

## **BY-LAWS**

### **LAKE AT SOUTHWICK HOMES ASSOCIATION**

#### **Article I**

#### **MEETING OF MEMBERS**

**Sec. 1. ANNUAL MEETING.** The annual meeting of Members ("Members") of the Lake at Southwick Homes Association (the "Corporation") shall be held at the registered office of the Corporation, in Johnson County, Kansas, or at such other place in Johnson County, Kansas, during the first 90 days of the calendar year at a time and date as the Board of Directors may determine.

**Sec. 2. QUORUM.** Any number of Members present at a regular or special meeting of the Members shall constitute a quorum. A majority of all votes cast, whether in person or by proxy, at any meeting of the Members shall determine any question, unless otherwise provided by the By-Laws.

**Sec. 3. SPECIAL MEETINGS.** Special meetings of Members, other than those regulated by statute, may be called at any time if requested by a majority of the Directors, by the President, or by Members holding at least 10% of the votes in the Corporation. No business other than that specified in the call for the meeting shall be transacted at any meeting of the Members.

**Sec. 4. NOTICE.** The Secretary shall serve notice of all Annual and Special Meetings, either personally or by mail, to each Member at least ten (10) days and not more than sixty (60) days before the day set for such meeting. Notice shall include the time, date, place, and agenda of the meeting. If mailed, the notice shall be directed to a

Member at his or her address as it appears on the records of the Corporation. Such agenda shall include a statement of the general nature of any proposed amendment to the declaration or Bylaws, any budget proposals or changes, and any proposal to remove an officer or Board member.

**Sec. 5. VOTING.** At all meetings of the Members all questions, the manner of deciding which is not specifically regulated by the Articles of Incorporation of this Corporation or by these By-Laws or by the "Homes Association Declaration " filed in the Office of the Register of Deeds of Johnson County, Kansas on April 11, 2012, at Book 201204, Page 005610 and any amendments thereto, shall be determined by a majority vote of the Members present in person or by proxy, who shall be entitled to cast such votes as are allocated to such Members as set forth in the Homes Association Declaration of this Corporation. All voting shall be viva voce, except that a membership vote shall be by ballot, each of which shall state the name of the Member voting and the number of assessable lots or tracts within the Community, as aforedefined, owned by him or her, and in addition, if such ballot be cast by proxy, the name of the proxy shall be stated.

**Sec. 6. ORDER OF BUSINESS.** The order of business at all meetings of the Members shall be as follows:

1. Roll Call.
2. Proof of notice of meeting or waiver of notice.
3. Reading of minutes of preceding meeting.
4. Reports of Officers.
5. Reports of Committees.
6. Election of Inspectors of Election.

7. Election of Directors.
8. Unfinished Business.
9. New Business.

## **Article II**

### **DIRECTORS**

**Sec. 1. NUMBER.** The affairs and business of this Corporation shall be managed by a Board of not less than one (1) nor more than three (3) Directors, who need not be Members of record.

**Sec. 2. HOW ELECTED.** At the annual meeting of Members, the requisite number of persons receiving a majority of the votes cast shall be the Directors and shall constitute the Board of Directors of the ensuing year.

**Sec. 3. TERM OF OFFICE.** The term of office of each of the Directors shall be one year, and thereafter until his or her successor has been elected.

**Sec. 4. DUTIES OF DIRECTORS.** The Board of Directors shall have the control and general management of the affairs and business of the Corporation. Such Directors shall in all cases act as a Board, regularly convened, by a majority, and they may adopt such rules and regulations for the conduct of their meetings and the management of the Corporation as they may deem proper, not inconsistent with these By-Laws and the Laws of the State of Kansas, the Articles of Incorporation of this Corporation, and the aforementioned "Homes Association Declaration" as may be hereinafter amended.

- a. Before adopting, amending, or repealing any rule, the Board shall give the Members notice of its intentions and shall provide the text of the rule or the proposed change, along with the date on which the Board will act on the proposed rule and amendment. Following adoption, amendment, or repeal of a rule, notice of the action shall be sent to all Members, along with a copy of the new or revised rule. Such notice may be delivered in person or by mailing to the Member's last known post office address,
- b. Prior to each Annual Meeting, the Directors shall propose an annual budget. Members must be given reasonable opportunity to comment on the budget at the Annual Meeting, and copies of the proposed budget must be made reasonably available. The budget shall be voted on by all Directors present at the meeting, and it shall pass by a majority of the eligible Director votes present at the meeting.
- c. The Directors shall have the duty and obligation to determine and cause to be determined and levied the annual assessment as authorized by the said Homes Association Declaration.

**Sec. 5. DIRECTORS' MEETINGS.** Regular meetings of the Board of Directors shall be held immediately following the annual meeting of the Members, and at such other times as the Board of Directors may determine. Special meetings of the Board of Directors may be called by the President at any time, and shall be called by the President or the Secretary upon the written request of any Director.

**Sec. 6. NOTICE OF MEETINGS.** Notice of meetings, other than the regular annual meetings shall be given by service upon each Director in person, or by mailing to him or her at his or her last known post office address, at least ten (10) days before the date therein designated for such meeting, including that day of mailing, of a written or printed notice thereof, specifying the time, date, and place of such meeting, and the business to be brought before the meeting, and that no business other than that specified in such notice shall be transacted at any special meeting. Each Member must also be given notice of such meetings in the manner specified in these By-Laws.

**Sec. 7. OPEN MEETINGS.** All regular and special meetings of the Board of Directors and Committees of the Corporation must be open to all Members, except for "Executive Sessions" held during such regular or special meetings. Executive Sessions may be held to consult with the Corporation's attorney, to discuss existing or potential legal matters, to discuss labor or personnel matters, to discuss contracts, leases, or commercial transactions, or to prevent the public knowledge of any matter in order to protect the privacy of any person. No final votes or actions may be taken during an Executive Session.

**Sec. 8. QUORUM.** At any meeting of the Board of Directors, a majority of the Board shall constitute a quorum for the transaction of business; but in the event of a quorum not being present, a less number may adjourn the meeting to some future time, not more than five (5) days later.

**Sec. 9. VOTING.** At all meetings of the Board of Directors, each Director is to have one vote.

**Sec. 10. REMOVAL OF DIRECTORS.** Any one or more of the Directors may be removed either with or without cause, at any time, by a vote of a majority of the Members present in person or by proxy, at any meeting at which a quorum is present. Such removal must be listed as a subject on the notice of the meeting, and the Director being considered for removal must have a reasonable opportunity to speak before the vote is taken. However, Directors may not be removed by the Members during the period of declarant control.

### **Article III**

#### **OFFICERS**

**Sec. 1. NUMBER.** The officers of this Corporation shall be:

1. President
2. One or more Vice Presidents (optional)
3. Secretary
4. Treasurer

**Sec. 2. ELECTION.** All officers of the Corporation shall be elected annually by the Board of Directors at its meeting held immediately after the meeting of the Members, and shall hold office for the term of one year or until their successors are duly elected.

**Sec. 3. DUTIES OF OFFICERS.** The duties and powers of the officers of the Corporation shall be as follows:

#### **PRESIDENT**

The President shall preside at all meetings of the Board of Directors and Members.

He or she shall present at each annual meeting of the Members and Directors a report of the conditions of the business of the Corporation.

He or she shall cause to be called regular and special meetings of the Members and directors in accordance with these By-Laws.

He or she shall appoint and remove, employ and discharge and fix the compensation of all servants, agents, employees and clerks of the Corporation other than the duly elected officers, subject to the approval of the Board of Directors.

He or she shall sign and make all deeds, contracts and agreements in the name of the Corporation.

He or she shall sign all notes, drafts or bills of exchange, warrants or other orders for the payment of money duly drawn by the Treasurer.

He or she shall enforce the aforementioned Declaration of Easements, Covenants Conditions and Restrictions, amendments and these By-Laws and perform all the duties incident to the position and office, and which are required by law.

He or she shall have the power to prepare, execute, certify and record amendments to the Declaration on behalf of the Corporation.

#### **VICE PRESIDENT**

During the absence and inability of the President to render and perform his or her duties or exercise his or her powers, as set forth in these By-Laws or in the acts under which this Corporation is organized, the same, including the execution of deeds of the Corporation, shall be performed and exercised by the Vice President, successively in the

order named (i.e. First Vice President, Second Vice President, etc.); and when so acting, he or she shall have all the powers and be subject to all the responsibilities hereby given to or imposed upon the President.

### **SECRETARY**

The Secretary shall keep the minutes of the meetings of the Board of Directors and of the Members in appropriate books.

He or she shall give and serve all notices of the Corporation.

He or she shall be custodian of the records and of the seal, and affix the latter when required.

He or she shall keep accurate records of the following for at least five years:

- the owners of the real estate within the Community, alphabetically arranged, their respective places of residence, their post-office address, the number of lots or tracts owned by each, the time at which each person became such owner, and the number of votes that each owner/Member is entitled to cast.
- receipt and expenditure reports and financial records, as prescribed by state law;
- minutes of all meetings of the Members and Board of Directors, other than Executive Sessions;
- original and restated organizational documents, Bylaws, and current rules;



- the names and addresses of the current Board of Directors and Officers; and the most recent annual report of the Corporation.

He or she shall also keep:

- current contracts to which the Corporation is a party;
- financial statements and tax returns for the last three years; and
- ballots, proxies, and voting records for one year after an election.

He or she shall keep such records, subject to the inspection of any Member of the Corporation, and permit such Member to make extracts from said books to the extent and as prescribed by law.

He or she shall present to the Board of Directors at their stated meetings all communications addressed to him or her officially by the President or any officer or Member of the Corporation.

He or she shall attend to all correspondence and perform all the duties incident to the office of Secretary.

He or she shall have the power to prepare, execute, certify and record amendments to the Declaration on behalf of the Corporation.

#### **TREASURER**

The Treasurer shall have the care and custody of and be responsible for all the funds and securities of the Corporation, and deposit all such funds in the name of the Corporation in such bank or banks, savings and loans, trust company or trust companies or safe deposit vaults as the Board of Directors may designate.

He or she shall sign, make and endorse in the name of the Corporation, all checks, drafts, warrants and orders for the payment of money, and pay out and dispose of same and receipt therefor, under the direction of the President or the Board of Directors.

He or she shall exhibit at all reasonable times his or her books and accounts to any Director or Member of the Corporation upon application at the office of the Corporation during business hours.

He or she shall render a statement of the condition of the finances of the Corporation at each regular meeting of the Board of Directors, and at such other times as shall be required of him or her and a full financial report at the annual meeting of the Members.

He or she shall keep, at the office of the Corporation, correct books of account of all its business and transactions and such other books of account as the Board of Directors may require.

He or she shall notify Members of their annual assessment and any special assessments as levied by the Board of Directors, and under direction of the Board, effect collection of same.

He or she shall do and perform all duties pertaining to the office of Treasurer.

**Sec. 4. BOND.** The Treasurer shall, if required by the Board of Directors, give to the Corporation such security for the faithful discharge of his or her duties as the Board may direct.

**Sec. 5. VACANCIES, HOW FILLED.** All vacancies in any office shall be filled by the Board of Directors without undue delay, at its regular meeting, or at a meeting specifically called for that purpose. Each replacement shall remain in his or her position until the next regularly scheduled election.

**Sec. 6. COMPENSATION OF OFFICERS.** The officers shall receive such salary or compensation as may be determined by the Board of Directors.

**Sec. 7. REMOVAL OF OFFICERS.** These officers may be removed in the same manner that members of the Board of Directors may be removed, as described in Article II, Section 10 of these By-Laws.

#### **Article IV**

#### **BILLS, NOTES, ETC.**

**Sec. 1. HOW MADE.** All bills payable, notes, checks or other negotiable instruments of the Corporation shall be made in the name of the Corporation, and shall be signed by the President and countersigned by the Treasurer. No officer or agent of the Corporation either singly or jointly with others, shall have the power to make any bill payable, note, check, draft or warrant or other negotiable instrument, or endorse the same in the name of the Corporation, or contract or cause to be contracted any debt or liability in the name or on behalf of the Corporation, except as herein expressly prescribed and provided.

## **Article V**

### **FISCAL YEAR**

**Sec. 1.** The fiscal year of the Corporation shall be the calendar year.

## **Article VI**

### **INDEMNIFICATION**

**Section 1. INDEMNIFICATION OF DIRECTORS AND OFFICERS.** When a person is sued or prosecuted in a criminal action, either alone or with others, because he or she is or was a Director or officer of the Corporation, or of another Corporation serving at the request of this Corporation, in any proceeding arising out of his or her alleged misfeasance or nonfeasance in the performance of his or her duties or with others, because he or she is or was a Director or officer of the Corporation, or of another Corporation serving at the request of this Corporation, in any proceeding arising out of his or her alleged misfeasance or nonfeasance in the performance of his or her duties or out of any alleged wrongful act against the Corporation or by the Corporation, he or she shall be indemnified for his or her reasonable expenses, including attorney's fees incurred in the defense of the proceedings, if both of the following conditions exist:

(a) The person sued is successful in whole or in part, or the proceeding against him or her is settled with the approval of the court.

(b) The court finds that his or her conduct fairly and equitably merits such indemnity.

The amount of such indemnity which may be assigned against the Corporation, its receiver, or its trustee, by the court in the same or in a separate proceeding shall be so

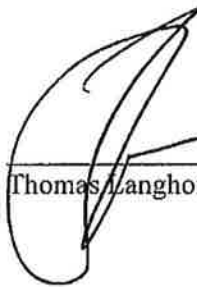
much of the expenses, including attorneys' fees incurred in the defense of the proceedings, as the court determines and finds to be reasonable. Application for such indemnity may be made either by the person sued or by the attorney or other person rendering services to him or her in connection with the defense, and the court may order the fee and expenses to be paid directly to the attorney or other person, although he or she is not a party to the proceeding. Notice of the application for such indemnity shall be served upon the Corporation, its receiver, or its trustee, and upon the plaintiff and other parties to the proceedings. The court may order notice to be given also to the Members in the manner provided in Article I, Section 4 for giving notice of Members' meetings, in such form as the Court directs.

## **Article VII**

### **AMENDMENTS**

**Sec. 1. HOW AMENDED.** These By-Laws may be altered, amended, repealed or added to in accordance with the laws of the State of Kansas. Such amendments may be proposed by the Board of Directors and shall be voted on by the Members at any regular or special meeting, in the manner described in Article I, Section 5 of these By-Laws.

Dated: April 27, 2012.

  
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Thomas Langhofer, Secretary