

**EXHIBIT B**

**BY-LAWS OF SOUTHBRIDGE  
CONDOMINIUM ASSOCIATION, INC.**

**ARTICLE I  
NAME AND LOCATION**

The name of the Corporation is SOUTHBRIDGE CONDOMINIUM ASSOCIATION, INC., hereinafter referred to as the "Association". The principal office of the corporation shall be as designated by the Board of Directors from time to time, and meetings of Members and Directors may be held at such places within Douglas County, Nebraska, as may be designated by the Board of Directors.

**ARTICLE II  
DEFINITIONS**

All terms shall be defined in accordance with the definitions contained in the Declaration and Master Deed of Southbridge Condominium Property Regime and By-Laws and any amendments thereto (the "Declaration").

**ARTICLE III  
PROPERTY RIGHTS: RIGHTS OF ENJOYMENT**

Each Member shall be entitled to the use and enjoyment of the Common Elements and facilities as provided in the Declaration. Any Member may assign his rights of enjoyment of the Common Elements and facilities to the members of his family or his or her tenants who reside on the Property, or any contract purchasers.

**ARTICLE IV  
MEMBERSHIP**

Section 1: Membership. The membership of the Association shall consist of all Owners of Condominium Units in the Southbridge Condominium Property Regime. Membership in the Association shall be mandatory and no Owner during his ownership of a Condominium Unit shall have the right to relinquish or terminate his membership in the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation.

Section 2: Succession. The membership of each Condominium Unit Owner shall terminate when they cease to be an Owner of a Condominium Unit, and their membership in the Association shall automatically be transferred to the new Owner succeeding to such ownership interest.

**ARTICLE V  
MEMBERSHIP MEETINGS**

Section 1: Annual Meeting. The annual meeting of the Association shall be held at the office of the Association or at such other suitable place convenient to the Unit Owners as may be designated by the Board at least forty-five (45) days before the beginning of each fiscal year. Each annual meeting shall be for the purpose of electing Directors and transacting any other business authorized to be transacted by the Members. If the date set for the annual meeting of the Membership is a legal holiday, the meeting will be held at the same hour on the first day following such legal holiday.

Section 2: Special Meetings. Special meetings shall be held whenever called by the President or Vice-President or by a majority of the Association's Board of Directors, and must be called by such officers upon receipt of a written request from Members entitled to cast one-third of the votes of the entire membership.

Section 3: Notice of Meetings. Notice of all meetings, stating the time, date, place and purpose for which the meeting is called, shall be given by the President or Vice-President or Secretary, unless waived in writing. Such notice shall be in writing to each Member at the last known address shown on the records of the Association and shall be mailed at least

ten (10) days but no more than sixty (60) days prior to the date of the meeting. Proof of such mailings shall be made by affidavit, duly executed by the Person giving the notice. Notice of meeting may be waived before or after any such meeting.

Section 4: Quorum. A Quorum at any meeting shall consist of twenty (20%) percent of those Persons entitled to cast all votes of the Association. If any meeting of the Members cannot be organized because a quorum has not attended, the Members present either in Person or by proxy, may adjourn the meeting for at least ten (10) days, and adequate notice of the new date shall be given as described in Section 3 of this Article.

Section 5: Voting.

(a) Unless specifically required by the Declaration, each Member shall be entitled to cast one vote for each Unit owned by that Member. If a Unit is owned by one person, his/her right to vote shall be established by the record title to the Unit. If a Unit is owned by more than one Person, or if a Unit is owned by a corporation, limited liability company, partnership, trust or any other organization, the vote for such Unit shall be exercised as such multiple Owners or representatives thereof, between or among themselves, determined; provided in no event shall more than one (1) vote be cast with respect to any Unit. In the event of disagreement among such multiple Persons or representatives of such corporation, limited liability company, partnership, trust or any other organization and an attempt by two (2) or more of them to cast such vote or votes, such Persons shall not be recognized, and such vote or votes shall not be counted. No Owner shall be eligible to vote, either in person or by proxy, if that Owner is shown in the books or management accounts of the Association to be more than sixty (60) days delinquent in any payment due the Association or is under suspension for the infraction of any provision of the Declaration or any rule or provision of the Condominium Documents.

(b) Except where a greater number is required by Act or the Declaration, a majority vote is required to adopt decisions at any meeting of the Association. If the Declarant owns or holds title to one or more Units, the Declarant shall have the right at any meeting of the Association to cast one vote for each Unit it owns.

Section 6: Proxies. Votes may be cast in Person or by proxy as provided in the Act.

ARTICLE VI  
BOARD OF DIRECTORS

Section 1: Original Number. During the Period of Declarant Control, the business of the Association shall be managed by a Board of Directors of at least three (3) Directors who shall be appointed by the Declarant and shall serve without compensation. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties as a Director.

Section 2: Term of Office. Other than the three (3) Directors appointed by Declarant during the Period of Declarant Control, the Directors shall be elected as provided in the Declaration and these By-Laws. The Directors appointed by the Declarant shall be elected for terms staggered on a one (1), two (2) and three (3) year basis. After the initial term of each such Director, all Directors thereafter shall be elected for two (2) years terms. Without regard to the time when the Period of Declarant Control terminates, the Association shall hold a First Transitional Election not later than sixty (60) days after the conveyance of twenty-five (25%) percent of the Units to Unit Owners other than Declarant, at which election one (1) additional member shall be elected to the Board. A Second Transitional Election shall be held by the Association not later than sixty (60) days after the conveyance of a total of fifty (50%) percent of the Units to Unit Owners other than Declarant, at which election one (1) additional member shall be elected to the Board. The transitional Directors shall be elected for two (2) year terms. At the first annual meeting of the Association following the transition election, if the Period of Declarant Control is still in effect, the Declarant shall appoint three (3) members of the Board and the Unit Owners other than Declarant shall elect the remaining Board members. Each Director shall serve for the term set forth hereinabove and until his or her successor is duly elected and qualified, or until removed from office as provided herein.

Section 3: Qualifications. The Directors appointed by the Declarant need not be resident of the State of Nebraska nor members of the Association. The Directors elected by the Unit Owners need not be residents of the State of Nebraska, but must be members of the Association. If a Director shall cease to meet such qualifications during their term, he or she will thereupon cease to be a Director, and his or her place on the Board shall be deemed vacant. The requirements of this Section shall not apply to Directors appointed by the Declarant.

Section 4: Removal. Other than the Directors appointed by the Declarant, any Director may be removed from the Board, with or without cause, by concurrence of a Super-Majority Vote of the Members.

Section 5: Vacancies. In the event of the death, resignation or removal of a Director, their successor shall be selected by a majority of the remaining members of the Board and shall serve for the unexpired term of their predecessor.

## ARTICLE VII NOMINATION AND ELECTION OF DIRECTORS

Section 1: Nomination. After the termination of the Period of Declarant Control, nomination for election to the Board shall be made by any Unit Owner. Nominations may also be made from the floor at the annual meeting by a Member in good standing.

Section 2: Election. The election shall be by ballot (unless dispensed with by unanimous consent) and by a plurality of votes cast. Each person entitled to vote may cast his vote for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

## ARTICLE VIII MEETING OF DIRECTORS

Section 1: Regular Meeting. Regular meetings of the Board of Directors shall be held at such times and places which are determined, from time to time, by a majority of the Association's Board of Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or equivalent service, at least five (5) days prior to the date of any regular meeting. Notice of meeting may be waived before or after any such meeting.

Section 2: Special Meetings. Special meetings of the Board of Directors may be held at the request of the President, Vice-President or Secretary, and must be held at the written request of two-thirds (2/3) of the Directors. Notice of special meetings shall be given to each Director, personally or by mail, telephone or equivalent service, at least five (5) days prior to the date of any special meeting. Such notice shall state the time, date, place and purpose of the special meeting. Notice of meeting may be waived before or after any such meeting.

Section 3: Quorum. A quorum at Director's meetings shall consist of fifty (50%) percent of the votes (in person or by proxy) thus represented of the entire Association's Board of Directors present at the beginning of a meeting. The acts approved by a majority of those Directors present at any meeting at which a quorum is present shall constitute the acts of the Association, except where approval by a greater number of Directors is required by the Declaration of Condominium or these By-Laws. If at any meeting of the Board of Directors less than a quorum is present, the majority of those present may adjourn the meeting until a quorum is present. Upon reconvening an adjourned meeting, any business called may be transacted without the necessity of providing any further notice.

Section 4: Action Taken Without A Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

Section 5: Common or Interested Board Members. Each Director shall exercise such Director's powers and duties in good faith and with a view to the interests of the Condominium. No contract or other transaction between the Association

and any of its Board members; or between the Association and any corporation, firm or association (including the Declarant) in which any of the Board members of the Association are directors or officers or are pecuniarily or otherwise interested, is either void or voidable because any such member is present at the meeting of the Board or any committee thereof which authorizes or approves the contract or transaction, or because such Director's vote is counted for such purpose, if any of the conditions specified in any of the followings subsections exist:

(a) The fact of the common directorate or interest is disclosed or known to the Board or a majority thereof or noted in the minutes, and the Board authorizes, approves or ratifies such contract or transaction in good faith by a vote sufficient for the purpose;

(b) The fact of the common directorate or interest is disclosed or known to at least a majority of the Unit Owners, and the Unit Owners approve or ratify the contract or transaction in good faith by a vote sufficient for the purpose; or

(c) The contract or transaction is commercially reasonable to the Association at the time it is authorized, ratified, approved or executed.

Any common or interested Board members may be counted in determining the presence of a quorum of any meeting of the Board or committee thereof which authorizes, approves or ratifies any contract or transaction, and may vote at the meeting to authorize any contract or transaction with like force and effect as if such Board member of the Association were not an officer or director of such other corporation, firm or association or not so interested.

#### ARTICLE IX POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1: Powers. The Board of Directors shall have the power to:

(a) Elect and remove the officers of the Association;

(b) Adopt and publish rules and regulations governing the use of the Common Elements, Limited Common Elements and related facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(c) Suspend the right of a Member to vote during any period when such Member shall be sixty (60) days or more delinquent in the payment of any assessments levied by the Association. Such right may also be suspended after notice and hearing, for a period not to exceed ninety (90) days, for infraction of published rules and regulations promulgated by the Board;

(d) Engage the services of an agent, manager, independent contractors or employees as they deem necessary to maintain, repair, replace, administer and operate the Common Elements, or any part thereof, and manage all other affairs and business of the Association for all of the Members, upon such terms and for such compensation as the Board may approve. Any agreement for the services of any such agent, manager, independent contractor or employee shall provide for termination by the Association with or without cause, and without payment of a termination fee, upon thirty (30) days' written notice, and no such agreement shall be of a duration in excess of one (1) year, renewable by agreement of the parties for successive one (1) year periods;

(e) Make repairs within the individual Condominium Units where such repairs are required for the welfare or safety of other Condominium Unit Owners, or for the preservation or protection of the Common Elements;

(f) Grant or relocate easements over, across or through the Common Elements as the Board may determine to be beneficial to the Members;

(g) Declare the office of a Member of the Board to be vacant in the event such Member shall be absent from three (3) consecutive regular meetings of the Board;

(h) Exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the Members by other provisions of these By-Laws, the Articles of Incorporation or the Declaration.

Section 2: Duties. It shall be the duty of the Board of directors:

(a) To cause to be kept a record of all acts and corporate affairs;

(b) To supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) As more fully provided herein and in the Declaration:

(i) To fix the annual assessment amount of each Unit at least thirty (30) days in advance of each annual assessment period, and

(ii) To send written notice of any change in assessment to every Owner subject thereto at least fifteen (15) days in advance of each annual assessment period;

(d) To issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. Such certificates shall be conclusive evidence of the payment of any assessment therein stated to have been paid;

(e) To procure and maintain adequate liability insurance, and to procure adequate hazard insurance on property owned by the Association;

(f) To cause all officers or employees having fiscal responsibilities to be bonded;

(g) To cause the Common Elements to be maintained; and

(h) To cause all other affairs and business of the Association to be properly conducted and administrated.

ARTICLE X  
OFFICERS AND THEIR DUTIES

Section 1: Enumeration of Officers. The executive officers of the Association shall consist of a President, (who must also be a Director), a Vice-President, Treasurer, and Secretary.

Section 2: Election of Officers. The election of officers shall be made by a majority vote of the Board of Directors at the first meeting of the Board following each annual meeting of the Membership.

Section 3: Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless they shall sooner resign, or shall be removed, or otherwise become disqualified to serve.

Section 4: Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5: Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice 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.

Section 6: Vacancies. A vacancy in any office may be filled by a majority vote of the quorum present of the Directors. The officer elected to such vacancy shall serve for the remainder of the term of the officer replaced.

Section 7: Multiple Offices. Any two or more offices may be held by the same person, except the offices of President and Secretary.

Section 8: Duties. The duties of the officers are as follows:

(a) President. The President shall be the Chief Executive Officer of the Association, and shall supervise and control all of the business and affairs of the Association. The President shall, when present, preside at all meetings of the Members and all meetings of the Board. The President may sign, with or without any other officer of the Association as authorized by the Board, deeds, mortgages, bonds, contracts or other instruments which the Board has authorized to be executed, except where the signing and the execution thereof shall be expressly delegated by the Board or by these By-Laws to some other officer or agent of the Association or shall be required by law to be otherwise signed or executed. The President shall have the power to appoint and remove one or more administrative Vice-Presidents of the Association and such other assistants to the various elected officers of the Association as is necessary of the accomplishment of their duties. In general, the President shall perform all duties incident to the office of the President and such other duties as may be prescribed by the Board.

(b) Vice-President. In the absence of the President, or in the event of the President's death, inability or refusal to act, the Vice-President, or if there is more than one Vice-President, the Senior Vice-President, shall perform the duties of the President, and when so acting shall have all the powers, of, and be subject to, all the restrictions upon the President. Otherwise, such Senior and other Vice-Presidents shall perform only such duties as may be assigned by the President or by the Board.

(c) Secretary. The Secretary shall keep the minutes of the meetings of the Members and the Board in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these By-Laws, or as required by law; be custodian of the records of the Association except those of the Treasurer; keep or cause to be kept under their general supervision by a registrar or transfer agent appointed by the Board, a register of the name and post office address of each Member as furnished by such Member; have general charge of the transfer books of the corporation; and in general perform all duties incidental to the office of the Secretary and such other duties as may be assigned to them by the President or by the Board.

(d) Treasurer. The Treasurer shall have charge and custody of, and be responsible for, all funds and securities of the Association; receive and give receipts for monies due and payable to the corporation from any source whatsoever, and deposit all monies in the name of the Association in such banks, trust companies or other depositories as shall be directed by the Board; shall sign all checks and promissory notes of the Association except in those instances where the Board has delegated the authority to sign checks to a managing agent employed by the Association; shall keep proper books of account; shall cause an annual audit of the books of the Association to be made by an independent certified public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the Members at the regular annual meeting of the Members, and shall deliver a copy of such to the Members. The duties of the Treasurer may be performed by the managing agent.

Section 9: Committees. The Board may appoint and establish a nominating committee, as provided in these By-Laws, and such other committees as the Board may deem appropriate to carry out the purposes of the Association.

ARTICLE XI  
BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association; a copy shall be provided initially for the Owners of each Unit, and additional copies shall be made available for purchase by Members at reasonable costs.

ARTICLE XII  
INDEMNIFICATION

Section 1: General. The Association shall indemnify and hold harmless each of its Directors and Officers, each member of any committee appointed by the Board, and Declarant, against any and all liability arising out of any acts of the Directors, Officers, Committee Members, Board, or Declarant or arising out of their status as Directors, Officers, Committee Members, or Declarant, unless any such act is a result of gross negligence or criminal intent. It is intended that the foregoing indemnification shall include indemnification against all costs and expenses including, by way of illustration but not of limitation, attorney's fees and costs reasonably incurred in connection with the defense of any claim, action or proceeding, whether civil, criminal, administrative or other, in which any such Director, Officer, Committee Member, or Declarant may be involved by virtue of such person having the status of a Director, Officer, Committee Member, or Declarant, provided, however, that such indemnity shall not be operative with respect to any matters to which such person shall have been finally adjudged in such action or proceeding to be liable for gross negligence or criminal intent in the performance of his duties.

ARTICLE XIII  
AMENDMENTS

These By-Laws may only be changed, modified or amended, at a regular or special meeting of the Members, by a Super-Majority Vote.

ARTICLE XIV  
MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the last day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, the undersigned, constituting all of the Directors of the executive Board, have approved these By-Laws this 25 day of March, 2003.

L.T. Higgins  
Phil A. Higgins  
Michael J. Higgins