

12/08/1980

BYLAWS OF
MILL CREEK FARMS HOMES ASSOCIATION, INC.,
a Kansas not for profit corporation

ARTICLE I

OFFICES AND RECORDS

- Section 1. Registered Office and Registered Agent. The location of the registered office and the name of the registered agent of the corporation in the State of Kansas shall be such that it shall be determined from time to time by the Board of Directors and on file with the Secretary of State of the State of Kansas pursuant to Kansas Corporation Code.
- Section 2. Corporate Offices. The corporation may have an office anywhere within the residential area known as Mill Creek Farms or anywhere outside of Mill Creek Farms area as is determined from time to time by the Board of Directors.
- Section 3. Records. The corporation shall keep at its registered office or at the principal office of the corporation the corporate records which shall show members of the corporation, status of dues and assessments, financial status of the corporation and such other and additional records, statements, lists and information as may be required by law or may be necessary for the operation of Mill Creek Farms Homes Association.
- Section 4. Inspection of Records. Any member of Mill Creek Farms Homes Association shall be entitled to inspect the records of the corporation during usual and customary hours and in such manner as will not unduly interfere with the regular conduct of the business of the homes association. The homes association corporation as a condition precedent to any member's inspection of the records of the corporation may require the member to indemnify the homes association corporation against any loss or damage which may be suffered by it arising out of or resulting from any unauthorized disclosure made or permitted to be made by such member of information obtained in the course of such inspection.
- Section 5. Corporate Seal. The corporate seal shall have inscribed thereon the name of the corporation and the words, "Corporate Seal - Kansas".

ARTICLE II

MEETINGS OF MEMBERS OF HOMES ASSOCIATION

- Section 1. Place of Meetings. All meetings of the members of the homes association shall be held at such places as may be designated by the Board of Directors from time to time and as shall be stated in a notice from time to time to the members of the homes association.
- Section 2. Annual Meeting. The annual meeting of the members shall be held on the second Monday of June each year if not a legal holiday, and if a legal holiday then on the next day following at 7:00 o'clock p.m. At the annual meeting the members shall elect a Board of Directors and transact such other business as shall properly come before the meeting.
- Section 3. Special Meetings. Special meetings of the members may be held for any purpose or purposes. Such meetings may be called by the president of the association, the Board of Directors, or upon written request of not less than one-fifth (1/5th) of all members of the corporation entitled to vote at any such meeting.
- Section 4. Action in Lieu of Meeting. Any action required to be taken at a meeting of the members or any other action that may be taken at a meeting of the members may be taken without a meeting if consents in writing setting forth the action so taken shall be signed by all of the members entitled to vote.
- Section 5. Notice. Written or printed notice of each meeting of the members whether annual or special, stating the place, date and hour of the meeting and in case of a special meeting, the purpose or purposes thereof, shall be given to each member entitled to vote, not less than thirty (30) days or more than fifty (50) days prior to the meeting unless, as to a particular matter, other or further notice is required by law, in which case such other or further notice shall be given. Any notice of a meeting of the members sent by mail shall be deemed to be delivered when deposited in the United States mail with postage thereon prepaid, addressed to the member at his address as it appears on the records of the corporation.

- Section 6. Presiding Officials. Every meeting of the corporation shall be convened by the president or one of the officers of the corporation, provided however, in the absence of any officer, the members at any meeting by majority vote of those present, provided there is a quorum present, may select any person of their choosing to act as chairman and secretary of such meeting.
- Section 7. Waiver of Notice. Whenever any notice is required to be given under the provisions of these bylaws or any law, a 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 the equivalent of giving such notice. To the extent provided by law, attendance at any meeting shall constitute a waiver of notice at such meeting.
- Section 8. Business which may be Transacted at Annual Meetings. At each annual meeting of the membership the members shall elect by ballot a Board of Directors. The membership may transact such other business as may be desired whether or not the same was specified in the notice of the meeting, unless the consideration of such other business without its having been specified in the notice of the meeting as one of the purposes thereof is prohibited by law.
- Section 9. Business which may be Transacted at Special Meetings. Business transacted at all special meetings shall be confined to the purposes stated in the notice of such meetings unless the transaction of such other business is consented to by all of the members of the homes association.
- Section 10. Quorum. The number of members to constitute a quorum at any meeting shall be sixty per cent (60%) of all votes of the membership, and such members constituting a quorum may be present in person or by proxy. If a quorum should not be present at any meeting, another meeting may be called with the same notice requirements and the required quorum at any such subsequent meeting shall be one-half (1/2) of the requirement at the preceding meeting, provided that any subsequent meeting shall be held within sixty (60) days of the previous meeting and so on until a quorum is achieved. At such meetings where a quorum is achieved, a simple majority shall constitute authority for the transaction of business.

- Section 11. Proxies. At any meeting of the members every member having the right to vote shall be entitled to vote in person or by proxy executed in writing by such member or by his duly authorized attorney in fact.
- Section 12. Voting. Every member shall have such voting rights as described in Article 6 of the Declaration of Restrictions, Covenants and Homes Association Declaration of Mill Creek Farms. This article grants one vote to each tract or lot and where more than one person holds interest in the lot or tract, such persons as owners shall cast a vote for such membership as they determine among themselves but in no event shall more than one vote be cast with respect to each such lot.
- Section 13. List of Memberships. A complete list of the members of the association entitled to vote at each meeting of the membership with their addresses shall be prepared by the officers of the corporation having charge of the books of the corporation and shall for a period of ten (10) days prior to the annual meeting be kept on file in the registered office or the principal office of the homes association corporation and shall be available at reasonable times for inspection by any member.
- Section 14. Removal of Directors. The members of the association shall have the power by a vote of the majority present at any properly called meeting or the regular or special meeting called for that purpose remove any director from office with or without cause.

ARTICLE III

DIRECTORS

- Section 1. Number. The directors of this corporation shall be five (5) in number, each having a two year term. Three directors shall be elected each odd numbered year and two to be elected each even numbered year. If necessary, the first board shall by a drawing determine which members shall have more or less than a two year term in order to accomplish the staggered terms. A director shall be a member of the homes association.
- Section 2. Powers of the Board. The business of the homes association shall be managed by the directors acting as a board. The board shall have and is vested with all and unlimited authority, except as may be expressly limited by law, the Articles of Incorporation or by the bylaws to do or cause to be done any and all lawful things for and in behalf of the corporation.

- Section 3. Meetings of the Board of Directors. Members of each newly elected board shall meet immediately after the annual meeting of the membership and at that time shall elect officers. If a quorum shall not be present, the members of such board may meet at such time and place as shall be consented to in writing by a majority of the newly elected directors, provided that written or printed notice of such meeting shall be mailed or delivered to each of the other directors in the same manner as shall be provided in Article III, Section 5, of these bylaws with respect to giving notice of special meetings of the board, except that it shall not be necessary to state the purpose of the meeting in such notice. Each director upon his election shall qualify by accepting the office of director, and his attendance at or his written approval of the minutes of any meeting of the newly elected directors shall constitute his acceptance of such office. Also he may execute such acceptance by a separate writing which shall be placed in the minute book.
- Section 4. Regular Meeting, Notice. Regular meetings of the board shall be held quarterly without notice at such time and place as from time to time may be fixed by resolution adopted by the Board of Directors. Any business may be transacted at a regular meeting.
- Section 5. Special Meeting, Notice. Special meetings of the board may be called at any time by the president, vice-president or secretary or any one or more of the directors. Written or printed notice of such special meeting of the board stating the place, day and hour of the meeting and the purpose and purposes therefore, shall be mailed or delivered to each director at least seven (7) days before the day on which the meeting is to be held. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail with postage prepaid addressed to the director at his residence.
- Section 6. Action in Lieu of Meeting. Any action required to be taken at a meeting of the Board of Directors or any other action which may be taken at a meeting of the Board of Directors may be taken without a meeting if the directors consent in writing setting forth the action so taken, the same to be signed by all of the directors entitled to vote with respect to the subject matters. Any such consent signed by all of the directors shall have the same effect as a unanimous vote and may be stated as such in any document describing the action taken by the Board of Directors.

- Section 7. Meetings by Conference, Telephone or Similar Communications Equipment. Members of the Board of Directors or any committee designated by the board may participate in a meeting of such board or committee by means of a conference telephone call or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation in a meeting in such manner shall constitute presence in person at such meeting.
- Section 8. Quorum. At all meetings of the board a majority of the Board of Directors shall constitute a quorum for the transaction of business. Any action taken by the board shall be by vote of a majority of the board; therefore, at any meeting when there is only a bare quorum present, any action must be unanimous. Less than a quorum may adjourn a meeting until a quorum is present and no notice of adjournment shall be required.
- Section 9. Waiver. Any notice provided or required to be given to the directors may be waived in writing by any of them whether before, at or after the time stated therein. Attendance of a director at any meeting shall constitute a waiver of notice of such meeting except where he attends for the express purpose and so states at the opening of the meeting objecting to the transaction of any business because the meeting is not lawfully called or convened.
- Section 10. Vacancies. If the office of any director becomes vacant by reason of death or resignation, the majority of the remaining directors, though less than a quorum, may fill the vacancy until a successor shall have been elected at the next annual meeting of the membership.
- Section 11. Indemnification and Liability of Directors and Officers. Each person who is or was a director or officer of the homes association corporation shall be indemnified by the corporation to the full extent permitted or authorized by the laws of the State of Kansas as now in effect and hereafter amended, against any liability, judgment, fine, amount paid in settlement, cost and expense, including attorney fees, asserted or threatened against and incurred by such person in his capacity as or arising out of his status as a director or officer of the corporation. The indemnification provided by this bylaw provision shall not be exclusive of any other right to which those indemnified may be entitled under any other bylaw or under any agreement and shall not limit in any way any right the corporation may have to make different

or future indemnifications with respect to the same or different persons or classes of persons.

No person shall be liable to the corporation for any loss, damage, liability or expense suffered by it on account of any action taken or omitted to be taken by him as director or officer of the homes association corporation if such person exercised the same degree of care and skill as a prudent man would have exercised under the circumstances in conduct of his own affairs or he or she took or omitted to take such action on reliance of counsel for the corporation or upon statements made or information furnished by directors, officers, employees or agents of the corporation which he or she had no reasonable grounds to disbelieve.

Section 12. Board Committees. The Board of Directors may by resolution passed by a majority of the board designate an Executive Committee, or any other committee, any such committee to consist of two or more directors of the corporation and to the extent provided in said resolution shall have and may exercise all of the authority of the Board of Directors in management of the corporation. Each such committee will keep regular minutes of its proceedings and the same shall be recorded in the minute book of the corporation.

Section 13. Compensation of Directors and Committee Members. Directors and members of all committees shall not receive any stated salary for their services as such but by resolution of the membership of the homes association may be allowed such expenses as is determined from time to time by the membership.

ARTICLE IV

OFFICERS

Section 1. Officers. The officers of the corporation shall be elected from the Board of Directors and shall be a president, vice-president, secretary and treasurer. There also may elected from the membership of the association an assistant secretary and assistant treasurer if deemed necessary by the board.

- Section 2. Terms of Office. Each officer of the corporation shall hold office for the term of one year or until such officer resigns or is removed by the board, whichever occurs first.
- Section 3. Removal. Any officer elected or appointed by the Board of Directors or any employee may be removed or discharged by the board whenever in its judgment the best interest of the homes association corporation shall be served thereby.
- Section 4. President. The president shall be the chief executive officer of the homes association corporation and shall preside at all meetings of the members of the homes association and of the Board of Directors. The president shall have general and active management of the homes association corporation and shall carry into effect all directives and resolutions of the board.
- Section 5. Vice-president. The vice-president shall, in the absence of the president or in the event of his disability, perform the duties of president and shall generally assist the president and perform such other duties and have such other powers as may from time to time be prescribed by the Board of Directors.
- Section 6. Secretary. The secretary shall attend all sessions of the Board of Directors and of the meetings of the membership of the association and shall record all votes taken and the minutes of the proceedings in a minute book of the corporation to be kept for that purpose. The secretary shall see that all books, records, lists and information relating to the homes association are maintained at the homes association corporation office.
- Section 7. Treasurer. The treasurer shall have the responsibility for the safekeeping of the funds of the homes association and shall keep or cause to be kept full and accurate accounts of disbursements in books belonging to the corporation. The treasurer shall see that dues and assessment notices are given as required by the homes association declaration and shall further take any action necessary to collect the same. The treasurer shall disburse the funds of the corporation as may be ordered or authorized generally by the board or by the membership and shall render to the president, Board of Directors and membership whenever necessary or required an account of all transactions as treasurer and all

information concerning the financial condition of the homes association corporation. At each annual meeting of the membership, the treasurer shall prepare a statement of income and expenses for the immediate past fiscal year and a general budget for the upcoming fiscal year.

Section 8. Vacancy. In the event of a vacancy of any office, the board shall fill the vacancy from the board members until the next annual board meeting.

ARTICLE V

GENERAL

Section 1. Checks. All checks or instruments for the payment of money and any notes of the corporation shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate. If no such designation is made and unless and until the board otherwise provides, the president and secretary or the president and treasurer shall be required to sign all such instruments in the name of the homes association corporation.

Section 2. Fiscal Year. The Board of Directors shall have the power to fix or change the fiscal year of the corporation.

Section 3. Directors Annual Statement. The Board of Directors shall through its treasurer at each annual meeting and when called for by vote of the membership present to any annual or special meeting of the shareholders a full statement of the business and condition of the homes association corporation.

Section 4. Amendments. The bylaws of the homes association corporation may from time to time be repealed, amended or altered or new bylaws adopted by vote of the majority of the members of the homes association entitled to vote at any special or annual meeting.

Section 5. Conflicts with Declaration. In the event of any conflict between these bylaws and the Declaration of Restrictions, Covenants and Homes Association Declaration of Mill Creek Farms, the declaration as recorded with the Register of Deeds, Johnson County, Kansas, shall control.

CERTIFICATE

The undersigned hereby certifies that the foregoing is a true and correct copy of the bylaws as adopted by the members of the homes association corporation on the 7th day of December, 1980.

Dated this 8th day of December, 1980.

William P. Coules
Secretary

INDEMNITY OF HOMES ASSOCIATION AND
ITS BOARD MEMBERS, OFFICERS OR AGENTS

The undersigned has requested Mill Creek Farms Homes Association, Inc. to make available for inspection records of the homes association. Pursuant to Article I, Section 4 of the by-laws, the undersigned hereby indemnifies and holds harmless the homes association, its officers, directors and agents from any claim, loss or damage which could result by reason of this disclosure of information.

Dated _____.

Member

INDEMNITY OF HOMES ASSOCIATION AND
ITS BOARD MEMBERS, OFFICERS OR AGENTS

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Dated _____.

Member