

BYLAWS
OF
BENT CREEK HOMEOWNERS ASSOCIATION

Article I
Plan of Ownership

Section 1. Name and Location. The name of the corporation is BENT CREEK HOMEOWNERS ASSOCIATION (hereinafter referred to as the "Association"). The initial office of the Association shall be located at 10050 Regency Circle, Suite 200, Omaha, Nebraska, but meetings of members and directors may be held at such places within Douglas County, Nebraska as may be designated by the Board of Directors.

Section 2. Application. All present and future owners, mortgagees, lessees and occupants of the Lots and their employees, and any other persons who may use the facilities of the Association in any manner are subject to these Bylaws and rules and regulations pertaining to the use and operation thereof. The acceptance of a deed or conveyance, or the execution of a lease, or the act of occupancy of any Lot in the Property shall constitute an acceptance of and agreement to comply with the provisions of these Bylaws.

Article II
Definitions

Section 1. Lot. "Lot" or "Lots" shall mean and refer to each or all of the following Lots:

Lots 1 through 147 in Bent Creek, a Subdivision, as surveyed, platted and recorded in Douglas County, Nebraska.

In Article II of the Declaration described in Section 3, the Declarant reserves the right to expand the Property subject to the Declaration to include identified additional residential lots in a subdivision contiguous to any of the Lots. In the event Declarant exercises its rights in this regard, the additional lots shall be considered to be included in the "Lots" for purposes of these Bylaws, and the owners of such additional residential Lots shall be Members of the Association with all rights, privileges and obligations accorded or accruing to Members of the Association.

Section 2. Common Facility. "Common Facility" shall mean facilities for the general use, benefit and enjoyment of the Members. Common Facilities may include parks; dedicated and nondedicated roads, paths, ways and green areas; signs; and entrances to Bent Creek. Common Facilities may be situated on property owned or leased by the by the Association, or on dedicated property.

Section 3. Declaration. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions, Restrictions and Easements of Bent Creek, a Subdivision in Douglas County, Nebraska, which has been filed in the Office of the Register of Deeds of Douglas County, Nebraska (Book 816, Page 590), as amended from time to time.

Section 4. Owner. "Owner" of a Lot shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to a Lot, but excluding however those parties having any interest in any of such Lots merely as security for the performance of an obligation (such as a contract seller, the Trustee or Beneficiary of a deed of trust, or a mortgagee). A purchaser of a Lot under a land contract or similar instrument shall be deemed to be the Owner of the Lot for purposes of the Declaration and these Bylaws.

Section 5. Association. "Association" shall mean and refer to BENT CREEK HOMEOWNERS ASSOCIATION, a Nebraska not for profit corporation, its successors and assigns.

Section 6. Member. "Member" shall mean and refer to each Owner of a Lot.

Article III Board of Directors

Section 1. Initial Number and Qualification. The initial Board of Directors shall consist of those individuals designated in the Articles of Incorporation of the Association. Such Directors and their successors elected in accordance with Section 6 of this Article shall serve until the 1991 annual meeting of the Owners.

Section 2. Number and Qualification After Annual Election. After the first annual election, the Board of Directors shall be composed of not fewer than three (3) nor more than five (5) directors, each of whom shall be an Owner, an executive officer of a corporate Owner, or a partner of a partnership Owner.

Section 3. Powers and Duties. The Board of Directors shall have the powers conferred upon not for profit corporations by the Nebraska Nonprofit Corporation Act, and all powers and duties necessary and appropriate to accomplish the Purposes and administer the affairs of the Association. The powers and duties to be exercised by the Board of Directors, and upon authorization of the Board of Directors by the Officers, shall include but shall not be limited to, the following:

(a) The development, operation and administration of Common Facilities, and the enforcement of the rules and regulations relating to the Common Facilities.

(b) The fixing, levying, collecting, abatement, and enforcement of all charges, dues, or assessments made pursuant to the terms of the Declaration.

(c) The expenditure, commitment and payment of Association funds to accomplish the purposes of the Association including, but not limited to, purchase of insurance covering any Common Facility against property damage and casualty, and purchase of liability insurance coverages for the Association, the Board of Directors of the Association and the Members.

(d) The exercise of all of the powers and privileges and performance of all of the duties and obligations of the Association as set forth in the Declaration, as the same may be amended from time to time.

(e) The acquisition by purchase or otherwise, holding, or disposition of any right, title or interest in real or personal property, wherever located, in connection with the affairs of the Association.

(f) The deposit, investment and reinvestment of Association funds in bank accounts, securities, money market funds or accounts, mutual funds, pooled funds, certificates of deposit or the like.

(g) The employment of professionals and consultants to advise and assist the Officers and Board of Directors in the performance of their duties and responsibilities for the Association.

(h) General administration and management of the Association, and execution of such documents and doing and performance of such acts as may be necessary or appropriate to accomplish such administration and management.

(i) The doing and performing of such acts, and the execution of such instruments and documents, as may be necessary or appropriate to accomplish the purposes of the Association.

Section 4. Election and Term of Office. At the 1991 annual meeting of the Association, the Owners shall elect one-third (1/3) of the total number of Directors for a term of one (1) year, one-third (1/3) for a term of two (2) years, and one-third (1/3) for a term of three (3) years; and at each annual election thereafter, the Owners shall elect one-third (1/3) of the total number of Directors for a term of three (3) years.

Section 5. Removal of Board of Directors. At any regular or special meeting of Owners, any one or more of the Directors may be removed with or without cause by two-thirds of the Owners and a successor may then and there or thereafter be elected to fill the vacancy thus created. Any member of the Board of Directors whose removal has been proposed by the Owners shall be given an opportunity to be heard at the meeting.

Section 6. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal by a vote of the Owners, shall be filled by a vote of a majority of the remaining Directors at a special meeting held for

that purpose, even though the Directors present at such meeting may constitute less than a quorum. Each person so elected shall be a Director for the remainder of the term of the Director so removed and until a successor shall be elected at an annual meeting of the Owners.

Section 7. Annual Meeting. The annual meeting of the Board of Directors shall be held within ten (10) days following the annual meeting of the Owners, at such time and place as shall be fixed by the Owners at the meeting. No notice shall be necessary to the newly elected Board of Directors in order legally to constitute such meeting, providing a majority of the whole Board of Directors, shall be present at such meeting.

Section 8. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors, but at least one such meeting shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, by mail, at least three (3) business days prior to the day named for such meeting.

Section 9. Special Meetings. Special meetings of the Board of Directors may be called by the President on three business days' notice to each Director, given by mail, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least three (3) Directors.

Section 10. Waiver of Notice and Consents in Lieu of Meetings. Any Director may, at any time, waive notice of any meeting of the Board of Directors in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting. Business may be transacted and approved by the Board of Directors in the form of a written consent in lieu of a regular or special meeting provided all of the Directors shall have executed such written consent.

Section 11. Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If at any meeting of the Board there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called, may be transacted without further notice.

Section 12. Fidelity Bonds. The Board of Directors may obtain fidelity bonds for all officers and employees of the Association handling or responsible for Association funds. The premiums for such bonds shall constitute a common expense.

Section 13. Compensation. No Director shall receive any compensation for acting as such; provided, however, the Directors may be reimbursed for any reasonable expenses incurred on behalf of the Association at the direction of the Board.

Section 14. Liability of the Board of Directors. The Directors shall not be liable to the Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct. The Owners shall indemnify and hold harmless each of the Directors against all contractual liability to others arising out of contracts made by the Board of Directors on behalf of the Association unless any such contract shall have been made in bad faith or contrary to the provisions of these Bylaws. It is intended that the Directors shall have no personal liability with respect to any contract made by them on behalf of the Association. It is also intended that the liability of any Owner arising out of any contract made by the Board of Directors or out of the indemnity in favor of the Directors shall be limited to such proportion of the total liability thereunder as the number of Lots owned by him bears to one hundred forty-seven (147). Agreements made by the Board of Directors or by the managing agent or by the manager on behalf of the Association may provide that the Directors or the managing agent, or the manager, as the case may be, are acting only as agents for the Owners and shall have no personal liability thereunder (except as Owners), and that each Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as the number of Lots owned by him bears to one hundred forty-seven (147).

Article IV Meetings and Voting Rights

Section 1. Annual Meetings. The annual meetings of the Owners shall be held on the first Wednesday of June of each year, beginning in 1991, unless such date shall occur on a holiday, in which event the meeting shall be held on the succeeding Monday. The Owners may transact such other business at such meetings as may properly come before them.

Section 2. Place of Meetings. Meetings of the Owners shall be held at the principal office of the Association or at such other suitable place convenient to such Owners as may be designated by the Board of Directors.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the Owners if so directed by resolution of the Board of Directors or upon a petition signed and presented to the Secretary by at least seventy-five percent (75%) of all Owners. The notice of any special meeting shall state the time, place, and purpose of the meeting. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. Notice of Meetings. The Secretary shall mail or personally deliver, at least ten (10) but not more than twenty (20) days prior to such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Owner of record a notice of each annual or special meeting

of the Owners at the address of the Lot or at such other address as such Owner shall have designated by notice in writing to the Secretary. The mailing of a notice of meeting in the manner provided in this Section shall be considered service of notice.

Section 5. Adjournment of Meetings. If any meeting of Owners cannot be held because a quorum has not attended, a majority of the Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

Section 6. Order of Business. The order of business at all meetings of the Owners shall be as follows:

- (a) Roll call;
- (b) Proof of notice of meeting;
- (c) Reading of minutes of preceding meeting;
- (d) Reports of officers;
- (e) Report of Board of Directors;
- (f) Election of members of the Board of Directors (when so required);
- (g) Unfinished business; and
- (h) New business.

Section 7. Voting. The Owner or Owners, or some person designated by such Owner or Owners to act as proxy on his or their behalf and who need not be an Owner, shall be entitled to cast the votes appurtenant to a Lot at all meetings of Owners. The designation of any such proxy shall be made in writing to the Secretary and shall be revocable at any time by written notice to the Secretary by the Owner or Owners so designating. A fiduciary shall be the voting member with respect to any Lot owned in a fiduciary capacity. Each Lot shall have one (1) vote in all matters except that cumulative voting shall apply in all elections of the Board of Directors. Provided, however, that no vote may be cast on behalf of any lot unless all dues, charges or assessments of the Association have been paid current to the date of any election or to the time of casting such vote. Further, in the event of the lack of an agreement among common owners of a lot as to voting rights, the current payor of Association dues or charges shall be preferred with the ultimate decision of voting rights to be made by the Association's Board of Directors.

Section 8. Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of "a majority of Owners" shall constitute a quorum at all meetings of the Owners.

Section 9. Majority Vote. The vote of a "majority of Owners" at a meeting at which a quorum shall be present shall be binding upon all Owners for all purposes except where a higher percentage vote is required by law, by these Bylaws.

Article V Officers

Section 1. Designation. The principal officers of the Association shall be the President, the Vice President, the Secretary, and the Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint an Assistant Treasurer, an Assistant Secretary, and such other officers as in its judgment may be necessary. The President and Treasurer must be members of the Board of Directors.

Section 2. Election of Officers. Officers shall be elected annually by the Board of Directors at the organization meeting of each new Board of Directors and shall hold office at the pleasure of the Board of Directors.

Section 3. Removal of Officers. Upon the affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his or her successor may be elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose.

Section 4. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Owners and of the Board of Directors. He shall have all of the general powers and duties which are normally incident to the office of president of a corporation organized under the law of the State of Nebraska, including but not limited to the power of appointment from among the Owners of any committee which he decides is appropriate to assist in the conduct of the affairs of the Association.

Section 5. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board of Directors to act in the place of the President, on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him or her by the Board of Directors or by the President.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Owners and of the Board of Directors; he or she shall have charge of such books and papers as the Board may direct; and he or she shall, in general, perform all the duties normally incident to the office of secretary of a corporation organized under the law of the State of Nebraska.

Section 7. Treasurer. The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial statements.

He or she shall be responsible for the deposit of all moneys and other valuable effects in the name of the Board of Directors, or the managing agent, in such depositories as may from time to time be designated by the Board of Directors, and he or she shall, in general, perform all duties normally incident to the office of treasurer of a corporation organized under the law of the State of Nebraska.

Section 8. Agreement, Contracts, Deeds, Checks, Etc. All agreements, contracts, deeds, leases, mortgages, checks, and other instruments of the Association shall be executed by any two officers of the Association.

Section 9. Compensation of Officers. No officer of the Association shall receive any compensation for acting as such.

Article VI Operation of the Common Facilities

Section 1. Determination of Dues and Assessments. The Board of Directors shall from time to time, and at least annually, prepare a budget for the Association and establish the amount of dues and assessments. The amount of the dues and assessments and the expenditure of funds by the Association shall be governed by applicable provisions of the Declaration. The Board shall advise each Owner in writing of the amount of dues and assessments payable by him, and shall furnish copies of each budget on which such dues and assessments are based to all Owners and to their mortgagees who request a copy in writing.

Section 2. Abatement and Enjoining of Violations. The violation of any rule or regulation adopted by the Board of Directors, or the breach of any Bylaw contained herein shall give the Board of Directors the right, in addition to any other rights set forth in these Bylaws:

(a) To suspend the voting rights of the Lot in question;
and/or

(b) To suspend the right of the Owner to use the Common Facilities; and/or

(c) To take such actions as are deemed appropriate by the Board of Directors, including enjoining, abating, or election to remedy such thing or condition by appropriate legal proceedings.

Section 3. Maintenance and Repair. All maintenance, repairs, and replacements to the Common Facilities, and the Lots (unless necessitated by the negligence, misuse, or neglect of an Owner, in which case such expense shall be charged to such Owner), shall be made by the Association and be charged to all the Owners.

Article VII Mortgages

Section 1. Notice of Unpaid Dues or Assessments. The Board of Directors, whenever so requested in writing by a mortgagee of a Lot, shall promptly report any then unpaid dues or assessments, or other default by the Owner of the mortgaged Lot.

Section 2. Notice of Default. The Board of Directors, when giving notice to an Owner of a default in paying dues or assessments or other default, shall send a copy of such notice to each holder of a mortgage covering such Lot whose name and address has been furnished to the Board.

Section 3. Examination of Books. Each Owner and each mortgagee of a Lot shall be permitted to examine the books of account of the Association at reasonable times, on business days, but not more often than once a month.

Article VIII Records

Section 1. Records and Audits. The Board of Directors shall keep reasonably detailed records of the actions of the Board, minutes of the meetings of the Board of Directors, minutes of the meetings of the Owners, and financial records and books of account of the Association, including a chronological listing of receipts and expenditures, as well as a separate account for each Lot which, among other things, shall contain the amount of dues and assessments against such Lot, the date when due, the amounts paid thereon, and the balance remaining unpaid. A written report summarizing all receipts and expenditures of the Association shall be rendered by the Board of Directors to all Owners at least annually.

Article IX Miscellaneous

Section 1. Notices. All notices to the Board of Directors shall be sent by certified mail, receipt requested, in care of the President, or to such other address as the Board may hereafter designate from time to time. All notices to any Owner shall be sent by certified mail, receipt requested. All notices to mortgagees of Lots, shall be sent by regular U.S. mail to their respective addresses, as designated by them from time to time, in writing to the Board. All notices shall be deemed to have been given when mailed, except notices of change of address which shall be deemed to have been given when received.

Section 2. Invalidity. The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity or enforceability of the remaining provisions.

Section 3. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of these Bylaws, or the intent of any provision thereof.

Section 4. Gender. The use of the masculine gender in these Bylaws shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

Section 5. Waiver. No restriction, condition, obligation, or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

Section 6. Payment of Assessments. No Owner shall be permitted to convey, mortgage, pledge, hypothecate, sell, or lease his or her Lot unless and until he or she shall have paid in full to the Board all unpaid standard dues and special assessments theretofore assessed by the Board against his or her Lot and unless and until he or she shall have satisfied all unpaid liens against such Lot, except permitted mortgages.

Article X Amendments to Bylaws

Section 1. Amendments to Bylaws. Except as otherwise provided, these Bylaws may be modified or amended by the vote of Owners owning at least two-thirds (2/3) of all Lots within the Property at a meeting of Owners duly held for such purposes.