

BY-LAWS

NORTH GATE
GARDEN ESTATES
HOLLYHOCK TOWNHOMES,
A CONDOMINIUM

LINCOLN, NEBRASKA 68521

FEBRUARY 1997

**NORTH GATE GARDEN ESTATES
HOLLYHOCK TOWNHOMES
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TABLE OF CONTENTS

ARTICLE I—PLAN OF UNIT OWNERSHIP

Section 1 Unit Ownership	1
Section 2 Applicability of By-Laws	1
Section 3 Administrative Offices	1

ARTICLE II—HOMEOWNERS' ASSOCIATION

Section 1 Composition	2
Section 2 Initial Administration of the Townhomes	2
Section 3 Annual Meetings	2
Section 4 Special Meetings	3
Section 5 Notice of Meetings	3
Section 6 Quorum Meetings	3
Section 7 Order of Business	3
Section 8 Voting	3
Section 9 Proxies	4
Section 10 Majority of the Homeowners	4
Section 11 Conduct of Meetings	4

ARTICLE III—BOARD

Section 1 Number and Qualification	5
Section 2 Powers and Duties	5
Section 3 Administrator(s)	7
Section 4 , Election and Term of Office	7
Section 5 Removal of Members of the Board	7
Section 6 Vacancies	8
Section 7 Organization Meeting	8
Section 8 Regular Meetings	8
Section 9 Special Meetings	8
Section 10 Waiver of Notice	8
Section 11 Quorum of the Board	8
Section 12 Fidelity Bonds	8
Section 13 Compensation	9
Section 14 Order of Business	9
Section 15 Liability of the Board	9
Section 16 Delegation	9

ARTICLE IV—OFFICERS

Section 1 Designation	9
Section 2 Election of Officers	9
Section 3 Removal of Officers	9

Section 4 President	9
Section 5 Vice-President.....	10
Section 6 Secretary.....	10
Section 7 Treasurer.....	10
Section 8 Amendments to Declaration.....	10
Section 9 Agreements, Contracts, Deeds, Checks, Etc.....	10
Section 10 Deposits.....	10
Section 11 Acceptance of Gifts.....	10
Section 12 Compensation of Officers	10
Section 13 Auditing.....	10
Section 14 Books and Records.....	10
ARTICLE V—COMMITTEES	
Section 1 Committees.....	11
Section 2 Committee Definitions.....	11
Section 3 Committee Membership.....	12
Section 4 Term of Office.....	12
Section 5 Chairman.....	12
Section 6 Vacancies.....	12
Section 7 Quorum.....	12
Section 8 Rules.....	12
ARTICLE VI—MISCELLANEOUS	
Section 1 Definitions.....	12
Section 2 Notices.....	12
Section 3 Invalidity.....	13
Section 4 Captions.....	13
Section 5 Gender.....	13
ARTICLE VII—INSURANCE	
Section 1 Homeowner Coverage.....	13
Section 2 Release.....	13
Section 3 Common Insurance.....	13
Section 4 Board Insurance.....	13
ARTICLE VII -- AMENDMENTS	
Section 1 Amendments	14
Section 2 Conflicts.....	14

HOMEOWNERS' ASSOCIATION
BY-LAWS

NORTH GATE GARDEN ESTATES
HOLLYHOCK TOWNHOMES

LINCOLN, LANCASTER COUNTY, NEBRASKA

ARTICLE I

Plan of Unit Ownership

Section 1. Unit Ownership. The property located in the City of Lincoln, Lancaster County, Nebraska (hereafter called the "Property"), has been submitted to the provisions of the Nebraska Condominium Act, (Section 76-801 to 76-823, Revised Statutes of Nebraska, 1943, Reissue of 1990 and Amendments in 1993 Cum. Supp.), (hereinafter referred to as the "Nebraska Condominium Act") by the Declaration and Master Deed recorded in the land records in and for Lancaster County, Nebraska as instrument No. 97-5036, and shall be known, hereafter, as "North Gate Garden Estates Hollyhock Townhomes" (hereinafter referred to as the "Townhomes") and is described on Attachment A of the Declaration.

Section 2. Applicability of By-Laws. The provisions of these By-Laws are applicable to the property of North Gate Garden Estates and to the use and occupancy, thereof. All present and future owners, mortgagees, lessees and occupants of North Gate Garden Estates Townhomes and their employees, guests, invitees, and any other person, who may use the facilities of the Property in any manner, are subject to the By-Laws, the Declaration, Master Deed and Rules and Regulations adopted by the North Gate Garden Estates Board. The acceptance of a deed or conveyance or the entering into a lease or the act of occupancy of an individual town-home designated for separate ownership shall conclusively establish the acceptance and ratification of these By-Laws, the Declaration, Master Deed and the Rules and Regulations, as they may be amended from time to time, by the person so acquiring, owning, leasing or occupying a Unit, and shall constitute an agreement by such person to comply with the same and be evidence, thereof.

Section 3. Board. The Association will be governed by a Board of Directors (the "Board") which will make decisions affecting the Units and Common Elements.

ARTICLE II

Homeowners' Association

Section 1. Composition. All of the Homeowners of Units constitute the Association, which shall have the responsibility of administering the Townhomes, establishing the means and methods of collecting the contributions to the common expenses, arranging for the management of the Townhomes, performing all the other acts that may be required to be performed by the Association by the Nebraska Condominium Act and the Declaration. Except as to those matters which the Condominium Property Act specifically requires to be performed by the vote of the Homeowners of all Units, and except as provide in Section 2 below, and to the extent duties and powers are delegated to other persons or agents, the administration of the foregoing responsibilities shall be performed by the Board, as more particularly set forth in Article III.

Section 2. Initial Administration of The Townhouse. The Developer reserves all rights and powers, as specified in the Declaration and all rights as he may exercise under the Condominium Laws of the State of Nebraska. The Developer retains an easement through the Common Elements as may be reasonably necessary to exercise and develop its rights in the construction and operation of the Townhouse.

Section 3. Annual Meetings. Within thirty (30) days after fifty-one percent of the Units have been sold and closed by the Developer, the Developer shall notify the Homeowners and the first annual meeting of the Association shall be held within thirty (30) days thereafter on call issued by the Developer. At such meeting, all of the Homeowners, including the Developer, if the Developer owns any Unit or Units, shall elect the Board, as described in Section 2 and shall vote on the approval of the Administrator(s) retained by the Developer. Thereafter, the annual meetings of the Association shall be held upon such date and at such time as the Board shall determine. At such annual meetings, the Board shall be elected by ballot of the Homeowners, in accordance with the requirements of Section 4 of Article III of these Bylaws. The Association may transact other business at such meetings, as may properly come before them.

Section 4. Special Meetings. It shall be the duty of the President to call a special meeting of the Association if so directed by resolution of the Board or upon a petition signed and presented to the Secretary by Homeowners owning not less than twenty percent (20%) of the Voting Interests of all Homeowners. The notice of any special meeting shall state the time and place of such meeting and the purpose, thereof. No business shall be transacted at a special meeting, except as stated in the notice.

Section 5, Notice of Meetings. It shall be the duty of the Secretary to mail a notice by regular or certified mail of each annual or special meeting of the Homeowners, at least ten (10), but not more than twenty (20), days prior to such meeting, stating the purpose, thereof, as well as the time and place where it is to be held. This will be sent to each Homeowner of record, at such address as each Homeowner shall have designated, by notice in writing, to the Secretary. The mailing of a notice of meeting in the manner provided in this Section shall be considered service of notice. A Homeowner may waive notice in writing, signed by the Homeowner, and delivered to the Association.

Section 6. Quorum. The presence of Homeowners, in person or by proxy, who have the authority to cast a majority of the total votes of all Homeowners of the Association entitled to vote, shall be necessary to constitute a quorum at all meetings of the Homeowners for the transaction of business. The quorum, having once been established at a meeting, shall continue to exist for that meeting, notwithstanding the departure of any Homeowners previously in attendance by person or by proxy. Any meeting may be adjourned upon a majority vote of those present at the time the motion to adjourn is considered.

Section 7. Order of Business. The order of business at all annual meetings of the Association shall be as follows:

- a. Roll Call *omit determining of dues*
- b. Proof of Notice of Meeting or Waiver of Notice
- c. Reading of Minutes of the preceding meeting
- d. Reports of Officers
- e. Reports of the Board
- f. Reports of Committees
- g. Election of Inspectors of Election (when so required)
- h. Election of members of the Board (when so required)
- i. Old Business
- j. New Business *omit ratification of budget separate mtg by Act Nov*
- k. Adjournment

Section 8. Voting. Each Unit entitles the owner or owners thereof to one vote. If only one of the multiple owners of a Unit is present at a meeting of the Association, he or she is entitled to cast all the votes allocated to that Unit. If more than one of the multiple owners are present, the name of the person first appearing on the deed or other document by which they obtain title shall be the person entitled to vote. Multiple owners of a Unit are not allowed to split their vote. Wherever the approval or disapproval of a Homeowner is required by the Nebraska Condominium Act, the Declaration or these Bylaws, such approval or disapproval shall only be made by the person or persons who would be entitled to vote until the Board is furnished evidence of a new owner by a subsequent deed or other instrument of conveyance.

Except where a greater number is required by the Nebraska Condominium Act, the Declaration or these Bylaws, a majority of the Homeowners present is required to adopt decisions at any meeting of the Association. If the Developer or the Association owns or holds title to one or more Units, the Developer or the Board, as the case may be, shall have the right at any meeting of the Association to cast the vote to which such Unit(s) is entitled. The Homeowners do not have the right of cumulative voting.

Section 9. Proxies. A vote may be cast in person or by proxy. Proxies given by the Homeowner are valid only for the particular meeting designated, and must be signed, dated, and witnessed and filed with the Secretary before the appointed time of the meeting. If a proxy is given to a trustee or other authorized person by power of attorney, the proxy is valid until legally rescinded by the Homeowner, but for no more than one year from the date of its execution. Each owner if a Unit owned by more than one person may vote or register protest to the casting of votes by other owners of the Unit through a duly executed proxy. A Unit owner may not revoke a proxy except by actual notice of revocation to the person presiding over a meeting of the Association.

Section 10. Majority of the Homeowners. Majority of the Homeowners means the Homeowners of more than fifty percent (50%) of the Units. Any specified percentage or proportion of the Homeowners means the Homeowners of such number of Units in the aggregate.

Section 11. Conduct of Meetings. The president shall preside over all meetings of the Association, and the Secretary-Treasurer shall keep minutes of the meetings and record in a Minute Book all resolutions adopted by such meetings. Robert's Rules of Order shall govern the conduct of all meetings of the Association, when not in conflict with the Declaration, there Bylaws or the Nebraska Condominium Act.

ARTICLE III

Board of Directors

Section 1. Number and Qualification. The Townhouse shall be governed by a Board comprised of three (3) persons elected by a majority of the Homeowners, all of whom shall be Homeowners or officers, directors or designees of Homeowners.

Section 2. Powers and Duties. The Board shall have all of the powers and duties necessary for the administration of the affairs of the Association, and may do all such acts and things, which are required by the Nebraska Condominium Act, these By-Laws or the Declaration, to be exercised by the Board. The Board shall have the power from time to time to adopt any Rules and Regulations deemed necessary for the enjoyment and use of the Homeowners, provided such Rules and Regulations shall not be in conflict with the Nebraska Condominium Act, these by-laws or the Declaration. In addition to the duties imposed by these By-Laws, the Board shall have the power to, and be responsible for, the following:

- a. Adopt a proposed annual budget, in which there shall be established the annual contribution of each condominium Homeowner to the Common Expenses, including any funds necessary for an activity program fund. If the Administrator(s) prepares the budget, the same shall be submitted to the Board for adoption, approval and distribution.
 1. At least thirty (30) days preceding the fiscal year to which the budget applies, the Board shall provide a summary of the proposed budget to all the Homeowners, and shall set a date for a meeting of the Homeowners to consider ratification of the budget not less than fourteen nor more than thirty days after mailing of the summary. Unless at that meeting a majority of all votes in the Association reject the budget, the budget is ratified, whether or not a quorum is present. In the event the proposed budget is rejected, the periodic budget last ratified by the Association shall be continued until such time as the Homeowners ratify a subsequent budget proposed by the Board.
 2. Unless otherwise provided in the Declaration, any surplus funds of the Association (after accounting for a reasonable reserve) must be repaid to all Homeowners, in proportion to the ratio which the total amount of the assessment for each Co-owner for that year bears toward the total amount of all assessments for all Co-owners for that year. This repayment of surplus funds must occur prior to March 1 of the succeeding fiscal year.
 3. When the first Board elected under the Bylaws takes office, it shall determine the Budget, according to the procedures set forth herein for the period commencing thirty (30) days after their election and ending on December 31st of the fiscal year in which their election occurs.

- b. Assess all the Homeowners to defray the Common Expenses, establish the means and methods of collecting such expenses from all Homeowners, and establish the period of the installment payment of this annual assessment for Common Expenses. Unless otherwise determined by the Board, the annual assessment against each Homeowner for his or her proportionate share of the Common Expenses shall be payable in equal monthly installments. This monthly fee is due and payable in advance on the first of each month;
- c. Designate, hire, pay and dismiss the personnel necessary for the maintenance, operation, repair, replacement and services of all Common Elements. To purchase such equipment, supplies, material and products reasonably necessary for the proper care, upkeep, maintenance and operation of the Common Elements and to pay for such services and products. When appropriate, this equipment, supplies and material shall be the common property of the Homeowners.
- d. Collect the assessments against the Homeowners, depositing the proceeds in a bank depository, and use the proceeds to carry out the administration of the Property ;
- e. Make and amend Rules and Regulations in respect to the use of the Property and personal conduct of Homeowners, occupants and their invitees;
- f. Open bank accounts on behalf of the Association and designate the signatories required.
- g. Make or contract for the making of repairs, additions, improvements, alterations to or restoration of Property, in accordance with the other provisions of these Bylaws, after damage or destruction by fire or other casualty, as a result of condemnation or eminent domain proceedings or for the general upkeep, repair and decoration necessary to keep the Property in good repair and in a neat and clean condition.
- h. Enforce by legal means, the provisions of the Declaration, these By-Laws and the Rules and Regulations, and bring any legal actions on behalf of the Homeowners for such purpose.
- i. Obtain and carry insurance against casualties and liabilities for the Common Elements, as provided herein pay the premium.
- j. Pay the cost of all services rendered to the Association, which are not billed to Homeowners of individual Units;

- k. Keep books with detailed accounts in chronological order, regarding the receipts and expenditures affecting the property and the administration of the Townhomes. Specify the maintenance and repair expenses of the Common Elements and any other expenses incurred.

These said books and vouchers shall be available for examination by any Homeowner, his duly authorized agent or attorney or by any prospective purchaser of a Unit. These books and vouchers will be available at convenient hours during the work day, at the time and in the manner set and announced by the Board, for the general knowledge of the Homeowners. Any prospective purchaser must be designated, as such, by a Homeowner, in writing. All books and records shall be kept in accordance with good and accepted accounting practices, and the same shall be audited at least once a year by an outside auditor employed by the Board of Directors, who shall not be a resident or Homeowner at the Townhomes. The cost of such audit shall be a common expense. The audit may be waived by a majority vote of the Homeowners at their annual meeting.

- l. Notify the mortgagee of any Unit of any default by the Homeowner of such Unit, whenever requested in writing by such mortgagee;
- m. Do such other things and acts, which it may be authorized to do by a resolution of the Association, which are not inconsistent with the Nebraska Condominium Act, these By-Laws or the Declaration. This includes providing information to any lending institution authorized by any Homeowner, which may assist in financing the purchase or the refinancing of any Unit or Units.

Section 3. Administrator(s). The Board may employ, for the Condominium, an Administrator(s), whose compensation will be determined by the Board. The Administrator(s) will perform such duties and services as the Board shall delegate and authorize, provided, however, the Administrator(s) shall not expend any amount in excess of \$1500.00 without prior approval of the Board.

Section 4. Election and Tenure. At the first meeting of the Homeowners and at each annual meeting thereafter, the Homeowners shall elect directors who shall hold office until the next succeeding annual meeting and until their successors have been elected and qualified unless their service is earlier terminated because of death, resignation, or removal.

Section 5. Removal of Members of the Board. Notwithstanding any other provisions in these Bylaws the Homeowners may, by a 66 2/3 % vote of all Homeowners present and entitled to vote at any meeting of the Homeowners at which a quorum is present, remove any one or more of the members of the Board with or without cause. A successor may then and there be elected to fill the vacancy thus created, provided any Board member whose removal has been proposed by the Homeowners shall be given at least ten (10) days notice of the calling of the meeting and the purpose,, thereof. He or she shall be given an opportunity to be heard at the meeting , prior to the vote.

Section 6. Vacancies. Vacancies on the Board, caused by any reason other than the removal of a Board member by a vote of the Association, shall be filled by a vote of a majority of the remaining Board members at a special meeting of the Board held for that purpose, promptly after the occurrence of any such vacancy. Each person so elected will be a member of the Board for the remainder of the term of the vacancy, and until a successor is elected by the Association.

Section 7. Organization Meeting. The first meeting of the members of the Board, shall be held within ten (10) days after the first meeting of the Association, at such time and place as shall be fixed by the Board, at a session of those elected, to be held immediately following the first meeting of the Association. The presiding officer of the Association meeting shall announce that the duly elected Board shall gather together immediately following the meeting of the Association, for the purpose of selecting a date for the organizational meeting of the Board. No other notice of the first meeting of the Board needs to be given, provided that, at least seven days prior to the Board meeting, written notice thereof shall be mailed to their home addresses of those elected Board members who were not present at the Association meeting.

Section 8. Regular Meetings. Regular meetings of the Board may be held at such time and place, as determined by a majority of the Board members. At least two (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board shall be given to each Board member in person, by mail or by hand delivery, at least three (3) business days prior to the day of the meeting.

Section 9. Special Meetings. Special meetings of the Board may be called by the President with three (3) business days' notice to each Board member, given in person, by mail or hand delivery. This notice shall state the time, place and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary-Treasurer in like manner and on like notice on the written request of at least two (2) Board members.

Section 10. Waiver of Notice. Any Board member may, at any time, in writing, waive notice of any meeting of the Board, and such waiver will be deemed equivalent to the giving of such notice. Attendance by a Board member at any meeting of the Board shall constitute a waiver of notice by him of the time and place of such meeting. If all Board members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

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

Section 12. Fidelity Bonds. The Board shall obtain adequate fidelity bonds for all officers and employees of North Gate Estates, who handle or are responsible for funds of North Gate Estates. Waiver of this requirement can be given by the majority vote of the Homeowners.

Section 13. Compensation. No Board member shall receive any compensation from the Association for acting as a Board member.

Section 14. Order of Business. The order of business at annual meetings, and, as far as practical, at other Co-Owners' meetings shall be as follows:

- a. Calling of the Roll and determining whether a quorum is present
- b. Proof of Notice of Meeting or Waiver of Notice
- c. Reading of the Minutes of the preceding meeting
- d. Reports of the Officers and Committees
- e. Election of Officers
- f. Old Business
- g. New Business
- h. Adjournment

Section 15. Liability of the Board. The members of the Board shall not be liable to the Homeowners for any mistake of judgment, negligence or otherwise, except to the extent that any loss is covered by insurance.

Section 16. Delegation. Subject to the Declaration and the Nebraska Condominium Act, the Board, with the approval of the Association, may delegate any part or all of its powers and responsibilities to other persons or to a managing agent.

ARTICLE IV

Officers

Section 1. Designation. The principal officers of the Board shall be the President, the Vice-President and the Secretary-Treasurer, all of whom shall be elected by the Board. The Board may appoint an assistant treasurer, an assistant secretary and such other officers, as in its judgment may be necessary. The President and Vice President shall be members of the Board. Any other officers may be, but shall not be required to be, members of the Board.

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

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

Section 4. President. The President shall be the chief executive of the Board. He shall preside at all meetings of the Homeowners' Association and of the Board. He shall have all of the

general powers and duties of a president of a stock corporation organized under the Business Corporation Act of the State of Nebraska, including, but not limited to, the power to appoint committee members from among the Co-Owners and others from time to time, as he may, in his discretion, decide is appropriate, to assist in conducting the affairs of North Gate Estates.

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

Section 6. Secretary The Secretary shall keep the minutes of all meetings of the Association and of the Board; shall have the authority to authenticate records of the Association; shall have charge of such books and papers as the Board may direct and shall in general perform all duties incident to the office of secretary.

Section 7. Treasurer. The Treasurer shall have charge of such books and papers as the Board may direct; shall have the responsibility for funds and securities; shall be responsible for keeping full and accurate financial records and books of account, showing all receipts and disbursements; shall prepare all required financial data; shall be responsible for the deposit of all moneys and other valuable effects in the name of the Association, in such depositories as may from time to time be designated by the Board, and he or she shall, in general, perform all the duties incident to the office of treasurer.

Section 8. Amendments to Declaration. The President and Secretary may prepare, execute, certify and record amendments to the Declaration, on behalf of the Association, subject to these By-Laws, Declaration and the provisions of the Nebraska Condominium Act.

Section 9. Agreements, Contracts, Deeds, Checks Etc. All agreements, contracts, deeds, leases, checks and other instruments of the Association shall be executed by the appropriate officers of the Board or such other person or persons, who may be lawfully designated by the Board to sign such documents.

Section 10. Deposits. All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board may select.

Section 11. Acceptance of Gifts. The Board may accept, on behalf of the Association, any contribution, gift, bequest or other property for the general purposes or for any special purpose of the Association.

Section 12. Compensation of Officers. No officer shall receive any compensation from the Association for acting as such, provided that any assistant officer appointed by the Board may at the discretion of the Board, receive reasonable compensation for services rendered.

Section 13. Auditing. Unless waived as herein provided, the books and accounts of the Association shall be audited annually by a Certified Public Accountant, who is not a resident of North Gate Estates or a Homeowner.

Section 14. Books and Records. The books, records and papers of the Association shall be subject to inspection by any Homeowner during reasonable business hours.

ARTICLE V

Committees

Section 1. Committees. The Board shall form one or more committees that may exercise the authority of the Board in the management of the Townhomes. However, no such committees shall have the authority to amend, change or alter these By-Laws or the Declaration of the Townhomes; authorize distributions; approve or recommend the dissolution, the merger, or the sale, pledge, or transfer of all or substantially all of the Association's assets; or elect, appoint or remove directors or fill vacancies on the Board or on any of its committees. The Board may appoint persons to serve as members of such committees or may delegate that authority to any single member of the Board or to the Administrator(s).

Section 2. Committee Definitions. Committees created by the Board may include, but need not be limited to:

- a. **LAND AND BUILDING COMMITTEES** assist in the management and decisions, which affect the land and building. This includes a limited number of committees, such as budget, financial planning, personnel, common area policy, and Administrator's advisory committee. Hollyhock residents have the right to use all of the programs and services provided for all North Gate Residents. All townhome owners are encouraged to participate in any of the following committees.
- b. **COMMITTEES FOR ACTIVITIES AND PROGRAM** promote the "Living Lifestyle", upon which North Gate Estates is based. Such committees assure that the activities, amenities, services and programs, which are implemented, promote the positive philosophy of North Gate Estates, as a place to come to live.

The following committees are some which should be organized. Other interests will prompt the organization of additional committees. Any two committees may be combined into one committee, if the Board determines that such combination is in the best interest of the Association.

Activities and Programs

Food Service	Religious Studies
-Party Room Usage	-Music
-Crafts	-Library
-Game/Pool Room	-Woodworking Shop
-Exercise Room	-Walking
-Card Room	-Hospitality
-Garden—vegetable	-Volunteer
-Flower Beds and Gardens	-Book Club
-Dinner Entertainment	-Calling Committee
-Memorial Committee	-Birthday Dinners
-Activity and Program	-Owner Sales Advisory
Budget Committee	Committee

3
c. **FOOD SERVICE COMMITTEE** oversees the food services operation. There are three suggested methods for operation of the food service, any of which require the input of a committee comprised of Homeowners. The committee goal is to have quality food at affordable prices. The developer will begin the food service, until the Homeowners are ready to take over the responsibility. The three methods are:

1. The Homeowners, through the Food Service Committee, hire the food service management and staff.
2. Homeowners can select a licensed caterer to bring in the food.
3. A qualified Food Service Manager can lease the kitchen and equipment and operate a "for profit" organization.

Section 3. Committee Membership. All members of committees pertaining to the management of the Townhomes must be Homeowners. Volunteers who are not Homeowners can serve on committees relating to Services and Programs, if appointed.

Section 4. Term of Office. Each member of a committee shall continue as such until his successor is appointed, the committee is terminated or the member is removed from the committee or ceases to qualify as a member.

Section 5. Chairman. One member of each committee shall be appointed Chairperson by the person or person(s) authorized to appoint the members.

Section 6. Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner, as in the case of the original appointments.

Section 7. Quorum. Unless otherwise provided in the resolution of the Board designating a committee, a majority of the whole committee shall constitute a quorum.

Section 8. Rules. Each committee may adopt rules for its own government, not inconsistent with these By-Laws, the Declaration or with rules adopted by the Board.

ARTICLE VI

Miscellaneous

Section 1. Definitions. The terms used in these By-Laws are defined as they are in the Declaration, except as otherwise specified, herein.

Section 2. Notices. All notices, demands, bills, statements or other communications under these By-Laws shall be in writing and shall be deemed to have been duly given, if delivered personally, or if sent by mail with first class postage prepaid:

- a. If to a Homeowner, at the address which the Homeowner shall designate in writing and file with the Secretary or if no such address is designated, at the address of the Unit of such Homeowner, or

b. If to the Association, the Board, or the Administrator(s), at the principal office of the Administrator(s) or at such other address, as shall be designated by notice in writing, to the Homeowners, pursuant to this section.

Section 3. Invalidity. The invalidity of any part of these Bylaws shall not impair or affect in any manner, the validity, enforceability or effect of the balance of these Bylaws.

Section 4. Captions. The captions, herein, are inserted only as a matter of convenience and for reference and, in no way, define, limit or describe the scope of these Bylaws or the intent of any provision.

Section 5. Gender. The use of the masculine gender in these Bylaws includes the feminine gender, and the use of the singular includes the plural, whenever the context so requires.

ARTICLE VI

Insurance

Section 1. Homeowner Coverage. Each Homeowner shall maintain, at all times, fire and extended coverage insurance for the full amount of the improvements located in said Homeowner's Unit. Additionally, causality and liability insurance covering his or her Unit and contents, including coverage for personal liability, as follows: Three Hundred Thousand Dollars (\$300,000) for comprehensive personal liability and Five Thousand Dollars (\$5,000) for medical payments, as of the date the Homeowner obtains title. Each Homeowner shall provide the Board with a current Certificate of Insurance, stating that such insurance is in force.

Section 2. Release. Each Homeowner hereby releases any other Homeowner from any claim for recovery for loss or damage to any property which is insured under valid and collectible insurance policies to the extent of any recovery collectible under such insurance. It is further agreed that this waiver shall apply only when permitted by the applicable policy of insurance.

Section 3. Common Insurance. The Board shall purchase adequate liability insurance on the Common Elements to protect the Homeowners against any claims. Each Homeowner shall be assessed for his or her proportionate share of the cost, as part of the monthly fee.

Section 4. Board Insurance. The Board shall have the option to maintain coverage for the individual members of the Board, protection against negligent acts, errors, omissions or breaches of duty.

*Condo
see Declaration
7.3.1 p 20*

7.2.3

7.2.4

Section 5. Workers' Compensation. The Board shall obtain and maintain Workmen's Compensation insurance to the extent required by law. 7.2.5

Section 6. Other. The Board shall obtain such other insurance as it deems, in its sole discretion, to be in the best interest of the Association.

ARTICLE VIII

Amendments

Section 1. Amendments. Except as otherwise provided herein, these Bylaws may be modified or amended at any regular or special meeting of the Association, by an affirmative vote of the majority of all Homeowners. Notice of the proposed amendment shall be given to each Homeowner at least ten (10) days, but no more than fifty (50) days, in advance of such meeting, and no amendment or modification may be adopted until after the first annual meeting of the Association has been held.

Section 2. Conflicts. No modification or amendment of these Bylaws may be adopted, which shall be inconsistent with the provisions of the Declaration or the Nebraska Condominium Act. A modification or amendment, once adopted and recorded, as provided for, herein, shall then constitute part of the official Bylaws, and all Homeowners shall be bound to abide by such modification or amendment.

The foregoing Bylaws are hereby adopted for the North Gate Garden Estates Hollyhock Townhomes by Larry Price & Associates, Inc., the Developer, on this 14 day of February, 1997.