

**FIRST AMENDED BY-LAWS OF
THE HERITAGE HOMEOWNERS ASSOCIATION, INC.**

ARTICLE I
NAME AND LOCATION

The name of the Corporation is THE HERITAGE HOMEOWNERS 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

Unless the context otherwise requires, all capitalized terms shall be defined in accordance with the definitions contained in the Declaration of Covenants, Easements and Restrictions for The Heritage, as may be amended from time to time in accordance therewith (the “Declaration”).

ARTICLE III
MEMBERSHIP

Section 1: Membership. The Period of Declarant Control, each Owner, including the Declarant, shall have one membership for each Lot owned (but specifically excluding any Exempt Property).

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

ARTICLE IV
MEMBERSHIP MEETINGS

Section 1: Annual Meeting. The annual meeting of the Association shall be held at the office of the Association during the month of January on the second Tuesday in each year, commencing at 4:00 p.m., or such other time or place as may be designated by the Association’s Board of Directors. 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, 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 ten (10%) percent of those Members entitled to cast all votes of the Association. A Quorum is represented by persons in attendance and by proxy. 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. Each Owner shall have one vote for each membership owned as provided in Article III, Section 1 above, provided however, in accordance with the Declaration the Declarant shall have twenty (20) votes for each Lot owned. All voting pursuant to the terms of the Declaration shall be made in accordance with the provisions of this Section 5. Each vote must be cast as a single unit. If an Owner consists of more than one Person, then all persons constituting an Owner of such Lot shall, simultaneously with or immediately after their acquisition of such Lot, deliver to the Association a written instrument appointing one Person as the agent for all Persons constituting the Owner of such Lot, which agent shall thereupon receive notices of Assessment and other notices, demands, cast votes hereunder, and take any and all actions required or permitted to be taken by an Owner under the terms of this Declaration. An Owner may change its designated agent by written notice to the Association as set forth above, which change shall be effective only upon actual receipt of such notice by the Association. No change in the ownership of a Lot shall be effective for voting purposes until the Board receives written notice of such change together with satisfactory evidence thereof. An Owner may assign all, but not less than all, of its voting rights to a Lessee, which shall be effective only upon actual receipt of such notice by the Association. If more than one Person casts or attempts to cast a vote for a particular Lot, all such votes shall be deemed void.

Section 6: Proxies. Votes may be cast in Person or by proxy.

ARTICLE V
BOARD OF DIRECTORS

Section 1: Number. The business of the Association shall be managed by a Board of Directors consisting of at least three (3) Directors nor more than five (5) Directors, who shall serve without compensation. However, any Director may be reimbursed for his actual expenses incurred in the performance of his or her duties as a Director. The Directors do not need to be Members of the Association.

Section 2: Term of Office. The Directors shall be elected as provided in this Declaration. The Directors shall be elected for terms staggered on a one (1), two (2) and three (3) year basis. One (1) Director shall be elected for one (1) year, one (1) Director shall be elected for two (2) years and one (1) Director shall be elected for three (3) years. After the initial term of each such Director, all Directors shall thereafter be elected for three (3) year terms. In the event that there are more than three (3) Directors, each additional Director shall be for three (3) year terms. 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: Removal. Any Director may be removed from the Board, with or without cause, by concurrence of a two thirds (2/3) majority of the votes cast by the quorum present at any regular or special meeting of the Association called for that purpose.

Section 4: 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 VI
NOMINATION AND ELECTION OF DIRECTORS

Section 1: Nomination. Nomination for election to the Board shall be made by a nominating committee. Nominations may also be made from the floor at the annual meeting by a Member in good standing. The nominating committee shall be appointed by the Board of Directors at least sixty (60) days prior to each annual meeting and shall serve until such annual meeting has been concluded. 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 that are to be filled.

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.

VOTING VII
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 three (3) 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-one (51%) percent of the votes 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 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.

ARTICLE VIII
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 Area;

(c) Suspend the right of a Member to vote during any period when such Member shall be in default 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 Area, 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) Maintain, keep in good repair and upkeep, and replace, as a Common Area Expense assessed in accordance with this the Declaration, the Common Area, as such repairs are required or necessary for the safety and convenience of the Owners or their respective Permittees and Occupants, or for the preservation or protection of the Common Area;

(f) Grant or relocate easements over, across or through the Common Area 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; and

(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) To prepare, adopt and distribute a budget in accordance with the Declaration;
- (d) To fix the amount of the Regular Assessment against each Lot in accordance with the Declaration, and
- (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 on property owned by the Association;
- (f) To cause all officers or employees having fiscal responsibilities to be bonded;
- (g) To cause the Common Area to be maintained; and
- (h) To cause all other affairs and business of the Association to be properly conducted and administrated in accordance with the Articles of Incorporation, these Bylaws and the Declaration.

ARTICLE IX
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 officer 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 they replace.

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 corporation 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 a 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 shall appoint a nominating committee, as provided in the Declaration, and shall appoint other committees as the Board may deem appropriate to carry out the purposes of the Association.

ARTICLE X
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 Lot, and additional copies shall be made available for purchase by Members at reasonable costs.

ARTICLE XI
INDEMNIFICATION

Section 1: General. The Association shall indemnify and hold harmless each of its Directors and Officers against any and all liability arising out of any acts or the Directors, Officers, Committee Members, or Board arising out of their status as Directors, Officers, or Committee Members, 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 or Member may be involved by virtue of such person having the status of a Director, Officer, Committee or Member 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 XII
AMENDMENTS

These By-Laws may be changed, modified or amended, at a regular or special meeting of the Members, by fifty-one (51%) percent of the votes entitled to be cast by the Members at a regular or special meeting called for that purpose.

ARTICLE XV
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.