

BY-LAWS

OF

CLUBSIDE TOWNHOME OWNERS ASSOCIATION, INC.

*formerly
Lot 266*

1. OFFICES.

- 1.1 Principal Office. The principal office of the corporation shall be in the State of Nebraska. The corporation may have such other offices, either within or without the State of Nebraska as the Board of Directors may designate or as the business of the corporation may require from time to time.
- 1.2 Registered Office. The registered office of the corporation to be maintained in the State of Nebraska may be, but need not be, the same as the principal office in the State of Nebraska, and the address of the registered office may be changed from time to time by the Board of Directors.

2. MEMBERS.

- 2.1 Membership. The members shall consist of the property owners in Clubside, The Ridges Community, and all such property owners shall be members of the Association, whether Class A or Class B Members shall be as provided within the Declaration of Covenants, Conditions, Restrictions and Easements of Clubside.
- 2.2 Control. The Association shall be governed, administered and controlled by its Board of Directors, comprised of not less than three (3) nor more than seven (7) Directors, as appointed or elected, pursuant to the specific terms set forth within the Articles of Incorporation of the Association and the Declaration of Covenants, Conditions, Restrictions, and Easements.
- 2.3 Transfer of Membership. The rights of each Member shall be appurtenant to his or her ownership of a lot, may not be separated from said ownership, and shall automatically pass to the heirs, successors and assigns, of a Member upon the recordation of the change of ownership of the property in the Public Records of Douglas County, Nebraska, and in the records of the Association.

- 2.4 Annual Meeting. The annual meeting of the Members shall be held at the times and places designated by the Board of Directors or the President of the Association for the transaction of any other business as may properly come before the Members. The annual meeting shall be held at the principal office of the corporation, or at such other place either within or without the State of Nebraska, as may from time to time be designated by the Board of Directors. In any event, the annual meeting shall be held within thirteen (13) months of the previously held annual meeting.
- 2.5 Special Meetings. Special meetings of the Members shall be held at the principal office of the corporation, or at such other place, either within or without the State of Nebraska, as may from time to time be fixed by the Board of Directors, when a call or notice of such special meeting shall be given. Such special meeting of the Members unless otherwise prescribed by statute, may be called by the President, or the Board of Directors or the holders of not less than one-fourth (1/4) of all outstanding votes of the Association.
- 2.6 Notice of Meeting and Notice of New Business Agenda. Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose(s) for which the meeting is called shall be delivered not less than ten (10) nor more than sixty (60) days before the date of the meeting, either personally or by mail, by or at the direction of the President, or the Secretary, or the persons calling the meeting. Such Notice of Meeting shall include an Agenda for New Business. Issues addressed at the meeting shall be limited to the Agenda items stated. If mailed, such notice shall be deemed to be delivered when deposited in the U. S. Mail, addressed to the Member at his address as it appears on the records of the corporation, with postage thereon prepaid. Notice of any meeting need not be given to any Member who shall, in writing, waive notice of such meeting, whether before, at, or after the meeting. Notice of any adjourned annual or special meeting need not be given, except when expressly required by law.
- 2.7 Voting Lists. The officer or agent having charge of the membership records of the Association shall make, at least three (3) days before each meeting of Members, a complete list of the Members entitled to vote at such meeting or any adjournment thereof, specifying the number of votes held by each member which shall directly correspond to the number of lots owned by such member, nonetheless arranged in alphabetical order, with

the address of the Member. The list shall be kept on file at the registered office of the Association and shall be subject to inspection by any Member at any time during usual business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any Member during the whole time of the meeting.

- 2.8 Quorum. A majority of the Members, if present, represented in person or by proxy, shall constitute a quorum at any meeting of Members. If less than a majority of the Members are represented at a meeting, a majority of the Members so represented may adjourn the meeting from time to time without further notice. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally called. If a quorum is present at any meeting or adjourned meeting, the affirmative vote of the majority of the Members represented at the meeting and entitled to vote on the subject matter shall be the act of the Association, unless the vote of a greater number is required by these By-laws, or the Articles of Incorporation. The Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum.
- 2.9 Proxies. At all meetings of Members, a Member may vote in person or by proxy executed in writing by the Member or by his duly authorized attorney-in-fact. Such proxy shall be filed with the Secretary of the Association before or at the time of the meeting. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the Member executing it.
- 2.10 Voting. Each voting Class A Member shall be entitled to one vote for each lot owned by the Member, and each voting Class B Member shall be entitled to four (4) votes for each lot owned, upon each matter submitted to a vote at a meeting of Members, provided, however, in all events there shall only be one vote per lot.
- 2.11 Voting by Certain Holders. Membership standing in the name of corporation may be voted by such officer, agent or proxy as the by-laws of such corporation may prescribe, or, in the absence of such provision, as the Board of Directors of the Association may determine.

- 2.12 Action Without Meeting. Any action which may be taken at a meeting of the Association, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by a majority of Members of the Association. Within ten (10) days after obtaining such authorization by written consent, notice must be given to those Members who have not consented in writing.
- 2.13 Order of Business. The order of business at the annual meeting and as far as possible at all other meetings of the Members shall be:
- a. Election of Chairman of the meeting;
 - b. Calling of the roll and certifying of proxies;
 - c. Proof of notice of meeting or waiver of notice;
 - d. Reading and disposal of any unapproved minutes;
 - e. Reports of Officers;
 - f. Reports of Committees;
 - g. Election of inspectors of elections;
 - h. Election of Directors (if necessary);
 - i. Unfinished business;
 - j. New business; limited to Notice-Agenda items;
 - i. Adjournment.
- 2.14 Rules of Order. Except as otherwise provided in the Articles of Incorporation, the Declaration of Covenants, Conditions, Restrictions and Easements of Clubside, or these By-Laws, the latest edition of Robert's Rules of Order shall determine procedure in all meetings of the Members.

3. BOARD OF DIRECTORS.

3.1 General Powers. The business and affairs of the corporation shall be managed and controlled by its Board of Directors in all events consistent with and governed by the specific terms of the Articles of Incorporation of the Association and The Declaration of Covenants, Conditions, Restrictions and Easements of Clubside.

3.2 Number, Tenure and Qualifications. The affairs of the Association shall be governed by a Board of Directors consisting of not less than three (3) nor more than seven (7) Directors. So long as Declarant shall have the right to appoint a majority of the Board of Directors, Directors need not be members of the Association and need not be resident of the State of Nebraska. Thereafter, all Directors elected by the Members shall be Members of the Association and residents of the State of Nebraska. At such time, Members are entitled to elect Directors, whether one or more, election shall be by plurality vote. At the first annual election to the Board of Directors, under which the Members are electing Directors, whether one or more, the term of office of the elected Director receiving the highest plurality of votes shall be established at one (1) year. Thereafter, as many Directors shall be elected and appointed, as the case may be, as there are regular terms of office of Directors expiring at such time, and the term of the Director so elected or appointed at each annual election shall be for two (2) years expiring at the second annual election following their election, and thereafter, until their successors are duly elected and qualified, or until removed from office with or without cause by the affirmative vote of a majority of the members which elected or appointed then. In no event can a Board Member appointed by the Declarant be removed from office; except by he Declarant and, a successor Director may be appointed at any time by the Declarant.

*RD
Consequential
Voting
simple
majority*

3.3 Annual Meetings. An annual meeting of the Board of Directors shall be held without other notice than this By-law immediately after, and at the same place, as the annual meeting of Members. The Board of Directors may provide, by resolution, the time and place, either within or without the State of Nebraska, for the holding of additional regular meetings without other notice than such resolution.

3.4 Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or a Director. The person or persons authorized to call special meetings of the Board of Directors may fix any reasonable time and place, either within or without the State of Nebraska, for holding any special meeting of the Board of Directors.

- 3.5 Telephone Meetings. Directors may participate in meetings with the Board of Directors by means of a conference telephone or similar communication equipment by which all persons participating can hear each other at the same time, and participation by such means shall constitute presence in person at such meeting.
- 3.6 Notice. Notice of any special meeting shall be given at least two days previously thereto by written notice delivered personally or mailed to each Director at their residential address, or by telegram or facsimile transmission. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail so addressed, with postage thereon prepaid. If notice be given by telegram, or facsimile transmission, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company or facsimile machine indicates transmission. Any Director may waive notice of any meeting at any time. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.
- 3.7 Quorum. A majority of the existing number of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than such majority is present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.
- 3.7.1 Manner of Acting. The act of the majority of Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.
- 3.8 Voting. Each member of the Board of Directors shall be entitled to one vote upon each matter submitted to a vote at any meeting of the Board of Directors at which they are present.
- 3.9 Action Without a Meeting. Any action that may be taken by the Board of Directors at a meeting may be taken without a meeting if a consent in writing, setting forth the action to be taken, shall be signed before or after such action by all of the Directors.
- 3.10 Presumption of Assent. A Director of the corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken, shall be presumed to have assented to the action taken unless his

dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered or certified mail to the Secretary of the corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

- 3.11 Officers of Meeting. At any meeting of the Board of Directors, the presiding officer shall be the President, if a member of the Board, or in their absence a Vice President, if a member of the Board, or in the absence of or disability of these officers, the Directors present at the meeting shall appoint a Chairman, who shall preside at such meeting. The Secretary of the corporation, if present, shall act as Secretary of the meeting, or, if they are not present, any Assistant Secretary shall serve as Secretary of the meeting, but, in the absence of the Secretary and any Assistant Secretary, the presiding officer shall appoint a Secretary pro tem.
- 3.12 Order of Business. The order of business at any regular meeting or at a special meeting of the Board of Directors so far as possible shall be:
- a. Reading and disposal of any unapproved minutes.
 - b. Report of officers and committees.
 - c. Election of officers.
 - d. Unfinished business.
 - e. New business.
 - f. Adjournment.
- 3.13 Rules of Order. Except as otherwise provided in the Articles of Incorporation, the Declaration of Covenants, Conditions, Restrictions and Easements of Clubside, or these By-laws, the latest edition of Robert's Rules of Order shall determine procedure in all meetings of the Board of Directors.

4. OFFICERS.

- 4.1 Principal Officers. The officers of the Association shall consist of a President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Secretary and a Treasurer, each of whom shall be elected by the Board of Directors. Such other subordinate officers, agents and employees, as may be deemed necessary, may be elected or appointed by the Board of Directors. Any two or more offices may be held by the same person, except for the offices of President and Secretary.
- 4.2 Election and Term of Office. The officers of the Association to be elected by the Board of Directors shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of the Association. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until his successor shall have been duly elected and shall have qualified or until his death or until he shall resign or shall have been removed in the manner hereinafter provided.
- 4.3 Removal. Any officer or agent may be removed by the Board of Directors, with or without cause, whenever in its judgment, the best interest of the Association will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of any officer or agent shall not itself create contract rights.
- 4.4 Subordinate Officers and Delegation of Duties. The Board of Directors may delegate to any principal officer the power to appoint or remove any subordinate officers, agents or employees. In the absence or disability of any officer of the Association or any other reason deemed sufficient by the Board of Directors, the Board may delegate his powers or duties to any other officer or to any other Director.
- 4.5 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, may be filled by the Board of Directors for the unexpired portion of the term, but such vacancies need not be filled until the first annual meeting of the Board of Directors subsequent to the vacation of the office if the Board of Directors does not deem it advisable to fill the vacancy prior to that meeting.

4.6 President. The President shall be the principal executive officer of the Association and shall have general supervision over the business and affairs of the Association subject to the absolute control of the Board of Directors as its powers are defined or limited by the specific terms of the Articles of Incorporation of the Association and the Declaration of Convents, Conditions, Restrictions and Easements of Clubside. The President shall, when present, preside at each meeting of the Members and of the Board; shall see that all orders and resolutions of the Board are carried into effect; and, in general shall perform all duties incident to the office of the President and such other duties as may be prescribed by these By-Laws or by the Board of Directors from time to time. Subject to the foregoing, the officers of the Association shall have such powers and duties as usually pertain to their respective offices and such additional powers and duties specifically conferred by law, the Articles of Incorporation, by these By-Laws, or as may be assigned to them from time to time by the Board of Directors.

4.7 Salaries and Oualifications. The salaries, if any, of the officers shall be fixed from time to time by the Board of Directors and no officer shall be prevented from receiving such salary by reason of the fact that they are also a Director of the Association.

4.8 Resignation. Any Director or officer of the Association may, at any time, resign as such Director or officer by giving notice of their resignation to the Board, the President or the Secretary of the Association. Such resignation shall take effect at the time specified therein, or, if no time be specified therein, at the time of the receipt thereof, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

5. CONTRACTS, LOANS, CHECKS AND DEPOSITS.

5.1 Contracts. The Board may authorize in writing any Director, officer or agent of the Association, in the name of and on behalf of the Association, to enter into any contract, including, but not limited to the right to contract with a management firm, or to sign, execute, or deliver any contract or other instrument, and such authority may be general or confined to specific instances; and, unless authorized by the Board, or these By-Laws, no officer, agent, or employee shall have the power or authority to bind the Association by any contract or engagement, to pledge its credit, or to render it pecuniarily liable for any purpose or to any extent.

5.2 Checks, Drafts, etc. All checks drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association, shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors.

5.3 Deposits. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board of Directors may select or approve, or, as may be selected by any officer or agent of the corporation to whom such power may from time to time be delegated by the Board.

6. EXECUTIVE AND OTHER COMMITTEES.

6.1 Creation of Committees. The Board of Directors may, by resolution passed by a majority of the whole Board, designate an Executive Committee and one or more other committees.

6.2 Executive Committee. The Executive Committee, if there is one, shall consult with and advise the Officers of the Association in the management of its affairs and shall have and may exercise, to the extent provided in the resolution of the Board of Directors creating such Executive Committee, such powers of the Board of Directors as can be lawfully delegated by the Board.

6.3 Other Committees. Such other committees shall have such functions and may exercise such power of the Board of Directors as can be lawfully delegated and to the extent provided in the resolution or resolutions creating such committee or committees.

6.4 Meetings. Regular meetings of the Executive Committee and other committees may be held without notice at such time and at such place as shall from time to time be determined by the Executive Committee or such other committees, and special meetings of the Executive Committee or such other committees may be called by any member thereof upon two (2) days' notice to the other members of such committee, or on such shorter notice as may be agreed to in writing by each of the other members of such committee, given either personally or in the manner provided in these By-Laws pertaining to notice for Directors' meetings.

6.5 Vacancies. Vacancies on the Executive Committee or on other committees shall be filled by the Board of Directors then in office at any regular or special meeting of the Board of Directors.

- 6.6 Quorum. At all meetings of the Executive Committee or other committees, a majority of the committee's members then in office shall constitute a quorum for the transaction of business.
- 6.7 Manner of Acting. The acts of a majority of the members of the Executive Committee or other committees present at any meeting at which there is a quorum shall be the act of such committee.
- 6.8 Minutes. The Executive Committee, if there is one, and the other committees shall keep regular minutes of their proceedings and report the same to the Board of Directors when required.

7. BOOKS, RECORDS AND REPORTS.

- 7.1 Report to Members. The Association shall send an annual report to the Members of the Association not later than four months after the close of each fiscal year of the Association. Such report shall include a balance sheet as of the close of the fiscal year of the Association and a revenue and disbursement statement for the year ending on such closing date. Such financial statements shall be prepared from and in accordance with the books of the Association.
- 7.2 Inspection of Corporate Records. Any person who is a Voting Member of the Association shall have the right, for any proper purpose and at any reasonable time, on written demand stating the purpose thereof, to examine and make copies from the relevant books and records of accounts, minutes, and records of Members of the Association. Upon the written request of any Voting Member, the Association shall mail to such Member a copy of the most recent balance sheet and revenue and disbursement statement. If such request is received by the Association before such financial statements are available for its last fiscal year, the Association shall mail such financial statements as soon as they become available. In any event, the financial statements must be mailed within four months after the close of the last fiscal year. Additionally, balance sheets and revenue and disbursement statements shall be filed in the registered office of the Association in Nebraska, shall be kept for at least five years, and shall be subject to inspection during business hours upon reasonable notice, by any Voting Members, in person or by agent.
8. NONPROFIT OPERATION. The Association will not have or issue shares of stock. No dividends will be paid. No part of the income or assets of the Association will be distributed to its Members, Directors or Officers without full consideration. The Association may contract in due course with its Members, Directors and Officers without violating this provision.

9. FISCAL YEAR. The fiscal year of the Association shall be the period selected by the Board of Directors as the taxable year of the Association for federal tax reporting purposes.
10. SEAL. The corporate seal shall bear the name of the Association between two concentric circles and in the inside of the inner circle shall be the year of incorporation.
11. INDEMNIFICATION. The Association shall indemnify each Officer and Director, including former Officers and Directors, to the full extent permitted by the Nebraska General Corporation Act and the Nebraska Not For Profit Corporation Act, the Articles of Incorporation and the Declaration of Covenants, Restrictions, and Easements.
12. AMENDMENTS. These By-Laws may be altered, amended or replaced at any time by a majority vote of the Board of Directors. No By-Law which has been altered, amended, repealed or adopted by such a vote of the Board of Directors may be further altered, amended or repealed for a period of two (2) years. A copy of each amendment to these By-Laws, certified by the Secretary of the Association, shall be filed for record in the County Club's Office of Douglas County, Nebraska. Furthermore, if the Articles of Incorporation of the Association are amended, a copy of the amendment certified by the Secretary of State of Nebraska shall be filed for record in County Clerk's office of Douglas County, Nebraska.

ADOPTED by the Board of Directors of Clubside Homeowners Association, Inc., a Nebraska Not for Profit Corporation, at the Board of Directors first meeting, on the 13th day of October, 1993 by Chairman and Secretary.



President



Secretary

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