

BYLAWS
OF
SHADOW RIDGE PROPERTY OWNERS ASSOCIATION, INC.

KNOW BY ALL THESE PRESENTS:

These Bylaws of the Shadow Ridge Property Owners Association, Inc. (hereinafter "Association") are hereby adopted by the Board of Directors (hereinafter "Board") of the Association, as evidenced by the required signatures below, on the 14th day of May, 2013.

ARTICLE I: NAME OF THE ASSOCIATION

The name of the Association shall be **Shadow Ridge Property Owners Association, Inc.**, and the Association shall be headquartered in Faulkner County, State of Arkansas, as a not-for-profit corporation.

ARTICLE II: DEFINITIONS

For the purposes of these Bylaws, the following definitions shall prevail:

- (1) **Association** shall mean and refer to the Shadow Ridge Property Owners Association, Inc.

- (2) **Board** shall mean and refer to the Board of Directors of the Association, as voted upon by the Members of the Association.
- (3) **Lot** shall mean and refer to any one of the lots shown upon the recorded subdivision plat for the Shadow Ridge Subdivision Phase I as shown on plat of record in Book of Town Plats, Volume K, Page 352, and Shadow Ridge Subdivision Phase II as shown on plat of record in Book of Town Plats, Volume K, Page 353, as shown in the real estate records of Faulkner County, Arkansas.
- (4) **Member** shall mean and refer to the owner of any individual Lot as a voting member of the Association by virtue of the declarations set forth in the Covenants and Restrictions of the Shadow Ridge Subdivision Phase I and II, which are recorded as Document #2009-14774, as amended and corrected, in the real estate records of Faulkner County, Arkansas.
- (5) **Member in Good Standing** shall mean and refer to any Member who is current in his or her payment of dues and/or assessments as levied by the Association.
- (6) **Quorum** shall mean and refer to a number representing fifty percent plus one Member (50% + 1) of the Members in Good Standing for the purposes of voting at any meeting of the Association or for any proposed action to be taken by and on behalf of the Association, either in person or by proxy.
- (7) **Subdivision** shall mean and refer to the Shadow Ridge Subdivision and all Lots collectively included therein, including Lots numbered 7 through 133 in Phase I, Lots numbered 136 through 144 and 146 through 157 in Phase II, and all other lots developed in either Phase I or Phase II in the future.

ARTICLE III: PURPOSE

The stated purposes and functions of the Association are as follows:

- (1) To exercise those powers, duties and obligations set forth in the Covenants and Restrictions of record for the Subdivision, as it currently exists or as it may be amended from time to time;
- (2) To provide for the continued maintenance, preservation, architectural control, repairs and improvements to be made to Association property;
- (3) To promote the health, safety and general welfare of the Association and its Members by continuing to ensure that the Subdivision remains aesthetically pleasing, secure, and safe, and a general credit to the community;
- (4) To review individual and group actions pertaining to the quality of life in the Association, using these Bylaws and the Covenants and Restrictions of record as guidelines;
- (5) To create and develop such committees and agencies that are reasonably necessary to carry out these purposes and functions;
- (6) To elect the officers, architectural control committee members and any other standing committees; and
- (7) To not act as a developer or assume any responsibilities or previously designated activities and responsibilities of the developer of the Subdivision.

ARTICLE IV: MEMBERSHIP

Membership in the Association shall consist of all Lot owners within the Subdivision, and all Members shall abide by the rules and regulations established by the Association consistent with the purposes and functions set forth in Article III hereinabove.

- (1) **Voting Rights.** The owner of each Lot is considered to be a single Member with one vote being counted per Lot. Regardless of how many persons may own an individual Lot, only one vote per Lot will be permitted for the purpose of authorizing Association actions.
- (2) **Proxies.** A Member is permitted to vote by proxy if unavailable for a meeting. Such proxy must contain the Member's name, address and signature, and must clearly designate how the Member has voted on the issues being put to a vote by the Membership. A proxy vote must be submitted at least two (2) hours prior to the start time of the scheduled meeting to be counted. Proxy votes may be submitted by hand, by regular mail, by email or by facsimile transmission, but in all cases must be either physically or electronically signed by the Member to be counted.
- (3) **Suspension of Voting Rights.** A Member's voting rights may be suspended if his or her dues and/or assessments are not current, and such suspension may only be lifted by payment in full of said obligations to restore the Member to a Good Standing status.

ARTICLE V: DUES AND ASSESSMENTS

- (1) **Dues.** The Board shall designate appropriate annual dues to be paid in a timely manner by each Member, and such recommendation by the Board must be approved by a Quorum of the voting Members in Good Standing, either in person or by proxy, at the annual meeting of the Association. The annual dues as of the adoption of these Bylaws shall be \$150.00 per Lot, but such amount may be amended from time to time pursuant to these Bylaws. It is hereby understood that annual dues are to be used by the Association in a manner that is consistent with the purposes and functions as stated hereinabove.
- (2) **Payment.** The Board shall designate the appropriate method of payment for annual dues and assessments, and the Treasurer of the Association shall be responsible for the collection and deposit of such payments.
- (3) **Non-Payment of Dues or Assessments.** When any Member is in default in the payment of dues, with such default being defined as more than thirty (30) days past the due date designated by the Board, the Board may levy late fees against that Member. Such late fees are to be as follows: \$20.00 per month for each month in default for a maximum of three (3) months. If a Member remains in default for more than three (3) months, then the Association may file a lien against the Lot owned by that Member, and shall be entitled to collect interest at the maximum lawful rate as well as a reasonable attorney's fee and any associated costs of filing the lien.
- (4) **Due Date.** The annual due date for Members to pay dues and remain Members in Good Standing shall be August 1 of each year.

- (5) **Assessments.** From time to time, the Board may levy no more than one (1) special assessment per year against the Members for the purpose of undertaking and paying for special projects that are consistent with the stated purposes and functions of the Association. Such assessments must be approved by a Quorum of the Members in Good Standing at an annual or special meeting to be called in accordance with the terms of these Bylaws.
- (6) **Remedies for Nonpayment.** The Association may recover interest, attorney's fees and costs in any action against any Member for unpaid dues or assessments, and venue for any action shall be the Circuit Court of Faulkner County, Arkansas.

ARTICLE VI: BOARD OF DIRECTORS

- (1) The Association's Board of Directors shall consist of no less than five (5) and as many as thirteen (13) Members in Good Standing, and the Board shall manage and control the business and affairs of the Association. Initially, three (3) Members will serve for a term of two (2) years, and four (4) Members will serve for a term of one (1) year. At the end of the initial term, all new Members will be elected for a two-year term, although initial members and subsequent members are permitted to run for re-election.
- (2) The Association Members shall elect the following officers to the Board of Directors:
- (a) **President** shall preside over Board meetings and shall generally be in charge of the affairs of the Association in its ordinary course of business, and subject to the control of the Board; additionally, the President may make, sign and execute

all relevant instruments and documents on behalf of the Association and do all duties as may be assigned to the President from time to time.

- (b) **Vice President** shall preside over Board meetings in the absence of the President and shall temporarily succeed to the office of President in the event of the President's death, resignation, disqualification, removal or other occurrence that creates a vacancy in the office of President; additionally, the Vice President may have other powers and duties assigned by the Board.
- (c) **Secretary** shall maintain and keep the minutes of Board meetings and all other records of the Association and the Board, and attend to the filing and delivery of notices; additionally, the Secretary may additionally sign Association-related instruments, along with the President and/or Vice President, and shall provide Association Members with reasonable access to the minutes and records of the Board upon request.
- (d) **Treasurer** shall have custody of all funds and securities of the Association and may endorse, on behalf of the Association, all notes, checks or other obligations to be collected by the Association; additionally, the Treasurer shall maintain updated and accurate accountings of the various deposits and expenses of the Association in its regular course of business.
- (e) **Members at Large (three)** shall be voting members of the Board, elected by the Association Members, and may have tasks or duties assigned by the President that are in keeping with the Board's purposes and objectives.

- (3) The Architectural Control Committee (ACC), as provided for by the Covenants and Restrictions for the Subdivision, will consist of the Members at Large, and for any action of the ACC to be authorized a minimum of two (2) votes by the Members at Large shall be required. It shall be the responsibility of the ACC to ensure that Members of the Association comply with the Covenants and Restrictions, and the ACC may meet at its discretion to determine whether to notify the Lot owner in a written notice, delivered by certified mail with return receipt requested, of any violation and request correction within thirty (30) days. Such notice shall be a prerequisite to the Association initiating any lawsuit or similar proceeding against a Lot owner for a violation of the Covenants and Restrictions.
- (4) The Board may designate that certain Members serve on a work committee to ensure that the Association acts consistent with its stated purposes and functions concerning the property and any repairs or improvements to be done thereon.
- (5) A member of the Board of Directors may resign at any time by giving written notice to the Board of Directors. In the event of any vacancies on the Board due to the death, resignation or departure of an officer, then that vacancy may be filled by a majority vote of the remaining members of the Board of Directors, with the new member of the Board being required to serve the remainder of the term.
- (6) A member of the Board of Directors may be removed from office for good cause shown upon the affirmative vote of a majority of the remaining members of the Board of Directors, with the vote of the officer submitted for removal not being counted. Automatic removal of a member of the Board of Directors shall occur if such member is

absent from three (3) consecutive regularly scheduled meetings, and no further action will be necessary to effect such removal.

- (7) The Board of Directors shall not be compensated for their services to the Association but may be reimbursed by the Secretary of the Association for reasonable personal expenses incurred in carrying out Association business. Such reimbursement request shall be made in writing with sufficient documentation to support the request, and must be approved by a majority vote of the Board of Directors.
- (8) Liability of the Board of Directors shall be governed by the Arkansas Non-Profit Corporation Act and each Director shall not be liable for acts on behalf of the Association so long as such acts were performed in good faith and with ordinary care. The Association may, at its option, obtain appropriate liability insurance coverage for the Board of Directors.

ARTICLE VII: MEETINGS

- (1) The Association will conduct one annual meeting for the purpose of electing officers to the Board of Directors. The date, time and place of the annual meeting shall be set by the Board of Directors and notice shall be given in accordance with these Bylaws.
- (2) A general meeting of the Association may be called at any time, with proper notice, by a majority of the Board of Directors.

- (3) A general meeting of the Association may be called by the Board of Directors if at least twenty-five percent (25%) of the Members in Good Standing submit a signed petition requesting such meeting.
- (4) Notice of meetings shall be made in by email or other suitable transmission based upon Membership information maintained by the Secretary of the Association. Notice shall also be conspicuously posted at the entrances to the Subdivision by temporary signage of reasonable size and materials.
- (5) Notice of any meeting shall be given at least fourteen (14) days prior to the designated meeting time and the notice must state the date, time and place of the meeting and be open to the Membership.

ARTICLE VIII: AMENDMENTS

- (1) An amendment to these Bylaws may be proposed by the Board of Directors and voted on at any general meeting, provided that a copy of the proposed amendment has been provided with a notice to the Members as stated in Article VII hereinabove.
- (2) The Bylaws may be amended only after an affirmative vote, for any proposed amendment, by a Quorum of the Members in Good Standing, either in person or by proxy.

ARTICLE IX: COMMITTEES

The Board may, from time to time, appoint such committees as deemed appropriate in carrying out the various functions and purposes of the Association. Committee members shall be limited to Board members and other Association Members and the term of existence for such committee shall be set forth by resolution or shall serve at the direction and discretion of the President.

ARTICLE X: MISCELLANEOUS

(1) The invalidation or voiding of any particular Article or other portion of these Bylaws shall have no effect on the remainder thereof, which shall remain in full force and effect.

(2) The power to alter, amend or repeal the Articles of Incorporation for the Association shall be vested in the Board, and any such action will only be effective upon the unanimous vote of the Board.

(3) The Board shall have no power to contract for any loans on behalf of the Association and no negotiable instruments shall be issued in the name of the Association unless otherwise authorized by the Board. No loans shall be made by the Association to any officer, director, or Member at any time.

(4) These Bylaws and any amendments or alterations thereto may be recorded in the real estate records of Faulkner County, Arkansas, at the option of the Board.

[SPACE INTENTIONALLY LEFT BLANK – SIGNATURES TO FOLLOW]

	<u>Printed Name</u>	<u>Signature</u>
President	<u>Jeremy Duncan</u>	<u>Jeremy Duncan</u>
Vice-President	<u>Lorna E. Speck</u>	<u>Lorna Speck</u>
Secretary	<u>Alicia Jeffers</u>	<u>Alicia Jeffers</u>
Treasurer	<u>Darby Hanson</u>	<u>Darby Hanson</u>
Member at Large	<u>ELMER KUCERA</u>	<u>Elmer Kucera</u>
Member at Large	<u>Madonna Isom</u>	<u>Madonna Isom</u>
Member at Large	<u>De'Andre Jackson</u>	<u>De'Andre Jackson</u>