

BYLAWS
OF
HONEYSTONE OWNERS ASSOCIATION

ARTICLE I
Name and Offices

The name of the corporation is Honeystone Owners Association.

ARTICLE II
Definitions

Section 2.01 "Association" means the Honeystone Owners Association, a nonprofit corporation organized and existing under the laws of the State of Missouri.

Section 2.02 "Member" means those persons or entities entitled to membership in the Association as provided in the Articles of Incorporation.

Section 2.03 "Owner" means every person or entity who is the owner of a fee or of the equitable title in a Tract (as defined herein) and who is subject to assessment, either present or future, by the Association, pursuant to the provisions of any recorded instrument relating to assessment.

Section 2.04 "Tracts" means all of the tracts of land as specified in that certain document entitled Easements, Conditions and Restrictions of Honeystone dated April 13, 1998 and recorded in the office of the Jefferson County, Missouri Recorder at Book 831, Page 580, and the office of the Franklin County, Missouri Recorder at Book 1076, Page 274, and any amendments thereto (the "Declaration").

ARTICLE III
Members

Section 3.01 Eligibility. The Members are as determined by Article VI of the Articles of Incorporation of the Association. The rights of Members are subject to (i) the payment of any annual or special assessments or charges as provided in the Declaration relating to the Tracts, and (ii) compliance with the conditions and restrictions of the Declaration.

Section 3.02 Suspension. The voting and other membership rights of any Member may be suspended by action of the Directors during any period when the Member has failed to pay any charges or assessments then due and payable; but, upon payment of all the past due charges or assessments, the rights and privileges of such Member shall be restored as of the date which is thirty (30) days after the date on which such payment is received.

Section 3.03 Voting Rights. Every Owner of a Tract shall be a member of the Association and each Tract shall be entitled to two (2) votes on any matter voted on by the Members. Membership shall be appurtenant to and may not be separated from the ownership of the Tract and shall be governed by the terms and conditions set forth in the Association's Articles of Incorporation and Declarations and any amendments thereto.

The vote of any Member comprised of two or more persons, or other legal entities, or any other combination thereof, shall be cast in the manner provided for in the Restated Articles of Incorporation of the Association, or as the several constituents may determine, but in no event shall all such Tract owners cast more than two (2) votes for the Tract owned by them.

ARTICLE IV **Meetings of Members**

Section 4.01 Place of Meeting. All meetings of the Members shall be held at such place as may be designated by the Board of Directors or a majority of the Members.

Section 4.02 Annual Meeting. Each regular annual meeting of the Members shall be held in the month of October, at a date, time, and place within the State of Missouri selected by the Board of Directors of the Association.

Section 4.03 Special Meetings. Special meetings of the Members for any purpose or purposes may be called by the President, the Vice President, or a majority of the Directors. The Secretary shall call a special meeting upon written request of the Members who have a right to vote a majority of all the votes of the entire membership.

Section 4.04 Notice of Meetings. Except as otherwise provided herein, written or printed notice of Members' meetings shall be given by the Secretary. Notice may be given to the Members either personally, or by mailing a copy of the notice, postage prepaid, to the address of the Member appearing on the books of the Association. As an alternative to written notice, notice of the meeting may be posted on a sign at the entrances to the subdivision which sign shall be of a size to be reasonably visible to persons in vehicles entering or exiting the subdivision. Notice of any meeting shall be mailed, hand delivered or posted not less than ten (10) days in advance of the meeting and, if a special meeting, such notice shall specify the purpose of the meeting.

Section 4.05 Quorum. Ten percent (10%) of the votes entitled to be cast on a matter must be represented in person or by proxy at a meeting of the Members to constitute a quorum.

Section 4.06 Voting. At each meeting of the Members, every Member shall be entitled to vote as provided in these Bylaws and the Articles in person or by proxy appointed by an instrument in writing subscribed by such Member, or by his or her duly authorized attorney.

The vote of fifty-one (51%) percent of the Members present in person or represented by proxy shall decide any question brought before such meeting, unless the question is one upon which, by express provision of Missouri statute or of the Articles of Incorporation, these Bylaws, the Declaration or any amendments to such documents, a different vote is required, in which case such express provision shall govern and control the decision of such question.

Section 4.07 Informal Meetings. Whenever the vote of Members at a meeting thereof is required or permitted to be taken in connection with any action by any provisions of the statutes or of the Articles of Incorporation, the meeting, any notice thereof and vote of the Members thereat may be dispensed with if all the Members who would have been entitled to vote upon the action if such meeting were held shall consent in writing to such action being taken. Such written consent shall be filed with the minutes of Members' meetings.

Section 4.08 Organization. The President, and in his or her absence, the Vice President, and in the absence of both the President and the Vice President, a chairman chosen by the Members present, shall preside at each meeting of Members and shall act as chairman thereof. The Secretary,

and in his or her absence, a Secretary pro tem, chosen by the Members present, shall act as Secretary of all meetings of the Members.

Section 4.09 Adjournment. If at any meeting of the Members a quorum shall fail to attend at the time and place for which the meeting was called, or if the business of such meeting shall not be completed, the Members present in person or represented by proxy may, by a majority vote, adjourn the meeting from day to day or from time to time, not exceeding ninety (90) days from such adjournment without further notice until a quorum shall attend or the business thereof shall be completed. At any such adjourned meeting any business may be transacted which might have been transacted at the meeting as originally called.

ARTICLE V

Directors

Section 5.01 General Powers. The business and affairs of the Association shall be managed by its Board of Directors.

Section 5.02 Number, Election and Term. The number of Directors of the Association shall be as specified in the Articles of Incorporation of the Association (which at the time of adoption of these Bylaws is five (5)) or any amendments thereto. At the annual meeting in October 2003, the Members shall elect two (2) Directors for a term of three (3) years. In the event that there is a dispute as to which Directors will be replaced, the Members may so designate by majority vote at a meeting called for such purpose or at the annual meeting. At the annual meeting in October 2004, the Members shall elect three (3) Directors for a term of three (3) years to replace the remaining three members of the Board of Directors. Thereafter, successor Directors shall be elected at the annual meeting of the Members to serve for a term of three (3) years or until their successors shall have been elected and qualified. Nothing herein shall preclude any current members of the Board of Directors, or a Director serving at the time of the election, from being elected to an additional term. Directors may be removed, with or without cause, by the vote of a majority of all the Members at a meeting of the Members called expressly for that purpose. Any vacancy created by such removal shall be filled for the unexpired term in respect of such vacancy by majority vote of the Members present at such special meeting or, in the absence of such action at such special meeting, by resolution of the Board of Directors.

Section 5.03 Annual Meeting. A regular annual meeting of the Board of Directors shall be held at such time and place as may determined by the Board of Directors.

Section 5.04 Place of Meeting. Meetings of the Board of Directors of the Association, both regular and special, may be held at any place within Missouri.

Section 5.05 Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall from time to time be determined by resolution of the Board of Directors, but in no event shall such meetings be held less than quarterly.

Section 5.06 Notice of Regular Meetings. After the time and place of regular meetings shall have been determined, no notice of any regular meetings need be given. Notice of any change in the date or place of holding any regular meeting or any adjournment of a regular meeting shall be given by mail, postage prepaid, hand delivery, or by facsimile or electronic mail not less than forty-eight (48) hours before such meeting to all Directors. No notice need be given to any Director who attends the meeting, or to any Director who, in writing, before or after the meeting, waives such notice.

Section 5.07 Special Meetings. Special meetings of the Board for any purpose or purposes may be called by the Secretary upon request by any officer of the Association or by any two (2) directors on 48 hours' prior written notice to each Director either personally or by mail or by facsimile or electronic mail. Such request shall state the purpose or purposes of the proposed meeting and the location of such meeting.

Section 5.08 Quorum. At all meetings of the Board, a majority of the Directors shall constitute a quorum for the transaction of business and the act of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except where otherwise provided by law or by these Bylaws. If a quorum shall not be present at any meeting of the Board of Directors, the Directors present thereat may adjourn the meeting from time to time without notice other than announcement at the meeting until a quorum shall be present.

Section 5.09 Informal Meetings. Whenever the vote of Directors to be taken in connection with any Association action is permitted by any provisions of the Laws of the State of Missouri to be taken by written consent it shall be approved if the requisite number of Directors shall consent in writing to such Association action being taken. Such written consent shall be filed with the minutes of the Board.

Section 5.10 Committees of Directors. The Board of Directors may, by resolution passed by a majority of the whole Board, designate one or more committees, each committee to consist of one or more of the Directors of the Association, which, to the extent provided in the resolution, shall have and may exercise the powers of the Board of Directors in the management of the business and affairs of the Association and may authorize the seal of the Association to be affixed to all papers which may require it. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Directors. Each committee shall keep regular minutes of its meetings and report the same to the Board of Directors when required.

Section 5.11 Organization. The President, and in his or her absence, the Vice President, and in the absence of the President and the Vice President, a Chairman pro tem, chosen by the Directors present, shall preside at each meeting of the Directors and shall act as Chairman thereof. The Secretary, and in his or her absence, a Secretary pro tem, chosen by the Directors present shall act as Secretary of all meetings of the Directors.

Section 5.12 Minutes and Statements. The Board of Directors shall cause to be kept a complete record of their meetings and acts, and of the proceedings of the Members.

Section 5.13 Compensation. No Director shall receive compensation for any service he or she may render to the Association. However, any Director may be reimbursed for his or her actual expenses incurred in the performance of his or her duties.

ARTICLE VI

Election of Directors

6.01 Ballots. The election of the Directors shall be by written ballot. At each annual meeting beginning in October 2003 or at any special meeting called for the purpose of electing Directors, the Members or their proxies may cast, in respect of each vacancy, as many votes as they are entitled under these Bylaws and the Articles of Incorporation. The candidates receiving the largest number of votes shall be elected.

6.02 Nominations. Nominations may be made in writing to the President by any Member and verbal nominations may be taken prior to the election from the Members at the meeting at which the election is to occur.

6.03 Procedure. All elections of the Board of Directors shall be made on written ballots which shall set forth the names of those nominated and contain a space for a write-in vote by the members for each vacancy.

6.04 Voting. Each Member completing a ballot shall present the same to the Secretary at the meeting at which the Directors shall be selected. At least two officers shall proceed to count the vote cast by each ballot and the candidates receiving the largest number of votes shall be elected. In the event of a tie vote for any candidates, a hand vote of all Members present at the meeting (so long as a quorum is present) shall be taken for each such candidate, with the candidate receiving the majority of the votes being elected.

6.05 Vacancies. Except as provided in Section 5.02 above, vacancies on the Board of Directors shall be filled by the affirmative vote of a majority of the remaining Directors though less than a quorum of the Board of Directors. Any such appointed Director shall hold office for the unexpired term of his predecessor in office.

ARTICLE VII

Powers and Duties of the Board of Directors

Section 7.01 Powers. Without limiting the power of the Board of Directors as provided in the Articles of Incorporation, the Declaration, or any power vested by law, the Board of Directors shall have the power to:

- (a) appoint and remove all officers, agents and employees of the Association and prescribe their duties;
- (b) adopt and amend budgets for revenues, expenditures, and reserves;
- (c) establish, levy, assess and collect any assessment or charge as referred to in the Declaration;
- (d) institute, defend, or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more Members on matters affecting the Subdivision;
- (e) impose reasonable charges for the late payment of Assessments and after notice and an opportunity to be heard, levy reasonable fines for violations of the Declaration, Bylaws and any rules and regulations of the Association;
- (f) adopt and publish rules and regulations governing the use of property for which the Association is responsible (i.e., the roads); and,
- (g) exercise for the Association all powers, duties and authority vested in or delegated to the Association, except those expressly reserved to the Members, for the management and operation of the Association.

Section 7.02 Duties. It shall be the duty of the Board of Directors to:

(a) keep a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting of the Members when such a statement is requested in writing by fifty-one (51%) percent of the full membership;

(b) supervise all officers, agents and employees of the Association, and to see that their duties are properly performed;

(c) as more fully described herein to:

(1) fix the amount of the annual assessment against each lot as soon as may be practicable after the beginning of the calendar year and in any event at least thirty (30) days in advance of each assessment period;

(2) send written notice of each annual assessment to every Member subject to the assessment at least thirty days in advance of such assessments due date, and of each special assessment, at least forty-five (45) days in advance of the due date; and

(3) foreclose the lien against a Tract if the Member owning the Tract has not paid any assessment or charge on the lot within such time as the Board of Directors may determine, or bring an action at law against the Member personally obligated to pay the same;

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

(e) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(f) procure and maintain adequate liability and hazard insurance on property owned by the Association or for which the Association is responsible; and

(g) cause the road and any property of the Association or for which the Association is responsible to be properly maintained.

ARTICLE VIII

Officers

Section 8.01 Officers. The Officers of the Association shall be a President and Vice President, who at all times shall be members of the Board of Directors, a Secretary and a Treasurer; and such other officers as the Board may from time to time by resolution create. Any person may hold two or more offices.

Section 8.02 Compensation. No Officer shall receive compensation for any service he or she may render to the Association. However, any Officer may be reimbursed for his or her actual expenses incurred in the performance of his or her duties.

Section 8.03 Election and Term of Office. The Officers of the Association shall be elected annually by the Board of Directors at the regular annual meeting of the Board of Directors. Each Officer shall hold office until his or her successor shall have been duly elected and shall have qualified or until his or her death or until he or she shall resign or shall have been removed in the manner hereinafter provided. Any Officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever, in its judgment, the best interests of the Association would be served thereby. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term at any meeting of the Board. The officers shall be chosen by a majority vote of the Directors.

Section 8.04 President. The President shall preside at all meetings of the Members and Directors. He or she shall have general and active management of the business of the Association and shall see that all orders and resolutions of the Board of Directors are carried into effect, subject, however, to the right of the Board of Directors by resolution to delegate any specific powers (other than those which may be by statute exclusively conferred upon the President), to any other Officer, Director or agent of the Association. The President shall, on behalf of the Association and as authorized by the Board of Directors, execute all deeds, notes, bonds, mortgages, contracts and other instruments in writing, except where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other Officer or agent of the Association.

Section 8.05 Vice President. The Vice President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President and shall perform such other duties and have such other powers as the Board of Directors or the President may from time to time prescribe.

Section 8.06 The Secretary. The Secretary shall attend all meetings of the Members and of the Board of Directors and shall record all of the proceedings of such meetings in minute books kept for that purpose. He or she is authorized to affix the seal of the Association to all instruments requiring it. He or she shall have charge of the Association's records. He or she shall give or cause to be given proper notice of all meetings of Members and Directors as required by law and the Bylaws, and shall perform such other duties as may from time to time be prescribed by the Board of Directors or the President.

Section 8.07 The Treasurer. The Treasurer shall have the custody of the Association's funds, and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association, and shall deposit all monies and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board of Directors. He or she shall disburse the funds of the Association as may be ordered by the Board; provided, however, that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board. The Treasurer shall take proper vouchers for such disbursements, and shall render to the President and Directors at the regular meetings of the Board, or whenever they may require it, an account of all his transactions as Treasurer, and of the financial conditions of the Association.

The Treasurer shall prepare an annual budget and an annual balance sheet statement and the budget and balance sheet statement shall be presented to the membership at its Annual Meeting.

ARTICLE IX
Resignations

Any Director or Officer may resign his or her office at any time, such resignation to be made in writing and to take effect from the time of its receipt by the Association, unless some time be fixed in the resignation, and then from that time. The acceptance of a resignation shall not be required to make it effective.

ARTICLE X
Contracts and Loans

Section 10.01 Contracts. The Board of Directors 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 Association, and such authority may be general or confined to specific instances.

Section 10.02 Loans. Subject to the limitations in the Declaration, no loans shall be contracted on behalf of the Association and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

ARTICLE XI
Dealings With Companies in Which Directors
May Have an Interest

Inasmuch as the Directors of this Association are or may be persons of diversified business interests, and are likely to be connected with other businesses with which from time to time the Association may have business dealings, no contract or other transaction between this Association and any other corporation or other entity shall be affected by the fact that Directors of this Association are interested in, or are directors or officers of such other entity.

ARTICLE XII
Miscellaneous Provisions

Section 12.01 Fiscal Year. The fiscal year of the Association shall be determined by the Board of Directors.

Section 12.02 Inspection of Books. The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member.

Section 12.03 Checks and Notes. All checks and drafts on the Association's bank accounts and all bills of exchange and promissory notes, and all acceptances, obligations and other instruments for the payment of money, shall be signed by such Officer or Officers or agent or agents as shall be duly authorized from time to time by the Board of Directors.

Section 12.04 Seal. The Association may have a seal inscribed with the name of the Association and its state of incorporation.

ARTICLE XIII
Indemnification

Section 13.01 Mandatory Indemnification. The Association shall, to the full extent permitted by The Missouri Nonprofit Corporation Act, indemnify any person who was or is a party or threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she is or was a Director or Officer of the Association or is or was serving at the request of the Association as a Director or Officer of any other corporation or enterprise. Such right of indemnification shall inure to the benefit of the heirs, executors, administrators and personal representatives of such a person.

Section 13.02 Permissive Supplementary Benefits. The Association may, but shall not be required to, supplement the right of indemnification under Section 13.01 by (a) the purchase of insurance on behalf of any one or more of such persons, whether or not the Association would be obligated to indemnify such person under Section 12.01, (b) individual or group indemnification agreements with any one or more of such persons and (c) advances for related expenses of such a person.

Section 13.03 Amendment. This Article XIII may be amended or repealed only by a majority vote of the Members and not by a vote of the Board of Directors.

ARTICLE XIV
Amendments

14.01 Amendment Procedure. These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of the majority of the members present in person or by proxy, provided that those provisions of these Bylaws which are covered by the Articles of Incorporation of the Association may not be amended except as provided in the Articles of Incorporation or by applicable law; and provided further that any matter stated herein to be or which is in fact covered by any indenture or declaration relating to the Property may not be amended except as provided therein.

14.02 Controlling Documents. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between any indenture or declaration relating to the Subdivision and these Bylaws, such indenture or declaration shall apply.

CERTIFICATION

I, the undersigned, do hereby certify that I am the duly elected and acting Secretary of Honeystone Owners Association, a Missouri nonprofit corporation, and that the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 12 day of APRIL, 2003.

In Witness Whereof, I have hereunto subscribed my name this 12 day of APRIL, 2003.



FRANK C. WEBER, Secretary