

**AMENDED AND RESTATED BY-LAWS OF
HAMPTON PLACE HOMES ASSOCIATION AS OF OCTOBER 7, 2014**

ARTICLE I

Definitions

1.1 "ARTICLES OF INCORPORATION" shall mean the Articles of Incorporation of Hampton Place Homes Association as such may be amended and supplemented from time to time.

1.2 "ASSOCIATION" shall be defined as HAMPTON PLACE HOMES ASSOCIATION, a not-for-profit corporation organized and existing under the laws of the State of Kansas.

1.3 "BY-LAWS" shall mean the By-Laws of Hampton Place Homes Association as such may be amended and supplemented from time to time.

1.4 "DECLARATION" shall refer to the Homes Association Declaration filed in Volume 3289 at Page 604 in the Office of the Johnson County Register of Deeds pertaining to HAMPTON PLACE, First Plat.

1.5 "DISTRICT" shall be defined as all of the LOTS in the platted subdivision of HAMPTON PLACE in Johnson County, Kansas, and any future LOTS added to HAMPTON PLACE subdivision and which are subjected to the terms of the Homes Association Declaration recorded in Volume 3289 at Page 604 in the Office of the Johnson County Register of Deeds. Upon the recording of any instrument subjecting additional lands to said DECLARATION, then the term "DISTRICT" shall thereafter be defined as all land which shall from time to time be subjected to the terms of the original DECLARATION, including any future modifications thereof.

1.6 "GOOD STANDING" shall mean all assessments, dues and fees are paid

in full on or before midnight of the due date.

1.7 "IMPROVED PROPERTY" shall be defined as a single tract under a single ownership and use, and on which tract a residence has been erected or is in the process of erection, or on which any other building not in violation of the restrictions then of record thereon is erected or in the process of erection. Any other land shall be deemed to be vacant and unimproved.

1.8 "LOT" or "LOTS" shall be defined as that area within the DISTRICT which pertains to the single dwelling units under single ownership. Generally such "LOTS" will be synonymous with the lots as platted in the subdivisions of HAMPTON PLACE, but in the event that property lines are other than along platted lot lines, the property lines shall control in determining the extent and location of the "LOT" for purposes of these BY-LAWS.

1.9 "MEMBER" or "MEMBERS" shall be defined as every OWNER of a LOT within the DISTRICT, and such membership shall be appurtenant to and not separated from the ownership of any LOT or interest therein. The term includes co-tenants, joint venturers, partners, legal representatives, or other owners of undivided interests. The term shall also include purchasers under a recorded Contract for Deed. In case the legal title to a LOT is held by one or more minors, their natural or legal guardian(s) shall be included in the definition of this term. The term is not intended to include persons or entities who hold an interest in a LOT or LOTS merely as security for performance of an obligation.

1.10 "OWNER" or "OWNERS" shall be defined as those persons or corporations who may from time to time own the land within the DISTRICT.

1.11 "PUBLIC PLACE" shall be defined as all streets, park areas, swimming pool, service areas and other common areas, and all similar places the use of which is dedicated to or set aside for the use of the general public, or limited to the general use of all of the OWNERS with the DISTRICT, or which may, with appropriate consent, be used by all of the OWNERS of the DISTRICT.

ARTICLE II

Office of the Corporation

2.1 OFFICE. The principal office of the corporation shall be in Johnson County, Kansas. The Board of Directors is hereby granted full power and authority to change the mailing address and the location of the principal office from one location to another in Johnson County, Kansas.

ARTICLE III

Membership

3.1 MEMBERSHIP. Every OWNER of a LOT included within the DISTRICT, together with the OWNERS of any other land which may from time to time be made subject to all of the terms and provisions of the DECLARATION, shall be a MEMBER of the ASSOCIATION, and no OWNER shall be permitted or allowed to disclaim said membership and the duties, obligations and benefits thereof nor withdraw from the ASSOCIATION for any reason; provided, that the foregoing is not intended to include persons or entities who hold an interest in a LOT or LOTS merely as security for performance of an obligation. The ASSOCIATION shall be the sole judge of the qualifications of its MEMBERS and of their rights to participate in its meetings and

proceedings.

3.2 MEMBERSHIP RIGHTS. The exercise of the rights of membership in the ASSOCIATION including but not limited to voting rights and the use and enjoyment of any Public Place are subject to the MEMBER being in GOOD STANDING, including the payment of annual and special assessments levied by the ASSOCIATION as provided in the DECLARATION and these BY-LAWS. Such assessments shall become a lien on the property against which such assessments are made as provided by Section 5 of the DECLARATION to which the DISTRICT is subject. The Board shall propose the amount and the ASSOCIATION shall vote on approving the annual assessment each year at the annual meeting of the MEMBERS of the ASSOCIATION.

3.3 SUSPENSION OF RIGHTS OF MEMBERSHIP. If a MEMBER is not in GOOD STANDING as defined in Section 1.6 above, the Association shall have the power to suspend any right or privilege of a Member, but may not suspend a Member's right to vote except involving issues of assessments and fees. Upon the MEMBER being found to be in GOOD STANDING as determined by Directors, his/her/its rights and privileges of membership shall be automatically restored. The Directors may adopt and publish rules and regulations governing the use of any PUBLIC PLACE, and the personal conduct of any person thereon, and in the event of violation or breach of such rules and regulations the Directors may, in their discretion, suspend the rights of any such person for violation of such rules or regulations, such suspension period not to exceed thirty (30) days.

3.4 POOL PASSES. All pool passes will be deactivated at the end of the

pool season, but no later than October 15th of each calendar year. Pool passes will only be reactivated for the following season when the current annual assessment and any other outstanding balances have been paid in full and the MEMBER is in GOOD STANDING.

3.5 ALTERNATIVE DISPUTE RESOLUTION. The ASSOCIATION shall, through the Board of Directors, have the power to require that disputes between the ASSOCIATION and MEMBERS or between two or more MEMBERS regarding the DISTRICT be submitted to nonbinding alternative dispute resolution as a prerequisite to commencement of a judicial proceeding.

3.6 LITIGATION FEES. If the ASSOCIATION is required to participate in any alternative dispute resolution or litigation and the result of such alternative dispute resolution or litigation the ASSOCIATION is deemed the “prevailing party” as that term is defined under Kansas law, then the ASSOCIATION shall be entitled to reimbursement for its reasonable attorneys’ fees and expenses.

ARTICLE IV

Membership Meetings

4.1 ANNUAL MEETINGS. The ASSOCIATION shall hold a meeting of the MEMBERS annually. Each annual meeting of the MEMBERS shall be held in April of each year on a date that is not a holiday, recognized by the United States government and at an evening hour to be set by the Board of Directors.

4.2 SPECIAL MEETINGS. Special meetings of the MEMBERS, for any purpose or purposes whatsoever, may be called at any time other than on a holiday,

recognized by the United States government, by the President or by a majority of the Board of Directors, or by MEMBERS holding at least 10% of the votes in the ASSOCIATION.

4.3 NOTICE OF MEETINGS. Notice of each annual or special meeting of the MEMBERS stating the time, date, and place of the meeting and the agenda items, including a statement of the general nature of any proposed amendments to the By-Laws, Home Association Declarations, or Declaration of Restrictions, any budget proposals or changes, and any proposal to remove an officer or member of the Board of Directors shall be given to each MEMBER not less than 10 days or more than 60 days before the meeting date. Each MEMBER shall register with the ASSOCIATION his/her/its mailing address, and it shall be the obligation of each MEMBER to notify the ASSOCIATION in writing of any change of address within 10 days so that the address registration of each MEMBER shall be maintained by the ASSOCIATION at all times. Notice of any meeting of the MEMBERS may be by U.S. Mail, e-mail, or any other method reasonably calculated to provide notice to the MEMBER. If by U.S. Mail, notice shall be deemed to be delivered when deposited in the United States mail addressed to the MEMBERS, at the MEMBER'S address registered with the ASSOCIATION with postage prepaid. Waiver by a MEMBER in writing of notice of a meeting, signed by him/her/it, whether before or after the time of the meeting, shall be equivalent to the giving of such notice. Attendance by a MEMBER without objection to the notice, whether in person or by proxy, at a meeting shall constitute a waiver of notice of the meeting. The minimum time to give notice of a meeting as set forth in this section is not required for a meeting called to deal with an emergency.

4.4 LOCATION OF MEETINGS. Any membership meeting, annual or special, shall be held at Sunrise Point Elementary. If Sunrise Point Elementary is unable to accommodate the meeting for any reason, notice of the venue change shall be given to the MEMBERS by the Secretary or its designee, or the meeting may be held by telephonic, video, or other conferencing process, which in such event, the meeting notice shall state the conferencing process to be used and provide information explaining how OWNERS may participate in the conference directly or by meeting at a central location or conference connection.

4.5 ADJOURNED MEETINGS. Any membership meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by a majority vote of those in attendance, either in person or by proxy, but in the absence of a quorum, no other business may be transacted at such meeting. When any membership meeting, either annual or special, is adjourned for thirty (30) days or more, notice of the date and time of when the adjourned meeting will be reconvened shall be given as set forth in Section 4.3 above.

4.6 QUORUM. The presence at the meeting of MEMBERS entitled to cast, or of proxies entitled to cast, eight percent (8%) of the total votes of the membership shall constitute a quorum for any action governed by these BY-LAWS. Any action governed by the ARTICLES OF INCORPORATION or the DECLARATION shall require a quorum as therein provided.

4.7 PROXIES. Each MEMBER, who is in GOOD STANDING may vote on any issue in person or by proxy. All proxies shall be in writing and filed with the Secretary or any member of the Board of Directors no later than the beginning of the

meeting at which the voting on such motion or resolution is held. No proxy shall extend beyond a period of sixty (60) days from the date of the filing of the proxy with Secretary or any member of the Board of Directors. Every proxy is valid only for the meeting at which it is cast and any recessed session of that meeting. Every proxy shall automatically expire upon transfer by the MEMBER of his/her/its interest in the real estate, other form of termination of membership, or suspension of voting rights. The form of written proxy shall be determined by the Board of Directors and approved by the Secretary and the validity of any proxy shall be determined by the Board of Directors. Except as otherwise provided in the DECLARATION or these BY-LAWS, the requirements of K.S.A. 58-4614, as such may be amended and supplemented from time to time, shall apply with respect to proxy voting.

4.8 VOTING. Each MEMBER of the ASSOCIATION who is in GOOD STANDING shall be entitled to vote at any annual or special meeting of the membership. The OWNERS of all interests in one LOT shall be entitled to one vote per ballot issue and one vote per open Director position, but may not vote for any candidate more than once in that election. Whenever more than one individual or entity holds an interest in any one LOT, all such individuals or entities shall be MEMBERS and the vote for such LOT shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast with respect to any one LOT nor shall fractional votes be counted.

ARTICLE V

Board of Directors

5.1 COMPOSITION AND TERMS OF OFFICE. The ASSOCIATION shall have a Board of Directors created in accordance with these BY-LAWS to act on behalf of the ASSOCIATION. There shall be nine (9) director positions, denominated Director Position – 1 through and including Director Position - 9. Each Director Position shall be for a two-year term. Director Position – 1 through Director Position - 4 will be elected in odd-numbered years and Director Position – 5 through Director Position - 9 will be elected in even-numbered years. The number and term of the directors for the ASSOCIATION may be amended in accordance with Section 11.1, provided that the number of directors shall always be an odd number.

5.2 QUALIFICATIONS. All Directors shall be MEMBERS of the ASSOCIATION and shall at all times remain in GOOD STANDING. Failure of a Director to remain in GOOD STANDING shall be grounds for immediate removal of that Director from the Board of Directors.

5.3 NOMINATION AND ELECTION. Election to the Board of Directors shall be by written ballot as hereinafter provided at the meeting at which such election is being held. Nominations for the Board of Directors may be made in writing prior to the meeting at which such election is being held by delivering the “Intent to Run” form or written nomination to any current member of the Board of Directors, or their designee. Nominations may also be made from the floor at the meeting. At such election, the MEMBERS who are in GOOD STANDING or their proxies may cast votes in accordance with section 4.8 of these By-laws. At the meeting at which such election is being held, the ballots shall be counted and collected, and the results of such election announced at the meeting. The

candidates for directors receiving the highest number of votes shall become the directors to serve the vacancies created by expiration of any 2-year term. After all vacancies created by expiration of any 2-year term have been filled, the remaining candidates for directors receiving the highest number of votes shall become directors to serve the vacancies of any unexpired term. Each candidate elected as a member of the Board of Directors as set forth herein shall not be deemed to have commenced his or her term of office or to have any of the powers or responsibilities of a Director until he or she accepts the office of Director either by a written acceptance or by participating in the affairs of the ASSOCIATION at a meeting of the Board of Directors, but in no event before the adjournment of the annual meeting at which such candidate was elected. Immediately following the adjournment of any meeting at which an election of the members of the Board of Directors is held, a meeting of the members of the Board of Directors shall be held solely for election of officers and no other purpose.

5.4 VACANCY AND REPLACEMENT. In the event that any member of the Board of Directors of the ASSOCIATION shall be absent from three (3) consecutive regular meetings of the Board of Directors, the Board may undertake action at the meeting during which such third absence occurs by declaring the office of said absent director to be vacant. The Board of Directors shall fill any vacancies in its membership, by appointment, which shall be effective until the next regularly scheduled election of the Board of Directors. At such next regularly scheduled election of the Board of Directors, the nomination and election procedure for any vacancy shall be the same as set forth in these BY-LAWS, except that the candidate

elected at the next regularly scheduled election of the Board of Directors shall be elected to serve only the unexpired portion of the term of the vacated Director Position.

5.5 REMOVAL OF DIRECTOR(S) BY MEMBERS. Any member of the Board of Directors may be removed, with or without cause, by the MEMBERS provided, as follows: 1) the subject of removal of the member of the Board of Directors was listed in the notice of the meeting; 2) the member of the Board of Directors being considered for removal must have a reasonable opportunity to speak before the vote; 3) a quorum of the MEMBERS of the ASSOCIATION is present; and, 4) the number of votes cast in favor of removal exceeds the number of votes cast in opposition to removal. In the event of removal of any member of the Board of Directors pursuant to this section, the remaining members of the Board of Directors shall fill the vacancy created by such removal as set forth above in Section 5.4

5.6 NO COMPENSATION TO DIRECTORS. No Director shall receive compensation for any service he or she may render to the ASSOCIATION. However, any Director may be reimbursed for his or her actual expenses incurred in the performance of his or her duties.

5.7 POWERS AND DUTIES. Subject to the obligations and restrictions set forth in K.S.A. 58-4609, as such may be amended and supplemented from time to time, the Board of Directors shall have the power and duties as follows:

A. To exercise for the ASSOCIATION all powers, duties and authorities vested in or delegated to this ASSOCIATION, including those referred to in the DECLARATION and the ARTICLES OF INCORPORATION,

except those reserved to the MEMBERS and membership meetings.

B. To supervise all officers, agents and employees of the ASSOCIATION, and see that their duties are properly performed.

C. To perform all acts and do all things required or permitted to be done by the ASSOCIATION as provided in Section 3 of the DECLARATION or otherwise; and perform all acts and do all things permitted or required of a Board of Directors of a not-for-profit corporation under the laws of the State of Kansas.

D. To call special meetings of the MEMBERS whenever it deems necessary and the obligation to call a special meeting at any time upon written request of 10% of the voting membership as provided in Section 4.2 above.

E. To appoint and remove at pleasure all officers, agents and employees of the ASSOCIATION, describe their duties, fix their compensation, and require of them such security or fidelity bonds as they may deem expedient. Nothing contained in these BY-LAWS shall be construed to prohibit the employment of any MEMBER, officer or director of the ASSOCIATION in any capacity whatsoever, subject to the prohibition against any compensation being paid for services as a Director of the ASSOCIATION.

F. To adopt and publish rules and regulations governing the use of any PUBLIC PLACE or other form of common areas and facilities, and the personal conduct of the MEMBERS and their guests thereon, and to establish penalties for the infraction thereof.

G. To cause to be kept a complete record of all of its accounts, act and corporate affairs, and to present a statement thereof to the MEMBERS at the annual meeting of the membership or at any special meeting when such are involved in the subject matter under consideration at such special meeting.

H. As more fully provided in the DECLARATION, to determine the appropriate assessment in advance of the annual meeting, and to recommend the same to the annual meeting for approval by the membership; to prepare and maintain a roster of the memberships of LOTS within the DISTRICT and the assessments applicable thereto, which records shall be kept in the Office of the ASSOCIATION and shall be open to inspection by any MEMBER; and to send written notice of each assessment to every OWNER subject thereto and prior to the due dates.

I. To issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether any assessment has been paid. Such certificate shall be conclusive evidence of any assessment therein stated to have been paid.

J. To create a Reserve Fund in which to deposit/transfer monies earmarked for allowed future capital expenditures. The Reserve Fund shall be separate from the operating fund, and shall be funded, in the discretion of the Board of Directors, from amounts held in the operating fund (surplus of previously levied annual assessments) and/or by an increase to the maximum annual assessment as provided by, and in compliance with, Section 4 of the DECLARATION. The purpose of the Reserve Fund is to maintain the value,

integrity and appearance of the ASSOCIATION'S property and Public Places. Reserve Fund monies shall only be expended/transferred when such expenditures have been approved by a majority vote of the Board of Directors and, then, only for the following:

1. The maintenance, repair, upkeep and upgrades of the ASSOCIATION'S pool and associated equipment and facilities.

2. The maintenance, repair, upkeep, upgrades and replacement of the ASSOCIATION'S landscaping including, but not limited to, trees, plants, grass and shrubs in accordance with a Master Plan.

3. The maintenance, repair, upkeep, upgrades and replacement of the ASSOCIATION'S sprinkler system.

4. The maintenance, repair, upkeep, upgrades and replacement of any and all ASSOCIATION'S Public Places.

5. Any unbudgeted emergency expense that would be more costly or create more damage if not repaired or replaced immediately.

6. The commissioning of a Reserve Study to determine the life expectancy of ASSOCIATION'S PUBLIC PLACES and the required funding of the Reserve Fund.

7. Any improvement or replacement of ASSOCIATION'S PUBLIC PLACES required by any law, rule, regulation, ordinance, etc.

K. To cause the PUBLIC PLACES to be maintained as provided in the DECLARATION and repair or replace any and all ASSOCIATION'S property as a result of vandalism. The Board may, in its discretion, utilize any and all legal

recourse to recover damages and punish violators to the fullest extent of the law.

L. To obligate or contract with agents, vendors and employees on behalf of the ASSOCIATION, in the course of fulfilling its duties provided that:

1. Any contract or expenditure entered into by the Board on behalf of the ASSOCIATION for more than \$250.00 will require a majority vote of the Board; and,

2. Any contract or expenditure entered into by the Board on behalf of the ASSOCIATION for more than \$1,500.00 will require the Board to first seek a minimum of three (3) bids and, then will require a majority vote of the Board.

M. To contract with a professional, bonded and insured association or property management company on behalf of the ASSOCIATION, to carry out any of the powers and duties of the Board.

N. To cause all Directors, Officers or employees having fiscal responsibility to be bonded.

O. To procure and maintain public liability insurance, fire and extended coverage hazard insurance and other insurance on property owned by the ASSOCIATION.

5.8 DIRECTORS MEETINGS. Regular meetings of the Board of Directors shall be held at least quarterly on a day, time and place agreed upon by a majority of the Directors.

A. Notice of such regular meetings shall be provided to each member of the Board of Directors and to each MEMBER, stating the time, date, place,

and agenda of the meeting, except as otherwise provided by law, at least 5 days prior to the meeting date.

B. Special meetings of the Board of Directors shall be held when called by any officer of the ASSOCIATION or by any two (2) Directors after not less than five (5) days notice to each member of the Board of Directors and to each MEMBER, stating the time, date, place, and agenda of the meeting, except as otherwise provided by law.

C. The minimum time to give notice of a meeting as set forth in this section is not required for a meeting called to deal with an emergency.

D. A majority of the nine (9) member Board of Directors, which is five (5), shall constitute a quorum thereof and a quorum of the Board of Directors is required to transact business.

ARTICLE VI

Officers and their Duties

6.1 ENUMERATION OF OFFICES. The officers of this ASSOCIATION shall be a President, Vice President, Secretary, and Treasurer, who shall at all times be members of the Board of Directors, and such other officers as the Board may from time to time by resolution create.

6.2 ELECTION OF OFFICERS. The officers shall be chosen by a majority vote of the Directors and such vote shall be held no later than the first quarterly Board of Directors meeting following each annual meeting of the MEMBERS.

6.3 TERM. All officers elected to office shall hold such office from

election until their respective successors are elected, but in no event beyond the officer's term as a member of the Board of Directors.

6.4 SPECIAL APPOINTMENTS. The Board may elect such other officers as the affairs of the ASSOCIATION may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

6.5 RESIGNATION AND REMOVAL OF OFFICERS. Any officer may be removed from office with or without cause by majority vote of the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. In addition, any officer may be removed, with or without cause, by the MEMBERS provided, as follows: 1) the subject of removal of the officer was listed in the notice of the meeting; 2) the officer being considered for removal must have a reasonable opportunity to speak before the vote; 3) a quorum of the MEMBERS of the ASSOCIATION is present; and, 4) the number of votes cast in favor of removal exceeds the number of votes cast in opposition to removal.

6.6 OFFICER VACANCIES. A vacancy in any office shall be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of any designated term of the officer he or she replaces.

6.7 MULTIPLE OFFICES. The offices of Secretary and Treasurer may be held by the same person. Otherwise no person shall simultaneously hold

more than one of any of the other offices except in the case of special offices created pursuant to Section 6.4 above.

6.8 DUTIES. The duties of the officers are as follows:

A. President - The President shall preside at all meetings of the Board of Directors; shall see to it that orders and resolutions of the Board of Directors are carried out; shall countersign with the Treasurer all contracts, notes, checks, leases, mortgages, security agreements, financing statements, deeds and other written instruments, and maintain a set of keys to the ASSOCIATION'S mailbox.

B. Vice President - The Vice President shall perform all duties of the President in the event of the President's absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him/her by the Board.

C. Secretary - The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the meetings of the MEMBERS; keep the corporate seal of the ASSOCIATION and affix it on all instruments requiring said seal; serve notice of meetings of the Board and of the meetings of the MEMBERS; keep appropriate current records showing the MEMBERS of the ASSOCIATION together with their addresses; serve as ex officio secretary of the Board of Directors including the recording of votes and the keeping of minutes of all proceedings in a book kept for that purpose; shall perform such other duties as required by the Board and maintain a set of keys to the ASSOCIATION'S mailbox.

D. Treasurer - The Treasurer shall receive and deposit in

the appropriate bank accounts all monies of the ASSOCIATION and shall disburse such funds as directed by resolution of the Board of Directors, provided, however, that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board; shall countersign with the President all contracts, notes, checks, leases, mortgages, security agreements, financing statements, deeds and other written instruments ; and shall keep proper books of account and, when applicable, cause an audit of the ASSOCIATION books to be made by a certified public accountant. The Treasurer shall also prepare an annual budget and an annual balance sheet statement and the budget and balance sheet shall be presented to the membership at its regular annual meeting.

E. Notwithstanding the terms of A. B. C. and D. above, the Board may delegate any and all of these duties to a reputable, bonded, and insured property management company per Section 5.7, M.

ARTICLE VII

Committees

7.1 APPOINTMENT OF COMMITTEES. The Board shall appoint one or more committees. The committees shall be appointed by the Board of Directors after each annual meeting to serve from their appointment until the close of the next annual meeting. Any such committee shall be composed of at least one (1) Director and any

other MEMBERS in GOOD STANDING as the Board of Directors shall designate. Not all members of a committee need be Directors unless otherwise provided in the DECLARATION, ARTICLES OF INCORPORATION or these BY-LAWS. A Quorum of any committee so designated by the Board of Directors shall be any number of the members designated by the Board of Directors, but that quorum shall not consist of less than one-half (1/2) of the total number of MEMBERS appointed to such committee. The Board may designate one (1) or more MEMBERS in GOOD STANDING as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. Notwithstanding the foregoing, the Architectural Control Committee shall be appointed and governed as provided in the DECLARATION and shall only contain members of the Board of Directors.

7.2 STANDING COMMITTEES. The standing committees of the ASSOCIATION shall be:

The Audit Committee

The Architectural Control Committee

The Landscaping Committee

The Pool Committee

The Social Committee

The Board of Directors may appoint such other committees as it deems desirable.

7.3 AUDIT COMMITTEE. In the event the Board has not hired an association or property management company to handle all monies of the ASSOCIATION, the Board must create an Audit Committee and shall cause an

annual audit of the ASSOCIATION'S books at the completion of each fiscal year. The Audit Committee shall supervise the annual audit of the ASSOCIATION'S books by selection and engagement of a certified public accountant; shall prepare and submit an annual budget at the annual meeting of the membership; and shall approve the balance sheet statement to be presented by the Treasurer to the Membership at the annual meeting. The Treasurer shall be an ex officio Member of the committee.

7.4 ARCHITECTURAL CONTROL COMMITTEE. The Architectural Control Committee shall perform such of those duties, responsibilities and functions imposed by the Declaration of Restrictions applicable to the DISTRICT and which is recorded in Volume 3291 at Page 966 of the Office of the Johnson County Register of Deeds, which duties, functions and powers have been delegated and assigned from time to time to the ASSOCIATION. When necessary, the Architectural Control Committee may help clarify the Restrictions in a fair and impartial manner, taking into account common technological advancements while giving full deference to the original intent of the Restrictions and ensuring consistent and even enforcement amongst all MEMBERS.

7.5 LANDSCAPING COMMITTEE. The Landscaping Committee shall advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the PUBLIC PLACES or common areas within the DISTRICT.

7.6 POOL COMMITTEE. The Pool Committee shall supervise the use and operation of the swimming pool and recreational equipment and perform such other duties as the Board in its discretion determines. It shall also advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of

the pool, pool related equipment (including but not limited to pumps, heaters, filters and lights), buildings and structures around and related to the pool area (including but not limited to the pool house, bathrooms, picnic shelter, grill and play set).

7.7 SOCIAL COMMITTEE. The Social Committee shall inform the MEMBERS of all activities and functions of the ASSOCIATION and shall, after consulting with the Board of Directors, make such public releases and announcements as are in the best interests of the ASSOCIATION. It shall see that all new MEMBERS are informed, as soon as practical after their arrival and occupancy of the existence and purposes of the ASSOCIATION, as well as its powers, the names of its officers, and its existing committees.

7.8 SUBCOMMITTEES. With the exception of the Architectural Control Committee, each committee shall have the power to appoint a sub-committee from among its membership and may delegate to any such sub-committee any of its powers, duties and functions.

7.9 COMPLAINTS. It shall be the duty of each committee to receive complaints from MEMBERS on any matter involving the ASSOCIATION functions, duties and activities within its field of responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other committee, director or officer of the ASSOCIATION as is further concerned with the matter presented.

ARTICLE VIII

General Provisions

8.1 LOANS PROHIBITED. The ASSOCIATION shall not make any loans.

8.2 ABSENCE OF PERSONAL LIABILITY. The directors, officers and members of the ASSOCIATION shall not be individually or personally liable for the debts, liabilities or obligations of the ASSOCIATION.

8.3 INDEMNIFICATION OF DIRECTORS, OFFICERS, AND ARCHITECTURAL CONTROL COMMITTEE.

A. General. The ASSOCIATION shall defend and indemnify any current or past Officer, Director, or member of the Architectural Control Committee of the ASSOCIATION against expenses, judgments, fines, and amounts paid in connection with an action, suit, or proceeding related to the performance of duties of the ASSOCIATION, providing the Officer, Director, or member of the Architectural Control Committee of the ASSOCIATION is not judged to be liable for intentional acts of negligence or misconduct in the performance of these duties of the ASSOCIATION.

B. Insurance. The ASSOCIATION shall maintain Officer's and Director's liability insurance, all in such sums as may be deemed appropriate by the Board on behalf of any person who is or was a director or officer of the ASSOCIATION or a member of the Architectural Control Committee, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status.

ARTICLE IX

Books and Records

9.1 BOOKS AND RECORDS. The books, records and papers of the ASSOCIATION shall at all times, during reasonable business hours, be subject to inspection by any of the MEMBERS.

ARTICLE X

Fiscal Year

10.1 The fiscal year of the ASSOCIATION shall begin on the first day of May and end on the thirtieth (30th) day of April of every year, except that the first fiscal year shall begin on the date of incorporation.

ARTICLE XI

Amendments

11.1 These BY-LAWS may be amended at a regular or special meeting of the MEMBERS by a vote of a majority of a quorum of MEMBERS present in person or by proxy, provided that the provisions of these BY-LAWS sought to be amended are not governed by the ARTICLES OF INCORPORATION or other applicable law; and provided, further, that any matter stated herein to be or which is in fact governed by the DECLARATION or the Declaration of Restrictions applicable to the DISTRICT may not be amended except as provided in the DECLARATION or the Declaration of Restrictions, whichever is applicable.

11.2 In the case of any conflict between the ARTICLES OF INCORPORATION and these BY-LAWS, the ARTICLES OF INCORPORATION shall control; and in case of any conflict between the DECLARATION or the Declaration of Restrictions applicable

to the DISTRICT and these BY-LAWS, the DECLARATION or Declaration of Restrictions shall control.