As well as the hourly cost by the office staff involved to verify the Petition to ensure the ten (10%) members in good standings." **VOTED REVISED 4/21/12**

Section 3. Notice of Annual and Special Meetings. Unless a Member waives in writing his/her right to receive notice of an Association meeting, a notice of all Annual and Special Association meeting shall be delivered via US Mail and/or Email as specifically designated by the member. Notification of preferred method of receipt is the responsibility of the property Owner. In the event property owner does not provide notification of preferred method of receipt, absentee ballot will be mailed to the last known address of the property owner. Notifications to members shall be made at least thirty (30) days prior to the date of any annual or special meeting. Each notice shall specify the time, date, and place of such meeting, shall state whether it is an annual or a special meeting, and shall briefly describe the business to be transacted or anticipated to be transacted at such meeting. Upon notice being given in accordance with the provisions hereof, the failure of any Member to receive actual notice of any Association meeting shall not in any way invalidate the meeting or any business transacted at such meeting. **VOTED REVISED 4/27/19**

Section 4. Informational Meetings. The Board, at its discretion, may hold monthly informational meetings on the first Saturday of the month, beginning no earlier than 9:00 a.m. Certain financial information from the previous month may be available at these meetings. If a member would like to address the Board at a monthly informational meeting the office secretary shall be notified two weeks prior to the meeting of the topic to be discussed so she can place same on the agenda. The Association's office secretary will be present at these meetings to take notes and briefly record any issues raised and/or discussed. If any employee of the Association is asked by the Board to attend the monthly informational meeting, their attendance will be permitted even if the employee is not a Member of the Association.

Section 5. Executive Board Sessions. Following each monthly informational meeting the Board of Trustees may meet for an executive board session. The purpose of these sessions will be to address business pertaining to the day to day operation of the Association. The

Association's office secretary will not be required to attend these executive board sessions. The Board of Trustees will appoint a Trustee to take minutes at the executive board sessions.

Section 6. Quorum. Except as otherwise provided in the Declaration or Bylaws of the Association, the presence in person or by absentee ballot of members representing fifteen (15) percent of the total votes eligible to be voted by all Members of the Association shall constitute a quorum at all meetings of the Association so long as five (5) percent of the total votes eligible are present.

Section 7. Voting.

1. Each Owner of a lot shall be entitled to one vote for each lot owned. No Owner shall, however, be eligible to vote at any annual or special meeting until the assessments that are legally due and payable for all lots owned by such Owner are fully paid at least seven (7) days prior to the meeting.
2. The votes of Members, present either in person or by absentee ballot at any duly called Association meeting at which a quorum has been established, casting a majority of the total votes eligible to be voted by such Members, shall decide any question under consideration, and shall constitute the act of and be binding upon the Association, except as otherwise provided by law, by the Declaration, or these Bylaws.
3. All ballots at annual/special meetings shall be written. The written ballot shall describe any vacancy to be filled including a list of the names of those persons who have become candidates for the position of trustee and include description of any other business pertaining to the notice thereof. Ballots will only be distributed to members in good standing between the hours of 9:00 a.m. and 12:00 p.m. No ballots will be provided without proof of identification and/or verification that member is the property owner in good stand. One ballot, indicating the number of lots owned, shall be distributed to members entitled to vote. Voting will occur after the candidates have introduced themselves and the vote is called for.
4. Notwithstanding any provisions herein to the contrary, a Member's voting rights may be suspended by the Board representing the Association for a period to be determined by the Board if such Member violates any provision of the Declaration or the Bylaws pertaining to the payment of assessments. In such event, the Member whose voting rights have been suspended shall have no cause of action against the Association or the Board.

Section 8. Absentee Ballots. Votes may be cast by Members in Good Standing either in person or by absentee ballot. To be considered a Member in Good Standing, member must have paid for all assessments and/or outstanding balances a full seven (7) days prior to the annual or special meeting. Distribution of absentee ballot and/or special meeting newsletter may be made via US Mail or Email as specifically designated by the member. Notification of preferred method of receipt is the responsibility of the Property Owner. In the event the Property Owner does not provide notification of preferred method of receipt, absentee ballot will be via USPS mail to the last known address of the Property Owner. If the member elects to cast their vote via the absentee ballot method, the ballot (both those distributed by USPS mail and/or email) must be filled out completely, contain original signatures and be received in the office seven (7) days prior to the annual meeting or special meeting in order to be considered as a valid vote. **VOTED REVISED 4/27/19**

Section 9. Conduct of Meetings. The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record, in a minute book, all resolutions adopted at the meeting, as well as all transactions occurring.

Section 10. Addressing the Board. The only members allowed to address the Board at any meeting are those members who are in good standing and have paid all assessments prior to said meeting.

Section 11. Member Conduct at Meetings. If a member displays inappropriate behavior at any meeting, the Board, at its discretion, may ask said member to leave and such action will cause the member to be suspended from the next meeting, whether it be a monthly informational, special, or annual meeting. If the same member displays inappropriate behavior at a second meeting, the Board, at its discretion, may suspend said member from the next three meetings, whether those meetings be monthly informational, special or annual meetings. If the same member displays inappropriate behavior at a third meeting, the Board, at its discretion, may suspend said member from all future meetings involving the Association.

Section 12. Adjournment. Any Association meeting, whether or not a quorum is present, may be adjourned from time to time by the affirmative vote of Members casting a majority of the total votes represented at said meeting, in person or by absentee ballot. In the absence of a quorum, no other business may be transacted at such Association meeting; provided, however, that any Association meeting which is adjourned due to the failure to establish a quorum shall be reconvened in thirty (30) days, and any business which properly could have been conducted at the original meeting, pursuant to the provisions hereof, may be conducted at the adjournment thereof, without the need to establish a quorum at such adjournment. It shall not be necessary to give any notice of any adjournment or the business to be transacted at any adjourned meeting, other than by an announcement at the meeting at which such adjournment occurs.

Section 13. Parliamentary Rules. Roberts Rules of Order will govern all meetings of the Association.

ARTICLE IV. TRUSTEE ELECTION, REMOVAL, RESIGNATION AND DUTIES.

Section 1. Number, Term, Qualifications, How Elected. The affairs of the Association shall be governed by a Board of Trustees composed of five (5) persons, each of whom shall be a property Owner. In no event shall co-owners of any property serve on the Board of Trustees concurrently. Trustees shall serve a term of three (3) years or until the election of his successor, or until earlier death, incapacity, resignation or removal. The election of Trustees by Members may be conducted in person or by absentee ballots.

- a. A candidate for Trustee must be a member in good standing and have all assessments paid within thirty (30) days prior to filing.
- b. A candidate must file for a trustee position by March 1st and provide written

approval for a background check subject to being added to the Ballot.

c. No candidate that has been previously employed by Bent Tree Harbor Homeowner's Association who has been terminated, with or without cause, may be considered as a candidate for Trustee.

d. There will be two informational meetings to be held the first (1st) and second (2nd) Saturdays in April between 10:00 a.m. to 12:00 at the Bent Tree Harbor Community building.

e. Election of trustees will be placed on the agenda as the first matter of business.

VOTED REVISED 4/17/21

Section 2. Removal of Trustees. At any annual Association meeting, or at any special Association meeting duly called for such purpose by Members of the Association, any one or more of the Trustees, may be removed, with or without cause, by the affirmative vote representing 51% of owners in good standing present, either in person or absentee ballot, at a duly called and scheduled meeting provided that a quorum of fifteen percent (15%) of the lots in the Subdivision are represented in person or by absentee ballot, (5% of eligible voters present) may be modified or amended by a vote of 51% of owners in good standing present, either in person or absentee ballot, at a duly called and scheduled meeting provided that a quorum of fifteen percent (15%) of the lots in the Subdivision are represented in person or by absentee ballot, 5% of eligible voter's present. A successor shall be elected at such meeting for the remainder of the term to fill the vacancy thus created. Should the membership fail to elect such a successor, the Board of Trustees shall fill the vacancy in the manner provided in Section 4 below. Any Trustee whose removal has been proposed by the Members shall be given prompt written notice of his proposed removal and shall be provided with a reasonable opportunity to attend and be heard at the meeting at which his removal is voted upon.

VOTED REVISED 4/17/21

Section 3. Resignation of Trustees. Any Trustee may resign at any time by sending written notice of his resignation to the President of the Association. Such resignation shall take effect upon receipt thereof by the President, unless otherwise provided in such written notice. Any Trustee who ceases to be an Owner shall automatically be deemed to have resigned. Any Trustee who is more than thirty (30) days delinquent in the payment of any Assessment or other amount owed to the Association shall be deemed to have resigned from the Board of Trustees, effective upon the Board's receipt of notification of such delinquency from the Association's office secretary. Any trustee who misses three (3) meetings, whether executive, informational or a combination of both shall be deemed to have resigned. **VOTED REVISED 4/21/12**

Section 4. Vacancies. . If the office of any Trustee becomes vacant by reason of death, incapacity, resignation, or removal from office by the Board, the remaining Trustees by a majority vote shall choose a successor to fill the vacant position up to the time of the next annual meeting wherein the successor must appear on the annual election ballot and be voted upon and confirmed by a quorum of the Association Members. **VOTED REVISED 4/17/21**

Section 5. Regular Board Meetings. Regular meetings of the Board of Trustees may be held at such time, date and place as shall be determined from time to time by a majority of Trustees; provided, however, that at least one (1) such meeting shall be held during each calendar year. Notice of regular meetings of the Board of Trustees shall be given to each Trustee, personally or by mail, telephone, or telegraph, at least seven (7) days prior to the scheduled meeting date.

Section 6. Special Board Meetings. Special meetings of the Board of Trustees may be called by the President, and in his absence, by the Vice-President, or by a majority of the Trustees, by giving at least seven (7) days' notice to each Trustee, personally or by mail, telephone, or telegraph; provided, however, that notice of special Board meetings by telephone conference, if given personally or by telephone, shall only be required to be given at least forty-eight (48) hours prior to such meeting. Notices of special Board meetings shall state the time, date, place and purpose of the special Board meeting to which they pertain.

Section 7. Meetings by Telephone Conference. Both regular and special Board meetings may be conducted by telephone conference or similar communication equipment, by means of which all persons participating in the meeting can hear each other. To the extent permitted by law, any Trustee who is not physically in attendance at any regular or special meeting of the Board of Trustees, but who is in telephone contact with the other Trustees during such meeting and is thereby able to participate in the discussions, reports, debates, votes, and other matters conducted thereat, shall be deemed to be in attendance at said meeting for all purposes, including but not limited to the purpose of creating a quorum.

Section 8. Action by Written Consent. Any action required or permitted to be taken at any meeting of the Board of Trustees may be taken without a meeting if all of the Trustees, either individually or collectively, consent in writing to the action taken and to be taken at any time prior or subsequent to the intended effective date of such action.

Section 9. Waiver of Notice. Any Trustee may at any time waive notice of any meeting of the Board of Trustees, in writing, and such waiver shall be deemed to be the equivalent of that Trustee having actually been given notice of such meeting. Attendance by a Trustee at any meeting of the Board, either physically or by telephone, shall constitute a waiver by him of notice of the time, date, and place thereof, except when 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. If all of the Trustees are present at any meeting of the Board, no notice thereof shall be required, and any business which could properly come before the Board of Trustees may be transacted at such meeting.

Section 10. Quorum of Board of Trustees. At all meetings of the Board of Trustees, a total of three (3) of the Trustees shall constitute a quorum for the transaction of business.

The vote of three (3) or more of the Trustees present at a Board meeting at which a quorum has been established shall constitute the decision of the Board of Trustees. If at any meeting of the Board of Trustees a quorum is not established, a majority of those Trustees present may adjourn the meeting, one or more times, to a subsequent time, date, and place. At any such adjourned meeting of the Board at which a quorum has been established, any business which might have been transacted at the meeting prior to its adjournment may be transacted without further notice. **VOTED REVISED 4/17/21**

Section 11. Compensation. No Trustee shall receive any compensation from the Association for acting as such, and no Trustee shall be reimbursed for any costs incurred for travel, meals, accommodations, or related expenses incurred in order to attend meetings of the Board of Trustees, unless such compensation is approved by the affirmative vote of Members casting a majority of the votes present at a special meeting called for such purpose.

Section 12. Fidelity Bonds. The Board of Trustees shall obtain fidelity bonds, in reasonable and prudent amounts, for all Officers, Trustees, and employees of the Association who handle or are responsible for Association funds.

Section 13. Liability and Indemnification.

- a. No Trustee, Officer, employee, or agent of the Association, and no heir, executor, or administrator of any such person, shall be liable to the Association for any loss or damage suffered by it on account of any action or omission by him as a Trustee, Officer, employee, or agent if he acted in good faith and in a manner reasonable believed to be in and not opposed to the best interest of the Association, unless with respect to an action or suit by or in the right of the Association to procure a judgment in its favor, such person shall have been adjudged to be liable for gross negligence or willful misconduct in the performance of his duty to the Association.
- b. The Association shall indemnify each person 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) because he is or was a Trustee, Officer, employee, or agent of the Association, against expenses, (including reasonable attorney's fees), judgments, fines, and amounts paid in settlement, actually and reasonable incurred by him in connection with such action, suit, and proceedings if he acted in good faith and in a manner reasonable believed to be in or not opposed to the best interest of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe that his conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Association, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was lawful.

c. The Association shall indemnify each person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action or suit by or in the right of the Association to procure a judgment in its favor because he is or was a Trustee, Officer, employee, or agent of the Association against expenses (including reasonably attorney's fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner reasonably believed to be in or not opposed to the best interests of the Association, except that no indemnification shall be made with respect to any claim, issue, or matter as to which such person shall have been adjudged to be liable for gross negligence or willful misconduct in the performance of his duty to the Association, unless and only to the extent that the court in which such action or suit was brought shall determine, upon view of all the circumstances of the case, such person is fairly and reasonable entitled to indemnification for such expenses which such court shall deem proper.

d. To the extent that a Trustee, Officer, employee, or agent of the Association has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in this Section, or in defense of any claim, issue, or matter therein, he shall be indemnified against expenses (including reasonable attorney's fees) actually and reasonably incurred by him in connection therewith.

e. Any indemnification under this Section (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the Trustees, Officers, employees, or agent is proper under the circumstances because he has met the applicable standard of conduct set forth in this section. Such determination may be made (1) by the Board upon a majority vote of a quorum consisting of Trustees who were not parties to such action, suit, or proceeding; or (2) if such a quorum is not obtainable, or even if obtainable, a quorum of disinterested Trustees so directs, by independent legal counsel in a written opinion to the Association.

f. Expenses 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, suit, or proceeding as authorized by the Board of Trustees in a particular case, upon receipt of an undertaking by or on behalf of the Trustee, Officer, employee, or agent to repay such amount, unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this Section.

g. The indemnification provided by this Section shall not be deemed exclusive of any other rights to which those indemnified may be entitled, shall continue as to a person who has ceased to be a Trustee, Officer, employee, or agent, and shall inure to the benefit of their heirs, executors, administrators, and personal representatives of such persons.

h. Trustees shall be reimbursed for expenses incurred while representing the Association in any legal proceedings.

Section 14. Powers and Duties. All of the powers and duties of the Association shall be exercised by the Board of Trustees unless otherwise specifically delegated to the Members. Such powers and duties of the Board shall be exercised in accordance with the provisions of the Declaration. The powers and duties of the Board of Trustees shall be subject to approval of the Members only when such approval is specifically required by law, by the Declaration or by these Bylaws.

ARTICLE V. OFFICERS

Section 1. Designation. The Officers of the Association shall be the President, and Vice-President and both shall be elected by the Board of Trustees. Additionally, at the Board's discretion a Secretary and/or Treasurer may be appointed. The Board of Trustees may also elect such other Officers, from among Association Members, as in its judgment may be necessary or appropriate. The President, Vice-President, Secretary and the Treasurer may all be Trustees. Any two or more offices may be held by the same person, except the offices of President and Secretary.

Section 2. Election of Officers. The Officers of the Association shall be elected annually by the Board of Trustees at the organizational meeting of each newly constituted Board of Trustees.

Section 3. Term and Removal of Officers. Each Officer of the Association shall hold office until his successor is elected, except that each Officer's position shall immediately become vacant when and if he ceases to be an Owner. Any Officer may be removed at any Board meeting, with or without cause, by the Board of Trustees; provided, however, that no Officer shall be removed except by the affirmative vote for removal of a majority of the Trustees. Any Officer whose removal has been proposed shall be given prompt written notice of his proposed removal and shall be provided with a reasonable opportunity to attend and be heard at the Board meeting at which his removal is voted upon. If the Office of any Officer becomes vacant for any reason, the vacancy shall promptly be filled through the election of a successor by the Board of Trustees.

Section 4. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Trustees. He shall have all of the general powers and duties which are usually vested in the office of President of a home owners association, including but not limited to, the power to appoint such committees, including proposal committees, at such times from among the Members as he may in his discretion determine appropriate to assist in the conduct of the affairs of the Association. All committees must consist of at least two (2) Trustees and three (3) property owners and have the consensus of the remaining Board of Trustee members. The President's voting rights shall be the same as any other Member.

Section 5. Vice-President. The Vice-President shall assume the powers and duties of the President whenever the President is absent from any meeting of the Association or the Board of Trustees or is unable to act in his capacity as President if neither the President or Vice-President is able to act, a majority of the remaining Trustees shall appoint some other officer to act in the place of the President, on an interim basis. The Vice-President shall also generally assist the President and perform such other duties as shall from time to time be delegated to him by the Board of Trustees or by the President.

Section 6. Secretary. Any Secretary appointed by the Board of Trustees shall keep the minutes of all meetings of the Board of Trustees and shall make such minutes available for inspection by Members, their authorized representatives, and the Trustees at reasonable times. If a Secretary is not appointed by the Board, the Association's office secretary, as more fully described in Section 8, shall perform all of the duties which are usually vested in the office of Secretary of a home owners association and such other duties as shall be prescribed by the Board. In addition, the office secretary shall issue notices of all meetings of the Association and the Board of Trustees, have charge of the Association's books and records, as well as those of the Treasurer, and receive and incorporate into the records of the Association all notices which are required or permitted to be transmitted to the Association, including notices from Owners and providing changes of address.

Section 7. Treasurer. If the Board appoints a Treasurer, the Treasurer shall keep full and accurate financial records and books of account, keep the assessment rolls and accounts of the Members, be responsible for the preparation of all required financial data, and be responsible for the deposit of all money and other valuables in such depositories as may from time to time be designated by the Board of Trustees. If a Treasurer is not appointed the office secretary will perform these duties.

Section 8. Office Secretary. An office secretary, who is an employee of the Association, shall be present at all monthly informational meetings to take notes as described in Article III, Section 4. The office secretary may perform any other tasks as required by the Board. (See previous sections related to Secretary and Treasurer above).

Section 9. Execution of Instruments. All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by any two (2) Trustees.

Section 10. Compensation of Officers. No officer shall receive any compensation from the Association for acting in his capacity as an Officer except Officers shall be reimbursed for expenses incurred while representing the Association in any legal proceedings

ARTICLE VI. FINANCES AND ASSESSMENTS

Section 1. Yearly Financial Reports. At each annual meeting a yearly financial report for the preceding year shall be available for Members to review.

Section 2. Collection of Assessments. Assessments shall be paid by the Members and collected by the Association in the manner and according to the terms and provisions set forth in Article V of the Declaration.

Section 3. Accounting Records. The Association shall maintain account records in accordance with good accounting practices which shall be open to inspection once annually by members or their authorized representatives at a reasonable time, which shall be set by the Association within five business days after a written demand from a Member. The written demand must specify the exact records requested and purpose of records requested. The Association may impose a reasonable charge to recover the cost of labor and materials for all documents copied. Members shall not be allowed to inspect individual personal assessment records, employee files, including wage information, or personal complaints. **VOTED REVISED 4/21/12**

Section 4. Depositories. The funds of the Association shall be deposited in a federally insured institution as shall be designated from time to time by the Board, in the manner designed to indicate the custodial nature thereof. Withdrawal of monies from such account shall be only by checks signed by two (2) Trustees.

Section 5. Fiscal Year. The Association shall operate on a fiscal year which begins on the first day of January and run through December 31st of each year; provided, however, that the Board of Trustees may, in its sole discretion, change to a different fiscal year in the event that the Board of Trustees deems it advisable to do so.

Section 6. Application of Payments and Commingling of Funds. All sums collected by the Association, from Assessments or otherwise, may be commingled in a single fund or divided into more than one (1) fund, as determined by the Board of Trustees. All Assessments paid by an Owner shall be applied to interest, delinquencies, costs, attorneys' fees, and other charges, expenses, and advances in such manner and amounts as the Board determines to be appropriate. All Owners and the authorized agents thereof shall be entitled to inspect the Association's records of its receipts and disbursements at reasonable times, and upon a written request thereof and the payment of a reasonable fee. Any Owner shall be furnished with a statement of his account setting forth the amount of any unpaid Assessments or other charges due and owing from such Owner. Said statement shall be furnished within five (5) business days from the Association's receipt of a request in writing therefore and shall be binding upon the Association, the Board and every other Owner.

The Association shall be responsible, as the agent of each Owner, for paying the expenses of the Association. The Board shall not be individually liable for the payment of any of the expenses; rather, it shall merely serve to direct and authorize the payment of the expenses on behalf of the Owners.

Section 7. Audit. Unless otherwise determined by the Board, an audit of the accounts of the Association shall be prepared each year by such independent accounting firm as the Board elects, in its sole discretion, in accordance with generally accepted auditing standards. A copy of said audit shall be furnished to any Member upon request made no earlier than one hundred (100) days following the year for which the report is made.

ARTICLE VII. AMENDMENTS TO THE BYLAWS

An amendment may also be proposed by the membership. Membership proposals shall be submitted to the Association, as more fully described in the Declaration, by October 15th of each year for review and consideration by the proposal committee. If the proposed amendment is accepted by a majority vote of the members of the proposal committee, it will be submitted to the Members for a vote at a duly called meeting for that purpose. The provisions of these Bylaws may be modified or amended by a vote of 51% of owners in good standing present, either in person or absentee ballot, at a duly called and scheduled meeting provided that a quorum of fifteen percent (15%) of the lots in the Subdivision are represented in person or by absentee ballot, 5% of eligible voters present

ARTICLE VIII. RULES AND REGULATIONS

Section 1. Adoption. The Board of Trustees shall have the right to establish and amend, from time to time, such uniform Rules and Regulations as the Board may deem necessary and appropriate for the management, preservation, safety, control, and orderly operation of the Subdivision and for the benefit of all of the Owners. Such Rules and Regulations may, to the extent not in conflict with the provisions of the Declaration and these Bylaws, impose reasonable restrictions upon the use and occupancy of any portion of the Subdivision as the Board, in its sole discretion, deems necessary or appropriate.

Section 2. Compliance with Rules and Regulations. Each Owner shall obey the Rules and Regulations, as the same may lawfully be amended from time to time, and shall ensure that the same are faithfully observed by the members of his family, his guests, tenants, invitees, and licensees. Each person who comes within the Subdivision shall be subject to the Rules and Regulations for the duration of his presence therein. A copy of the Rules and Regulations, as amended from time to time, shall be made available to Owners upon request.

Section 3. Conflict. In the event of any conflict between the Rules and Regulations, as amended from time to time, and the Declaration or these Bylaws, the latter instruments shall control.

Section 4. Property Owners Responsibility. It is the responsibility of each property owner to check periodically with the Bent Tree Harbor Office for any amendments or changes to the Rules and Regulations, Declaration, or these Bylaws.

ARTICLE IX. MISCELLANEOUS PROVISIONS

Section 1. Employees. Any resident of Bent Tree Harbor who is also an employee or prospective employee must have their assessments paid in full at all times. If an employee falls behind in assessments he/she may be relieved of their duties. If all assessments are not paid, prospective employees will not be considered for employment. Any individual having previously been discharged and/or terminated may NOT be considered for rehire of any position with Bent Tree Harbor. A Trustee may not serve as an employee. **VOTED REVISED 4/23/22**

Section 2. Association Records. "Once a year a Member shall have the right to demand and receive from the Association a complete list of the names and addresses of all the Members of the Association, upon reasonable notice and upon payment of a reasonable fee to the Association for reproduction costs." remainder of Section 2 as follows here may stand as written. Article VI, Section 3 outlines the procedures for a Member to acquire Association accounting records. The minutes of all Association and Board meetings shall be available for inspection by the Members in the Association office. **VOTED REVISED 4/21/12**

Section 3. Notices. Each Owner shall register his mailing and/or email address with the Bent Tree Harbor Office upon becoming an Owner, and shall promptly notify the office secretary of any subsequent changes of address or email. At the time of registration, owner shall notify office on whether they prefer to receive Bent Tree Harbor communications via prepaid US Mail or email. Dependent upon Owner's preference, the Declaration of Covenants and Restrictions and/or Bylaws and other communications as deemed necessary by the Association, shall be distributed to owner according to their specific US Mail and/or email selection. All notices shall be deemed to have been given when mailed, postage pre-paid, and/or emailed, except notices of changes of address and/or email, which shall be deemed to have been given when received. **VOTED REVISED 4/27/19**

Section 4. Liability Survives Transfer of Lot. The transfer of a lot shall not relieve or release the former Owner from any liabilities or obligations incurred in connection with the Subdivision during the period of his Ownership, or impair any rights or remedies which the Association may have against such former Owner arising out of or in any way connected with such ownership and the covenants and obligations incident thereto.

Section 5. Severability. The provisions hereof shall be deemed to be independent and severable, and the invalidity or partial invalidity or unenforceability of any one (1) provision shall not affect the validity or enforceability of any other provision hereof.

Section 6. Captions. The captions used in these Bylaws are inserted solely as a matter of convenience and for reference, and in no way define, limit, or describe the scope of these Bylaws or the intent of any of the provisions hereof.

Section 7. Number and Gender. Whenever the context so requires, the use of any gender in these Bylaws shall be deemed to include both genders, and the use of the singular shall be deemed to include the plural, and the plural shall include the singular.

Section 8. Waiver. No restriction, condition, obligation, or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

Section 9. Interpretation. The provisions of these Bylaws shall be liberally construed to effectuate the purpose of ensuring that the Subdivision shall at all times be operated and maintained in a manner so as to optimize and maximize its enjoyment and utilization by each Owner as a quality development.

In the event of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the event of any conflict between these Bylaws and the Declaration, the Declaration shall control.