By Laws

Of

Windmere Homeowners Association

Amended June 5, 2007

Table of Contents

BYLAWS

OF

WINDMERE HOMEOWNERS ASSOCIATION

ARTICLE I: OFFICES.

1.1 Offices: The principal office address of the Association shall be at: P.O Box 5011, Rapid City, SD 57709. Other offices or addresses may be established from time to time by resolution of the Board of Directors.

ARTICLE II: MEMBERS AND MEETINGS THEREOF

2.1 Place: All meetings of members shall be held at the principal office of the Association in South Dakota, or at such other place as from time to time may be determined by the Board of Directors and specified in the notice of such meeting.

2.2 Annual Meeting. The annual meeting of members shall be held on the first Tuesday in June, if not a legal holiday, and if a legal holiday, then on the next business day. Said annual meeting shall take place at West River Electric Association, 3250 E. Hwy 44, Rapid City, SD at the hour of 7:00 p.m. No notice of annual meeting shall be required. Said meeting shall occur on said date, time and place each year unless members are notified otherwise in writing by other notice. At such meeting, the members shall elect the directors of the Association and shall transact business as may come before the meeting.

2.3 Special Meeting. Special meetings of members may be called at any time by the President or by any director. It shall also be the duty of the President to call such meetings whenever requested in writing to do so by not less than 10% of the members of the Association. In such event, such request shall state the objectives of the proposed meeting.

2.4 Members. Qualifications; Voting Rights: Members of the Association shall be as stated in the covenants applicable to Windmere Subdivision and PUD. All voting rights shall be in accordance with said covenants.

2.5 Notice.

(A) No notice is required for annual meetings.

(B) Special Meetings: Written notice stating the place, day and hour of the meeting of members and the purpose or purposes for which the meeting is called.

(C) Notice to members, if mailed, shall be deemed delivered as to any member when deposited in the U.S. mail, addressed to the member at his or her address with postage thereon prepaid. If three successive letters mailed to the last-known address are returned as undeliverable, no further notices to such member shall be necessary until another address for such member is made known to the Association.

D) When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting the Association may transact any business which might have been transacted at the original meeting.

(E) Waiver: Any notice required to be given may be waived by any entitled to such notice.

2.6 Quorum and Manner of Acting. Members holding one-tenth of the votes entitled to be cast on matters to be voted upon represented in person or by proxy shall constitute a quorum. If a quorum is present, a majority vote shall govern all matters put to vote by the members.

2.7 Proxies. At all meetings of members the members may vote in person or by proxy executed in writing by the member or by his duly authorized attorney-in-fact.

2.8 Voting.

(A) Voting power at membership meetings depends upon lot ownership in the subdivision. If lot ownership is in the name of two or more persons, whether fiduciaries, members of a partnership, joint tenants, tenants in common or otherwise or if two or more persons have the same fiduciary relationship respecting the same shares, voting with respect to the shares shall have the following effect:

(1) If only one person within one membership unit exercises a vote on behalf of that member, his act binds all;

(2) If two or more persons vote within a single membership unit, the act of the majority so voting will bind and shall be deemed as the vote of the membership unit on the Homeowners Association matter.

2.9 Informal action by Members.

(A) Any action required or permitted to be taken at a meeting of the members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by each member entitled to vote and delivered to the Secretary of the Association for inclusion in the minutes or for filing with the Association records. Action taken under this subsection:

(A) is effective when all members entitled to vote have signed the consent, unless the consent specifies a different effective date.

(B) Written consent of the members entitled to vote has the same force and effect as a unanimous vote of such members and may be stated as such in any document.

(C) The record date for determining members entitled to take action without a meeting is the date the first member signs the consent under subsection (A) of this section.

2.10 Waiver of Notice.

(A) When any notice is required to be given to any member of the Association under the provisions of these bylaws, a waiver thereof in writing signed by the person entitled to such notice, whether before, at, or after the time stated herein, shall be equivalent to the giving of such notice.

(B) By attending a meeting, a member:

(1) Waives objection to lack of notice or defective notice of such meeting unless the member, at the beginning of the meeting objects to the holding of the meeting or the transacting of business at the meeting.

(2) Waives objection to consideration at such meeting of a particular matter not within the purpose or purposes described in the meeting notice unless the member objects to considering the matter when it is presented.

ARTICLE III: DIRECTORS

3.1 Number and Qualifications. The management and control of the affairs, business, and property of the Association shall be vested in its Board of Directors. The number of directors of the Association shall be in addition to the officers named in Article IV, not less than three (3) or more than seven (7). The directors shall be elected at the annual meeting of members except as otherwise provided for filling vacancies. Each director shall hold office until the annual meeting of members held next after his election or other manner of appointment, and until his successor shall have been elected and shall qualify or until his death, resignation, or removal.

3.2 Regular Meetings. Regular meetings of the Board of Directors may be held at such places and at such times as the Board may from time to time determine by resolution. No notice of regular meetings of the Board of Directors need be given.

3.3 Special Meetings. Special meetings of the Board of Directors shall be held whenever called by the President, or in his absence, a Vice-President, or by any two members of the Board.

3.4 Removal. Any director may be removed at any time, with or without cause, by vote of the holders of a majority of the votes present, in person or by proxy, at any special meeting of the members.

3.5 Resignation. Any director may resign at any time by giving written notice to the President or to the Secretary. The resignation of any director shall take effect at the time specified in such notice, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

3.6 Quorum and Manner of Acting. A quorum at all meetings of the Board of Directors shall consist of a majority of the number of directors then holding office, but a smaller number may adjourn from time to time without further notice, until a quorum is secured. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

3.7 Presumption of Assent. A director of the Association who is present at a meeting of the Board of Directors or a committee of the Board of Directors when Association action is taken is deemed to have assented to the action taken unless:

(A) He objects at the beginning of such meeting to the holding of the meeting or the transacting of business at the meeting;

(B) He contemporaneously requests that his dissent from the action taken be entered in the minutes of such meeting; or

(C) He gives written notice of his dissent to the presiding office of such meeting before its adjournment or to the Secretary of the Association immediately after adjournment of such meeting.

(D) The right of dissent as to a specific action taken in a meeting of the Board of Directors or a committee of the Board of Directors is not available to a director who votes in favor of such action.

3.8 Informal Action by Directors. Any action required or permitted to be taken at a meeting of the Board of Directors or any committee designated by said Board of Directors may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by each director or committee member, and delivered to the Secretary of inclusion in the minutes or for filing with the corporate records. Action taken under this section is effective when all directors or committee members have signed the consent, unless the consent specifies a different effective date. Such consent has the same force and effect as a unanimous vote of the directors or committee members and may be stated as such in any document.

3.9 Vacancies. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining directors though not less than a quorum of the Board of Directors. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office, and shall hold such office until his successor is duly elected and shall qualify. Any directorship to be filled by reason of an increase in the number of directors shall be filled by the affirmative vote of a majority of the directors then in office or by an election at an annual meeting, or at a special meeting of members called for that purpose. A director chosen to fill a position resulting from an increase in the number of directors shall hold office only until the next election of directors by the members.

3.10 Compensation. By resolution of the Board of Directors and irrespective of any personal interest of any of the members, each director may be paid his expenses, if any, of attendance at each meeting of the Board of Directors, and may be paid a stated salary as director or a fixed sum of attendance at each meeting of the Board of Directors or both. No such payment shall preclude any director from serving the Association in any other capacity and receiving compensation thereof. Any compensation (except for reimbursement of expenses) proposed shall only be effective upon approved by vote at any annual or special meeting of the members.

ARTICLE IV: OFFICERS

4.1 Officers and Qualifications. The officers of the Association shall be a President, a Vice-President, a Secretary and a Treasurer, and other officers and agents who shall respectively have such power and duties as are designated and controlled by the Directors or by the Bylaws. One person may be named to hold more than one position.

4.2 President. The President shall preside at all meetings of the members, shall see that all orders and resolutions of the Board are carried into effect, shall have general supervision of the affairs of the Association, and shall perform all other duties which are incident to his office.

4.3 Vice President. The Vice President shall perform such duties as may be assigned by the Board of Directors, and shall otherwise exercise the functions of the President during his absence or disability.

4.4 Secretary. The secretary shall keep the minutes of the meetings of the Board of Directors and the minutes of the meetings of the members in appropriate books. He shall attend to the giving of all notices of the Association.

4.5 Treasurer. The Treasurer shall have the care and custody of all of the funds and securities of the Association and shall deposit the same in the name of the Association in such banks or depositories as the Board of Directors or the members may from time to time select, shall keep regular books of accounts and submit them from time to time, to the Board of Directors and perform all other duties incident to the office.

4.6 Absence or Inability to Act. In case of absence or inability to act of any officer of this Association and of any person herein authorized to act in his place, the Board of Directors may from time to time delegate the powers or duties of such officer to any other officer, or any director or other person it may select.

4.7 Vacancies. Vacancies arising in any office from any cause may be filled by the directors or the members at any regular or special meeting.

4.8 Salaries & Compensation. Salaries of all officers and agents of the Association may be established by the Board of Directors but shall only be effective upon approval by vote of the members at any annual or special meeting of the members. Any expenses incurred by any officers or agents of the Association may be reimbursed upon approval by the Board of Directors.

4.9 Appointment All officers shall be elected at the annual meeting of members.

4.10 Termination. Any officer may be removed, at any time, with or without cause, by the affirmative vote of a majority of the whole Board of Directors or by majority vote of the members.

ARTICLE V: WASTE AND REFUSE COLLECTION

5.1 Purpose. The Association shall have the authority to govern the selection of any service provider for purposes of waste and refuse disposal within the subdivision. The Association is concerned about the safety of its residence, damage to the subdivision roadways caused by heavy equipment used by trash removal services and is otherwise concerned about management and oversight of trash collection within the subdivision.

ARTICLE VI: FISCAL YEAR

6.1 The fiscal year of the Association shall be based on the calendar year.

ARTICLE VII: ASSESSMENTS

7.1 Purpose. The Homeowners Association shall have all powers as set forth within the covenants concerning assessments and the levying thereof. The members recognize the need for said assessments for purposes of administering the needs and carrying out the objectives of the Association as a whole.

7.2 Annual Assessments. The Association may levy an annual assessment not to exceed the amount set forth in the covenants with said annual assessment to be due no later than January 31 of each year unless notice is given otherwise.

Said annual assessment shall be applicable for the year in which it was paid. For example, the annual assessment to be levied for calendar year 2000 shall be due by no later than January 31, 2000. All assessments shall be paid directly to the Treasurer of the Association on or before the due date.

7.3 Special Assessments. The Association shall have the authority, from time to time, to levy special assessments as may be determined at the annual or any special meeting of the members.

ARTICLE VIII: CONTRACTS, LOANS, NOTES, AND DEPOSITS

8.1 Contracts. The Board of Directors may authorize one or more officers or agents to enter into any contract or execute and deliver any instrument on behalf of the Association. This authority may be general or confined to specific instances.

8.2 Loans. No loans shall be contracted on behalf of the Association and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors and approved by a majority of the votes held by the members

8.3 Notes. Etc. All orders for the payment of money, notes or other evidence of indebtedness issued in the Association's name shall be signed by the officers and/or agents of the Association in the manner authorized by resolution of the board of directors.

8.4 Deposits. All funds of the Association not otherwise employed shall be deposited to the credit of the (The Association in banks, trust companies or other depositories that the Board of Directors or members select.

ARTICLE IX: ARCHITECTURAL CONTROL COMMITTEE (AND COVENANT ENFORCEMENT)

9.1 Appointment. The Architectural Control Committee shall consist of not less than three (3) nor more than seven (7) individuals who hold an ownership interest in lots within Windmere Subdivision. Members of the Architectural Control Committee (ACC) shall be elected by the members

9.2 Authority. The ACC shall have and may exercise all of the authority of the Board of Directors concerning all matters of Minimum Standards enforcement, issues of architectural or landscape design, and in all matters involving covenant violations within the subdivision. The ACC shall govern itself in the same fashion as does the Board of Directors and shall have the authority to carry out all actions on behalf of the Association without further Board or membership approval being necessary. All complaints by any member of the Association concerning issues of minimum standards within the subdivision, alleged covenant violations or any other matter concerning architectural or landscape design shall be first put to the ACC. In the event no action is taken by the ACC, the member may then direct said complaint to the Board of Directors of the Association.

9.3 Tenure and Qualifications. Each member of the ACC shall hold office for a period of three years and thereafter if necessary, until his or her successor is designated by proper election at an annual meeting of the members.

9.4 Meetings Quorum. All meetings and determination of quorum shall be the same as set forth in the provisions of these bylaws governing the Board of Directors.

9.5 Informal Action by ACC. Any action required or permitted to be taken by the ACC at a meeting may be taken without a meeting if consent in writing, setting forth the action so taken, shall be signed by a majority of the members of the ACC entitled to vote with respect to the subject matter thereof.

9.6 Vacancies. Any vacancy in the ACC may be filed by a resolution adopted by a majority of the full Board of Directors or by the members at any annual or special meeting.

9.7 Resignations and Removal. Any member of the ACC may be removed at any time with or without cause by resolution adopted by a majority of the full Board of Directors or by the members at any meeting thereof. Any member of the ACC may resign from the ACC at any time by giving written notice to the President or Secretary of the Association.

9.8 Compensation. By resolution of the Board of Directors and irrespective of any personal interest of any of the members, each member of the ACC may be paid his expenses, if any, of attendance at each meeting of the ACC, and may be paid a stated salary as a member or a fixed sum of attendance at each meeting of the ACC or both. No such payment shall preclude any member from serving the Association in any other capacity and receiving compensation thereof. Any compensation (other than reimbursement for expenses) proposed shall only be effective upon approved by vote at any annual or special meeting of the members.

ARTICLE X: COMMON AREA

(Reserved) (Bylaw provisions for this Article will be completed in conjunction with the Windmere Subdivision Phase 3 single family housing platting process.)

ARTICLE XI: AMENDMENT OF BYLAWS

11.1 The Board of Directors, by a vote of a majority of those present at any meeting at which a quorum is present, or by a vote representing a majority of the votes present at any meeting at which a quorum is present at any annual meeting or special meeting of the members, may alter, amend or repeal these Bylaws.

I HEREBY CERTIFY that the foregoing constitutes the Bylaws of Windmere Homeowners Association. The same have been approved, accepted and adopted by the Board of Directors this 5th day of June, 2007.

Windmere Homeowners Association President

Windmere Homeowners Association Secretary