

BYLAWS

OF

BRIAR HILL ESTATES HOMEOWNERS ASSOCIATION, INC.

ARTICLE 1

Offices

The principle office of the corporation shall be located at PO Box 954, Crestwood, KY 40014, but may be changed from time to time by resolution of the Board of Directors.

ARTICLE 2

Members

The association shall have one class of members. The membership shall be comprised of the owners of the lots within Briar Hill Estates Subdivision. Each member shall have one vote for each lot owned provided that all association fees have been paid as set forth in the Restrictions of Briar Hill Estates, Briar Hill Estates Section II and those future sections of Briar Hill made a part of this homeowners association (hereinafter referred to as Briar Hill Estates) or amends to thereto or as assessed by the association. A member who owns more than one lot within the development may have the same number of votes as the number of lots owned provided that all association fees are paid for all additional lots from the time of initial ownership of same. In the event a lot is owned by two or more individuals or entities, each shall be members but a single vote of the owners of such lot shall be exercised as the among themselves determine, and in no event shall more than one vote be cast with the respect to any lot owned by several members.

The membership rights (including voting rights) of any members may be suspended by action of the Board of Directors is such members shall have failed to pay any assessment or charge lawfully imposed upon such a member or any property owned by such a member, or if any member shall have violated any rule or regulation promulgated by the Board of Directors regarding the use of any property or conduct with respect thereto.

Annual meetings of the membership shall be held in September of each year commencing in 2004 at such time and place as designated in a notice thereof. The primary purpose of said meeting shall be to elect the directors for the upcoming year. Written notice stating the place, day and hour of the annual meeting and, in the case of a special meeting, the purpose of purposes for which the meeting is called shall be delivered not less than five nor more than twenty days before the date of the meeting, either personally or by mail, by or at the direction of the President, Vice President, Secretary, Treasurer or board member. If mailed such notice shall be deemed to be delivered when deposited in the United States mail addressed to the member at the address as appears on the books of the association, with postage prepaid thereon.

A majority of the voting members (one representative per lot owned and for which association fees are paid) that are present at the meeting shall constitute a quorum. Provided, however that any act of raising the annual association fees or any other action for which the Subdivision Restrictions apply require a 51% vote of that quorum.

ARTICLE 3 Directors

(A) General Powers

The Business and affairs of the corporation shall be managed by the board of Directors. The Board of Directors shall have power to:

- (a) exercise for the Association all powers, duties and authority vested in or delegated to this Association by law or the Declaration of Restrictions and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or by such Declarations;
- (b) employ independent contractors as they deem necessary, and to prescribe their duties;

It shall be the duty of the Board of Directors to:

- (a) keep a correct and complete record of all its corporate affairs, make such records available for inspection by a member or his agent, and present an annual statement thereof to the Members;
- (b) supervise all officers and agents of the Association and see that their duties are properly performed;
- (c) designate depositories for Association funds and designate those officers and/or agents who shall have authority to withdraw funds from such accounts on behalf of the Association, and cause such person to be bond, as it may deem appropriate;
- (d) hold an Association meeting on the proposed annual budget and approve the annual budget;
- (e) annually set the date(s) assessments are due, decide what, if any, interest rate or late fees are to be applied to the assessment which remain unpaid thirty (30) days after they become due;
- (f) send written notice of each assessment to an owner of each lot subject thereto at least thirty (30) days before the due date of the annual assessment;
- (g) record and enforce and liens deemed necessary or prudent;

(h) cause the Common Areas, if any, to be maintained;

(B) Number, tenure, qualifications

The number of directors of the corporation shall be 6, but may be increased or decreased by amendment of this bylaw. The Board of Directors shall be elected at each annual meeting of members. Elections shall be conducted by nominations, received prior to the annual meeting, made from the members entitled to vote with the election to be by secret ballot, unless no more than the number needed to fill the vacancy is/are nominated, in which case the election may be completed by proper acclamation. If no nominations are received for the open Board positions, the Board of Directors may appoint replacement members. The term of the directors shall be for periods of two years. Thereby, at elections every other year there should be three (3) directors departing and three (3) remaining. Terms shall begin October 1, following the annual meeting.

(C) Vacancies

Should a vacancy occur on the board before completion of a term, such vacancy may be filled by the affirmative vote of a majority of the remaining Board of Directors, though less than a quorum. That person will fulfill the remaining terms of the position filled.

(D) Annual Meeting

The meetings of the Board of Directors shall be held with out notice other than this bylaw immediately after the annual meeting of members to elect officers of the corporation for the upcoming year and to address any other business as may properly come before the board. The Board of Directors may provide, by resolution, the time and place, either within or without the Commonwealth of Kentucky, for the holding of additional regular meetings without other notice than such resolution.

(E) Special Meeting

Special meetings of the Board of Directors may be called by or at the request of the President or Vice President, or by a majority of the directors in office. The person or persons authorized to call special meetings of the Board of Directors may chose any place, either within or without the Commonwealth of Kentucky, as the place for holding any special meeting of the Board of Directors called by them.

(F) Notice

Notice of any special meeting shall be given at least five days prior thereto by written notice delivered personally, mailed, or faxed (provided confirmation is obtained that the fax has been received) to each director at his business or other designated address. If mailed, such notice shall be deemed to delivered when deposited in the United States mail in a sealed envelope so addressed, with first class postage thereon prepaid. Any director may waive notice of any meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Any notice required hereunder shall state the time and place of the meeting. Notice of any special meetings shall also state the nature of the business to be conducted.

(G) Quorum

A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, provided that if less than a majority of the directors are present at said meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

(H) Manner of acting

The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

(I) Compensation

No director shall receive compensation for his services as director; however, any reasonable expenses incurred by a director related to his or her duties or responsibilities as such, shall be paid by the corporation; provided that nothing contained herein shall be construed to preclude and director from serving the corporation in any other capacity and receiving compensation therefore. During their time served on the board, Homeowner annual dues will be waived for serving Board members.

(J) Committees

The Board of Directors shall have authority to establish such committees as it may consider necessary or convenient for the conduct of its business. The Board of Directors may establish an executive committee in accordance with and subject to the restrictions set out in the statutes of the Commonwealth of Kentucky.

(K) Informal Action

Any action required or permitted to be taken at a meeting of the Board of Directors, or any action which may be taken at a meeting of the Board of Directors or of a committee, may be taken without a meeting if a consent, in writing, setting forth the action so taken shall be signed by all of the directors, or all members of the committee, as the case may be, and included in minutes or filed with the corporate records. Such the consent shall have the same effect as a unanimous vote.

ARTICLE 4 Officers

(A) Classes

The officers of the Corporation shall be a President, Vice President, a Secretary, a Treasurer, Maintenance Officer and Code Compliance Officer and such other officers whose duties may be fixed from time to time by the Board of Directors and who are to be elected in accordance with the provisions of this article.

(B) Election and terms of officers

Each officer shall hold office until his successor shall have been duly elected and shall have qualified or until his death or until he shall resign or shall have been removed in the manner hereinafter provided. If the election of officers shall not be held at such meeting, such election shall be held soon thereafter as shall be convenient. Vacancies may be filled or new offices created and filled at any meeting of the Board of Directors.

(C) Removal

Any officer elected or appointed by the Board of Directors may be removed by the Board of directors, with or without cause, whenever it its judgment the best interest of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not of itself create contract rights.

(D) Vacancies

Any 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.

(E) President

The President shall be the chief executive officer of the corporation and shall in general supervise and control all of the day-to-day business and affairs of the corporation. The President shall perform all duties incident to the office of

Chairman and such other duties as may be prescribed by the Board of Directors from time to time.

(F) Vice President

The Vice President shall assume the role of President in his absence. The Vice President shall perform all duties as may be prescribed by the Board of directors.

(G) Secretary

The secretary shall (1) keep the minutes of the members' and the Board of Directors' meetings in one or more books provided for that purpose; (2) see that all notices are duly given in accordance with the provisions of these bylaws or as required by law; (3) be custodian of the corporate records; and (4) in general, perform all duties incident to the office of secretary and such other duties as from time to time may be assigned by the President or the Board of Directors.

(H) Treasurer

If required by the Board of directors, the treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties, as the Board of Directors shall determine. The treasurer shall (1) have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for moneys due and payable to the corporation from any source whatsoever and deposit all such moneys in the name of the corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of these bylaws; and (2) in general perform all duties incident to the office of treasurer and such other duties as from time to time may be assigned by the President or by the Board of Directors.

(I) Maintenance Officer

The Maintenance Officer will oversee all changes and improvement as it relate to the areas throughout Briar Hill Estates. To include, entrances and all common areas.

(J) Code Compliance Officer

The CCO shall have a clear understanding of the by-laws, deed restriction and covenants of Briar Hill Estate section. The position shall insure that the deed restriction are current and posted on the web site. Investigate and enforce all complaints that deal with deed restrictions. Submit a first, second and third written notice to each offending homeowner in an effort to correct restriction. Be a focal point, between the developer and homeowners, on any changes of deed restrictions or covenants.

ARTICLE 5
Contracts, Loans, Checks and Deposits

(A) Contracts

The Board of Directors may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver any instruments in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

(B) Loans

No loans shall be contracted on behalf of the corporation, and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

(C) Checks, drafts, orders, ect.

All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation shall be signed by two (2) officers of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

(D) Deposits

All funds from the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

(E) Gifts

Any director or officer may accept on behalf of the corporation any contribution, gift, bequest, or devise for the general purposes of or for any special purpose of the corporation.

(F) Charitable contributions

No officer shall make charitable contributions in the name of, from the funds of, or on behalf of the corporation without prior authorization by the Board of Directors.

ARTICLE 6
Books and Records

The corporation shall keep correct and complete books and records of the account and shall also keep minutes of the proceedings of its meetings and Board of

Directors, and shall keep at the principle office a record giving the names and addresses of the directors entitled to vote. All books and records of the corporation may be inspected by any director, or his agent or attorney, for any proper purpose at any reasonable time.

ARTICLE 7
Fiscal Year

The fiscal year of the corporation shall be January 1st to December 31st. For purpose of dues collections, those in ownership of said lots as of January 1st will be the responsible party for payment of such dues and any subsequent late fees.

ARTICLE 8
Waiver of Notice

Whenever any notice whatever is required to be given under the provisions of the articles incorporation, or under the provisions of the corporation laws of the Commonwealth of Kentucky, waiver thereof in writing, signed by the person, or persons, entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE 9
Amendment of Bylaws

These bylaws may be amended, altered, changed, added to, or repealed by the affirmative vote of a majority of the Board of Directors (no lesser quorum being applicable), if notice of the proposed amendment, alteration, change, addition, or repeal be contained in the notice of the meeting to the Board of Directors.

ARTICLE 10
Indemnification

Each person who is or was a director or officer of the Association, whether elected or appointed, including the heirs executors, administrators, or estate of any such person, shall be indemnified by the Association to the full amount against any liability, and the reasonable cost or expense (including attorney fees, monetary or other judgments, fines and exercise taxes, or penalties and amounts paid or to be paid in settlement) incurred by such person in such person's status as a director or officer or arising out of such persons status as a director or officer; provided, however, no such person shall be indemnified against such liability, cost, or expense incurred in connection with any action, suit, or proceeding (1) in which such person shall be adjudged liable on the basis that personal benefit was improperly received by such person, (2) for any transaction in which the director's personal financial interest is in conflict with the financial interests of the corporation, (3) for acts or omissions not in good faith or which involve

intentional misconduct or which are known by the director to be in violation of the law. Such rights of indemnification shall be a contract right and shall include the right to be paid by the Association the reasonable expenses incurred in defending any threatened or pending action, suit, or proceeding in advance of its final disposition; provided, however that such advance payment of expenses shall be made only after delivery to the Association of an undertaking by or on behalf of such person to repay all amounts advanced if it shall be determined that such person is not entitled to such indemnifications. Any repeal or modification of this article shall not effect any rights or obligations then existing. If any indemnification payment required by this article is not paid by the Association within 90 days after a written claim has been received by the Association, the director or officer may at any time thereafter bring suit against the Association to recover the unpaid amount and if successful in whole or in part, such person shall be entitled to be paid also the expenses of prosecuting such claim. The Association may maintain insurance, at its own expense, to protect itself and any such person against any such liability, cost, expense, whether or not an Association would have the power to indemnify such person against such liability, cost, or expense under the Kentucky Nonprofit Corporation Act or under this article, but shall not be obligated to do so. The indemnification provided by this article shall not be deemed exclusive of any other rights which those seeking indemnification may have or hereafter acquire under any bylaw, agreement, statute, vote of members or Board of Directors, or otherwise. If this article or any portion thereof shall be invalidated on any ground by any court of competent jurisdiction, then the Association shall nevertheless indemnify each such person to the full extent permitted by the applicable portion of this article that shall not have been invalidated or by any other applicable law.

The above bylaws of this corporation were
Revised and Adopted by the Board of Directors on
OCT 20, 2004

Eric Koleka
ERIC KOLEKA, President

ATTEST:

[Signature]
Secretary