

BY-LAWS

This document specifies how we govern ourselves. The by-laws were created by the Board of Directors and endorsed by a majority vote of the homeowners of the Condominium Association. It is used in conjunction with the Declaration.

BY-LAWS OF

FORUM WEST CONDOMINIUM SECTION I ASSOCIATION

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BY-LAWS
of
FORUM WEST CONDOMINIUM SECTION I ASSOCIATION
(a condominium unit owners' association)

ARTICLE ONE
MEMBERSHIP, OFFICES, APPLICABILITY, DEFINITIONS

1.1 Name. The name of the Association shall be Forum West Condominium Section I Association ("Association"), which shall be deemed to be the unit owners' association pursuant to the Uniform Condominium Act of the State of Missouri ("Act"), and the "Forum West Condominium Section I Restatement of Declaration" as recorded on _____, _____ in Book _____, Page _____ of the Recorder of Deeds, St. Louis County, Missouri, as may be amended ("Declaration"), and which shall be organized as a nonprofit corporation under Chapter 355, Mo. Rev. Stat., the Nonprofit Corporation Act ("NPCA") of the State of Missouri.

1.2 Membership. The members of the Association shall consist of the Owners of the Condominium in accordance with their Allocated Interests as provided in the Declaration. The membership of each Owner shall terminate when he ceases to be an Owner, and upon the sale, transfer or other disposition of his ownership interest, his membership in the Association shall automatically be transferred to the new Owner succeeding to such ownership interest. As used in these By-Laws, the term "Member" shall mean "Owner" as used in the Declaration.

1.3 Office. The principal office of the Association shall be located within the Condominium, or St. Louis County, as determined by the Board.

1.4 Applicability. The provisions of these By-Laws are applicable to all of the Condominium subjected to the Act and Declaration and to use and occupancy thereof.

1.5 Definitions. The definition of words and terms contained in the Act and Declaration shall apply to these By-Laws.

ARTICLE TWO
ASSOCIATION: MEETINGS, QUORUM, VOTING, PROXIES

2.1 Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or to such other convenient location as may be designated by the Board.

2.2 Annual Meetings. The annual meeting of the Members shall be held in the month of April. At such meeting, the Directors shall be elected by the Members as provided in Article Three. The Members may transact other business at such meetings as may properly come before

them, provided that written notice is given to all Members at least ten (10) days in advance of the meeting.

2.3 Special Meetings. Special meetings of the Association may be called by the President, by resolution of a majority of the Board or upon a petition signed by at least twenty percent (20%) of the total votes of the Association. The notice of any special meeting shall state the date, time, and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

2.4 Notice of Meetings. The Secretary or other officer specified in the By-Laws or by Board resolution shall mail or cause to be delivered to each Member, at his Unit address, a notice of each annual or special meeting of the Association stating the purpose and the time and place where it is to be held. The mailing or delivering of a notice of meeting in the manner provided in this Section shall be considered service of notice. Notices shall be served not less than ten (10) nor more than sixty (60) days before a meeting.

2.5 Waiver of Notice. Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may waive notice in writing, either before or after the meeting. Attendance at a meeting by a Member shall be deemed waiver by such Member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting also shall be deemed waiver of notice of all business transacted at such meeting unless an objection on the basis of lack of proper notice is raised before the business is put to a vote.

2.6 Adjournment of Meetings. If any meeting of the Association cannot be held because a quorum is not present, the Board shall reschedule the meeting. At the rescheduled meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted.

2.7 Voting. Voting by the Members shall be as set forth in the Declaration and as follows:

(a) Multiple Members who own a Unit shall collectively be entitled to one vote, and shall designate one Member to serve as the Designated Voter.

(b) The vote allocated to each Unit shall be cast by the Owner's Designated Voter. If only one of Members who own a Unit is present at a meeting of the Association, that Member is entitled to cast the vote allocated to that Unit. If more than one of the Members are present, the vote allocated to that Unit may be cast only in accordance with the agreement of a majority in interest of the multiple Members. There is a majority agreement if any one of such Members casts the vote allocated to the Unit without protest being made promptly to the person presiding over the meeting by any of the other Members who own the Unit. In the event of such protest, the vote allocated to that Unit shall not be counted.

(c) If a Member is a corporation, any designated officer of such corporation may cast the vote allocated to such Unit. If a Member is a partnership, a designated partner of such partnership may cast the vote allocated to such Unit. The person presiding over the meeting may require reasonable evidence that the person who is voting on behalf of a corporation or partnership is qualified to so vote.

(d) Votes may be cast pursuant to a written proxy specifying the Unit for which it is given, duly executed by the Member who owns said Unit, and filed with the Secretary (or such other officer or agent of the Association as may be designated by the Board) prior to the meeting for which it is to be effective. The proxy holder shall be another Member or the managing agent. Unless otherwise specifically provided in the proxy, a proxy shall be presumed to cover all votes which the Member giving such proxy is entitled to cast, and in the event of any conflict between two or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated as of the same date, both shall be deemed invalid. A "directed proxy" may be used, containing instructions which shall bind the holder as to the casting of the vote. A proxy is void if it is not dated or purports to be revocable without notice. Every proxy shall be revocable and shall automatically cease upon (a) conveyance of any Unit for which it was given, (b) receipt by the Secretary of a written notice of revocation of the proxy or of the death or judicially declared incompetence of a Member who is a natural person, or (c) eleven (11) months from the date of the proxy, unless a shorter period is specified in the proxy.

(e) No vote allocated to a Unit owned by the Association may be cast.

(f) The Unit of any Member who is not in good standing is not eligible for voting purposes, and shall not be counted in determining whether a quorum is present at any meeting.

2.8 Majority. As used in these By-Laws, the term "Majority" shall mean those votes, Members, or other group as the context may indicate totaling more than fifty percent (50%) of the total eligible number.

2.9 Quorum. The presence at the beginning of any duly called meeting, in person or by proxy, of twenty percent (20%) of all the Members in the Association shall constitute a quorum at all meetings of the Association. Any provision in the Declaration concerning quorums is specifically incorporated herein.

2.10 Action by Association. The Association may take action by the affirmative vote of a majority of the Members present at a meeting (in person or by proxy) at which a quorum is present, unless a different percentage is expressly provided by the Act or Governing Documents for specific actions.

ARTICLE THREE
BOARD OF DIRECTORS: NUMBER, MEETINGS

3.1 Governing Body. The affairs of the Association shall be governed by a Board of Directors (hereinafter referred to as "Board"). The Directors shall be qualified as provided in the Act and Declaration.

3.2 Number of Directors. The Board shall consist of five (5) Directors. The number of Directors may be changed by amendment of these By-Laws, provided that the number shall not be less than three (3).

3.3 Nomination of Directors. The Board shall solicit nominations for election to the Board from the Members. Nominations may also be solicited through the newsletter or other written notice, and may be made from the floor at the election.

3.4 Election of Directors. The Directors shall be appointed or elected as provided in Section 6.5 of the Declaration.

3.5 Term of Office of Directors. Directors shall each have terms of three (3) years, which shall be staggered so that the terms of approximately one-third (1/3) of the Directors shall expire each year, and shall hold office until their respective successors have been elected. At the time of adoption of these By-Laws, the Board consists of six (6) Directors. To provide an orderly transition from six (6) to five (5) Directors, the current Directors shall continue to serve the remainder of the terms for which they were previously elected; however, at the first annual meeting to be held after adoption of these By-Laws, one (1) of the current positions on the Board shall not be filled, and one (1) Director shall be elected for a term of three (3) years. Thereafter, one (1) or two (2) Directors (as the case may be) shall be elected for terms of three (3) years at each of the next two annual meetings, to the effect that the Directors shall have staggered three (3) year terms.

3.6 Removal of Directors. At any regular or special meeting of the Association duly called, at which a quorum is present, any one or more of the Directors may be removed, with or without cause, by a two-thirds (2/3) vote of the Members present and entitled to vote at such meeting, and a successor may then and there be elected to fill the vacancy thus created. Any Director who has three (3) unexcused absences from Board meetings within one (1) year or who is delinquent in the payment of an assessment installment for more than thirty (30) days may be removed by a majority vote of the Board, and the Board may appoint a successor to fill the vacancy until the next annual meeting.

3.7 Vacancies. In the event of the death, disability, or resignation of a Director, the Board may declare a vacancy and appoint a successor to fill the vacancy until the next annual meeting, at which time the Members may elect a successor for the remainder of the term.

3.8 Organization Meetings. The first meeting of the Directors following each election shall be held within thirty (30) days thereafter at such time and place as shall be fixed by the Board.

3.9 Regular Meetings. Regular monthly meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Directors, but such meetings shall be held at least quarterly. Directors may participate in a meeting of the Board by means of conference telephone or similar communications equipment, by means of which all persons participating in the meeting can hear each other, and participation pursuant to this Section shall constitute presence in person at such meeting.

3.10 Special Meetings. Special meetings of the Board shall be held when called by notice by the President or by a majority of the Board specifying the time and place of the meeting and the nature of any special business to be considered.

3.11 Notice; Waiver of Notice. Notices of Board meetings shall be given to each Director by personal delivery, mail, or by such other means reasonably expected to communicate such notice promptly, shall specify the time and place of the meeting and, in the case of a special meeting, the nature of any special business to be conducted. The transactions of any meeting of the Board shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes.

3.12 Quorum and Action of Board. A majority of the Directors, present at the beginning of any Board meeting, shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board.

3.13. Conduct of Meetings. The President shall preside over all meetings of the Board, and the Secretary shall keep a minute book of Board meetings, recording all Board resolutions and transactions and proceedings occurring at such meetings.

3.14 Compensation. No Director shall receive any compensation for acting as such. A Director shall be entitled to reimbursement for actual and reasonable expenses incurred on behalf of the Association upon Board approval. Nothing herein shall prohibit the Association from compensating a Director, or any entity with which a Director is affiliated, for services or supplies furnished to the Association in a capacity other than as a Director pursuant to a contract or agreement with the Association, provided that such Director's interest was made known to the Board prior to entering into such contract and that such contract was approved by the Board, excluding the participation and vote of the interested Director.

3.15 Open Meetings; Executive Session. Except as provided herein, all meetings of the Board shall be open to all Members. The Board may designate portions of the meetings for the purpose of participation by the Members. Notwithstanding the foregoing, the President may adjourn

any meeting of the Board and reconvene in executive session, and may exclude persons other than the Directors, to discuss such matters as pending or threatened litigation and personnel matters.

3.16 Executive Committee. The Board may, by resolution, designate an Executive Committee, consisting of the officers specified in Section 5.1 of these By-Laws, to act in the event of an emergency occurring between regular Board meetings. Except as may be limited by such resolution, the Executive Committee shall have and exercise the authority of the Board in the event of an emergency.

3.17 Consent to Corporate Action. If the Directors individually or collectively consent in writing to any action taken or to be taken by the Board, and the number of the Directors constitutes a quorum for such action, such action shall be valid as though it had been authorized at a meeting of the Board. The Secretary shall file such consents with the minutes of the official Board meetings.

ARTICLE FOUR

POWERS AND DUTIES OF THE BOARD

4.1 Authority. The Board shall be responsible for the affairs of the Association and shall have all the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do all acts and things as are not by the Act or Declaration exclusively reserved to be exercised by the Members.

4.2 Administrative Powers and Duties. In addition to the powers and duties imposed by the Act and Declaration, these By-Laws or by any resolution of the Association, the Board shall have the following powers and duties:

(a) To prepare the annual budget as follows:

(1) The Board shall estimate the total amount which it anticipates will be required to pay the Common Expenses during the ensuing calendar year, and the amount of assessments per Unit, and shall furnish a written summary to each Member as to the amount of such estimate, with the particulars therein itemized (including a statement of the late fee and interest to be charged on delinquent accounts) and shall set a date for a meeting of the Members to consider ratification of the budget, with notice as provided in Section 2.4 of these By-Laws. Unless at that meeting a majority of all the Members of the Association reject the proposed budget, the budget shall be considered ratified. In the event the proposed budget is rejected, the periodic budget last ratified by the Members shall be continued until such time as a subsequent budget proposed by the Board is ratified by the Members.

(2) In the event that, at any time during the year, the Board shall determine that its estimate is insufficient to meet current operating expenses, the Board may revise the budget for the balance of the calendar year to such an amount as is actually necessary, or adopt a special

assessment, and said revised budget or special assessment shall be effective as provided in Article IX of the Declaration.

(b) To collect assessments as follows:

(1) Monthly installments shall be due on the first day of each month and if not paid by the tenth (10th) day shall be designated as late and a late charge and interest shall attach. A written notice to the Member shall be provided.

(2) If any monthly installment has not been paid within thirty (30) days of the date due, a second written notice shall be provided.

(3) If any monthly installment has not been paid within sixty (60) days after the due date; and the delinquent Owner has made no arrangements to pay, the Board may authorize the recordation of a Notice of Lien against the Unit and/or initiation of a legal action to collect the debt against the Owner, including:

- a. Past due monthly installments.
- b. Special assessment (if any).
- c. Late charges.
- d. The entire unpaid balance of the annual assessment.
- e. Interest on the delinquent assessment.
- f. Attorney's fees.
- g. Recording costs.

(4) The Board may waive late fees, interest and costs for good cause, and adopt such further Rules to provide for the efficient and effective collection of unpaid assessments.

(c) To provide for the operation, care, maintenance, repair and replacement of the Common Elements consistent with the Community-Wide Standard of the Declaration.

(d) To employ, compensate and terminate such employees as are necessary to carry out the Association's responsibilities and, as reasonable and necessary, to purchase such equipment, supplies, and materials to be used by such personnel in the performance of their duties.

(e) To make or contract for the making of repairs, additions, and improvements to or alterations of the Common Elements in accordance with the Declaration.

(f) To open bank accounts on behalf of the Association and designate the signatories required, to deposit all funds received on behalf of the Association, and to use such funds to operate the Association; provided, that any reserve funds may be deposited in depositories other than banks, in the Board's discretion.

- (g) To make and amend Rules in accordance with the Declaration.
- (h) To arrange or contract for and to pay the cost of all services rendered to the Association or its Members and not chargeable to individual Members.
- (i) To keep books with detailed accounts of the receipts and expenditures affecting the Association and its administration. All books and records shall be kept in accordance with generally accepted accounting practices.
- (j) To make available for inspection by any prospective purchaser of a Unit under contract, any Member, or any holder, insurer or guarantor of a Security Interest on any Unit, current copies of the Governing Documents and all other books, records, and financial statements of the Association.
- (k) To preserve all records for the period of time required by applicable law or regulation.
- (l) To permit utility suppliers and telecommunication service providers to use the Common Elements reasonably necessary to the ongoing operation of the Condominium.
- (m) To establish committees, and to appoint chairs and members thereof, to perform such tasks and to serve for such periods as may be designated by a resolution which shall set forth the committee's duties, powers and duration. Each committee shall operate in accordance with the terms of the Board resolution and with rules adopted by the Board.
- (n) To employ a management agent to perform such duties and services as the Board shall authorize, but the Board may not delegate the approval of budgets and assessments; adoption, amendment or termination of Rules; opening bank accounts or designation of signatories; and enforcement by legal means of any provision of the Act, Declaration or these By-Laws. The Association shall not enter any management agreement unless such agreement contains a right of termination exercisable by the Association, with or without cause and without penalty, upon not more than ninety (90) days written notice.
- (o) To indemnify a current or former Director, officer or committee member of the Association to the extent such indemnity is required by the Act, the NPCA or other Missouri law, or the Governing Documents.
- (p) To assist in the resolution of disputes between and among Members without litigation.
- (r) To arrange for and pay the cost of such accounting, legal or other professional services as may be required or necessary in the best interests of the community as a whole.

4.3 Notice and Opportunity to be Heard. The Association shall have the power, as provided in the Declaration, to impose penalties for any violation of the Declaration and By-Laws. To the extent required by the Declaration, the Board shall comply with the following procedures prior to imposition of penalties:

(a) **Notice.** The Board or its delegate shall serve the alleged violator with written notice describing (1) the nature of the alleged violation, (2) the proposed sanction to be imposed, (3) a period of not less than ten (10) days within which the alleged violator may request a hearing for the Board, and (4) a statement that the proposed sanction shall be imposed as contained in the notice unless a challenge is begun within ten (10) days of the notice. If a timely request for a hearing is not made, the sanction stated in the notice shall be imposed; provided the Board may, but shall not be obligated to, suspend any proposed sanction if the violation is cured within the ten (10) day period. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions of the Declaration or By-Laws by any Person.

(b) **Hearing.** If a hearing is requested within the allotted ten (10) day period, the hearing shall be held before the Board in executive session. The alleged violator shall be afforded a reasonable opportunity to be heard. Prior to the effectiveness of any penalty hereunder, proof of proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, Director or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator or his or her representative appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

(c) **Additional Enforcement Rights.** Notwithstanding anything to the contrary in this Section 4.3, the Board may elect to enforce any provision of the Declaration or By-Laws by abatement, including, but not limited to, towing vehicles that violate any use restriction or Rule, or, following compliance with the dispute resolution procedures set forth in the Declaration, if applicable, commence a suit at law or in equity to enjoin any violation or to recover monetary damages or both, without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the Member or occupant responsible for the violation shall pay all costs, including reasonable attorney's fees actually incurred. Any entry into a Unit for purposes of abatement shall not be deemed as a trespass.

4.4 Board Standards. The Board shall be guided by the following standards:

(a) **Business.** While conducting the Association's business affairs, the Board shall be protected by the business judgment rule. The business judgment rule protects a Director from personal liability so long as the party claiming liability does not prove that the Director failed to (1) act within his or her authority, (2) serve in a manner the Director believes to be in the best interests of the Association and its members, (3) serve in good faith, or (4) act with such care as an ordinarily prudent person in a like position would use under similar circumstances.

(b) Governance. In conducting its governance functions, the Board's decisions and actions shall be governed and tested by the rule of reasonableness. The Board shall exercise its power in a fair and nondiscriminatory manner and shall adhere to the procedures established in the Governing Documents.

(c) Operations. Operational standards of the Board and any committee appointed by the Board shall be the requirements set forth in the Governing Documents or the minimum standards which the Board may establish. Operational standards may evolve as the needs and demands of the Condominium and the Association change over time.

ARTICLE FIVE **OFFICERS**

5.1 Designation. The officers of the Association shall be a President, Secretary, and Treasurer, all of whom shall be elected by the Board. The Board may elect such other officers, including a Vice-President, one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board. Any two or more offices may be held by the same person, excepting the offices of President and Secretary. The President, Secretary and Treasurer, and Vice-President (if any), shall be elected from among the Directors.

5.2 Election, Term of Office and Vacancies. The officers of the Association shall be elected annually by the Board at the first meeting of the Board following each annual election.

5.3 Removal and Vacancies. The Board may remove any officer whenever in its judgment the best interests of the Association will be served, and may fill any vacancy in any office arising because of death, resignation, removal, or otherwise, for the unexpired portion of the term.

5.4 Powers and Duties. The officers of the Board shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time be specifically conferred or imposed by the Board. The President shall be the chief executive officer of the Association. The Secretary or Association manager shall keep all official records and minutes of the Board and Association and provide all required notices. The Treasurer shall maintain all financial records and prepare the budget.

5.5 Resignation. Any officer may resign at any time by giving written notice to the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, acceptance of such resignation shall not be necessary to make it effective.

5.6 Agreements, Contracts, Deeds, Leases, Checks. All agreements, contracts, deeds, leases, checks and other instruments of the Association approved by the Board shall be executed by the President or, in the absence of the President, any officer or such other person or person as may

be designated by resolution of the Board; provided, however, in the event of an emergency, the President shall have such authority as reasonably necessary under the circumstances to act on behalf of the Association.

5.7 Certification. The President, Vice President, Secretary and Treasurer, in said order, shall be authorized to prepare, execute and record amendments to the Declaration and other instruments on behalf of the Association, and the Corporate Secretary shall be authorized to certify any instrument or document requiring certification.

5.8 Compensation. Compensation of officers shall be subject to the same limitations as compensation of Directors under Section 3.14 of these By-Laws.

ARTICLE SIX

INSURANCE: DAMAGE OR DESTRUCTION

The Board, to the extent reasonably available, shall obtain and maintain insurance in compliance with Section 448.3-113 of the Act, as follows:

6.1 Property Insurance.

(a) **Property insurance covering.** The Units, Limited Common Elements and Common Elements of the Condominium (excluding land and excavations).

(b) **Amounts.** The Condominium shall be insured for an amount equal to the full insurable replacement cost. Personal property owned by the Association shall be insured for an amount equal to its replacement cost.

(1) The Board is authorized to obtain appraisals periodically for the purpose of establishing said replacement cost of the project facilities and the replacement cost of the personal property, and the cost of such appraisals shall be a Common Expense.

(2) The deductible shall be in such amount as the Board may deem reasonable under the circumstances, and may be allocated in such manner as the Board may determine pursuant to its rulemaking authority.

(c) **Risks Insured Against.** The insurance shall afford protection against perils, as broadly as reasonably available, including earthquake, under coverage currently known as "special form" or "special causes of loss."

(d) **Other Provisions.** Insurance policies required by this Section shall provide that:

(1) The insurer waives the right to subrogation under the policy against an Owner or member of the household of all Owner (excepting tenants not related to the Owner);

(2) An act or omission by an Owner, unless acting within the scope of the Owner's authority on behalf of the Association, will not void the policy or be a condition to recovery under the policy.

(3) If, at the time of a loss under the policy, there is other insurance in the name of an Owner covering the same risk covered by the policy, the Association's policy provides primary insurance.

(4) Loss must be adjusted with the Association.

(5) Any loss covered by the property policy shall be adjusted with the Association, but the insurance proceeds shall be paid to any insurance trustee designated in the policy for that purpose, and in the absence of such designation to the Association, and not to any mortgagee or beneficiary under a deed of trust. The insurance proceeds shall be held in trust for each Owner and lienholders as their interests may appear, and applied pursuant to Section 448.3-113.5 of the Act.

(6) The insurer may not cancel or refuse to renew the policy until thirty (30) days after notice of the proposed cancellation or non-renewal has been mailed to the Association.

(7) The name of the insured shall be the Association.

6.2 Liability Insurance. Liability insurance shall be provided in an amount determined by the Board but in no event less than \$1,000,000.00, covering all occurrences commonly insured against for death, bodily injury, property damage and personal injury arising out of or in connection with the use, ownership or maintenance of the Common Elements, and the activities of the Association. Medical payments coverage shall not be required.

Other provisions. Insurance policies carried pursuant to this Section shall provide that:

(a) Each Owner is an additional insured under the policy with respect to liability arising out of the interest of the Owner in the Common Elements or membership in the Association.

(b) The insurer waives the right to subrogation under the policy against an Owner or member of the household of an Owner (excepting tenants not related to the Owner).

(c) An act or omission by an Owner, unless acting within the scope of the Owner's authority on behalf of the Association, will not void the policy or be a condition to recovery under the policy.

(d) If, at the time of a loss under the policy, there is other insurance in the name of an Owner covering the same risk covered by the policy, the Association's policy provides primary insurance.

(e) The insurer issuing the policy may not cancel or refuse to renew it until thirty (30) days after notice of the proposed cancellation or non-renewal has been mailed to the Association.

6.3 Fidelity Insurance. A blanket fidelity bond or insurance is required for anyone who either handles or is responsible for funds held or administered by the Association, whether or not he receives compensation for his services. The bond or insurance shall name the Association as obligee and it shall cover the maximum funds that will be in the custody of the Association or the manager at any time while the bond or insurance is in force in the sum of three (3) months' assessments plus reserve fund. The cost of premiums for such blanket bond or insurance shall be paid out of Association funds as a Common Expense and shall not be borne by the individual members of the Board.

6.4 Owner Policies. Each Owner shall obtain property and liability insurance for his or her own benefit. Property insurance should include the additional cost of any improvements added by current or prior Owners, and all personal property owned by Owners and their families. The Board may adopt such rules as it deems reasonable to foster appropriate property insurance coverage, including by way of example, coverages under Owners' personal policies to coordinate with the Association's policy, such as allocation of deductibles, and procedures for property insurance claims. The Board may require that evidence of current insurance be furnished by each Owner to the Board and that all leases require insurance satisfying this Section 6.4 and that evidence of current insurance be furnished to the Board.

6.5 Workers' Compensation Insurance. The Board shall obtain and maintain Workers' Compensation Insurance if employees are hired or if contractors are hired who do not maintain their own policy.

6.6 Directors' and Officers' Liability Insurance. The Board shall obtain and maintain directors' and officers' liability insurance covering all of the Directors and Officers of the Association in such limits as the Board may, from time to time, determine.

6.7 Automobile Liability Insurance. The Board may obtain and maintain insurance coverage for employer's non-owned automobile liability.

6.8 Other Insurance. The Association may carry other insurance which the Board considers appropriate to protect the Association or the Owners' interests in the Condominium.

6.9 Reconstruction. Any portion of the Condominium for which insurance is required under Section 448.3-113 of the Act which is damaged or destroyed shall be repaired or replaced promptly by the Association unless (a) the Condominium is terminated, (b) repair or replacement would be illegal under any state or local health or safety statute or ordinance, or (c) eighty percent (80%) of the Owners, including every Owner of a Unit or assigned Limited Common Element which will not be rebuilt, vote not to rebuild. The cost of repair or replacement in excess of insurance proceeds and reserves is a Common Expense. If the entire Condominium is not repaired or replaced, (i) the insurance proceeds attributable to the damaged common elements shall be used to restore the damaged area to a condition compatible with the remainder of the condominium, (ii) the insurance proceeds attributable to units and limited common elements which are not rebuilt shall be distributed to the owners of those units and the owners of the units to which those Limited Common Elements were allocated, and (iii) the remainder of the proceeds shall be distributed to all the Owners or lienholders, as their interests may appear, in proportion to the Common Element interests of all Units. If the Owners vote not to rebuild any Unit, that Unit's Allocated Interests are automatically reallocated upon the vote as if the Unit had been condemned under subsection 1 of Section 448.1-107 of the Act, and the Association shall promptly prepare, execute, and record an amendment to the Declaration reflecting the reallocations. Notwithstanding the provisions of this Section 6.10, Section 448.2-118 of the Act governs the distribution of insurance proceeds if the Condominium is terminated.

6.10 Plans. The Property must be repaired and restored in accordance with either the original plans and specifications or other plans and specifications which have been approved by the Board and a majority of all the Owners. Any Owner, at his sole expense, may make any alterations or improvements to his Unit as permitted in accordance with Section 448.2-111 of the Act.

6.11 Insurance Proceeds. The insurance Trustee, or if there is no insurance trustee, then the Board, shall hold any insurance proceeds in trust for the Association, Owners and lien holders as their interests may appear. The proceeds shall be disbursed first for the repair or restoration of the damaged portions of the Condominium. The Association, Owners and lien holders are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the Condominium has been completely repaired or restored, or the Condominium is terminated.

6.12 Termination. Notwithstanding anything to the contrary in Section 6.12, in the event of termination of the Condominium in connection with a decision not to rebuild, the insurance proceeds may first be applied to removal of all debris, and the balance of the proceeds shall be governed by Section 448.2-118 of the Act.

6.13 Certificates by the Executive Board. The insurance Trustee, if any, may rely on the following certifications in writing made by the Board:

- (a) Whether or not damaged or destroyed Property is to be repaired or restored;

(b) The amount or amounts to be paid for repairs or restoration and the names and addresses of the parties to whom such amounts are to be paid.

6.14 Certificates by Attorneys. Title insurance companies or if payments are to be made to Owners or mortgagees, the Board, and the Trustee, if any, shall obtain and may rely on a title insurance company or attorney's title certificate of title or a title insurance policy based on a search of the Records of the County of St. Louis from the date of recording of the original Declaration stating the names of the Owners and the mortgagees.

ARTICLE SEVEN MISCELLANEOUS

7.1 Fiscal Year. The fiscal year of the Association shall be a calendar year unless otherwise set by resolution of the Board.

7.2 Parliamentary Rules. Except as may be modified by Board resolution establishing modified procedures, *Robert's Rules of Order* (current edition) shall govern the conduct of Association proceedings when not in conflict with Missouri law or the Documents.

7.3 Conflict of Law. In the event of conflict between Missouri law, Articles of Incorporation, Declaration and these By-Laws, the provisions of Missouri law, the Declaration, the Articles of Incorporation, and the By-Laws (in that order) shall control.

7.4 Books and Records.

(a) **Records.** The Association shall maintain all records appropriate for entities of similar nature in accordance with generally acceptable accounting practices.

(b) Inspection by Members.

(1) The membership register, books of account, and minutes of meetings of Members, the Board, and committees shall be made available for inspection and copying by any Member of the Association or by his or her duly appointed representative at any reasonable time and for a purpose reasonably related to his or her interest as a Member at the office of the Association or at such other place as the Board shall prescribe.

(2) **Rules for Inspection.** The Board shall establish reasonable rules with respect to notice to be given to the custodian of the records by the Member desiring to make the inspection, and payment of the cost of reproducing copies of documents requested by a member.

(3) Every Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a Director includes the right to make extracts and copies of documents at the expense of the Association.

(c) **Accounting.** A financial review or audit of the accounts of the Association shall be made annually in compliance with generally accepted accounting practices for entities such as the Association.

7.5 Notices. Unless otherwise provided in these By-Laws, all notices, demands, bills, statements, or other communications under these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by first class U.S. mail, postage prepaid:

(a) to a Member, at the address which the member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Unit of such Owner; or

(b) to the Association, the Board, or the Managing Agent, at the principal office of the Association or the Managing Agent, if any, or at such other address as shall be designated by the notice in writing to the owners pursuant to this Section.

7.6 Amendment. These By-Laws may be amended only as provided in Section 14.5 of the Declaration.

7.7 Financial Review. A review of the accounts of the Association shall be made annually in the manner as the Board may decide; provided, however, after having received the Board's review at the annual meeting, the Members, by resolution, may require that the accounts of the Association be audited as a Common Expense by a certified public accountant.

7.8 Applicability. These By-Laws shall be effective upon adoption by a majority of the Members of the Association.

CERTIFICATION

We, the undersigned, being the President and Secretary of the Board of Directors of Forum West Condominium Section I Association, a Missouri nonprofit corporation, do hereby certify that the foregoing By-Laws constitute the original By-Laws of said Association, as duly adopted at a meeting of the Association held on the _____ day of _____, _____.

IN WITNESS WHEREOF, we have hereunto subscribed our names this 22nd day of August, 2000.

FORUM WEST CONDOMINIUM
SECTION I ASSOCIATION,
a Missouri nonprofit corporation

[No Seal]

By: *Dennis A. Nettler*
Its President PRESIDENT, DENNIS A. NETTLER

Attest:

Lewis H. Schaefer
Secretary
LEWIS H. SCHAEFER

Joseph A. Maloney III
TREASURER, JOSEPH A. MALONEY III

Witnessed by:

Barbara A. Muich
Notary Public

**BARBARA A. MUICH
Notary Public-Notary Seal
STATE OF MISSOURI
County of St. Louis
My Commission Expires: Mar. 15, 2001**