"DRAFT" IAW Kansas Uniform Common Interest Owners Bill of Rights Act as of 19 Mar 2011

<u>BYLAWS</u> <u>OF</u> <u>HICKORY CREEK ESTATES HOMEOWNERS' ASSOCIATION</u>

ARTICLE I

<u>General</u>

Section 1. <u>Office.</u> The mailing address of this corporation is 1238 Hickory Creek Wichita, Kansas 67235, or such other address as shall be determined by the Board.

Section 2. <u>Fiscal Year</u>. The fiscal year of this corporation shall be the calendar year.

ARTICLE II

Definitions

Section 1. "<u>Articles</u>" shall mean and refer to the Articles of Incorporation of the Association, as they may from time to time be amended.

Section 2. "<u>Association</u>" shall mean and refer to Hickory Creek Estates Homeowners' Association, a Kansas non-profit corporation, its successors and assigns.

Section 3. "Board" shall mean and refer to the Board of Directors of the Association.

Section 4. "<u>Bylaws</u>" shall mean and refer to the Bylaws of the Association, as they may from time to time be amended.

Section 5. <u>"Common Areas"</u> shall mean all real property in which the Association now or hereafter owns an interest for the common use and enjoyment of its Members, as defined in Section 1.03 of the Restrictions.

Section 6. "<u>Declarant</u>" shall mean and refer to Hickory Creek, L.L.C., a Kansas limited liability company, and its successors, if the rights and obligations of Declarant hereunder should be assigned to and assumed by such successors.

Section 7. "Lot" shall mean any parcel of the Real Estate shown on the Plat and identified therein as a lot or residential building site, excluding that portion, if any, of such lot which is shown on the Plat as being a portion of the Common Areas.

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Section 8. "<u>Member</u>" shall mean any person or entity holding membership in the Association, as provided in the Restrictions and these Bylaws.

<u>Section 9.</u> "<u>Owner</u>" shall mean the party or parties who own fee simple title to a Lot or own that estate or interest with respect to a Lot which is most nearly equivalent to fee simple title.

<u>Section 10</u>. "<u>Plat</u>" shall mean the plat of Hickory Creek Estates, Wichita, Sedgwick County, Kansas, now or hereafter recorded, as such plat may be revised, replatted, modified or supplemented from time to time.

<u>Section 11</u>. "<u>Real Estate</u>" shall mean and refer to that certain real property located in Sedgwick County, Kansas, which is subject to the Restrictions, as the same may be amended from time to time.

<u>Section 12</u>. "Restrictions" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions for Hickory Creek Estates concerning the Real Estate, filed for record with the Register of Deeds of Sedgwick County, Kansas, including such further amendments thereto as may from time to time be recorded.

ARTICLE III

Membership and Meetings

Section 1. <u>Membership: Voting Rights.</u> The Owner of a Lot shall automatically be the holder of a membership in the Association appurtenant to that Lot, and the Association membership for that Lot shall automatically pass with fee simple title to that Lot; provided, however, in the event any Owner shall have entered into a contract to sell his interest in a Lot during the time such contract is in force, if the contract vendee is in possession of the Lot, he shall be considered to be the Member rather than the Owner. There shall be two (2) votes for each Lot. All voting will be in person at the time and place of voting. Proxy votes must comply with provisions enumerated in the Kansas Uniform Common Interest Owners Bill of Rights Act. The names listed in the Association Directory are the names of the unit owner or owners and are the names of persons entitled to cast lot votes. Members must bring Directory discrepancies to the attention of the Association Secretary.

Section 2. <u>Annual Members' Meeting.</u> The annual Members' meeting shall be held during the month of April of each year, at such location as determined by the Board of Directors of the Corporation, for the purpose of electing directors, approving changes to Bylaws or The Declaration, and transacting any other business authorized by the Members. Members desiring specific changes to Bylaws, The Declaration, or other operating documents may provide any Board of Directors member with the proposed change for Association Board consideration and action. Changes resulting there from requiring membership approval will be recommended to the Membership at the next General Meeting or a Special Membership Meeting if necessary. All meetings of the Association will be conducted using the most recent edition of Robert's Rules of Order, Newly Revised.

Section 3. <u>Special Members' Meetings.</u> Special Members' meetings shall be held whenever called by the President or by a majority of the Board and must be called by the President

upon receipt of the written request from Members entitled to cast ten (10) percent of the votes of the entire membership.

Section 4. <u>Notice of Members' Meetings.</u> Notice of all Members' meetings, stating the time and the place where the meeting is to be held shall be given by the Secretary. Such notice shall be in writing to each Member at his address as it appears on the books of the Association and shall be mailed to him not less than ten (10) nor more than sixty (60) days prior to the date of the meeting. The agenda for meetings shall be posted on the club house bulletin board by the Secretary in the same time frame as meeting notification. Meeting minutes will also be posted on the club house bulletin board as soon as practical after meetings.

Section 5. <u>Quorum</u>. Except as otherwise required by Kansas corporate law, there shall be no quorum as to the minimum number of persons who must be in attendance before the Members may act upon any matter. The acts approved by a majority of votes cast at a meeting duly called hereunder shall constitute the acts of the entire Membership, except where approval of a greater number is required by applicable law.

Section 6. <u>Proxy.</u> Votes may be cast at any Members' meeting either in person or by proxy. Proxies may be made by any person entitled to vote, shall be valid for only the particular meeting designated therein, and must be filed with the Secretary before the vote of a matter is undertaken by the Members in attendance.

ARTICLE IV

Directors, Election, Meetings, Fees

Section 1. <u>Number, Qualification.</u> The Board shall consist of six (6) directors holding positions of President, Vice President, Secretary, Treasurer Design Control Director, and Grounds Control Director. Others may be nominated, elected, and sit on the board At Large. Board Members need not be Members of the Association. It is desirable for the terms of the members of the Board to be staggered with about half of the Board members being elected each calendar year for two (2) year positions. All Association Members in good standing and other non-members with compelling credentials are qualified for Board Membership.

Section 2. <u>Nominating Committee: Nominations.</u> Nominations for election to the Board shall be made by the Nominating Committee, which shall consist of the President, and two Members of the Association who shall be appointed by the Board. The Nominating Committee shall be appointed by the Board prior to each annual meeting of the Members, to serve during such annual meeting and until the next annual meeting, or until its successors shall have been duly designated and qualified. Members of the Nominating Committee shall be announced at each annual meeting of the Members. Unless otherwise announced, the Committee will consist of the President, Secretary and Treasurer.

The Nominating Committee shall make as many nominations for election to the Board as it shall, in its discretion, determine, but not less than the number of vacancies to be filled. Nominations may be made from among Members or non-Members, as the Committee, in its discretion, shall determine.

Section 3. <u>Election, Vacancies and Removal.</u> The election, removal and replacement of directors shall be governed by the following:

A. Directors shall be elected by plurality of the votes cast at the annual meeting of the Members of the Association. Members of the Association are entitled to cast their two (2) lot votes for as many nominees as there are vacancies to be filled.

B. Except as to vacancies created by the removal of directors by Members, vacancies in the Board occurring between annual meetings of Members shall be filled by the remaining directors.

C. Any director may be removed by concurrence of a majority of the Members of the Association present, in person or by proxy, at a special meeting of the Members called for that purpose. Any vacancy in the Board so created shall be filled at that same meeting according to the procedures established in the first two sentences of subparagraph A of this Section.

Section 4. <u>Term.</u> Each director's term of service shall extend to the next annual meeting of the Members following his election and thereafter until a successor is duly elected and qualified or until he is removed in the manner elsewhere provided.

Section 5 <u>Organizational Meeting.</u> The organizational meeting of the newly elected Board shall be held within thirty (30) days after its election, at such place and time as shall be fixed by those directors present at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary. At that meeting Board Members will determine among themselves who will fill each Board position.

Section 6. <u>Regular Board Meetings.</u> Regular meetings of .the Board may be held at such time and place as shall be determined from time to time by a majority of the directors. Notice of regular meetings location and date/time shall be given to Association Members by combination of personal contact, Association Bulletin Board posting, mail, telephone or E-mail between sixty (60) and ten (10) days prior to the date set for such meetings. Agenda will be poster at the club house bulletin board within the same time frame as notification. Meeting minutes will be posted on the club house bulletin board as soon as practical after the meeting.

Section 7. <u>Special Board Meetings.</u> Special meetings of the Board may be called by the President and must be called by the Secretary at the written request of one-third of the directors. Five (5) days notice of the meeting shall be given to Board and Association Members by combination of personal contact, Association Bulletin Board posting, mail, telephone or E-mail. Notice shall state the location, date/time, and purpose of the meeting. If more urgent action is required to protect community interest or property, shorter notice for meetings may be given and reason documented in resulting minutes. Meeting minutes will be posted on the club house bulletin board as soon as practical after the meeting.

Section 8. <u>Waiver of Notice</u>. Any director may waive notice of a meeting, before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice.

Section 9. <u>Quorum.</u> A quorum at directors' meetings shall consist of a majority of the entire Board. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board, except where approval by a greater number of directors is required by the Restrictions, these Bylaws or applicable law.

Section 10. <u>Adjourned Meetings.</u> If at any meeting of the directors there be less than a quorum present, the majority of those present may adjourn the meeting from tune to time until a quorum is present. At any adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 11. <u>Joinder in Meeting by Approval of Minutes.</u> The joinder of a director in the action of a meeting by concurring in the minutes thereof shall constitute the presence of such director for the purpose of determining a quorum.

Section 12. <u>Presiding Officer.</u> The presiding officer at all directors' meetings shall be the Chairman of the Board, if such an officer has been elected, and if no Chairman of the Board has been elected, then the President shall preside, in the absence of the presiding officer, the directors present shall designate one of their number to preside.

Section 13. <u>Directors' Fees.</u> Directors' fees, if any, shall be determined by the Members of the Association.

ARTICLE V

Directors' Powers and Duties

Section 1. <u>Exercise of Powers.</u> Except as otherwise provided in the Restrictions, all of the powers and duties vested in the Association by the Restrictions and these Bylaws shall be exercised exclusively by the Board, its agents, contractors or employees, subject only to approval by Members when such approval is specifically required. Such powers and duties of the directors shall include but shall not be limited to the following, subject, however, to the provisions of the Restrictions, these Bylaws and applicable law:

A. To select and remove all of the officers, agents and employees of the Association, prescribe such powers and duties for them as may be consistent with law, the Articles, the Bylaws or the Restrictions, and to fix their compensation.

B. To conduct, manage and control the affairs and business of the Association and make such rules and regulations (including fines) therefore not inconsistent with law, the Articles, the Bylaws or the Restrictions as they deem best, including rules and regulations for the use and operation of the Common Areas and facilities owned or controlled by the Association.

C. To accept title and ownership of the Common Areas and facilities.

D. To designate any place within Sedgwick County, Kansas for the holding of any membership meeting.

E. To make and collect assessments against Members and use the proceeds of assessments in the exercise of their powers and duties, all as provided in Article VII hereof.

F. To contract and pay for fire, casualty, liability, fidelity and other insurance adequately insuring the Association and Owners with respect to the Common Areas and the affairs of the Association, which may include bonding of the members of any management body.

G. To pay all charges for water, electricity, gas and other utility services for the Common Areas.

H. To maintain, repair, preserve, replace and operate the Common Areas.

I. To reconstruct improvements located in the Common Areas after casualty and to further improve the Common Areas.

J. To enter onto any Lot as may be necessary for the purpose of carrying out any of the powers or duties of the Board and the Association as herein set forth and as set forth in the Restrictions, including such entry as may be necessary in connection with the construction, maintenance or emergency repair of the Common Areas at any reasonable hour and, except in the case of emergency, after reasonable notice.

K. To enforce the provisions of the Restrictions, the Articles, these Bylaws and the rules and regulations adopted by the Board, and the provisions of any agreement to which the Association is a party.

L. To contract for management of the Common Areas and delegate to said management all powers and duties of the Association, these Bylaws, or applicable law to have approval of the Board or of the Members of the Association.

M. To borrow money and incur indebtedness for the purposes of the Association and to cause to be executed and delivered therefor, in the corporate name, promissory notes, bonds, debentures, mortgages, pledges, hypothecations or other evidences of debt and securities therefor; provided, however, the Board shall not have the power to borrow money for the Association during any fiscal year in excess of the aggregate sum of, nor to sell during any fiscal year property of the Association having an aggregate fair market value greater than, 10% of the budgeted gross expenses of the Association for the fiscal year in question, without the vote or written consent of the majority of Members who are voting, in person or by proxy, at a meeting duly called for that purpose.

N. To pay any taxes and governmental special assessments which are or could become a lien on the Common Areas or any portion thereof, except that the Association shall not be responsible for any taxes or assessment on any Lot.

O. To initiate and execute disciplinary proceedings against Members of the Association for violations of the provisions of the Articles, these Bylaws, the Restrictions and the rules and regulations adopted by the Board. Membership rights and privileges (including use of Common Areas) may be suspended by the Board if a Member is found to be in violation of the

provisions of the Articles, these Bylaws, the Restrictions or the rules and regulations adopted by the Board. Voting rights may be suspended only for issues relating to payment of assessments and fees. If the Board believes grounds may exist for any such suspension, the Board shall give to the Member believed to be in violation at least fifteen (15) days prior written notice of the intended suspension and the reasons therefor. Members shall be given an opportunity to be heard before the Board, either orally or in writing, not less than five (5) days before the effective date of suspension. The notice required hereby may be given by any method reasonably calculated to provide actual notice. Any notice given by mail must be given by first-class or registered mail, sent to the last address of the Member shown on the Association's records. Anything herein stated to the contrary notwithstanding, the Board shall not have the power to suspend any Member's rights of access or utilities to his Lot.

P. To prepare budgets for Member approval and financial statements for the Association as provided elsewhere herein.

Q. To prosecute or defend in the name of the Association any action affecting or relating to the Common Areas or other property owned by the Association, and any action in which all or substantially all of the Owners have an interest.

R. To delegate any of their powers hereunder to others, including committees, officers and employees.

S. To perform such other duties as may be authorized by the Members. To encourage and promote communication between and among Members and Board Officers, the association will periodically update and distribute an Association Directory that will include contact information for Members and Officers. NOTE: the mailing address for the Hickory Creek Association is shown in Article I, Section 1.

ARTICLE VI

Officers

Section 1. <u>Executive Officers.</u> The executive officers of the Association shall be a President, a Secretary and a Treasurer. The Association may also have, at the discretion of the Board, one or more Assistant Secretaries and such other Directors as may be appointed in accordance with previously stated provisions. Officers other than the President need not be members. Directors may hold more than one position/function.

Section 2. <u>Election</u>. The officers of the Association, except such officers as may be appointed in accordance with the provisions of Section 3 or Section 5 of this Article, shall be chosen annually by the Board, and each shall hold his office until he shall resign or shall be removed or otherwise disqualified to serve or his successor shall be elected and qualified.

Section 3. <u>Subordinate Officers.</u> The Board may appoint such other directors as the business of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided in the Bylaws or as the Board may from time to

time determine.

Section 4. <u>Removal and Resignation</u>. Any officer may be removed, either with or without cause, by a majority of the directors at the time in office at any regular or special meeting of the Board or, except in the case of an officer chosen by the Board, by any officer upon whom such power of removal may be conferred by the Board.

Any officer or director may resign at any time by giving written notice to the Board, the President or the Secretary of the Association. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein. Unless otherwise specified, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. <u>Vacancies.</u> A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these Bylaws for regular appointments to such office.

Section 6. <u>President.</u> The President (Board officer) shall be chosen from among the Board Members and shall be the chief executive officer of the Association. The President shall have all of the powers and duties which are usually vested in the office of president, including but not limited to the power to appoint committees from among the Members from time to time, as he may, in his discretion, determine appropriate to assist in the conduct of the affairs of the Association.

Section 7. <u>Vice President.</u> (Board Director) The Vice President may be chosen from among the directors and assists at the request of the President and other board members. This individual customarily manages Association swimming pool affairs and provided a copy of the pool maintenance contract to the Secretary.

Section 8. <u>Secretary</u>. (Board Officer) The Secretary shall be chosen from among the directors to keep the minutes of all proceedings of the directors and the Members. The Secretary shall attend to the giving and serving of all notices to the Members and directors and other notices required by law. The Secretary shall keep the records of the Association, except those of the Treasurer. The Secretary, in coordination with other appropriate Board members, prepares, executes, certifies and records amendments to the declaration on behalf of the Association, and shall perform all other duties incident to the office of the secretary of an association and as may be required by the President or other directors. The Secretary will keep required records to include:

A. Minutes of all meetings of its unit owners and board of directors other than executive sessions, a record of all actions taken by the unit owners or board of directors without a meeting, and a record of all actions taken by a committee in place of the board of directors on behalf of the association.

B. The names of unit owners in a form that permits preparation of a list of the names of all unit owners and the addresses at which the association communicates with them, in alphabetical order showing the number of votes each owner is entitled to cast.

C. Original or restated organizational documents, bylaws and all amendments to them, and all rules currently in effect.

D. A list of the names and addresses of current board directors, members, and officers.

E. The most recent annual report, if any, delivered to the Secretary of State.

F. Copies of current Association contracts.

G. Records of board of directors or committee actions to approve or deny any requests for design or architectural approval from unit owners (Furnished by Design Control Director).

H. Financial (provided by the Treasurer) and other records sufficiently detailed to enable the association to comply with other requirements of the law.

I. Ballots, proxies, and other records related to voting by unit owners for one year after the election, action, or vote to which they relate.

Section 9. <u>Treasurer</u>. (Board Officer) The Treasurer shall have custody of all property of the Association, including the funds, securities and evidences of indebtedness. He shall keep the books of the Association in accordance with good accounting practices and shall perform all other duties incident to the office of treasurer.

A. Detailed records of receipts and expenditures affecting the operation and administration of the association and other appropriate accounting records.

B. All financial statements and tax returns of the association for the past three years.

Section 10. <u>Design Control Director</u>. (Board Director) The Design Control Director normally considers and either approves or disapproves Member requests for construction, changes to existing structures (including color), or changes/additions to landscape. This Director Provides documentation of all requests/actions to the Secretary.

Section 11. <u>Grounds Control Director</u>. (Board Director) The Grounds Control Director normally monitors grounds maintenance and status, and recommends Board action as appropriate to address deficiencies and requirements. This Director provides a copy of the maintenance contract and related correspondence to the Secretary and forwards work statements to the Treasurer for payment.

Section 12. <u>At Large Director.</u> (Board Director) At Large Directors act in advisors capacity, lending aid and assistance as requirements and circumstance dictates. These members may fill other named board positions as needed by the board.

Section 13. <u>Compensation</u>. The compensation, if any, of all officers, employees and/or contractors of the Association shall be fixed by the Board. Nothing herein shall preclude the Board from employing a director as an employee of the Association.

ARTICLE VII

Fiscal Management

Section 1. <u>Budget.</u> The Board shall, on or before March 15 of each year, adopt a budget for the ensuing calendar year, which shall include the estimated funds required to defray all common expenses.

Section 2. <u>Accounts.</u> The funds and expenditures of the Association shall be credited and charged to accounts under such classifications as the Board shall deem appropriate.

Section 3. <u>Annual Assessments.</u> The initial annual assessments shall be (in addition to sums assessed pursuant to provisions herein below) shall be the amount required by the Restrictions or as otherwise determined on behalf of the Board.

Section 4. <u>Special Assessments for Capital Improvements.</u> In addition to the monthly assessments authorized in this Article VII, the Board may levy in any assessment year a special assessment for each Lot applicable to that year only for the purposes stated in the Restrictions; provided that any such assessment shall have the assent of a majority of the Members who are voting, in person or by proxy, at a meeting duly called for such purpose.

Section 5. <u>Assessments: When Due.</u> The Board shall establish the due date for all assessments and shall have the right to require payment of the same in advance.

Section 6. <u>Lien Rights.</u> As provided in the Restrictions, the Association shall have a lien against each Lot to secure payment of any assessment, fine, Compliance Expenditure or other amount due and owing the Association in compliance with these Bylaws, and in the event of default by any Owner, the Lot of such Owner may be foreclosed by the Association in the same manner as set forth in the Restrictions.

Any amounts which are not paid when due shall be delinquent. Thereafter, such amounts shall bear interest at the rate of fifteen percent (15%) per annum, or such other rate as may be established from time to time by the Board (provided that the interest rate shall never exceed the maximum allowed by law). In addition to all other costs and expenses of collecting the unpaid amount, including but not limited to, reasonable attorneys' fees.

Section 7. <u>Successor's Liability for Assessments.</u> The Association's lien for delinquent assessments of damages, costs, fines, expenses, attorneys' fees and all other charges allowed hereunder against the Lot shall pass to an Owner's successors-in-title, regardless of whether said obligations were expressly assumed by them, except with respect to the sale or transfer of any Lot which is subject to any mortgage pursuant to decree of foreclosure under such mortgage or any proceeding in lieu of foreclosure thereof, which sale or transfer shall extinguish the lien of such

assessments as to payments thereof which became due prior to such sale or transfer and except as otherwise specified in the Restrictions. Upon acquisition of title to a Lot, an Owner shall be bound by the terms hereof.

Section 8. <u>No Offsets.</u> All assessments shall be payable in the amounts specified in the levy thereof, and no offsets or reductions thereof shall be permitted for any reason, including, without limitation, any claim of non-use of the Common Areas or that Declarant, the Association, the Board, or the Architectural/Design Control Director/Committee is not or has not been properly exercising its duties and powers under the Restrictions, Articles or Bylaws.

ARTICLE VIII Indemnification and Insurance

Section 1. General. The Association shall indemnify any person who was or is a party or who was or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association), by reason of the fact that he is or was a director, advisory director, officer or employee of the Association, or of any entity a majority of the voting stock of which is owned by the Association, or is or was serving at the request of the Association as a director, advisory director, officer or employee of another corporation, association, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association, and with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Association, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

Section 2. Derivative Action. The Association shall indemnify any person who was or is a party or who was or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that he is or was a director, advisory director, officer or employee of the Association or of any entity a majority of the voting stock of which is owned by the Association, or is or was serving at the request of the Association as a director, advisory director, officer or employee of another association, corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association, and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Association unless and only to the extent that the court in which such action or suit was brought shall determine upon application that despite the adjudication of liability but in view of all of the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

Costs Indemnified. To the extent that any person who is or was a director, Section 3. advisory director, officer or employee of the Association or of any entity a majority of the voting stock of which is owned by the Association, or who is or was serving at the request of the Association as a director, advisory director, officer or employee of another association or corporation, partnership, joint venture, trust or other enterprise, has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in this Article, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith. Any other indemnification under this Article shall be made by the Association only as authorized in the specific case upon a determination that indemnification is proper in the circumstances because the applicable standard of conduct set forth therein has been met. Such determination shall be made (a) by the Board by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (b) if such quorum is not obtainable, or, even if obtainable, a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (c) by the Members of the Association.

Section 4. <u>Time of Indemnification</u>. Expenses incurred by a director, advisory director, officer or employee in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the director, advisory director, officer or employee to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Association pursuant to this Article VIII.

Section 5. <u>Nonexclusive Rights.</u> The indemnification and advancement of expenses provided by or granted pursuant to the other subsections of this Article VIII shall not be deemed to be exclusive of any other right to which those seeking indemnification or advancement of expenses may be entitled from the Association or any other entity under any other bylaw, statute, agreement, provision of the Articles, vote of the Members or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Member and shall inure to the benefit of the heirs, executors and administrators of such Member. However, any amount actually received as the proceeds of any such other indemnification shall be deducted from the amount, if any, which he may be entitled to receive pursuant to this Article VIII.

Section 6. <u>Insurance.</u> By action of the Board, notwithstanding any interest of any Members in the action, to the full extent permitted by statute the Association may purchase and maintain insurance, in such amounts and against such risks as the Board deems appropriate, on behalf of any person who is or was a director, advisory director, officer, employee or agent of the Association, or of any entity a majority of the voting stock of which is owned by the Association, or who is or was serving at the request of the Association as a director, advisory director, officer, employee or agent of another association, corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Association would have the power or would be required to indemnify him against such liability under the provisions of this Article VIII, the Articles or the laws of the State of Kansas.

ARTICLE IX

Miscellaneous Provisions

Section 1. <u>Definitions.</u> The definitions set forth in Article II hereof shall apply to any additional Real Estate acquired by the Association.

Section 2. <u>Amendments.</u> The power to make, adopt, alter, amend or repeal these Bylaws is vested in the Association Members. The authority of the Board with respect to proposing change or amendment to these Bylaws shall be effective only after being approved by an affirmative vote of the majority of the Members who are voting, in person or by proxy, at a meeting duly called for such purpose. Individual association members may recommend, in writing, Bylaw changes or amendment through an Association Board Member for the Board to propose as described herein. In no event shall any amendment be in conflict with applicable law.

Section 3. <u>Resolution of Conflicts.</u> In the case of any conflict between the Articles and these Bylaws, the Articles shall control. In the case of any conflict between the Restrictions and these Bylaws, the Restrictions shall control. These Bylaws are intended to be consistent with Kansas law and are not enforceable should there be unintended conflict.

Section 4. <u>Number and Gender.</u> All of the terms and words used in these Bylaws, regardless of the number and gender in which they are used, shall be deemed and construed to include any number (singular and plural) and any other gender (masculine, feminine or neuter), as the context or sense of these Bylaws or any paragraph or clause hereof may require, the same as if the words had been fully and properly written in the number and gender.

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify:

1. That I am the duly elected and acting Secretary of Hickory Creek Estates Homeowners' Association, a Kansas non-profit corporation; and

2. That the foregoing Bylaws, comprising _____ pages, constitute the Bylaws of said corporation, duly recommended by action of the Board of Directors dated as of the _____ day of _____, 2011 and approved by vote of the membership on the _____ day of _____, 2011

IN WITNESS WHEREOF, I hereunto sign my name this _____ day of _____, 2011.