

BYLAWS

of

VILLAS OF DEER CREEK HIGHLANDS VILLAS ASSOCIATION A Nebraska Nonprofit Corporation

ARTICLE 1

The name of this corporation is Villas of Deer Creek Highlands Villa Association, hereinafter referred to as the "Villa Association". The principal office of the Villa Association shall be located at 7801 Wakeley Plaza, Omaha, Nebraska, 68114 but meetings of Members and of directors may be held at such places within or outside the State of Nebraska as may be designated by the Board of Directors.

ARTICLE 2 DEFINITIONS

Section 2.1. "Villa Association" shall mean and refer to Villas of Deer Creek Highlands Villa Association, its successors and assigns.

Section 2.2. "Owner" shall mean and refer to:

- (a). The record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, but excluding those having such interest merely as security for the performance of an obligation or as an encumbrance upon the interest of the beneficial owner, and
- (b). The purchaser, whether one or more persons or entities, under a recorded contract for the sale and purchase of a Lot, under which the Seller retains title solely as security for the performance of the purchaser's obligation under the contract

Section 2.3. "Properties" shall mean and refer to all of Lots 178- 200, but excluding Lots 182, 195, and 196 in Deer Creek Highlands, a subdivision, as surveyed, platted, and recorded in Douglas County, Nebraska, and such additional lots as may become subject to the Declaration pursuant to the terms thereof.

Section 2.4. "Lot" shall mean and refer to any platted lot (other than for roadways) shown upon any recorded subdivision map of the Properties.

Section 2.5. "Declarant" shall mean and refer to the Declarant as defined in the Declaration, its successors and assigns.

Section 2.6. "Declaration" shall mean and refer collectively to the Declaration of Covenants, Conditions, Restrictions and Easements dated October 9, 2013 and recorded October 15, 2013 in the Office of the Register of Deeds of Douglas County, Nebraska as Instrument No. 2013104605, applicable to the Properties, as amended and restated from time to time.

Section 2.7. "Member" shall mean and refer to those persons and/or entities entitled to membership as provided in the Declaration.

ARTICLE 3 MEETINGS OF MEMBERS

Section 3.1. Annual Meetings. Annual Meetings shall be held on a date to be determined by the Board of Directors.

Section 3.2. Special Meetings. Special meetings of the Members may be called at any time by the President or the Vice President, or by the Board of Directors, and shall be called by the Secretary of the Villa Association or other authorized person upon receipt by any officer of the Villa Association of a written request signed by Members of the Villa Association holding at least twenty-five percent (25%) of the voting power of the Villa Association.

Section 3.3. Notice of Meetings. Written notice of any meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) days, but not more than sixty(60) days, in advance of any such meeting to each Member entitled to vote, addressed to such Member's address last appearing on the books of the Villa Association, or supplied by such Member to the Villa Association for the purpose of such notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting. Notice of any meeting may be waived either before or after the meeting.

Section 3.4. Quorum and Proxies. In order to ensure that a quorum is present for all meetings of the Members, and to allow for orderly management of the Villa Association's affairs, if requested by the Villa Association, each Lot Owner, upon purchase of a Lot, shall execute and deliver to the Villa Association a continuing proxy prepared by the Villa Association. This continuing proxy shall operate in lieu of the actual attendance at the meeting by the specific Member and shall be void if the Member personally attends that meeting to exercise the Member's right to vote. A Lot Owner may provide a superseding proxy to be voted by his duly authorized attorney in fact for one specific meeting only.

The continuing proxy shall be voted by the President, or Vice President of the Villa Association in the absence of the President, in his or her discretion at any meeting. The continuing proxy shall provide on its face that it is valid on a continuous basis for an indefinite period of time until revoked in writing by the specific Lot Owner. All proxies shall be in writing and filed with the Secretary of the Villa Association. Each proxy shall be revocable and shall automatically cease when the Member giving such proxy shall cease to be an Owner of a Lot or at such earlier time as shall be specified in the proxy. No proxy shall be valid after eleven months from the date of its execution unless otherwise provided in the proxy that it operates as a continuing proxy designed to ensure a quorum at all meetings.

Section 3.5. Informal Action by Members. Any action required to be taken or which may be taken at a meeting of the Members may be taken without a meeting by obtaining the written consents of Members holding at least eighty percent (80%) of the voting power of the Villa Association, which written consents shall describe the action taken and shall be signed by the consenting Members. Such consents shall have the same force and effect as a meeting vote of the

Members and may be described as such in any articles or documents filed with the Secretary of State.

ARTICLE 4 BOARD OF DIRECTORS

Section 4.1. Number of Directors. The affairs of this Villa Association shall be managed by a Board of five (5) directors, with the number of directors to be amended by vote of the Members at the annual meeting of the Members as desired.

Section 4.2. Term of Office. Directors shall be elected for a term of one (1) year, and shall hold office until their successors shall be elected and qualified. At each annual meeting the Members shall elect directors for the coming year.

Section 4.3. Removal. Any director may be removed from the Board of Directors, with or without cause, by a majority vote of the votes cast by the Members of the Villa Association at any meeting called for such purpose. In the event of death, resignation or removal of a director, his or her successor shall be selected by the affirmative vote of a majority of the remaining directors and shall serve for the unexpired term of the predecessor.

Section 4.4. Compensation. No director shall receive compensation for any services rendered to the Villa Association in his capacity as a board member. However, any director may be reimbursed for actual expenses incurred in the performance of official duties or be employed by the Villa Association to perform any budgeted services.

Section 4.5. Informal Action by Directors. The directors shall have the right to take any action in the absence of a meeting which could have been taken at a meeting by obtaining the written consent of all of the directors, which consent may be executed by the directors in counterparts. Any action so approved shall have the same effect as though taken at a meeting of the directors.

Section 4.6. Director as Employee. Nothing herein contained shall prevent a director from also being an employee of the Villa Association or being employed by the Villa Association to perform any budgeted services.

Section 4.7. Quorum. A majority of the directors shall constitute a quorum at any meeting of the directors; but in no event shall a quorum consist of less than one-half (1/2) of the number of directors so fixed or stated in the Articles of Incorporation. Any action taken by a majority vote of the directors present at any such meeting which has a quorum shall constitute an official act of the Board of Directors.

Section 4.8. Election. At each annual meeting of the Members of the Villa Association, each member of the Board of Directors shall be elected to serve until the next annual meeting of the Members or until his or her successor shall have been duly elected and qualified. The Board of Directors is encouraged to seek nominees in advance of each annual meeting, however all nominations shall be made at such annual meetings. Cumulative voting is not permitted. Each Member voting may cast as many votes as such Member shall be entitled to exercise under the

provisions of the Declaration, for each director to be elected. Persons receiving the most votes shall be elected.

ARTICLE 5 DIRECTORS' MEETINGS

Section 5.1. Annual Meeting. The annual meeting of the Board of Directors shall immediately follow the annual meeting of the Members at which such directors shall be elected. No notice of such annual meeting shall be required.

Section 5.2. Special Meetings. Special meetings of the Board of Directors may be called by the President or by at least two (2) of the directors then in office, upon two (2) days prior notice of the meeting given personally, by mail, email or by telephone. Notice of any meeting may be waived either before or after the meeting.

Section 5.3. Regular Meetings. Periodic meetings of the Board of Directors may be held as needed in addition to the annual meetings.

ARTICLE 6 POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 6.1. Powers and Duties. The Board of Directors shall have, in addition to those powers under Nebraska law, the power to carry out such powers and duties as set forth in the Declaration of Covenants, Conditions, Restrictions, and Easements as filed on October 15, 2013 or as duly amended.

ARTICLE 7 OFFICERS AND THEIR DUTIES

Section 7.1. Officers. The officers of the Villa Association shall include a President, a Vice-President, a Secretary/Treasurer, and such other officers as may be elected in accordance with the provisions of this Article, and appointed by the Board of Directors as it shall deem appropriate.

Section 7.2. Election of Officers. The officers of the Villa Association shall be elected annually by the Board of Directors at the regular annual meeting of the Board of Directors. New offices may be created and filled at any meeting of the Board of Directors.

Section 7.3. Term. Each officer of this Villa Association shall be elected to hold office for a term of one (1) year or until such officer's successor shall have been elected and qualified, except as to the first elected officers.

Section 7.4. Resignation and Removal. Any officer may be removed from office with or without cause by the Board of Directors. Any officer may resign at any time by giving written notice to the Board, or to the President or to the Secretary of the Villa Association. Such resignation shall take effect upon delivery thereof, 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. Such resignation or removal shall be without prejudice to the contract rights, if

any, of the officer so removed, nor shall such resignation or removal adversely affect the officer's membership on the Board of Directors.

Section 7.5. Vacancies. A vacancy in any office may be filled by appointment by the Board. Any officer appointed to fill such vacancy shall serve for the remainder of the term of the officer replaced.

Section 7.6. Multiple Offices. Any person may hold two (2) or more offices, provided, however, that no person shall at the same time hold the offices of President and Secretary, or President and Vice-President

Section 7.7. Duties of Officers:

- (a). The President shall perform all duties as may be prescribed by the Board of Directors, and shall preside at all meetings of the Members and Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments on behalf of the Villa Association as authorized by the Board of Directors.
- (b). The Vice-President shall act in place 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 by the Board of Directors.
- (c). The Secretary shall record the votes and keep minutes of all meetings and proceedings of the Board of Directors and of the Members; shall be custodian of the corporate records; shall serve notice of meetings of the Board and of the Members; shall keep current records showing the Members of the Villa Association together with their addresses; and shall perform such other duties as may be required by the Board of Directors.
- (d). The Treasurer shall personally or in an oversight role receive and deposit in appropriate bank accounts all monies of the Villa Association; shall disburse such funds as directed by the Board of Directors or the President or, in the absence of the President, the Vice President; shall sign all checks and promissory notes of the Villa Association, along with any other person designated to sign the same by the Board of Directors; shall keep proper books of account; shall prepare an annual budget, and a statement of income and expenditures of the Villa Association; and shall perform such other duties as may be required by the Board of Directors. The Treasurer shall also ensure that the books of the Villa Association are reviewed annually for tax return purposes and compliance with all applicable state statutes.

ARTICLE 8 COMMITTEES

The Board of Directors may, by majority vote, designate and appoint one or more committees to provide assistance to the Board of Directors in carrying out the purposes of the Villa Association. No committee, however, shall operate to relieve the Board of any responsibility imposed upon it by law, nor have and exercise the authority of the Board of Directors in the management of the Villa Association.

Each committee shall consist of one or more directors.

ARTICLE 9 BOOKS AND RECORDS

The books, records of account and minutes of the proceedings of its Members, Board of Directors and committees having the authority of the Board of Directors and papers of the Villa Association shall be kept and retained at all times, during reasonable business hours, subject to inspection by any Member. The Declaration, the Articles of Incorporation, and the Bylaws of the Villa Association shall be available for inspection by any Member at the principal office of the Villa Association, where copies may be purchased at a reasonable cost.

ARTICLE 10 INSURANCE

The Villa Association may purchase and provide comprehensive general liability coverage insurance as shall be determined from time to time by the Board of Directors of the Villa Association. The Villa Association, in addition to the foregoing, may provide directors and officers liability coverage insurance for the Villa Association, for its officers, and members of the Board of Directors. Finally, if the Villa Association has any employees of any nature, the Villa Association shall purchase and provide Worker's Compensation Insurance for all employees who may come within the scope of Nebraska Worker's Compensation laws.

ARTICLE 11 ASSESSMENTS

As more fully provided in the Declaration, each Member other than the Declarant is obligated to pay to the Villa Association monthly assessments and special assessments which are secured by a continuing lien upon the Lot or parcel against which the assessment is made. Any assessment which is not paid when due shall be delinquent. If any assessment is not paid when due, such assessment shall bear interest from the date of delinquency at the rate of 15% per annum, and the Villa Association may bring an action at law against the Owner personally obligated to pay the same, or may foreclose the lien of such assessment against the property through proceedings in any Court having jurisdiction of actions for the enforcement of such liens. Should any part of any assessment remain unpaid for more than sixty (60) days after the due date, the Villa Association may declare the entire unpaid portion of such assessment for said year to be immediately due and thereafter delinquent. No Owner may waive or otherwise escape liability for the assessments provided herein by abandonment or transfer of such Owner's Lot or parcel except as set forth in writing by the Board of Directors.

ARTICLE 12 AMENDMENTS

Section 12.1. These Bylaws shall be adopted and thereafter amended as necessary at any regular or special meeting of the Members by a vote of two-thirds (2/3) of the votes cast or a majority of the voting power, whichever is less.

Section 12.2. In case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

Section 3. Except as otherwise prescribed by statute or in these Bylaws, the Articles of

Incorporation of the Villa Association may be amended by the Members by two-thirds (2/3) of the votes cast or a majority of the voting power, whichever is less. ·

**ARTICLE 13
FISCAL YEAR**

The fiscal year of the Villa Association shall begin on the 1st day of January and end on the 31st day of December of each year.

Duly Adopted by a vote of the Members on this ___ day of _____, 20__

Board Secretary