

**BY-LAWS OF DOE VALLEY ASSOCIATION, INC.
A Private, Non-Stock, Non-Profit Corporation**

**ARTICLE I
NAME AND LOCATION**

The name of the corporation is Doe Valley Association, Inc., hereinafter referred to as DVA. The principal office of the corporation shall be located at 147 Doe Valley Parkway West, Brandenburg, Kentucky 40108. Meetings may be held at such places within the Commonwealth of Kentucky, as may be designated by the Board of Directors.

**ARTICLE II
DEFINITIONS**

SECTION 1. DVA

“DVA” shall mean and refer to Doe Valley Association, Inc, a private, non-stock and non-profit corporation, its successors and/or assigns.

SECTION 2. PROPERTIES

"Properties" shall mean and refer to real property within the portions of Hickory Hills (Section 1), Greenbriar (Section 2), Havenwood (Section 3), Glenoaks (Section 4), Wildflower Ridge (Section 5), Doe Valley Greens (Section 6), Pine Point (Section 7), Audubon Woods (Section 8), Doe Valley Estates (Section 9), Lakeview Condos, Piping Rock Condos or Lakeview Patio Homes.

SECTION 3. SUBDIVISION LOT(S)

A “Subdivision Lot(s)” shall mean any platted lot in the subdivision, including any patio home or condominium unit.

SECTION 4. MEMBER

A “Member” shall be defined to mean the principal adult property owner of any registered subdivision lot, providing such principal adult is the fee owner of record of one or more lots.

SECTION 5. LESSEE

A “Lessee” means a principal adult person who has leased a residential property from a Member. A Lessee shall have all privileges of the Member, provided that the Member surrenders all privileges during the period of the lease. The Member shall notify DVA of the names of the Lessee and resident family, and relinquishes in writing the Member’s privileges of membership during the lease period.

SECTION 6. FACILITIES

The “Facilities” shall consist of Doe Valley Lake, including beaches and various marinas, Doe Valley Golf Course including the golf club house and restaurant, the swim and tennis clubhouse, including tennis courts, playgrounds, swimming pool, the campground, and any areas set aside as parks, all roads, streets, and common areas.

SECTION 7. ASSESSMENTS

“Assessments” are time-limited charges for a specific need of DVA that is a one-time cost, such as redoing the water/sewer system infrastructure.

SECTION 8. DUES

“Dues” are regular re-occurring charges for membership of DVA.

SECTION 9. FEES

“Fees” are a charge assessed for specific services provided. i.e. marina, restaurant, golf.

SECTION 10. FINES

“Fines” are a penalty levied for a specific offense for noncompliance of Rules and Regulations.

SECTION 11. BOARD OF DIRECTORS

The Board of Directors is defined as “Board” within this document.

**ARTICLE III MEETING
OF MEMBERS**

SECTION 1. ANNUAL MEETING

The annual meeting of the Members shall be held on the second Tuesday of each June at the hour of 7 p.m. for the purpose of fiscal reporting, certifying election results and for the transaction of such other 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 secular day. Copies of the most recent fiscal reports should be available for review at the office thirty (30) days prior to annual meeting.

SECTION 2. SPECIAL MEETINGS

Special meeting of the Members may be called by the President of DVA Board of Directors; by the majority of the members of the Board; or by not less than one-fifth (1/5) of all the Members entitled to vote at the meeting.

SECTION 3. PLACE OF MEETING

All annual and special meetings of the Members of DVA shall be held within Meade County, Kentucky at a location selected by the Board of Directors.

SECTION 4. NOTICE OF MEETINGS

(a) Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) not more than fifty (50) days before the secretary, or the officer or persons calling the meeting, to each Member of record entitled to vote at such meeting.

(b) 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 such Member’s address as it appears on the records of DVA, with postage thereon prepaid.

(c) Notice of a meeting, either annual or special, called for the purpose of

electing or removing Directors shall be delivered not less than twenty (20) days before the date of the meeting.

SECTION 5. QUORUM

Ten percent (10%) of the Members entitled to vote, represented in person or by proxy, shall constitute a quorum at any meeting of Members. The Members present at a duly organized meeting can continue to do some business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum.

SECTION 6. VOTING LISTS

The secretary of DVA shall make a complete list of the Members entitled to vote at the meeting. Also, a list of those in arrears printed in alphabetical order and integrated with entitled Member list, with the address of each Member, shall be kept on file at the DVA office and shall be subject to inspection by any Member at any time during usual business hours. Such list shall also be produced and kept on file at the time and place of the meeting and shall be subject to the inspection of any Member during the whole time of the meeting.

SECTION 7. PROXIES

At all meetings of Members, a Member may vote by proxy executed in writing by the Member or by his duly authorized attorney-in-fact. Such proxy shall be filed with the secretary of DVA before or at the time of the meeting. No proxy shall be valid after eleven months from the date of its execution.

SECTION 8. VOTING

(a) Each Member in good standing who is the fee owner of record of a subdivision lot shall be entitled to vote for each subdivision lot so owned upon each matter submitted to a vote. One vote for every lot so owned and billed.

(b) In all elections of Directors, each Member in good standing shall have the right to multiply the number of votes the Member is entitled to cast by the number of Directors to be elected. The product shall be the number of votes cast at such election. Votes may be cast for one candidate for Director, or distribute them among two or more candidates.

ARTICLE IV SELECTION, TERM OF OFFICE, ELECTION BOARD OF DIRECTORS

SECTION 1. NUMBER.

The Directors of DVA shall be elected. The number of Directors for DVA shall be five (5).

SECTION 2. QUALIFICATIONS

- (a) Must be a DVA Member in good standing.
- (b) Have sufficient time to devote to doing the Board's work.
- (c) Comprehend and accept the legal liabilities associated with the actions of the organization.
- (d) Understand and comply with their job as a Board Member.

SECTION 3. TERM OF OFFICE

Each Director shall have a three (3) year term or until the successor shall have been elected and qualified for the office, whichever period is longer.

SECTION 4. REMOVAL FROM BOARD

(a) A member of the Board of Directors may be removed, with or without cause, from office by the affirmative vote of sixty-six and two-thirds percent (66-2/3%) of the DVA at a special meeting of the Members called for such purpose. Said Members will vote for or against removal of each Director separately, and if sixty-six and two-thirds percent (66-2/3%) of DVA Members vote in favor of removal, that Director shall be removed from the Board. Otherwise that Director shall remain on the Board. Votes will be cast for or against removal of each Director whose removal is sought separately in a like manner. Members may vote in person or by proxy executed in writing by the Member or by his duly authorized attorney-in fact. Each proxy shall be filed with the secretary of the DVA before or at the time of the meeting.

(b) A Director may also be removed by the affirmative vote of the majority of the Board of Directors, but only if the Director is absent from more than three (3) consecutive regular Board meetings or more than four (4) regular Board meetings in a calendar year.

SECTION 5. VACANCIES

Any vacancy occurring in the Board will be filled by the affirmative vote of a majority of the remaining Directors though less than a quorum of the Board. A Director elected to fill a vacancy shall be elected for the unexpired term of predecessor in office. Vacancies should be filled in the order of the most recent election results if the candidate is willing.

SECTION 6. COMPENSATION

No Director shall receive compensation for any service rendered to DVA. However, any Director may be reimbursed for actual expenses incurred in the performance of their duties.

SECTION 7. ELECTION PROCESS

(a) Announce Director vacancies in the Doe Valley newsletter and website the month ending March 31st.

(b) Submit self-nomination résumé must be submitted to the office by April 15th.

(c) Mail ballots to all Members at least thirty (30) days prior to the annual meeting date. A self-addressed official return envelope will be included with the ballot. Qualifications of candidates for Director will be sent with the ballot. Ballots may be returned in the official return envelope and must be received in the administrative office not later than two (2) days prior to the date set for the annual meeting.

SECTION 8. ELECTION COMMITTEE

(a) The Board shall appoint an election committee composed of three (3) Members. The three (3) Members shall include one (1) Doe Valley Staff member and two (2) Doe Valley Members in good standing. One (1) Director will be appointed to oversee the activities of the election committee.

(b) The election committee will meet the day prior to the annual meeting and will be provided with an up-to-date Member in good standing list by the Doe Valley Office Staff. The election committee will meet for the purpose of opening, verifying and

counting ballots. Only signed official ballots of Members in good standing will be counted.

(c) Election results will be documented, sealed, and given to the secretary of the Board who will open the envelope and read the results at the annual meeting.

ARTICLE V MEETINGS OF BOARD OF DIRECTORS

SECTION 1. ELECTION OF DIRECTORS

The offices of DVA shall be elected annually by the Board at the first meeting of the Board held after annual meeting of Members. If the election of offices shall not be held at such meeting, such election shall be held as soon thereafter as convenient.

Vacancies may be filled or new offices created and filled at any meeting of the Board. Each officer shall hold office until a successor shall have been duly elected and shall have qualified or until death, resignation, or shall have been removed in the manner hereinafter provided.

SECTION 2. REGULAR MEETINGS

(a) Meetings of the Board and any Committee thereof at which a quorum of the Members of that Committee is present shall be open to all Members.

(b) Board meeting discussions are not open to all Members when the meeting is between the Board and its attorney to discuss proposed or pending litigation or when the contents of the discussion would be governed by the attorney-client privilege.

(c) Any Member may tape record or video tape open meetings of the Board. The right to attend such meetings includes the right to speak at such meetings with reference to all designated agenda items. The DVA may adopt reasonable rules governing the frequency, duration, and manner of Member statements.

(d) Adequate notice of all meetings may be held within this state, which notice shall specifically incorporate identification of agenda items, shall be posted conspicuously within Doe Valley property at least forty-eight (48) hours preceding the meeting, except in an emergency.

(e) Any item not included on the notice may be taken up on an emergency basis by at least a majority plus one (1) of the members of the Board. Such emergency action shall be noticed and ratified at the next regular meeting of the Board.

(f) Written notice of any meeting at which non-emergency special assessments are discussed shall be mailed or sent via modern communications technology to the Members and posted conspicuously within Doe Valley property not less than fourteen (14) days prior the meeting. Evidence of compliance with this fourteen (14) day notice shall be made by an affidavit executed by the person providing the notice and filed among the official records of DVA. The Board shall designate a specific location within the Doe Valley property upon which all notices of Board meetings shall be posted.

(h) Notice of any meeting in which regular assessments against Members are to be considered for any reason shall specifically contain the statement that assessments will be considered and the reason for the nature of the assessment.

SECTION 3. SPECIAL MEETINGS

(a) Special Meetings of the Board may be called by the president or secretary

at the written request of two-fifth (2/5) of the Board.

(b) Notice of the meeting shall be given personally or by mail, telephone, or email. Adequate notice of all special meetings, which notice shall specifically incorporate identification of agenda items, shall be posted conspicuously within Doe Valley property at least forty-eight (48) continuous hours preceding the meeting, except in an emergency.

(c) Any item not included on the notice may be taken up on an emergency basis by at least a majority plus one of the members of the Board. Such emergency action shall be noticed and ratified at the next regular meeting of the Board.

SECTION 4. QUORUM

A quorum at Board meetings shall consist of a majority of the entire Board. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board.

SECTION 5. VOTING OF BOARD

Board members may not vote by proxy or by secret ballot, except a secret ballot may be used when electing officers. However, phone conferencing will be allowed to encourage discussion about a vote.

SECTION 6. MANNER OF ACTING

(a) Roberts Rules of Order will be followed for parliamentary procedures.

(b) Board meetings can be held by conference call or video conference or any other method by which all the participants can simultaneously hear each other to discuss and debate matters before them.

(c) Emails and faxes are suitable substitutes for regular mail in giving notice that a meeting will be held. However, they are not considered suited for the conduct of the deliberative process and debate under parliamentary rules.

(d) Votes after completion of debate may be accepted through modern communications technology.

ARTICLE VI AUTHORITY AND DUTIES OF THE BOARD OF DIRECTORS

SECTION 1. GENERAL POWERS.

The Board of Directors shall have the power and responsibility to:

(a) Conduct the business and affairs of DVA by engaging the services of any persons deemed necessary by the Board, at such compensation deemed reasonable by the Board, in the operation, repair, maintenance and management of the Facilities and DVA property, including the common streets, roads, and passageways of the subdivision to be deeded to DVA, and to remove, at any time, any such personnel with or without cause.

(b) Adopt and publish Rules and Regulations and Policies governing the use of the Properties, T1-T16 Areas, and Facilities within the Doe Valley Community, and the personal conduct of the Members and their guests thereon, and to establish fines or penalties for the infraction thereof.

(c) Suspend the voting rights and right to use the recreational Facilities of a Member during any period in which a Member shall be in default of the payment of any

dues, assessment, fines, or fees levied on such Member. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;

(d) Exercise the powers, duties and authority vested in or delegated to the DVA and not reserved to the membership by other provisions of these Bylaws or the Articles of Incorporation.

(e) Employ a manager, or an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

SECTION 2. ADDITIONAL DUTIES

The Board of Directors shall have the power and responsibility to:

(a) Adopt an annual budget; levy and collect dues for common expenses; collect assessments for special expenses; collect membership fees, assessments, fines and dues; file liens and have the right and power to bring all actions against the owner of the property for the collection of such cost for fees and enforce the above-stated lien; and instead of foreclosure may obtain a personal judgment against property owner.

(1) Fix the amount of the monthly dues against each lot at least sixty (60) days in advance of each fiscal period.

(2) Send written notice of dues to every lot owner subject thereto at least sixty (60) days in advance of fiscal dues period.

(3) File a lien against any property for which assessments are not paid within one hundred twenty (120) days after due date or bring an action at law against the owner personally obligated to pay the same.

(4) Fix the amount of special assessments as required prior to Member vote.

(b) Keep a complete record of all its acts and corporate affairs and present a statement of such to the Members thirty (30) days prior to the annual meeting of the Members. Any special meeting when such statement is requested in writing by one-fifth (1/5) of the Members who are entitled to vote will be provided.

(c) Establish and maintain one or more bank accounts for the deposit of any funds paid to or received by DVA.

(d) Grant permits, licenses, and easements over DVA property for utilities, roads and other purposes necessary for the proper operation of the DVA.

(e) Make arrangements for and pay for out of the general fund, a comprehensive general liability insurance policy or policies insuring DVA against any bodily injury and property damage liability to the public on DVA property, incident to the ownership, operation, maintenance and/or use of DVA property, public ways and any other areas that are owned or are otherwise under the supervision of DVA, and liability related to employment contracts to which DVA is a party.

(f) Make arrangements for and pay for, out of the general fund, fidelity bond(s) covering anyone, including any management agent, who either handles or is responsible for funds held or administered by DVA whether or not such persons receive compensation for their services. Said fidelity bond(s) shall name DVA as an obligee and shall cover the maximum funds that will be in the custody of DVA or its management agent at any time while the bond is in force. The fidelity bond coverage must at least equal the sum of three (3) months' assessments on all lots in the subdivision. Premiums for all fidelity bonds provided for in these By-Laws shall be common expenses.

(g) Make arrangements for any policy of insurance or fidelity bond which shall have a provision requiring ten (10) days' written notice to DVA and any holder of a first

mortgage named in the mortgage clause before the insurance policy or fidelity bond may be cancelled or substantially modified for any reason.

(h) Represent the Members and mortgage holders in the event any of the property held by DVA is to be condemned or taken by any local governmental authority, by eminent domain or otherwise. DVA, acting through the Board, shall represent the Members and their mortgage holders in any proceedings, negotiations, settlements or agreements arising hereunder. Any proceeds or damages resulting shall be payable to DVA and shall be held for the benefit of the Members and their mortgage holders.

(i) Oversee all agents and employees of DVA, and see that their duties are properly performed and evaluated annually in writing. This evaluation shall initially be performed within six (6) months of initial hire.

(j) Cause DVA Properties to be maintained.

(k) Perform such duties as required by DVA Owner's Rules & Regulations and Architectural Policies as filed for various sections of DVA and Articles of Incorporation of DVA.

SECTION 3. ENUMERATION OF DIRECTORS

The Offices of DVA Board shall be president, two (2) vice-presidents (operations and finance), treasurer, and secretary. Board office shall be a one (1) year term.

SECTION 4. REMOVAL FROM BOARD OFFICE

(a) In the event of the removal of a Director from their officer position under Article VII, they will continue to serve on the Board in another position.

(b) Declare the office of a member of the Board to be vacant in the event such member shall be absent from three (3) consecutive regular meetings or four (4) regular Board meetings in a calendar year (Now ART VII, Section 2b).

SECTION 5. RESIGNATION

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

SECTION 6. STANDARD OF CONDUCT

(a) An officer has discretionary authority and shall discharge duties under that authority:

(1) In good faith

(2) On an informed basis

(3) In a manner the officer honestly believes to be in the best interests

of DVA

(b) The officer shall be considered to discharge duties on an informed basis if made, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, inquiry into the business and affairs of DVA, or into a particular action to be taken or decision to be made through;

(1) One (1) or more officers or employees of DVA whom the officer honestly believes to be reliable and competent in the matters presented; or

(2) Legal counsel, public accountants, or other persons as to matters the officer honestly believes are within the person's professional or expert competence

(c) An officer shall be considered to act in good faith if knowledge concerning

the matter in question that makes reliance otherwise permitted by subsection (b) of this section unwarranted.

(d) Any action taken as an officer, or any failure to take any action as an officer, shall not be the basis for monetary damages or injunctive relief unless:

(1) The officer has breached or failed to perform his duties in compliance with this section; and

(2) In the case of an action for monetary damages, the breach or failure to perform constitutes willful misconduct or wanton or reckless disregard for human rights, safety or property

(e) A person bringing an action for monetary damages under this section shall have the burden of proving by clear and convincing evidence the provisions of subsections (d) (1) and (2) of this section, and the burden of proving that the breach or failure to perform was the legal cause of the damages suffered.

ARTICLE VII OFFICES AND RESPONSIBILITIES

SECTION 1. DUTIES AND RESPONSIBILITIES

The Officers shall have the power and responsibility as follows:

(a) **President:**

- (1) Attend all Board and membership meetings as requested
- (2) Preside at all meetings of the Board
- (3) Confirm that orders and resolutions of the Board are carried out
- (4) Sign all leases, mortgages, deeds and other written instruments and co-sign all checks and promissory notes
- (5) Oversee Board and executive committee meetings
- (6) Appoint all committee chairs and with the General Manager, recommend who will serve on committees

(b) **Vice-President of Operations:**

- (1) Attend all Board and membership meetings as requested
- (2) Oversee all operational and administrative functions
- (3) Oversee all programs
- (4) Oversee all internal functions
- (5) Work in partnership with the General Manager, to create the strategic five (5) year plan, and implement new processes and approaches to achieve it
- (6) Coordinate the annual operations plan and budget

(c) **Vice-President of Finance:**

- (1) Attend all Board and membership meetings as requested
- (2) Oversee cash flow planning and ensure availability of funds as required
- (3) Oversee cash, investment, and asset management
- (4) Oversee financing strategies and activities, as well as banking relationships
- (5) Oversee the accounting department to ensure proper maintenance of all accounting systems and functions
- (6) Ensure maintenance of appropriate internal controls and financial procedures
- (7) Develop financial business plans and forecasts

- (8) Coordinate audits and proper filing of tax returns
- (9) Ensure legal and regulatory compliance regarding all financial functions.
- (d) **Secretary:**
 - (1) Attend all Board and membership meetings as requested
 - (2) Keep the minutes of the Board meetings in one or more books provided for that purpose and kept in accordance with the IRS guidelines
 - (3) See that all meeting notices are duly given in accordance with the provisions of these By-Laws or as required by law
 - (4) Authenticate DVA's records
 - (5) Keep a register of the post office address of each Member
 - (6) Perform all duties to the office of secretary and such other duties as assigned
 - (7) Some tasks may be delegated to staff as appropriate
- (e) **Treasurer:**
 - (1) Attend all Board and membership meetings as requested
 - (2) Have charge and custody of and be responsible for all funds and securities of DVA; receive and give receipts for monies due and payable to DVA from any source whatsoever, and deposit all such monies in the name of DVA in such banks, trust companies or other depositories as shall be selected by the Board
 - (3) Keep a record of the billing and collection of assessments, fees, fines and dues together with a list of those Members in good standing who are current in the payment of all assessments, fees, fines and dues
 - (4) Perform all the duties incidental to the office of the treasurer and such other duties as may be assigned by the president or the Board
 - (5) Develop an accounting system that provides the organization with quick access to financial information and enables strategic budgeting
 - (6) Tasks may be delegated to staff as appropriate

SECTION 2. MULTIPLE OFFICES

The same individual may simultaneously hold more than one (1) office.

ARTICLE VIII COMMITTEES

The Board shall appoint committees as deemed appropriate in carrying out its purpose. Committees, consisting of volunteer property owners in good standing, may be established to benefit all property owners. All committees will serve only in an advisory capacity to the Doe Valley Manager and the Board.

SECTION 1. PERMANENT STANDING COMMITTEES

(a) **ADVISORY COUNCIL:** Composed of a volunteer Member from each section of Doe Valley. The primary purpose of the Area Representative Council is to ensure that the Board of Directors is in close touch with the growing and diverse expectations, interests, opinions, values, and needs of the membership. The scope of this committee has no fiduciary responsibility; they advise and evaluate concerns that affect the Members of DVA, and provide a conduit for communication between the Board and the Members.

(b) ARCHITECTURAL COMMITTEE: Composed of Members, some volunteer, some selected for their expertise in this area. The primary purpose of the architectural committee is to preserve and protect the value of properties by the regulation of architectural design and the quality of homes and other structures in the Doe Valley Community. This committee determines whether such proposed new construction or remodeling is in compliance with the restrictive covenants and is aesthetically harmonious with the other structures in the community. Building permits are also issued by this committee. Violations are handled through the General Manager and the Compliance Committee.

(c) CAMPGROUND COMMITTEE: Composed of volunteers who use the campground, this committee notifies the DVA Board of any physical/construction needs and develops the rules and regulations for the campground. Violations are handled through the General Manager and the Compliance Committee.

(d) COMPLIANCE COMMITTEE: Composed of volunteers, this committee develops the number and price of fines for infractions of the DV Rules and Regulations and the process of adjudication. Their product is reviewed and approved by the Board of Directors and managed by the General Manager.

(e) FISHING AND BOATING CLUB: Composed of DVA Members who pay a small annual fee, this committee develops the rules and regulations for the lake and main Marina on Compton Drive and monitors the status of the lake water for the KY Dept. of Water. Violations are handled through the General Manager and the Compliance Committee.

(f) GOLF COMMITTEE: Composed of volunteers who use the golf course, this committee notifies the DVA Board of any physical/construction needs of the course and develops the rules and regulations for the golf course. Violations are handled through the General Manager and the Compliance Committee.

(g) ROAD TRUST FUND: Composed of volunteers, this committee makes recommendations to the General Manager and the DVA board regarding funds, expenses, and identifying maintenance needs.

(h) SWIM AND TENNIS CLUB COMMITTEE: Composed of volunteers who use the Swim and Tennis Club, this committee notifies the DVA Board of any physical/construction needs; develops the rules and regulations for the Swim & Tennis Club; develops and oversees activities; reviews food/beverage sales and updates menus.

(i) WATER AND SEWER: Composed of Members, some volunteer, some selected for their expertise in this area, this committee consults with the maintenance staff and the General Manager regarding funds available, expenses, and water and sewer infrastructure needs.

SECTION 2. AD HOC COMMITTEES:

- (a) By-Laws (bi-annual)
- (b) Election (annual)

ARTICLE IX BOOKS AND RECORDS

SECTION 1. BOOKS AND RECORDS

DVA shall keep correct and complete books and records of account and shall keep

minutes of the proceedings of its Members, Board of Directors and committees having any of the authority of the Board of Directors; and shall keep at its principal office in the Commonwealth of Kentucky a record of the names and addresses of its Members entitled to vote. All books and records of DVA may be inspected and copied by any Member, or the Member's agent or attorney, for any proper purpose at any reasonable time. The Member's right of inspection shall not be abolished or limited by DVA Article of Incorporation or By-Laws.

SECTION 2. AUDITED STATEMENTS

DVA shall provide to each lot owner, insurer or guarantor of any first mortgage that is secured by a lot, who shall so request in writing, a copy of DVA's audited financial statement for the preceding fiscal year.

SECTION 3. ANNUAL REPORTS

A copy of the annual financial report and manager's report shall be mailed to Members prior to, or together with the notice of, the annual meeting of Members for each year. The annual report to Members, or the proxy statement for the annual meeting of the Members, shall disclose and set forth such information as may be required to be included in the proxy statements by the Board.

ARTICLE X FISCAL POLICIES

SECTION 1. FISCAL YEAR

The fiscal year of DVA shall begin on the first day of January and end on the 31st day of December of every year.

SECTION 2. ASSESSMENTS, DUES, FEES, AND FINES

(a) Each Member is obligated to pay to DVA dues, fees and special assessments. Any assessment not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days from due date, the assessment shall bear interest from the date of delinquency at the rate of eighteen percent (18%) per annum. DVA may bring an action to law against the owner personally obligated to pay the same or foreclose the lien against the property and interest, costs, reasonable attorney's fees of any such action shall be added to the amount of such assessment. A personal judgment against property owner may be assessed instead of foreclosure. No lot owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the common area or abandonment of owner's lot(s).

(b) Dues may be changed on an annual basis validated by expenses.

SECTION 3. CONTRACTS

The Board may authorize any Director(s), agent(s), to enter into any contract or execute and deliver any instruments in the name of and on behalf of DVA, and such authority may be general or confined to specific instances.

SECTION 4. LOANS

No loans shall be contracted on behalf of DVA, and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board. Such authority

may be general or confined to specific instances.

SECTION 5. APPROVAL OF ELIGIBLE MORTGAGE HOLDERS

In addition to approval by DVA Members, amendments of a fiscal nature, (as defined by the Federal National Mortgage Association guidelines), must also be approved by eligible mortgage holders representing at least fifty-one percent (51%) of the votes of the subdivision lots that are subject to mortgages held by eligible mortgage holders. For the purpose of this section, "eligible mortgage holder" shall mean those holders of a first mortgage on a subdivision lots who have requested DVA to notify them of any such "fiscal" change.

SECTION 6. CHECKS, DRAFTS, ORDERS, ETC.

All checks, drafts or other orders for the payment of money, notes or other evidence of indebtedness issued in the name of DVA shall be signed by two (2) such Director(s) and/or agent(s) of DVA.

SECTION 7. DEPOSITS

All funds of DVA not otherwise designated shall be deposited to the credit of DVA in such banks, trust companies or other depositories as the Board may select.

ARTICLE XI WAIVER OF NOTICE

Whenever any notice whatsoever is required to be given under the provisions of these By-Laws, or under the provisions of the Articles of Incorporation, or under the provisions of the non-stock, non-profit corporation laws of the Commonwealth of Kentucky, waiver in writing, signed by the person or persons entitled to such notice shall be deemed equivalent to the giving of such notice.

ARTICLE XII AUDITORS

SECTION 1. CONSIDERATION OF AUDITORS

(a) The DVA's books shall be examined annually by an independent firm of public accountants whose selection shall be made by the Members in the manner herein set forth:

(1) Any member of DVA may submit any name of a firm or firms to the Board fifty (50) days prior to annual meeting

(2) The Board shall request a minimum of three (3) bids for the next year's audit thirty (30) days after receipt of previous years' audit

(3) The Board shall, prior to each annual members' meeting recommend a suitable firm of public accountants to act as DVA's auditors for the ensuing year

(b) Firm contracted shall not exceed three (3) consecutive years.

SECTION 2. DUTIES OF AUDITORS

The auditors shall address their certificate to DVA and have same included in DVA's

annual report. The auditors shall furnish to each member of the Board a copy of their full report, including an adequate summary of the instructions under which their examination was conducted. The scope of the annual audit shall be arranged with the auditors by the Board, but at a minimum shall include an audit of income, expenses, and net worth as the basic level of auditing that is required. A representative of the auditors shall be required to attend the annual meeting of the Members to answer questions and to make any explanation or statements they desire to make with respect to the accounts.

ARTICLE XIII AMENDMENT OF BY-LAWS

SECTION 1. NOTICE OF AMENDMENT

Notice of the subject matter of the proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

SECTION 2. APPROVAL OF DVA MEMBERS

- (a) A resolution amending these By-Laws may be proposed by either the Board or DVA Members.
- (b) Except as elsewhere provided, approval must be at least sixty-six percent (66%) of the entire membership of the Board together with not less than forty percent (40%) of the votes of DVA Members; or by at least sixty percent (60%) of the votes of DVA Members (in which case approval by the Board is not required).

SECTION 3. PROHIBITIONS

No amendment shall discriminate against any Member or against any lot or class or group of lots unless the Member so affected shall consent. No amendment shall change any lot or the lot owner's right in DVA property, or increase the owner's percentage of the common expenses, or change the voting rights of Members, unless the record owner of the lot(s) concerned and all record owners of liens on such lot(s) shall join in the execution of the amendment.

SECTION 4. REPEAL

Repeal of these By-Laws in their entirety and their replacement by the new By-Laws shall be accomplished in the same manner as provided by this Article for the amendment of these By-Laws.

ARTICLE XIV RULES AND REGULATIONS

The Board may establish, alter, amend or rescind Rules and Regulations for the governing of conduct of all Members of DVA, their families, guests, invitees and licensees while in Doe Valley Subdivision or in or on any of the Facilities, streets or public areas in the overall area known as Doe Valley.

IN WITNESS WHEREOF, we, being all of the of Doe Valley Association Inc., have hereunto set our hands this _____ day of _____, 2012 (unsigned copy).

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I, _____ am the duly elected and secretary of the Doe Valley Association Inc., a Commonwealth of Kentucky Corporation, and that the foregoing By-Laws constitute the original By-Laws of said Doe Valley Association Inc. as duly adopted at a meeting of the Board of Directors thereof, held on this _____ day of _____, 2012 (unsigned copy).

