

BYLAWS OF
CASTLE GATE VILLAS HOMEOWNERS ASSOCIATION, INC.

ARTICLE I - OFFICE

The principal offices of the corporation shall be located in the County of St. Louis, Missouri. The corporation may have offices at such other places, both within and without the State of Missouri, as the Board of Directors may from time to time designate.

ARTICLE II - SEAL

The corporation is not required to have a seal. If the corporation elects to have a seal, the corporate seal shall have inscribed thereon the name of the corporation.

ARTICLE III - MEMBERS

Section 1 - Number of Members; Voting Rights: The total number of members ("Member" or "Members") shall be equal in number to the total number of lots (the "Lots") of record now or hereafter subject to that certain Declaration of Residential Covenants, Conditions and Restrictions of Castle Gate Villas (the "Declaration"), recorded at Book 347 at Page 56/57 of the Recorder of Deeds, St. Louis Missouri Records wherein Castle Gate Villas Homeowners Association, Inc., a Missouri corporation, is the Declarant (the "Declarant"); the fee owners of each record Lot in Castle Gate Villas Subdivision (the "Subdivision") shall be entitled to one (1) such membership, which membership shall be appurtenant to and in conjunction with the ownership of such Lot(s). If any Lot is owned by more than one (1) person, such owners, collectively, shall be entitled to only one (1) membership per Lot. Any conveyance or change of ownership of any Lot shall carry with it membership in the corporation. No Member shall have a right to convey his or her membership in the corporation except as an incident to the conveyance of ownership of a Lot. Each Member shall be entitled to one (1) vote in all matters which the Board of Directors may be required or may determine to submit to the Members for a vote. In the absence of any such submission of a matter to a vote of the membership, the Members shall have no right to vote.

Section 2 - Annual Meeting. The annual meeting of Members shall be held on the third Monday in January of each year, commencing with the year 1999, for the purpose of transacting such business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday, such meeting shall be held on the next succeeding business day.

Section 3 - Special Meetings. Special meetings of the Members may be called by the President, by the Board of Directors, or by not less than fifty percent (50%) of all the Members of the corporation entitled to vote.

Section 4 - Place of Meeting. The Board of Directors may designate the place for the annual meeting of Members or for any special meeting of Members called by the Board of Directors. The Members may designate any place as the place for holding of such meeting if called by the Members. All such meetings shall be held in St. Louis County, Missouri.

Section 5 - Notice of Meetings. Written or printed notice stating the place, day and hour of the meeting, and, in the case of a Special Meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than fifteen (15) nor more than forty (40) days before the date of the meeting, either personally or by mail, by or at the direction of the President, or the Secretary, or the officer, or

persons calling the meeting, to each Member. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail in a sealed envelope, addressed to the Member at his or her address as it appears in the records of the corporation, with postage thereon prepaid.

Section 6 - Quorum Vote. Forty percent (40%) of the Members represented in person or by proxy, shall constitute a quorum at any meeting of the Members; provided, that if less than a quorum is represented at such meeting, a majority of the Members so represented may adjourn the meeting, from time to time, without further notice, to a date not longer than thirty (30) days from the date originally set for such meeting.

Section 7 - Proxies. At all meetings of Members, a Member may vote by proxy, executed in writing by the Member. Such proxy shall designate the person to whom it is given and shall be filed with the Secretary of the corporation before or at the time of the meeting to which said proxy applies. No proxy shall be valid for more than one (1) meeting and adjournment thereof.

ARTICLE IV - BOARD OF DIRECTORS

Section 1 - General Powers. The business and affairs of the corporation shall be managed by its Board of Directors.

Section 2 - Number, Election and Term. The number of Directors of the corporation shall be three (3), each of whom shall initially be appointed by the Declarant and known as the Original Directors. One (1) Original Director shall be appointed for a three (3) year term, the second Original Director shall be appointed for a four (4) year term, and the third Original Director shall be appointed for a five (5) year term. Upon the expiration of each Original Director's term, a successor Director shall be appointed by the Declarant or elected by the Members, as the case may be, for a three (3) year term. In case of disability, refusal to act, death or resignation of a Director appointed by the Declarant, the Declarant may, in addition, appoint a successor Director for the unexpired term of such Director.

At such time as fifty percent (50%) of the Lots have been sold and transferred of record, the Original Director initially appointed for a three (3) year term or his or her successor shall be replaced by election of the Members; at such time as ninety-five percent (95%) of the Lots have been sold and transferred of record, the Original Director initially appointed for a four (4) year term or his or her successor shall be replaced by election of the Members; and at such time as all of the Lots have been sold and transferred of record, the Original Director initially appointed for a five (5) year term or his or her successor shall be replaced by election of the Members. Whenever replacement by an election is required hereunder, an election shall be held at a meeting of the Members called for that purpose, after notice thereof as herein provided. Elections of Directors other than Directors of the Association to elect a Director for a term of three (3) years upon the expiration of the term of each such Director, so that the term of one such Director shall expire annually. If the record owner of a Lot be a corporation, the President or Vice President of the corporation may designate a person in its behalf as a person eligible for appointment or election as a Director.

Where the provisions of the Declaration cannot be fulfilled by reason of unfilled vacancies among the Directors, the City Council of the City of Olivette, Missouri, may, upon the petition of any Lot owner or resident of the Subdivision, appoint one or more Directors to fill vacancies until such time as Directors are elected in accordance with the Declaration. Any person so appointed who is not a Lot owner or a resident

of the Subdivision shall be allowed a reasonable fee for his or her services by the order of appointment, which fee shall be levied as a special assessment against the property in the Subdivision, and which shall not be subject to any limitation on special assessments contained in the Declaration or elsewhere.

Section 3 - First Meeting of New Board. The first meeting of each newly elected Board of Directors for the purpose of electing officers and transacting such other business as may come before the meeting shall be held immediately after the final adjournment of the annual meeting of the Members. No notice of annual meeting of Directors need be given, provided a quorum shall be present. If, for any reason, such meeting of the Board of Directors is not or cannot be held as herein prescribed, the officers may be elected at any meeting of the Board of Directors thereafter called for such purpose pursuant to these Bylaws.

Section 4 - Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall from time to time be determined by resolution of the Board.

Section 5 - Notice of Regular Meetings. After the time and place of regular meetings shall have been determined, no notice of any regular meetings need be given. Notice of any change in the place of holding any regular meeting or any adjournment of a regular meeting shall be given by mail or telegram, not less than forty-eight (48) hours before any such meeting, to all Directors who were absent at the time such action was taken.

Section 6 - Special Meetings. Special meetings of the Board of Directors for any purpose or purposes may be called by the President on three (3) days' notice to each Director either personally or by mail or by telegram. Upon like notice, the majority of the Directors, shall call a special meeting of the board. Such request shall state the purpose or purposes of the proposed meeting. The officer calling the special meeting may designate the place for holding same.

Section 7 - Waiver of Notice. Any Director may waive notice of any meeting of the Board of Directors by a writing signed by him or her either before or after the time of such meeting. A copy of such waiver shall be entered in the minutes and shall be deemed to be the notice required by law or by these Bylaws. Any Director present in person at any meeting of the Board of Directors shall be deemed to have thereby waived notice of such meeting except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 8 - Informal Meetings. Whenever the vote of Directors at a meeting thereof is required or permitted to be taken in connection with any corporate action by any provisions of the statutes or of the Articles of Incorporation, the meeting, any notice thereof, and vote of Directors thereat may be dispensed with if all the Directors who would have been entitled to vote upon the action if such meeting were held shall consent in writing to such corporate action being taken. Such written consent shall be filed with the minutes of the Board of Directors.

Section 9 - Committees of Directors. The Board of Directors may, by resolution passed by a majority of the whole Board of Directors, designate one or more committees, which committee shall have and may exercise the powers of the Board of Directors in the management of the business and affairs of the corporation to the extent provided by the resolution, and may authorize the seal of the corporation to be affixed to all papers which may require it. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Directors. Each Committee

shall keep regular minutes of its meetings and report the same to the Board of Directors when required.

Section 10 - Organization. The President, and in his or her absence a Vice President, and in the absence of the President and all the Vice Presidents, a Chairman pro tem, chosen by the Directors present shall preside at each meeting of the Board of Directors and shall act as Chairman thereof. The Secretary, and in his or her absence, the Assistant Secretary, and in the absence of the Secretary and Assistant Secretary, a Secretary pro tem, chosen by the Directors present shall act as Secretary of all meetings of the Board of Directors.

Section 11 - Minutes and Statements. The Board of Directors shall cause to be kept a complete record of their meetings and acts, and all of the proceedings of the Members.

Section 12 - Quorum. A majority of the Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors; provided, however, that if less than a majority of Directors is present at any such meeting, a majority of those present may adjourn the meeting and call a further meeting, notice of which shall be governed as provided in Section 5 of Article IV.

Section 13 - Manner of Acting. The act of the majority of the Directors present at a meeting of the Board of Directors at which a quorum is present, shall be the act of the Board of Directors, unless otherwise specifically required.

Section 14 - Vacancies. In the case of the death, resignation or disqualification of any one or more of the Directors, other than Directors appointed by the Declarant, a successor, or successors, shall be elected by the Members at a meeting called for that purpose after notice thereof as herein provided.

Section 15 - Compensation. Directors, as such, shall not receive any compensation for their services; provided, however, that if a Director in his or her capacity as such incurs an expense while acting on behalf of and for the benefit of the corporation, he or she may receive reimbursement for such expense.

ARTICLE V - OFFICERS

Section 1 - Number. The officers of the corporation shall be a President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Secretary, a Treasurer and such other officers and assistant officers at the Board of Directors may from time to time determine. The President shall be chosen from the members of the Board of Directors. The remaining officers of the corporation need not be chosen from the members of the Board, but they may be so chosen. Any two or more offices may be held by the same person, except the offices of President, Vice President and Secretary.

Section 2 - Election and Term of Office. The officers of the corporation shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of the Members. Each officer shall hold office until his or her successor shall have been duly elected and shall have qualified, or until his or her death, resignation or removal. Any officer elected or appointed by the Board of Directors may be removed by said Board of Directors whenever in its judgment the best interest of the corporation would be served thereby.

Section 3 - Vacancy. A 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.

Section 4 - President. The President shall be the principal executive officer of the corporation and shall in general supervise and control all of the business and affairs of the corporation. He or she shall preside at all meetings of the Members and of the Board of Directors. He or she may sign, with the Secretary or Treasurer or any other proper officer thereunto authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in the cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or these Bylaws to some other officer or agent of the corporation, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 5 - Vice President. In the absence of the President or in the event of his or her inability or refusal to act, the Vice President (or in the event there be more than one Vice President, the Vice President in the order of their election) shall perform the duties of the President, and when so acting, shall have the powers of and be subject to all the restrictions upon the President. Any Vice President shall perform such duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

Section 6 - Treasurer. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Directors shall determine. The Declarant or the Board of Directors appointed by Declarant shall not be required to furnish such a bond. He or she shall: (a) have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for monies due and payable to the corporation from any source whatsoever, and deposit all such monies in the name of the corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article VI of these Bylaws; (b) in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

Section 7 - Secretary. The Secretary shall: (a) keep the minutes of the Members and of the Board of Directors meetings in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records; (d) keep a register of the post office address of each Member which shall be furnished to the Secretary by such Member; (e) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

Section 8 - Assistant Treasurers and Assistant Secretaries. The assistant Treasurers shall respectively, if required by the Board of Directors, give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The Declarant or the Board of Directors appointed by Declarant shall not be required to furnish such a bond. The assistant Treasurers and assistant Secretaries, in general, shall perform such duties as shall be assigned to them by the Treasurer or by the Secretary, respectively, or by the President or the Board of Directors.

Section 9 - Compensation. Officers, as such, shall not receive any compensation for their services; provided, however, that if an officer, as such, incurs an expense while acting on behalf and for the benefit of the corporation, he or she may receive reimbursement for such actual expense.

SECTION VI - CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1 - Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

Section 2 - Loans. No loans shall be contracted on behalf of the corporation and no evidences 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.

Section 3 - Checks, Drafts, Etc. 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 such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 4 - Deposits. All funds of 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.

ARTICLE VII - WAIVER OF NOTICE

Whenever any notice whatever is required to be given under the provisions of these Bylaws or under the provisions of the Articles of Incorporation or under the provisions of the General Not-For-Profit Corporation Act of Missouri, 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. Directors may act by the written consent of the majority of them without having held any meeting duly called by notice.

ARTICLE VIII - INDEMNIFICATION

Each person who is or was a director or officer of the corporation or is or was serving at the request of the corporation, as a director or officer of another corporation (including) the heirs, personal representatives, or estate of such person) shall be indemnified by the corporation as a matter of right to the full extent permitted or authorized by the laws of the State of Missouri, as now in effect and as hereafter amended, against any liability, judgment, fine, amount paid in settlement, costs and expenses (including attorneys fees) asserted or threatened against and incurred by such person (including but not limited to, an action by or in the right of the corporation) in his or her capacity as or arising out of his or her status as a director or officer of the corporation or, if serving at the request of the corporation, as a director or officer of another corporation; provided that no such person shall be indemnified if his or her conduct is finally adjudged to have been knowingly fraudulent, deliberately dishonest or willful misconduct or if, with respect to any criminal action or proceeding, he or she had reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person's conduct was knowingly fraudulent, deliberately dishonest, or was willful misconduct, or, with respect to any criminal action or proceeding, that he or she had reasonable cause to believe that his or her conduct was unlawful.

This indemnification provided by this Article VIII shall not be exclusive of any other rights to which those indemnified may be entitled under any other Bylaw provision or under any agreement, the Declaration, vote of disinterested directors or otherwise, and shall not limit in any way any right which the corporation may have to take different or further indemnification with respect to the same or different persons or classes of persons.

Any indemnification provided by this Article VIII shall be made by the corporation unless a determination is reasonably and promptly made that indemnification of the director or officer is not proper in the circumstances because he or she has not satisfied the applicable standard of conduct set forth herein. Such determination shall be made: (1) by the Board of Directors upon a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding; or (2) if such a quorum is not obtainable, or, even if so obtainable, if a majority of directors who were not parties to such action, suit or proceeding so directs, by independent legal counsel in a written opinion.

Expenses incurred by an officer or director of the corporation in defending a civil or criminal action suit or proceeding may be paid by the corporation in advance of the final disposition of such action, suit or proceeding, upon receipt of a written promise by or on behalf of the director or officer to repay such amount in the event it shall ultimately be determined that he or she is not entitled to be indemnified by the corporation as authorized under the provisions of this Article VIII.

The corporation may purchase and maintain insurance on behalf of any person who is or was a director or officer of the corporation, or, if serving at the request of the corporation as a director or officer of another corporation, against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the corporation would have the power to indemnify him or her against such liability under the provisions of this Article VIII.

Notwithstanding any provision of this Article VIII, to the extent that a director or officer of the corporation has been successful on the merits or otherwise (including the dismissal of an action without prejudice or the settlement of any action without admission of liability) in defense of any action, suit or proceeding referred to in this Article VIII, or in defense of any claim, issue or matter therein, he or she shall be indemnified against expenses (including attorneys fees) actually and reasonably incurred by him or her in connection therewith.

To the extent that the foregoing provisions concerning indemnification and liability conflict with any provisions of the Articles of Incorporation, the said Articles shall control.

ARTICLE IX - PURPOSES

This corporation is incorporated and organized for the purpose of performing the duties and functions imposed upon the corporation under the Declaration and shall have all the duties, powers, privileges and immunities conferred or imposed upon the corporation under the Declaration, and all powers necessary and incident thereto, including, but not limited to, the powers of a Missouri Not-for-Profit Corporation.