

**BY-LAWS OF MORGAN MANOR SUBDIVISION
HOMEOWNERS' ASSOCIATION**

ARTICLE I

General

(A) Description and name

These are the By-Laws for Morgan Manor Subdivision Homeowners' Association, Inc. (hereafter called the "Association"), a Kentucky nonstock, nonprofit corporation, which is composed of every Owner in the Morgan Manor Subdivision as created by the Charles F. Gibson and Lucille M. Gibson Revocable Living Trust dated December 2, 1997. These By-Laws are subject to in the Amended and Restated Covenants and Restrictions for Morgan Manor Subdivision, of record in MC Book 45, Page 802, in the Scott County Clerk's office ("Covenants"). Capitalized terms used herein without definition shall have the meanings ascribed to them in the Covenants.

(B) Purposes of Association

The Association, acting in accordance with the Covenants, the Articles of Incorporation of the Association, and these By-Laws, and through its officers, and through the Board of Directors of the Association, shall govern the affairs of the Subdivision and provide for the harmonious use and occupation thereof.

(C) Fiscal year

The fiscal year of the Association shall be the calendar year.

(D) Members' qualifications

Each Owner shall be a member of the Association. Any person, upon becoming an owner of record, shall automatically become a member of the Association and be subject to these By-Laws, and such membership shall terminate without any formal action by the Association when such person ceases to be an Owner, but such termination shall not relieve or release such former Owner from any liability or obligations incurred or arising during the period of his membership or impair any rights and remedies which the Association or others may have against such former Owner arising out of or connected with the membership by that Owner.

ARTICLE II

Owners

(A) Annual meetings

The initial directors set forth in the Articles of Incorporation shall constitute the initial Board of Directors and shall serve in that capacity until the occurrence of the first annual meeting of the Board of Directors (the "inception meeting"), at which time the Owners may elect new Directors. The initial Board of Directors shall notify the Owners of the time and place of the inception meeting.

Thereafter, the annual meeting of Owners shall be held on the anniversary of the inception meeting, or on such other date as the Board of Directors shall designate. At such meetings, the Board of Directors shall be elected by the Owners in accordance with the provisions of these By-Laws. The Owners may transact such other business at such meetings as may properly come before them.

(B) Place of meetings

Meetings of the Owners shall be held at a place reasonably convenient to the Owners as may be designated by the Board of Directors.

(C) Special meetings

The President of the Association shall call a special meeting of the Owners if so directed by resolution of the Board of Directors or upon a petition signed by Owners of 50% or more of the Lots and presented to the Secretary of the Association, or as otherwise may be required under these By-Laws or the Covenants. The notice of any special meeting shall state the 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.

(D) Notice of meetings

An officer of the Board of Directors shall personally deliver or mail to each Owner at the address of the Owner a notice of each annual meeting and of each special meeting of the Owners, at least ten (10) but not more than thirty (30) days prior to such meeting, stating the purpose thereof as well as the time and place where it is to be held. The mailing of a notice of meeting in the manner provided in this section shall be considered service of notice. Any Owner may waive notice of any and all meetings in writing before or after a meeting, and such waiver shall be deemed equivalent to the giving of notice. An Owner's attendance at a meeting without objection to such Owner's not having received proper notice of the meeting shall be deemed a waiver of the right to receive notice of that meeting.

(E) One vote per Lot / Proxies

Each Lot is entitled to one vote, and one Owner shall be the designated voter, regardless of the number of Owners of the Lot. Votes may be cast in person or by proxy. A proxy may be made by any person entitled to vote and shall be valid only for the particular meeting designated in the proxy and must be filed with the Secretary in a form acceptable to the Secretary before the appointed time of the meeting (except, in the case of a meeting which is adjourned, before the appointed time of the continuation meeting held pursuant to the adjournment).

(F) Quorum

At all meetings of the Owners, the vote in person or by proxy of Lots representing greater than thirty (30%) percent of the total Lots in the Subdivision shall constitute a quorum.

(G) Action by Owners

Except where a higher percentage is required by the express provisions of the Association Documents, the Owners, when acting at a meeting, shall act only by a vote at any meeting of the Owners at which a quorum is present.

(H) Informal action by Owners

Any action required or permitted to be taken at any meeting of the Owners may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by the designated voters entitled to vote with respect to the subject matter thereof.

ARTICLE III

Board of Directors

(A) Number and Qualification

The management of the Subdivision shall be under the exclusive control and direction of a Board of Directors appointed entirely by the Developer or the nominee of Developer until the inception meeting. Thereafter, the Board of Directors of the Association shall be composed of three or five members (each sometimes referred to hereinafter individually as a "Director" and collectively, the "Directors") nominated and elected by the Owners, with the exact number of Directors to be determined by the Owners at each annual meeting of the Association. All Directors shall be Owners or the spouses of Owners; or, in the case of entity Owners, members or employees of such entity. Any Director who ceases to be associated with a Lot owned in one of the above-enumerated capacities shall so notify the Secretary of the Association and shall be deemed to have resigned as of the date of such notice. Any vacancy on the Board of Directors shall be filled by a substitute Director nominated and elected by the remaining Directors and shall serve until the next meeting of the Owners wherein a successor is duly elected.

(B) Powers and duties

The Board of Directors shall have the powers and duties necessary for administration of the affairs of the Subdivision and may do all such acts and things except as by law or pursuant to the provisions of the Association Documents may not be delegated to the Board of Directors by the Owners. All of the powers and duties of the Association existing under the Association Documents shall be exercised exclusively by the Board of Directors acting on its own behalf or officers of the Association elected by it, or any managing agent. Such powers and duties of the Board of Directors shall include, but shall not be limited to, the following:

- (1) Operation, care, upkeep, and maintenance of the Common Areas;
 - (2) Determination of the common expenses required for the affairs of the Subdivision or Association, including, without limitation, operation and maintenance of the Common Areas;
 - (3) Collection of assessments from the Owners;
 - (4) Hiring and dismissal of the personnel necessary for the maintenance and operation of the Common Areas;
 - (5) Adoption and amendment of Rules and Regulations covering the details of the operation and use of the Subdivision;
 - (6) Opening of bank accounts on behalf of the Association and designating the signatories required therefor;
 - (7) Purchasing of Lots at foreclosure or other judicial sales in the name of the Board of Directors, or its designee, corporate or otherwise, on behalf of all Owners;
 - (8) Obtaining insurance for Common Areas, the Association or Board of Directors;
 - (9) Making of repairs, additions, and improvements to or alterations of the Common Areas, including after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings;
 - (10) Enforcing the remedies available against Owners for violation of the provisions of the Association Documents;
 - (11) Controlling the use of all Common Areas, Lots and the Subdivision consistent with the provisions of the Association Documents; and
 - (12) Taking all other necessary and proper actions for the prudent management of the Subdivision and Association and fulfillment of the terms and provisions of the Association Documents.
- (C) Election and term of office

The Directors shall be elected at each annual meeting of the Owners. Directors shall hold office for a term of one year and subsequently until their respective successors shall have been duly elected, or until such Director is removed pursuant to these By-Laws; provided, however, that a Director shall be deemed to have resigned whenever such Director, such Director's spouse, or firm, corporation, or other entity with which he or she is associated, conveys the Lot which qualified such individual to become a Director or terminates such Director's relationship with that Owner which qualified such individual to become a member of the Board of Directors. Except as to vacancies created by removal of Directors by Owners, vacancies in the Board of Directors occurring between annual meetings of Owners shall be filled by vote of the majority of the remaining Directors, whether or not such a majority constitutes a legal quorum of the Board of Directors. If such Directors are unable to agree, such vacancy shall be filled by vote of the Owners at a special meeting called by the President for such purpose.

(D) Removal of Directors

At any regular or special meeting of Owners, any one or more of the Directors may be removed by the Owners with or without cause by a vote of greater than fifty (50%) percent of the Lots in the Subdivision, and a successor or successors shall be elected by them at the same such meeting.

(E) Organization meeting

The initial members of the Board of Directors shall be appointed by the Developer from time to time until the first meeting of the Board of Directors occurring after the inception meeting of the Owners. Such first meeting of the Board of Directors shall be held immediately after the inception meeting of the Owners, and no notice shall be necessary to the newly designated Directors in order legally to constitute such meeting, provided a quorum of the Board of Directors shall be present.

(F) Regular meetings of Directors

Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by the vote of a majority of the Directors. Notice of regular meetings of the Board of Directors shall be given to each Director by mail or e-mail transmission, at least five business days prior to the day named for such meeting.

(G) Special meetings of Directors

Special meetings of the Board of Directors may be called by resolution signed by Owners of Lots representing at least thirty (30%) of the Lots in the Subdivision, on at least ten (10) days' prior notice to each Director given by mail hand-delivery, which notice shall state the time, place (which shall be within a twenty (20) mile radius of the Association), and purpose of the meeting. Special meetings of the Board shall be called by the Secretary in like manner and on like notice on the written request of any two Directors.

(H) Waiver of notice

Any Director may at any time waive notice of any meeting of the Board of Directors in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board of Directors shall constitute a waiver of notice by him or her of the time and place thereof. If all the Directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting which properly may be transacted pursuant to the provisions of the Association Documents and applicable law.

(I) Voting

Each Director shall be entitled to cast one vote at all meetings of the Board of Directors.

(J) Quorum and decision of board

Except as may otherwise be provided in these By-Laws, the presence in person of greater than fifty (50%) percent of the Directors shall constitute a quorum at all meetings of the Board of Directors, and at any meeting of the Board of Directors at which a quorum is present, the vote of greater than fifty (50%) percent in number of the Directors present and voting shall constitute the decision of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, any Director who is present may adjourn the meeting to a later time and place. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

(K) Informal action by Directors

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 the members of the committee, as the case may be. Such consent shall have the same effect as a vote.

(L) Presiding officer at Directors' meetings

The presiding officer of a Directors' meeting shall be the President of the Association, or, if the President is not in attendance, the Vice President. In the absence of the President or Vice President, a majority of the Directors present shall designate one of their number to preside.

(M) Compensation

No Director shall receive any compensation from the Association for acting as such.

(N) Liability of the Directors

The Directors shall not be liable to the Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct, gross negligence, or bad faith. The

Association shall indemnify and hold harmless each of the Directors against all contractual liability to others, and all other loss, claim, cost, and expense (including but not limited to reasonable attorney fees), arising out of contracts made by the Board of Directors on behalf of the Association unless any such contract shall have been made in bad faith, with the cost and expense of any such indemnity to be a common expense of the Association. It is intended that the Directors shall have no personal liability with respect to any contract made by them on behalf of the Association.

(O) Provisions

Every provision contained in this Article III shall be subject to the following provision: Until the first meeting of the Board of Directors held after the inception meeting of the Owners, the Board of Directors shall consist solely of those persons designated by the Developer, and in the event of vacancies (whether created by removal, with or without cause, at the sole option of Developer, or otherwise), the Developer shall appoint Directors to fill the vacancies, which may include representatives of the Developer.

ARTICLE IV

Officers

(A) Designation

The principal officers of the Association shall be the President, the Vice President, the Secretary, and the Treasurer, all of whom shall be elected by vote of the Board of Directors. Officers may serve in more than one capacity.

(B) Election of officers

The officers of the Association shall be elected annually by the Board of Directors at the regular annual meeting of the Board of Directors.

(C) Removal of officers

Upon the affirmative vote of a majority of the Directors, any officer may be removed, either with or without cause, and his successor may be appointed at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose.

(D) President

The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Owners and of the Board of Directors. He shall have all of the general powers and duties which are incident to the office of President of a nonstock, nonprofit corporation, including, but not limited to, the power to appoint committees from among the Owners from time

to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

(E) Vice President

The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other Director to act in the place of the President, on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

(F) Secretary

The Secretary shall keep the minutes of all meetings of the Owners and of the Board of Directors; the Secretary shall have charge of such books and papers as the Board of Directors may direct, and shall, in general, perform all the duties incident to the office of Secretary of a nonstock, nonprofit corporation.

(G) Treasurer

The Treasurer shall have the responsibility for collecting the common charges assessed by the Board of Directors, for assisting the Board of Directors in the preparation of the annual budget and the calculation of the common charges, for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all monies and other valuable property in the name of the Board of Directors, in such depositories as may from time to time be designated by the Board of Directors, and shall, in general, perform all the duties incident to the office of Treasurer of a nonstock, nonprofit corporation.

ARTICLE V

Fiscal Management of the Property

(A) Determination of common expenses and fixing of common charges

The Board of Directors shall from time to time, and at least once each fiscal year, prepare a budget for the Association, determine the amount of the common charges payable by the Owners to meet the common expenses of the Association, and allocate and assess such common charges among the Owners in the same proportion as their respective ownership of the Lots.

The common charges may include, among other things, (i) the cost of all insurance premiums on all policies of insurance obtained by the Board of Directors, (ii) such amounts as the Board of Directors deems proper for the operation and maintenance of the Common Areas and Association, including, without limitation, for payment of accounting, legal, architectural, or other professional or service fees, (iii) an amount for working capital of the Association, (iv) amounts

for a general operating reserve, a reserve fund for replacements, and a reserve fund for capital expenditures, and (v) amounts necessary to make up any deficit in the common expenses for any prior fiscal year. The Board of Directors shall advise all Owners promptly, in writing, of the amount of common charges payable by each of them, respectively, as determined by the Board of Directors as aforesaid and shall furnish to any Owner who requests the same, in writing, copies of each budget on which such common charges are based.

(B) Assessments and special assessments

Assessments against the Owners for their shares of the items of the budget shall be made each year. Such assessment shall be due in twelve (12) equal payments on the first day of each month of said fiscal year. If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior assessment and monthly installments on such assessments shall be due upon each installment payment date until changed by an amended assessment. Should the annual assessment prove to be insufficient to meet either current expenses or the cost of deferred maintenance or capital expenditures, the budget and assessments may be amended at any time by the Board of Directors or by special assessment applicable to all Owners. In the event the Association incurs an expense or charge that benefits, or is incurred as a result of, only one or a small portion of the Owners, the Board may issue a special assessment only against the Owner or Owners benefitted or responsible for the charge or expense. Special assessments shall be paid either in equal payments on the payment dates of the annual assessment during the remainder of that calendar year, or as otherwise directed by the Board. The first payment of a monthly installment by an Owner shall be due on the date of delivery of his deed, and shall be equal to that proportion of the installment payment for the month in which delivery of his deed occurs as the period between the date of delivery of his deed and the last day of that month bears to thirty (30) days. The next payment of a monthly installment shall be due on the first monthly installment payment date falling after the date of delivery of his deed.

(C) Acceleration of assessment installments upon default

If payment of an annual or special assessment is more than fifteen (15) days past due, the same shall be a default, and thereupon the Board of Directors may accelerate the remaining installments of the annual or special assessment (and each annual assessment thereafter upon final determination by the Board of Directors thereof, if at or prior to the time of such determination the Owner shall not have cured the default by voluntary payment of all past due assessments) upon notice to the Owner, and thereupon the unpaid balance of the then annual or special assessment shall become due upon the date stated in the notice, but not less than ten (10) days after personal delivery of the notice to the Owner, or not less than twenty (20) days after the mailing of such notice to such Owner by registered or certified mail, whichever shall first occur.

All assessments shall bear interest at the rate of twelve (12%) percent per annum from the date such assessment is due. The Board shall have the right to enforce and collect assessments through legal action as provided in the Covenants.

(D) Depository

The depository of the Association shall be such federally insured bank or banks or federally insured savings and loan associations as shall be designated from time to time by the Board of Directors and in which the monies of the Association shall be deposited.

ARTICLE VI

Miscellaneous

(A) Notices

All notices required to be given to the Board of Directors pursuant to any provision of any of the Association Documents shall be hand-delivered or sent by mail to the Board of Directors in care of the then acting President of the Board. All notices required under the provisions of any of the Association Documents to be given to any Owner shall be in writing and personally delivered or sent by mail to any Lot owned by the Owner, or to such other address as may have been designated by such Owner to the Board of Directors from time to time by notice given to the Board of Directors in accordance with this section. Notice sent by mail shall be deemed received three days after mailing.

(B) Severability

The invalidity of any provision of these By-Laws shall not impair or affect in any manner the validity, enforceability, or effect of any other provision of these By-Laws.

(C) Captions

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of these By-Laws, or the intent of any provision thereof.

(D) Gender; number

The use of the masculine gender in these By-Laws shall be deemed to include the feminine gender, and the use of the singular shall be deemed to include the plural, whenever the context so requires.

(E) Waiver

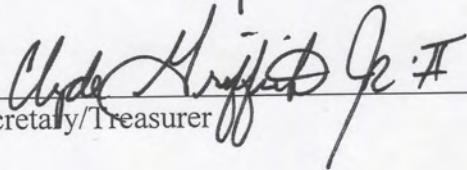
No restriction, condition, obligation, or provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

ARTICLE VII

Amendments to By-Laws

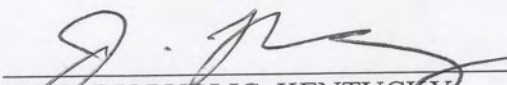
These By-Laws may be modified, amended, or repealed by the vote of the Owners of Lots representing greater than fifty (50%) percent of the total Lots in the Subdivision, at a regular or special meeting of the Owners; provided, however, that until the time the inception meeting of the Owners is held, the By-Laws may be modified, amended, or repealed by the vote of greater than fifty (50%) percent in number of the members of the Board of Directors present and voting at a meeting of the Board of Directors at which a quorum is present.

The foregoing By-Laws were adopted by unanimous consent of the Board of Directors in lieu of an organizational meeting as of this 6th day of July, 2017.

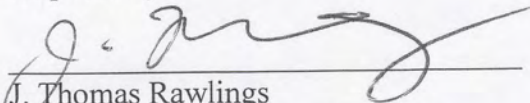

Secretary/Treasurer

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF FAYETTE)

The foregoing instrument was acknowledged before me this the 6th day of July, 2017, by Clyde Griffith Jr. II, Secretary/Treasurer of Morgan Manor Subdivision Homeowners' Association, Inc., a Kentucky non-profit, non-stock corporation, on behalf of said corporation.


NOTARY PUBLIC, KENTUCKY
STATE AT LARGE
My Commission expires: 4-3-18

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