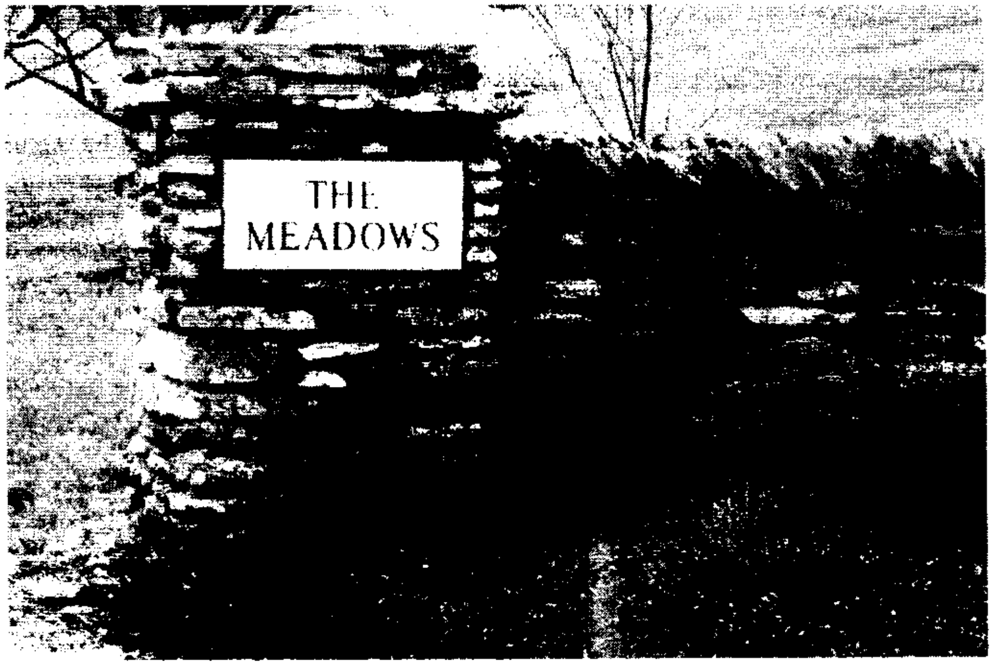

The Meadows

Meadows Neighborhood Homeowners Association, Inc.

BY-LAWS

I. REGULAR MEETINGS

Regular meetings of the members of the Corporation shall be held on the second (2nd) Tuesday of the months of May and November of each year. Notice of the time and place of said regular meetings shall be distributed to all members of the Corporation by the Secretary. At the regular November meeting occurring each year, there shall be an election of directors of the corporation. The names and addresses and any biographical information, if available, of any nominees for directors' positions shall be included in the notice of the election meeting, including a statement that additional nominations can be made from the floor by any active member during the meeting.

II. SPECIAL MEETINGS

Irregular or special meetings of the members of the Corporation shall be called by a majority vote of the Directors of the Corporation or by the President upon the written request of ten (10) percent of the membership. A call of a special meeting shall set forth in writing the purpose or purposes of said meeting, and no other business shall be transacted at any special meeting without the consent of two-thirds (2/3) those members present. A notice of any special meeting shall be distributed to all members of the Corporation by the Secretary of the Corporation, said notice to contain the purpose or purposes of said meeting. The place of said special meeting shall be designated by the Board of Directors if the Board calls the meeting, or by the President of the Corporation if the President calls the meeting, provided, however, that said meeting shall take place within the boundaries of Madison County Kentucky.

III. NOTICES OF MEETINGS

Any notice of any meeting required under these By-laws shall be (1) personally delivered, or (2) placed in the mailbox of, or (3) mailed to, or (4) emailed to, every member of the Corporation in good standing at the time of the notice, at least one week (7 calendar days) in advance of the date of the meeting. If mailed, the notice shall bear proper postage and shall be addressed to the member at his or her address as it appears on the books of the Corporation. Upon the failure of the Secretary to give proper notice of any meeting called, such notice may be given by any member of the Corporation. Notice of any meeting may be waived by unanimous consent of the members in good standing of the Corporation.

IV. MEMBERSHIP

Membership in the Corporation shall be extended to any individual person or family residing or owning real property within the bounds of the Meadows Neighborhood as defined by the Articles of Incorporation upon payment of annual dues. Each lot as described in the Plat of the subdivision shall be entitled to one membership which may be voted only as one vote and not a fractional portion thereof. The payment of dues affords membership in the Association as an active member or member in good standing for the membership year in which the dues are paid. A membership year shall run from January 1 through December 31 of each year. For new members of the corporation who move into the neighborhood following the adoption of these By-laws, payment of dues in proportion to that fraction of the calendar year in which they reside in the neighborhood may be authorized by the Board of Directors. For the purposes of these By-Laws the terms "active member" and "member-in-good-standing" shall be synonymous and shall mean a current dues paying member of the Corporation.

V. QUORUMS

Ten (10) percent of the active membership (also known as the members in good standing), and at least five (5) different active members, shall constitute a quorum for any meeting of the Corporation and a majority of the directors shall constitute a quorum for a Board of Directors meeting, subject only to the provisions of the Articles of Incorporation and the laws of the Commonwealth of Kentucky.

VI. PROXIES

A member of the Corporation may cast his or her vote by proxy and only such persons shall be entitled to vote at a meeting of the members as appear to have been active members on the books of the Corporation due two weeks (14 calendar days) immediately preceding the meeting. Any proxy vote must be authorized by a handwritten statement provided from the proxy giver to the proxy holder authorizing such proxy voting and must be signed by the member in good standing and state the name of the active member to whom said proxy is provided.

VII. VOTING

A majority vote of the active members present, in person or by proxy, shall determine all questions at any membership meeting except in those instances where the manner of procedure is set forth in these By-Laws, the Articles of Incorporation, or the laws of the Commonwealth of Kentucky to the contrary. Any active member may vote on any and all matters at a regular or special membership meeting of the Corporation.

VIII. BOARD OF DIRECTORS

At each regular meeting taking place the second (2nd) Tuesday of November, the active members shall elect at least two directors from the members in good standing to serve a term beginning January 1, the following year. Two directors shall be elected in odd years and three directors shall be elected in even years. The Board of Directors shall be composed of a total of five (5) directors, elected as mentioned, all of whom shall have full standing, rights, and privileges on the Board. The first such election following the adoption of these By-Laws shall take place on the second (2nd) Tuesday of November, 2003, and the Board Members holding the positions of President and Vice-President shall be up for election. However, following each election, the Board shall reconstitute itself with respect to its officer positions as discussed later in these By-Laws. Therefore, the elections are for two or three Board members each year. The following year, 2004, the three individuals not previously subject to re-election or replacement shall be so subject. This sequence shall continue such that terms of office are two (2) years.

IX. DIRECTOR/OFFICER MEETINGS

The Board of directors shall meet quarterly in Madison County Kentucky at a place and hour designated by the President. The Directors shall also meet whenever called together by the President on due notice to each Director. The President shall call all meetings of the Board of Directors and if for any reason he or she shall fail to call a meeting when requested to do so by three (3) or more Directors, or shall fail to call a regular meeting of the Board of Directors, the meeting may be called by any three (3) Directors in the same manner that the President may call a meeting. Notice of any special meeting of the Board of Directors shall be given (1) in writing, (2) or by telephone, (3) or by email, at least two (2) days in advance of such meeting. Such notice shall give the time and place of the meeting, and if mailed, shall be mailed postage prepaid to each director at his or her address as it appears on the books of the Corporation or personally delivered to him or her. Notice of a meeting of the Directors may be waived by all the Directors then existing. The Board of Directors may adopt such rules and regulations for the conduct of its meeting and for the conduct of the business of the Corporation as are consistent with the laws of the Commonwealth of Kentucky, the Articles of Incorporation, or these By-laws.

X. OFFICERS AND BOARD MEMBERSHIP

There shall be a total of five (5) Board members. These members shall determine by majority vote who shall serve in the offices of President, Vice-President, Secretary, Treasurer, and Counsel. In the event of a tie in voting for Board membership, lots shall be drawn to determine the winner. The non-winner shall be designated as an alternate. The alternate is not an officer nor a member of the Board. However, in the event a vacancy occurs on the Board, such alternate shall receive first consideration for appointment by the Board. All Officers shall be voting members of the Board of Directors and shall comprise the entirety of the membership of the Board of Directors and the election of said officers shall take place by the Board at their first meeting following the general election of the Board of Directors. Thus, the membership in good standing shall first vote for what active members they wish to serve as Directors. The Directors shall then elect from their ranks by majority vote the officers to serve in the positions described above in this paragraph. Upon such determination by the Directors of which Directors shall fill which Officer Positions, notice shall be provided in writing to the active membership of the Corporation in the same manner as that provided for notice of meetings. The President shall preside at all meetings of the Board of Directors and-at all membership meetings. In the event of the absence or incapacity of the President, the Vice-President shall act as the President. The Order of Succession shall be President, Vice-President, Secretary, Treasurer, and then lastly, the Counsel. The Secretary shall keep accurate minutes of all meetings of the Board of Directors and of the membership and shall have charge of all correspondence of the Corporation. The Treasurer shall have supervision of all financial records of the Corporation. The Counsel shall conduct research for the Board and the Corporation regarding pertinent laws, policies, precedents, commercial arrangements, etc., and report to the Board or Corporation in order to inform and advise concerning issues relevant to the Corporation. Each of the Officers/Board members shall be elected for a term of two years and shall serve until the expiration of his or her term or until new elections are held. No term limits exist for the Officers/Board Members.

XI. VACANCIES

If a vacancy occurs on the Board of Directors before the expiration of the term, the remaining Board of Directors may fill the vacancy should they so choose, for the unexpired term. Such vacancy filling, if done, shall be done by appointment from the rolls of the active members of the corporation and first consideration must go to any alternate, if existing. Any Board member who fails to attend three consecutive Board meetings without excuse granted by approval of all remaining Board Members shall have said absent member's seat declared vacant.

XII. AMENDMENTS

These By-Laws may be amended by a majority of the active members of the Corporation present at a properly called membership meeting or present by way of proxy at said properly called meeting. However, no amendment to these By-Laws shall be acted upon at any meeting unless the proposed amendment is set forth at length in the notice of such meeting. Any active member desiring to submit an amendment to the By-Laws shall furnish a copy of same to the Secretary of the Corporation in sufficient time to allow him or her to prepare copies of same for submission to the membership with the notice of the meeting of the membership at which such amendment shall be proposed. The Secretary, upon receipt of such proposed amendment shall submit the same to the membership with the notice of said meeting.

XIII. DUES

In accordance with the covenants appearing on the deeds of all lots within the Subdivision, the Board of Directors is authorized to assess reasonable dues upon all persons or entities owning real property within the Meadows Subdivision in accordance with their discretion as officers of the Corporation. However, dues shall be assessed by lot and entitle the owner of such lot to one vote per lot owned (see para. IV.). Such dues shall be neither oppressive nor burdensome but necessary to the functioning of the Corporation and the common wealth of all real property owners in the Meadows Subdivision. The amount of the dues shall be approved by a majority vote of members in good standing who are present in person or in proxy at the regular meeting of the Corporation on the second (2^{nd}) Tuesday in May, 2002. Dues shall be paid within one month, by the second (2^{nd}) Tuesday in June, 2002, payable to the Meadows Neighborhood Homeowners Association, Inc., and delivered to the Corporation's Treasurer. Thereafter, the amount of the dues shall be approved by a majority vote of members in good standing who are present in person or in proxy at the regular meeting of the Corporation on the second (2nd) Tuesday in November of each year, payable to the Meadows Neighborhood Homeowners Association, Inc., and delivered to the Corporation's Treasurer by January 1, of the next calendar year.

XIV. ASSESSMENTS

Assessments may be imposed by the Board upon all persons or entities owning real property within the Meadows Subdivision for the special and non-recurring needs of the Corporation. The amount of the assessments shall be approved by a majority vote of members in good standing who are present in person or in proxy at a regular or special meeting of the Corporation, payable to the Meadows Neighborhood Homeowners Association, Inc., and delivered to the Corporation's Treasurer by a date specified at the meeting as a part of the assessment motion.