

BYLAWS OF WESTMOREDOWNS HOMES ASSOCIATION

ARTICLE I

OFFICE; SEAL

SECTION 1. GENERAL OFFICE. THE GENERAL AND PRINCIPAL OFFICE OF THE CORPORATION SHALL BE LOCATED IN KANSAS, AT SUCH PLACE AS THE BOARD OF DIRECTORS SHALL DETERMINE. MEETINGS OF THE BOARD OF DIRECTORS AND MEMBERS SHALL BE HELD AT SUCH PLACE OR PLACES IN WYANDOTTE COUNTY, KANSAS, AS THE BOARD OF DIRECTORS SHALL DETERMINE.

SECTION 2. NO SEAL. THE CORPORATION SHALL NOT HAVE A CORPORTATE SEAL.

ARTICLE II

PURPOSES

THE PURPOSE FOR WHICH THIS CORPORTTION HAS BEEN ORGANIZED IS TO PERFORM AND TO CARRY OUT THE OF ACTIVITIES OF A HOMES ASSOCIATION AS AUTHORIZED AND PROVIDED FOR IN THE DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS FOR WESTMORE DOWNS FILED AUGUST 7, 1990, IN THE OFFICE OF THE REGISTER OF DEEDS FOR WYANDOTTE COUNTY, KANSAS, IN BOOK 3439 AT PAGE 645("DECLARATION"), AND TO PERFORM THE PURPOSES AS SET FORTH IN THE ARTICLES OF INCORPORATION.

ARTICLE III

MEMBERSHIP

EVERY PERSON, FIRM OR CORPORATION WHO OWNS A LOT LOCATED WITHIN WESTMORE DOWNS, A SUBDIVISION IN WYANDOTTE COUNTY, KANSAS, SHALL BE A MEMBER OF THIS CORPORATION. THE MEMBERSHIP SHALL BE NONTRANSFERRABLE EXCEPT THAT UPON THE SALE OF A LOT, THE MEMBERSHIP SHALL AUTOMATICALLY BE TRANSFERRED TO THE PURCHASER.

ARTICLE IV

VOTING RIGHTS

EACH MEMBER SHALL BE ENTITLED TO CAST ONE VOTE FOR EACH LOT OWNED BY SAID MEMBER. IF A LOT SHALL BE OWNED BY MORE THAN ONE PERSON OR ENTITY, THE VOTE FOR SAID LOT MAY BE CAST AS THOSE OWNERS SHALL AGREE, BUT IN NO EVENT SHALL MORE THAN ONE VOTE BE CAST FOR EACH LOT. VOTES MAY BE CAST EITHER IN PERSON OR BY PROXY.

ARTICLE V

FEES AND DUES

THERE SHALL BE NO MEMBERSHIP FEES. THE BOARD OF DIRECTORS SHALL MAKE AN ANNUAL DUES ASSESSMENT IN SUCH AMOUNT AS THEY DETERMINE NECESSARY TO CARRY OUT THE ACTIVITIES OF THE CORPORATION. THIS ASSESSMENT SHALL BE MADE PURSUANT TO THE PROVISIONS OF THE DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR WESTMORE DOWNS.

ARTICLE VI

MEETINGS OF MEMBERS

SECTION 1. ANNUAL MEETING. THE ANNUAL MEETING OF THE MEMBERS SHALL BE HELD ON THE FIRST MONDAY IN APRIL OF EACH YEAR. THE FIRST BOARD OF DIRECTORS MAY DISPENSE WITH THE ANNUAL MEETING SO LONG AS THE FIRST BOARD OF DIRECTORS OR SUCCESSORS APPOINTED BY THEM ARE IN OFFICE.

SECTION 2. SPECIAL MEETINGS. SPECIAL MEETINGS OF THE MEMBERS SHALL BE HELD AT THE CALL OF THE PRESIDENT, OR AT THE WRITTEN REQUEST OF A MAJORITY OF THE BOARD OF DIRECTORS OR 20% OF THE MEMBERS. ANY SUCH REQUEST MUST BE SUBMITTED IN WRITING TO THE PRESIDENT AT LEAST TEN DAYS PRIOR TO THE DATE FOR WHICH A MEETING IS REQUESTED.

SECTION 3. NOTICE. THE SECRETARY SHALL GIVE EACH MEMBER AT LEAST TEN DAYS NOTICE BY MAIL OF EACH ANNUAL OR SPECIAL MEETING OF THE MEMBERSHIP, WHICH NOTICE SHALL STATE THE DATE, TIME AND PLACE OF THE MEETING AND THE BUSINESS TO BE TRANSACTED.

SECTION 4. QUORUM. 25% OF THE MEMBERS ENTITLED TO VOTE AT A MEETING, PRESENT IN PERSON OR BY PROXY, SHALL CONSTITUTE A QUORUM AT ALL MEETINGS OF THE MEMBERSHIP. A NUMBER LESS THAN A QUORUM MAY ADJOURN THE MEETING, TO RECONVENE AT A FUTURE TIME AND DATE, IN WHICH EVENT ALL MEMBERS SHALL BE GIVEN AT LEAST FIVE DAYS WRITTEN NOTICE BY MAIL OF THE TIME, DATE AND PLACE OF THE ADJOURNED MEETING.

SECTION 5. MANNER OF VOTING. ALL VOTES SHALL BE VIVA VOCE AT MEMBERSHIP MEETINGS, EXCEPT THAT THE DIRECTORS SHALL BE ELECTED BY WRITTEN BALLOT AND THE CHAIRMAN MAY SUBSTITUTE VOTING BY WRITTEN BALLOT ON ANY OTHER MATTER IF THE PRESIDENT DEEMS THE SAME EXPEDIENT. EVERY MEMBER ENTITLED TO VOTE MAY VOTE EITHER IN PERSON OR BY PROXY. PROXIES SHALL BE IN WRITING, DATED, AND SHALL BE REVOCABLE AT THE PLEASURE OF THE MEMBER EXECUTING SAME; AND UNLESS A SHORTER DURATION OF A PROXY BE SPECIFIED THEREIN, IT SHALL EXPIRE AND BECOME INVALID TWO MONTHS FROM THE DATE OF ITS EXECUTION.

AT LEAST TWO DISINTERESTED INSPECTORS SHALL BE APPOINTED BY THE CHAIRMAN PRIOR TO ANY VOTE BY WRITTEN BALLOT. SAID INSPECTORS SHALL CANVAS THE VOTE AND CERTIFY THE RESULTS IN THE MINUTES OF THE MEETING.

ARTICLE VII

BOARD OF DIRECTORS

SECTION 1. NUMBER. THIS CORPORATION SHALL BE MANAGED AND OPERATED BY A BOARD OF DIRECTORS CONSISTING OF THE THREE PERSONS WHO NEED NOT BE MEMBERS OF THE ASSOCIATION.

SECTION 2. FIRST BOARD OF DIRECTORS. THE FIRST BOARD OF DIRECTORS SHALL BE REED P. BYERS, JIM DENHAM, AND ROBERT F. DANNEBERG. THEIR TERM SHALL BE FROM THE DATE HEREOF UNTIL THEY SHALL ALL RESIGN. IN THE EVENT OF THE DEATH OR RESIGNATION OF LESS THAN ALL OF THE FIRST BOARD OF DIRECTORS, THE REMAINING MEMBERS OF THE FIRST BOARD OF DIRECTORS SHALL APPOINT A SUCCESSOR OR SUCCESSORS TO FULFILL THE UNEXPIRED TERM OF SUCH DECEASED OR RESIGNING DIRECTOR.

SECTION 3. ELECTION OF DIRECTORS. AT THE FIRST ANNUAL OR SPECIAL MEETING AFTER THE FIRST BOARD OF DIRECTORS SHALL HAVE RESIGNED, AND AT EACH ANNUAL MEETING THEREAFTER, THREE DIRECTORS SHALL BE ELECTED BY A MAJORITY VOTE OF THOSE PRESENT AND ENTITLED TO VOTE AT SUCH MEETING. EACH ELIGIBLE VOTER MAY CAST AS MANY VOTES AS THERE ARE DIRECTORS TO BE ELECTED. CUMULATIVE VOTING SHALL NOT BE PERMITTED.

SECTION 4. TERMS OF OFFICE. ALL DIRECTORS OTHER THAN THE FIRST BOARD OF DIRECTORS SHALL SERVE A TERM OF ONE YEAR EXCEPT THAT NO DIRECTOR'S TERM SHALL EXPIRE UNTIL HIS SUCCESSOR SHALL HAVE BEEN ELECTED. ANY DIRECTOR MAY BE ELECTED TO SUCCEED HIMSELF.

SECTION V. DUTIES AND AUTHORITY. THE BOARD OF DIRECTORS SHALL FIX THE AMOUNT OF THE ANNUAL ASSESSMENT, ELECT OFFICERS, APPROVE AND APPOINT OF ALL COMMITTEES, ADOPT RULES AND REGULATIONS COVERING AND CARRYING OUT THE PURPOSES OF THE ASSOCIATION, HIRE AND FIRE ALL EMPLOYEES AND DO ALL OTHER THINGS NECESSARY OR APPROPRIATE TO THE MANAGEMENT OF THE AFFAIRS AND PROPERTY OF THE CORPORATION.

SECTION 6. REMOVAL. ANY DIRECTOR OTHER THAN A MEMBER OF THE FIRST BOARD OF DIRECTORS MAY BE REMOVED WITH OR WITHOUT CAUSE BY VOTE OF THREE-FOURTHS OF THE MEMBERS PRESENT AND ENTITLED TO VOTE AT ANY SPECIAL MEETING OF THE MEMBERSHIP CALLED FOR THAT PURPOSE AND ATTENDED BY A QUORUM.

ANY DIRECTOR WHO SHALL HAVE BEEN ABSENTED HIMSELF FROM THREE CONSECUTIVE MEETINGS OF THE BOARD OF DIRECTORS WITHOUT AN EXCUSE WHICH IN THE OPINION OF THE MAJORITY OF THE OTHER BOARD MEMBERS IS JUSTIFIABLE MAY BE REMOVED FROM OFFICE BY VOTE OF A MAJORITY OF THE SAID OTHER MEMBERS.

SECTION 7. VACANCIES. VACANCIES ON THE BOARD SHALL BE FILLED BY THE REMAINING MEMBERS OF THE BOARD UNTIL THE NEXT ANNUAL MEETING.

SECTION 8. ACTIONS TAKEN WITHOUT A MEETING. ANY ACTION WHICH IS REQUIRED OR PERMITTED TO BE TAKEN AT ANY MEETING OF THE BOARD OF DIRECTORS MAY BE TAKEN WITHOUT A MEETING IF ALL MEMBERS OF THE BOARD CONSENT THERETO IN WRITING.

SECTION 9. ANNUAL MEETING. THE ANNUAL MEETING OF THE BOARD OF DIRECTORS SHALL BE HELD IMMEDIATELY FOLLOWING THE ANNUAL MEETING OF THE MEMBERS OR AT SAID TIME AND PLACE AS THE PRESIDENT MAY ANNOUNCE. AT ITS ANNUAL MEETING, THE BOARD SHALL ELECT OFFICERS AND TRANSACT SUCH OTHER BUSINESS AS MAY PROPERLY COME BEFORE IT.

SECTION 10. SPECIAL MEETINGS. SPECIAL MEETING OF THE BOARD OF DIRECTORS MAY BE HELD AT THE CALL FO THE PRESIDENT OR ANY TWO BOARD MEMBERS, UPON THREE DAYS PRIOR NOTICE IN WRITING OF THE TIME, PLACE AND DATE OF THE MEETING.

SECTION 11. QUORUM. A MAJORITY OF THE BOARD SHALL CONSTITUTE A QUORUM AT ANY ANNUAL OR SPECIAL MEETING OF THE BOARD.

ARTICLE VIII

OFFICERS

SECTION 1. NUMBER;QUALIFICATIONS. THE OFFICERS OF THE CORPORTATION SHALL CONSIST OF A PRESIDENT, VICE PRESIDENT, SECRETARY, AND TREASURER. THE PRESIDENT SHALL BE A MEMBER OF THE BOARD OF DIRECTORS AND THE OTHER OFFICERS NEED NOT BE A MEMBER OF THE BOARD OF THE DIRECTORS. NONE OF THE OFFICES MAY BE HELD BY THE SAME PERSON EXCEPT THE OFFICE OF THE PRESIDENT AND THE SECRETARY.

SECTION 2. PRESIDENT. THE PRESIDENT SHALL PRESIDE AT ALL MEMBERSHIP MEETINGS; THE PRESIDENT SHALL APPOINT, WITH THE APPROVAL OF THE BOARD OF DIRECTORS , ALL COMMITTEES, AND MAY BE A MEMBER EX-OFFICIO OF ALL COMMITTEES; THE PRESIDENT MAY BE ONE OF THE OFFICERS AUTHORIZED TO SIGN PAPERS IN THE NAME OF THE CORPORATION OR COUNTERSIGN CHECKS OR DRAFTS OF THE CORPORATION; THE PRESIDENT SHALL SEE THE CORPORATE RESPONSIBILITIES ARE ADEQUATELY PROVIDED FOR; AND SHALL HAVE SUCH POWERS AS MAY BE REASONABLY CONSTRUED AS BELONGING TO THE CHIEF EXECUTIVE OF AN ORGANIZATION.

SECTION 3. VICE PRESIDENT.THE VICE PRESIDENT SHALL EXERCISE THE OFFICE OF THE PRESIDENT IN THE PRESIDENT'S ABSENCE.

SECTION 4. SECRETARY. THE SECRETARY SHALL KEEP THE MINUTES AND RECORDS OF THE CORPORATION; THE SECRETARY SHALL SERVE ALL NOTICES TO MEMBERS; THE SECRETARY SHALL PREPARE AND FILE ANY CERTIFICATE, PAPERS OR OTHER DOCUMENTS REQUIRED OF THE CORPORATION THROUGH CORPORATE ACTION OR BY LAW. DUTIES ATTENDING CORRESPONDENCE MAY BE DELEGATED TO A CORRESPONDING SECRETARY DULLY APPOINTED BY THE BOARD.

SECTION V. TREASURER. THE TREASURER SHALL HAVE THE CARE AND CUSTODY OF ALL MONEYS BELONGING TO THE CORPORATION AND SHALL CAUSE SUCH MONEYS TO BE DEPOSITED IN A REGULAR

BUSINESS BANK OR TRUST COMPANY. THE TREASURER SHALL BE ONE OF THE OFFICERS SIGNING CHECKS OR DRAFTS OF THE CORPORATION; AND SHALL EXERCISE ALL DUTIES INCIDENT TO THE OFFICE OF TREASURER. THE TREASURER SHALL, IF REQUESTED BY THE BOARD OF DIRECTORS, FURNISH BOND AS PRESCRIBED BY THE BOARD, FOR THE FAITHFUL PERFORMANCE OF THE TREASURER'S DUTIES.

ARTICLE IX

INDEMNIFICATION OF DIRECTORS AND OFFICERS

A. EACH PRESENT, FUTURE OR FORMER DIRECTOR OR OFFICER OF THE ASSOCIATION SHALL BE INDEMNIFIED BY THE ASSOCIATION AGAINST ALL EXPENSES, ATTORNEY FEES, JUDGEMENTS, FINES AND AMOUNTS PAID IN SETTLEMENT ACTUALLY AND REASONABLY INCURRED BY HIM IN CONNECTION WITH:

- (1) ANY THREATENED, PENDING OR COMPLETED CIVIL, CRIMINAL, ADMINISTRATIVE OR INVESTIGATIVE SUIT PROCEEDING (OTHER THAN AN ACTION BY OR IN THE RIGHT OF THE CORPORATION) TO WHICH HE WAS OR IS THREATENED TO BE MADE PARTY BY REASON OF HIS BEING OR HAVING BEEN A DIRECTOR OR OFFICER OF THE ASSOCIATION; AND
- (2) ANY THREATENED, PENDING OR COMPLETED ACTION OR SUIT BY OR IN THE RIGHT OF THE ASSOCIATION TO PROCURE A JUDGEMENT IN ITS FAVOR BY REASON OF THE FACT THAT HE IS OR WAS A DIRECTOR OR OFFICER OF THE ASSOCIATION, INCLUDING ANY CLAIM, ISSUE OR MATTER AS TO WHICH SUCH PERSON SHALL HAVE BEEN ADJUDGED LIABLE FOR NEGLIGENCE OR MISCONDUCT IN THE PERFORMANCE OF HIS DUTY TO THE CORPORATION IF A COURT OF COMPETENT JURISDICTION SHALL NEVERTHELESS DETERMINE ON APPLICATION THAT IN VIEW OF ALL OF THE CIRCUMSTANCES SUCH PERSON IS FAIRLY AND REASONABLY ENTITLED TO INDEMNITY; AND
- (3) ANY SUIT, PROCEEDING OR ACTION OTHERWISE WITHIN THE PURVIEW OF THE FOREGOING SUBSECTIONS (1) AND (2) PERTAINING TO ANY CORPORATION WHICH IS AN AFFILIATE OR SUBSIDIARY OF THIS ASSOCIATION AND OF WHICH SUCH PERSON IS OR WAS SERVING AS A DIRECTOR OR OFFICER BY NOMINATION OR REQUEST OF THIS ASSOCIATION; IF A CONDITION, IN EACH SUCH AFORESAID INSTANCE, THAT SUCH PERSON ACTED IN GOOD FAITH AND IN A MANNER HE REASONABLY BELIEVED TO IN AND NOT OPPOSED TO THE BEST INTEREST OF THE CORPORATION, AND, WITH RESPECT TO ANY CRIMINAL ACTION OR PROCEEDING, HAD NO REASONABLE CAUSE TO BELIEVE HIS CONDUCT WAS UNLAWFUL.

B. ANY INDEMNIFICATION UNDER THIS ARTICLE SHALL BE MADE BY THE ASSOCIATION AS AUTHORIZED IN THE SPECIFIC CASE UPON A DETERMINATION THAT THE PERSON IN QUESTION HAS MET THE APPLICABLE STANDARD OF CONDUCT ABOVE SET FORTH, SUCH DETERMINATION, EXCEPT AS OTHERWISE HEREIN REQUIRED TO BE MADE BY A COURT, TO BE MADE BY (1) THE BOARD OF DIRECTORS BY A MAJORITY VOTE OF A QUORUM CONSISTING OF DIRECTORS WHO WERE NOT PARTIES TO SUCH ACTION; SUIT OR PROCEEDING, OR, IF SUCH QUORUM IS NOT OBTAINABLE, BY EITHER (2) INDEPENDENT LEGAL COUNSEL IN A WRITTEN OPINION OR (3) THE MEMBERS.

C. EXPENSES INCURRED IN DEFENDING A CIVIL OR CRIMINAL ACTION, SUIT OR PROCEEDING MAY BE PAID BY THE ASSOCIATION IN ADVANCE OF THE FINAL DISPOSITION OF THE ACTION, SUIT OR

PROCEEDING AS AUTHORIZED BY THE BOARD OF DIRECTORS IN THE SPECIFIC CASE UPON RECEIPT OF AN UNDERTAKING BY OR ON BEHALF OF THE DIRECTOR OR OFFICER TO REPAY SUCH AMOUNT UNLESS IT SHALL BE ULTIMATELY BE DETERMINED THAT HIS IS ENTITLED TO BE INDEMNIFIED BY THE ASSOCIATION AS AUTHORIZED IN THIS SECTION.

ARTICLE X

COMMITTEES

THE BOARD OF DIRECTORS SHALL SERVE AS THE ARCHITECTURAL CONTROL COMMITTEE OR APPOINT THE MEMBERS OF SUCH COMMITTEE. ALL OTHER COMMITTEES SHALL BE APPOINTED BY THE PRESIDENT WITH THE APPROVAL OF THE BOARD OF DIRECTORS.

ARTICLE XI

AMENDMENT TO BYLAWS

THESES BYLAWS MAY BE ALTERED, AMENDED, REPEALED OR ADDED TO BY A MAJORITY OF THE BOARD OF DIRECTORS, OR BY A MAJORITY VOTE OF THE MEMBERS PRESENT IN PERSON OR BY PROXY AT AN ANNUAL OR SPECIAL MEETING.

ADOPTED: AUGUST 21, 1990