

**BY- LAWS
OF
LAKE ALLURE HOMEOWNERS ASSOCIATION**

**ARTICLE I
PREAMBLE**

WHEREAS, Dennis M. Thomas, Trustee of the Thomas Family Trust and Dennis M. Thomas and Susan K. Thomas, husband and wife, have caused, and will cause to be developed, in the future, in the vicinity of Ashland, Saunders County, Nebraska, and adjacent to the Platte River, residential lots in an area containing one or more manmade lakes, and,

WHEREAS, the metes and bounds legal description of that area relevant to these By-Laws, a portion of which has been developed, and the remaining portion of which will be in the future developed, is described as follows:

BEGINNING AT THE SOUTHWEST CORNER OF THE NORTHWEST QUARTER NORTHWEST QUARTER OF SECTION 18, THENCE S88°34'26"E (ASSUMED BEARING), ON THE SOUTH LINE OF THE NORTHWEST QUARTER NORTHWEST QUARTER OF SAID SECTION 18, A DISTANCE OF 1021.41 FEET TO THE SOUTHERLY EXTENSION OF THE SOUTH RIGHT-OF-WAY OF MELROSE DRIVE, THOMAS LAKES THIRD ADDITION, A SUBDIVISION AS SURVEYED, PLATTED AND RECORDED IN SAUNDERS COUNTY, NEBRASKA; THENCE N00°31'55"E, ON SAID SOUTH RIGHT-OF-WAY, A DISTANCE OF 143.24 FEET; THENCE NORTHEASTERLY ON SAID SOUTH RIGHT-OF-WAY, ON A 85.00 FOOT RADIUS CURVE TO THE RIGHT, AN ARC DISTANCE OF 112.74 FEET TO THE POINT OF TANGENCY, THE CHORD OF SAID CURVE BEARS N38°31'39"E 104.65 FEET; THENCE N76°31'24"E, ON SAID SOUTH RIGHT-OF-WAY, A DISTANCE OF 43.80 FEET; THENCE NORTHEASTERLY, ON SAID SOUTH RIGHT-OF-WAY, ON A 125.00 FOOT RADIUS CURVE TO THE LEFT, AN ARC DISTANCE OF 111.37 FEET TO THE POINT OF TANGENCY, THE CHORD OF SAID CURVE BEARS N50°59'53"E 107.73 FEET; THENCE N25°28'23"E, ON SAID SOUTH RIGHT-OF-WAY, A DISTANCE OF 100.30 FEET; THENCE NORTHEASTERLY ON SAID SOUTH RIGHT-OF-WAY, ON A 175.00 FOOT RADIUS CURVE TO THE RIGHT, AN ARC DISTANCE OF 158.76 FEET TO THE POINT OF TANGENCY, THE CHORD OF SAID CURVE BEARS N51°27'46"E 153.37 FEET; THENCE N77°27'08"E, ON SAID SOUTH RIGHT-OF-WAY, A DISTANCE OF 353.21 FEET; THENCE SOUTHEASTERLY ON SAID SOUTH RIGHT-OF-WAY, ON A 125.00 FOOT RADIUS CURVE TO THE RIGHT, AN ARC DISTANCE OF 81.77 FEET, THE CHORD OF SAID CURVE BEARS S83°48'30"E 80.32 FEET TO ITS INTERSECTION WITH THE SOUTHERLY EXTENSION OF THE EAST RIGHT-OF-WAY OF DRIFTWOOD LANE, THOMAS LAKES THIRD ADDITION; THENCE N13°23'38"E ON SAID EAST RIGHT-OF-WAY, A DISTANCE OF 63.99 FEET; THENCE NORTHEASTERLY ON SAID EAST RIGHT-OF-WAY, ON A 175.00 FOOT RADIUS CURVE TO THE LEFT, AN ARC DISTANCE OF 12.36 FEET, THE CHORD OF SAID CURVE BEARS N11°22'15"E 12.35 FEET; THENCE N82°46'16"E, A DISTANCE OF 149.89 FEET; THENCE NORTHEASTERLY ON A 182.83 FOOT RADIUS CURVE TO THE LEFT, AN ARC DISTANCE OF 116.02 FEET TO THE POINT OF TANGENCY, THE CHORD OF SAID CURVE BEARS N64°35'30"E 114.08 FEET; THENCE N46°26'25"E, A DISTANCE OF 148.83 FEET; THENCE NORTHEASTERLY ON A 861.04 FOOT RADIUS CURVE TO THE RIGHT, AN ARC DISTANCE OF 168.06 FEET TO THE POINT OF TANGENCY, THE CHORD OF SAID CURVE BEARS N52°01'54"E 167.79 FEET; THENCE N57°37'23"E, A DISTANCE OF 466.39 FEET; THENCE NORTHEASTERLY ON A 399.53 FOOT RADIUS CURVE TO THE LEFT, AN ARC DISTANCE OF 63.23 FEET, THE CHORD OF SAID CURVE BEARS N53°05'23"E 63.16 FEET; THENCE NORTHEASTERLY ON A 368.30 FOOT RADIUS CURVE TO THE RIGHT, AN ARC DISTANCE OF 57.80 FEET TO THE POINT OF TANGENCY, THE CHORD OF SAID CURVE BEARS N53°03'08"E 57.74 FEET; THENCE N57°32'53"E, A DISTANCE OF 448.69 FEET; THENCE NORTHEASTERLY ON A 339.90 FOOT RADIUS CURVE TO THE RIGHT, AN ARC DISTANCE OF 112.78 FEET TO THE POINT OF TANGENCY, THE CHORD OF SAID CURVE BEARS N67°08'34"E 112.26 FEET; THENCE N76°38'53"E, A DISTANCE OF 12.88 FEET; THENCE NORTHEASTERLY ON A 277.88 FOOT RADIUS CURVE TO THE LEFT, AN ARC DISTANCE OF 98.89 FEET TO THE POINT OF TANGENCY, SAID POINT BEING ON THE SOUTHEASTERLY RIGHT-OF-WAY OF LAKESHORE DRIVE, THOMAS LAKES THIRD ADDITION, THE CHORD OF SAID CURVE BEARS N66°27'11"E 98.37 FEET; THENCE N56°15'30"E, ON SAID SOUTHEASTERLY RIGHT-OF-WAY, A DISTANCE OF 19.69 FEET; THENCE N49°54'21"E, ON SAID

SOUTHEASTERLY RIGHT-OF-WAY, A DISTANCE OF 271.38 FEET; THENCE N44°48'11"E, ON SAID SOUTHEASTERLY RIGHT-OF-WAY, A DISTANCE OF 70.76 FEET; THENCE N36°17'15"W, A DISTANCE OF 50.76 FEET TO THE MOST SOUTHERLY CORNER OF LOT 46, THOMAS LAKES THIRD ADDITION; THENCE N44°49'14"E ON THE SOUTHEASTERLY LINE OF SAID LOT 46, A DISTANCE OF 645.34 FEET; THENCE NORTHEASTERLY ON THE SOUTHEASTERLY LINE OF SAID LOT 46, ON A 175.00 FOOT RADIUS CURVE TO THE LEFT, AN ARC DISTANCE OF 134.14 FEET TO THE POINT OF TANGENCY, SAID POINT BEING THE NORTHEASTERLY CORNER OF SAID LOT 46, THE CHORD OF SAID CURVE BEARS N22°51'40"E 130.88 FEET; THENCE N00°54'07"E, A DISTANCE OF 50.00 FEET TO A POINT ON THE SOUTH LINE OF LOT 44, THOMAS LAKES THIRD ADDITION; THENCE S89°05'53"E, ON THE SOUTH LINE OF SAID LOT 44, A DISTANCE OF 175.51 FEET; THENCE NORTHEASTERLY ON THE SOUTH LINE OF SAID LOT 44, ON A 175.00 FOOT RADIUS CURVE TO THE LEFT, AN ARC DISTANCE OF 124.63 FEET, THE CHORD OF SAID CURVE BEARS N70°29'55"E 122.02 FEET; THENCE NORTHEASTERLY ON THE SOUTH LINE OF SAID LOT 44, ON A 55.00 FOOT RADIUS CURVE TO THE LEFT, AN ARC DISTANCE OF 53.90 FEET, THE CHORD OF SAID CURVE BEARS N22°01'22"E 51.76 FEET; THENCE NORTHEASTERLY ON THE SOUTH LINE OF SAID LOT 44, ON A 55.00 FOOT RADIUS CURVE TO THE RIGHT, AN ARC DISTANCE OF 92.12 FEET TO THE POINT OF TANGENCY, THE CHORD OF SAID CURVE BEARS N41°55'55"E 81.72 FEET; THENCE N89°54'50"E, ON THE SOUTH LINE OF SAID LOT 44, A DISTANCE OF 255.69 FEET TO THE SOUTHEAST CORNER OF SAID LOT 44; THENCE N00°05'10"W ON THE EAST LINE OF SAID LOT 44, A DISTANCE OF 50.00 FEET TO THE NORTHEAST CORNER OF SAID LOT 44, SAID POINT BEING ON THE NORTH LINE OF A PARCEL OF LAND CONVEYED BY QUIET TITLE ACTION CASE NO. C106-37 IN THE DISTRICT COURT OF SAUNDERS COUNTY ON THE 8TH DAY OF MAY 2006, RECORDED IN DEED BOOK 341, PAGE 1048; THENCE S89°54'50"W, ON THE NORTH LINE OF SAID PARCEL, A DISTANCE OF 1530.82 FEET; THENCE S89°54'40"W, ON THE NORTH LINE OF SAID PARCEL, A DISTANCE OF 2193.90 FEET TO THE NORTHWEST CORNER OF SAID PARCEL; THENCE S00°26'05"W, ON THE WEST LINE OF SAID PARCEL, A DISTANCE OF 1.14 FEET TO A POINT ON THE NORTH LINE OF THE SOUTHWEST QUARTER SOUTHWEST QUARTER OF SECTION 7; THENCE N89°03'20"W, ON THE NORTH LINE OF THE SOUTHWEST QUARTER SOUTHWEST QUARTER OF SECTION 7, A DISTANCE OF 996.87 FEET TO THE NORTHEAST CORNER OF THE SOUTH HALF SOUTHEAST QUARTER OF SECTION 12; THENCE N89°31'26"W, ON THE NORTH LINE OF THE SOUTH HALF SOUTHEAST QUARTER OF SECTION 12, A DISTANCE OF 1861.23 FEET TO THE EAST RIGHT-OF-WAY OF THE BURLINGTON NORTHERN & SANTA FE RAILROAD; THENCE S00°07'44"W, ON SAID EAST RIGHT-OF-WAY, A DISTANCE OF 2642.44 FEET TO A POINT ON THE SOUTH LINE OF THE NORTH HALF NORTHEAST QUARTER OF SECTION 13; THENCE S89°33'51"E, ON SAID SOUTH LINE, A DISTANCE OF 1831.86 FEET TO THE POINT OF BEGINNING; CONTAINING A COMPUTED AREA OF 283.79 ACRES, MORE OR LESS, SUBJECT TO EASEMENTS OF RECORD FOR ROAD-WAY PURPOSES,

hereinafter referred to as "Lake Allure", within which are the following platted subdivisions, to wit:

- (a) Replat of Thomas Lakes First Addition, a subdivision as surveyed and platted in a part of Sections 7 and 18, Township 13, Range 10, Saunders County, Nebraska, consisting of Lots 1 through 6, inclusive, the Plat thereof having been filed in the office of the Saunders County Register of Deeds on or about February 1, 1985, and indexed in Book 3, at Page 411, in the Book of Plats of said office; and,
- (b) Thomas Lakes Second Addition, a subdivision as surveyed and platted in a part of Sections 7 and 18, Township 13, Range 10, Saunders County, Nebraska, consisting of Lots 1 through 6, inclusive, the Plat thereof having been filed in the office of the Saunders County Register of Deeds on or about September 5, 1985, and indexed in Book 3, at Page 415, in the Book of Plats of said office; and,
- (c) A portion of Thomas Lakes Third Addition, a subdivision as surveyed and platted in a part of Sections 7 and 18, Township 13, Range 10, Saunders County, Nebraska, consisting of Lots 1 through 23, inclusive, Lots 29 through 38, inclusive, and utility Lots 44 through 46, inclusive, the Plat thereof having been

filed in the office of the Saunders County Register of Deeds on or about March 20, 2002, and indexed in Book 4, at Page 261, in the Book of Plats of said office, and,

WHEREAS, Dennis M. Thomas and Susan K. Thomas, husband and wife, and Dennis M. Thomas, Trustee of the Thomas Family Trust, will, after the date of these By-Laws, prepare and file of record with the Saunders County Register of Deeds one (1) or more Plats, hereinafter known as Lake Allure Additions, as to those un-platted portions of Lake Allure, in one (1) or more phases, subdividing the un-platted portions of Lake Allure into lots and common areas to consist of, but not be limited to, one (1) or more lakes and access roads, and,

WHEREAS, Lake Allure Homeowners Association has been incorporated pursuant to Articles of Incorporation as a nonprofit corporation of the State of Nebraska, by the filing of said Articles of Incorporation with the Secretary of State of the State of Nebraska as of September 17, 2010, and,

WHEREAS, Dennis M. Thomas, Trustee of the Thomas Family Trust, and Dennis M. Thomas and Susan K. Thomas, husband and wife, have caused, or will cause to be, in the future, conveyed to Lake Allure Homeowners Association certain specified areas, said areas being generally the roads, beach areas, lake areas, and other developed and/or undeveloped areas in the above Additions, and,

WHEREAS, the purpose of the aforementioned Lake Allure Homeowners Association is to provide a means for the construction, maintenance, repair, improvement, replacement, and management of those aforementioned areas owned by Lake Allure Homeowners Association, together with all appurtenances and improvements located thereon, and in the future, and to assume jurisdiction for the enforcement of the Declaration of Covenants, Conditions, and Restrictions of Lake Allure when the same is no longer solely enforced by Dennis M. Thomas, Trustee of the Thomas Family Trust and Dennis M. Thomas and Susan K. Thomas, husband and wife, pursuant to the terms and conditions thereof, and,

WHEREAS, it is in the best interest of the Lake Allure Homeowners Association that there be by-laws for the governance of the Lake Allure Homeowners Association to accomplish the aforementioned purposes,

NOW, THEREFORE, it is hereby agreed that these By-Laws shall be the by-laws for the governance of the Lake Allure Homeowners Association and the property owned by Lake Allure Homeowners Association.

ARTICLE II DEFINITIONS

Section 2.01 Definitions. For purposes of these By-Laws, the following terms shall have the following meanings unless the context in which the same is utilized clearly indicates otherwise:

- A. "Association" shall mean and refer to Lake Allure Homeowners Association, a Nebraska Nonprofit Corporation, its successors and assigns.
- B. "Common Area" shall mean all real estate owned by Lake Allure Homeowners Association which shall include, but not be limited to, all lakes, all beach areas between the lakes and lot lines fronting said lakes, all road areas, all signs, and all personal property located thereon which may have been placed or which may be erected by the Association on behalf of the Association on said real estate, and which is located in portions of the aforementioned Additions, and all water and sewer facilities and/or infrastructure, if owned by the Lake Allure Homeowners Association.
- C. "Lake Allure" shall mean all that real estate contained within the metes and bounds description set forth in Article I of these By-Laws.
- D. "Lot" shall mean a plot of land shown as a separate lot on the recorded subdivision plat of Property.
- E. "Member" shall mean every person or entity who holds membership in the Association as an Owner of a Lot in Lake Allure.
- F. "Mortgage" shall mean a conventional mortgage or a deed of trust.
- G. "Mortgagee" shall mean a holder of a conventional mortgage or a beneficiary under a deed of trust.
- H. "Owner" shall mean the record Owner, whether one or more persons or entities, of a fee simple title, including contract sellers, of any Lot within Property, or other real estate accepted for inclusion therein by agreement, covenant, or otherwise, between Thomas and Association, but shall not include a mortgagee.
- I. "Property" shall mean and refer to Lake Allure as hereinbefore legally described, via metes and bounds description, and consisting of 283.79 acres, more or less, and the platted Subdivisions/Additions located therein, as they now exist, and as they may exist and/or be created in the future, and may, in the future, be amended from time to time.
- J. "Thomas" shall mean Dennis M. Thomas, Trustee of the Thomas Family Trust and Dennis M. Thomas and Susan K. Thomas, husband and wife, and their respective heirs, personal representatives, successors and assigns.

**ARTICLE III
COMMON AREA**

Section 3.01 General Understanding:

- A. Thomas and/or the Association shall have the right to add real estate to the Common Area.
- B. The Association shall have the right to grant easements for installation and maintenance of utilities and drainage facilities in the Common Area in addition to those easements granted in the dedication of Property. No structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may damage, interfere with, or change the direction or flow of drainage facilities in the easements. Said easements shall at all times be open and assessable to the Members of the Association, its successors and assigns. The Association shall have the right and privilege of doing whatever may be necessary in, on, under, and above such locations to carry out any of the purposes for which such easements are reserved.
- C. The Association shall have the authority to own, and/or lease real and/or personal property within the Common Area, and within future areas denoted as Common Area, for the common use and enjoyment of the Members the Association.
- D. The Association shall be responsible for the following:
 - 1. The construction, maintenance, repair, improvement, and replacement of the roads, beach areas, and lake areas comprising the Common Area of Property and all personal property of the Association located thereon, and all water and sewage facilities and/or infrastructure, specifically excluding any water and sewage facilities and/or infrastructure on a Lot not owned or leased by the Association, the servicing thereof, and the billing and collection of all charges/fees for the use of said facilities;
 - 2. The management of the roads, beach areas, and lake areas comprising the Common Areas of Property pursuant to written rules and regulations;
 - 3. The selection of a single provider to provide refuse collection for all Lots in Property. The cost of refuse collection shall be paid by the individual Lot Owner directly to the service provider and shall not be collected by or paid to the Association;
 - 4. The exercise, promotion, enhancement and protection of the privileges and interests of the Owners of Lots in Property and the protection and maintenance of the residential character of Property.

- E. In the management of the Common Area of Property, the board of directors of the Association shall have the authority to establish, amend, and modify from time to time, subject to approval by the Members of the Association, rules and regulations pertaining to the use of the Common Area by the Members of the Association. The rules and regulations, as amended from time to time, shall be available to all Members for inspection in the offices of the Association. The Association shall endeavor to provide all Members with copies of any amendments or modifications to the rules and regulations within (30) thirty days following such amendment or modification. Notwithstanding the foregoing, the failure of the Association to provide Members with copies of amendments or modifications to the rules and regulations shall not be a condition as to the enforceability of the rules and regulations against the Members, it being an affirmative obligation of the Members to be familiar with and abide by the rules and regulations of the Association at all times. All Members assume all risks associated with using the Common Area and all Members agree and covenant on their own behalf and on behalf of their guests, licensees and invitees, not to make any claim or institute any action whatsoever against Thomas or the Association, or their respective officers, directors, employees, owners or agents arising or resulting from use of the Common Area, or any damages that may be caused thereby, or for negligent design of the Common Area.
- F. There shall exist an appurtenant easement of access to all roads owned by the Association for the use of all Members of the Association.
- G. There shall be no judicial partition of the Common Area nor shall the Association, or any Member, seek judicial partition thereof.
- H. Every Member shall have the privilege of using the Common Area in common with every other Member of the Association, but subject to the following rights of the board of directors of the Association, which shall be reasonably enforced, to wit:
1. The right to charge reasonable admission and other fees for the use of any facility situated within the Common Area;
 2. The right to suspend, after notice to the Member and hearing before the board of directors of the following:
 - a. The privilege of any member, any Member's family, or guest, of the use of the Common Area and/or the voting privileges of the Member for periods during which assessments against the Member's Lot remain unpaid; and
 - b. The privilege of any Member, any Member's family, or guest, of the use of the Common Area and/or the voting privileges of the Member

after any infraction of the published rules and regulations of the Association or any violation of these By-Laws;

3. The right to assess fines against any Owner for violation of the provisions of the By-Laws and/or rules and regulations of the Association. Said fines, if not paid, shall become a lien against the Lot of the violating Owner in the same respect and manner as any assessment thereon;
4. The right to suspend water services for non-payment of water and/or sewer fees;

EXCEPT the board of directors of the Association shall not have the right to deny the easement of access as noted in subparagraph F hereof.

ARTICLE IV MEMBERSHIP IN ASSOCIATION

Section 4.01 Membership:

- A. Each Owner of a Lot in Property shall be a Member of the Association subject individually and personally to its powers in the manner set out in these By-Laws.
- B. Each Member of the Association is hereby deemed to covenant to pay to the Association annual assessments and/or special assessments and/or fees and/or charges established and as hereinafter set forth. The annual and special assessments and/or fees and/or charges, together with interest, cost, and reasonable attorneys' fees, shall be a charge on each Lot to which it is assessed and a continuing lien on each Lot to which it is assessed until paid in full. Each such assessment and/or fees and/or charges, together with interest, cost and reasonable attorneys' fees, shall also be the personal obligation of the Member who owns the Lot at the time the assessment and/or fees and/or charges fell due, until paid in full, but such personal obligation shall not pass to the successors in title of such Lot unless expressly assumed by the successors in title.
- C. Each Member of the Association agrees to indemnify and hold the Association, and all of its Members, harmless from and against any and all liability which could arise as a result of the Member's use or occupation of any of the Common Areas owned by the Association, to include any of the Member's family, guests, business visitors, or invitees.

ARTICLE V CLASSES OF VOTING MEMBERS AND VOTING RIGHTS OF MEMBERS

Section 5.01 Classes of Voting Members: The Association shall have two (2) classes of voting members, as follows:

- A. Class A – Class A Members shall be all Owners of Lots in Property, with the exception of the Class B Member.
- B. Class B – Class B Member shall be Thomas.

Section 5.02 Voting Rights of Members:

- A. Each Class A Member shall be entitled to one (1) vote for each Lot owned. When more than one Member holds an interest in a given Lot, the vote of said Lot shall be exercised as the Members who are Owners thereof may determine among themselves.
- B. The Class B Members shall be Thomas, who shall be entitled to twenty (20) votes for each Lot owned by Thomas. The Class B membership shall cease and be converted into Class A Membership on the happening of any of the following events, which ever occurs earlier:
 - 1. When the total votes outstanding in the Class A Membership equal or exceed the total votes outstanding in the Class B Membership; or
 - 2. When Thomas relinquishes Thomas' Class B Membership in the Association.
- C. The secretary of the board of directors of the Association shall initially prepare and thereafter maintain a list indicating thereon, but not limited to, the following:
 - 1. The name, address, telephone number, fax number and e-mail address, if available, of each Owner of each Lot in Property;
 - 2. The class of membership of each aforementioned Member of the Association.

**ARTICLE VI
MEETINGS OF MEMBERS**

Section 6.01 Annual Meetings: The annual meeting of the Members shall be held in the month of March. The purpose of the annual meeting shall be to elect members to the board of directors, establish assessments, and to conduct all business as may lawfully be conducted at the meeting.

Section 6.02 Special Meetings: Unless otherwise prescribed by statute, special meetings of Members may be called for any purpose by the president, or by the board of directors, or shall be called by the president at the written request of not less than one-fourth (1/4th) of the voting strength of the Class A Members of the Association. Special meetings may also be called by the Class B Member.

Section 6.03 Place of Meeting: The board of directors may designate any place within Saunders County, State of Nebraska, as the place for any annual or special meeting of Members. If no designation is made, the place of the meeting shall be at Property.

Section 6.04 Notice of Meeting: Notice stating the place, day, and hour of the annual meeting, and in the case of a special meeting, the purpose for which it is called, shall be delivered not less than ten (10) nor more than fifty (50) days before the day of the meeting, either in person, or by mail, or by facsimile, or by telephone, or by electronic mail, or other written communication, charges pre-paid, to each Member of the Association as of the record date for determining the Members of the Association. Notice shall be deemed to be delivered when either delivered personally, deposited in the United States mail, or sent by facsimile, telephonic, electronic mail, or other means of communication. Any Member may waive notice of any meeting. The attendance of a Member at a meeting shall constitute a waiver of notice unless such attendance by a Member is for the sole purpose of objecting to the transaction of business because the meeting is improperly called.

Section 6.05 Record Date: The record date, for purposes of these By-Laws, shall be the close of business on the business day preceding the day on which Notice of Meeting is given.

Section 6.06 Quorum:

- A. A quorum shall consist of at least one-fourth (1/4th) of the voting strength of the Class A Members provided the Class B Member, if a Class B Member exists, is also in attendance in person or by proxy.
- B. If, at a meeting, less than a quorum of the Class A Members are in attendance, a majority of the Class A Members present may adjourn the meeting to a different date, time, or place, and notice need not be given of the new, date, time, or place if the new date, time, or place is announced at said meeting before adjournment, and said subsequent meeting is not more than sixty (60) days from the preceding meeting.
- C. A Member may be present at a meeting either in person or by written proxy. A Member may also vote at a meeting either in person or by written proxy.

Section 6.07 Membership List for Meeting.

- A. After fixing a record date for a notice of a meeting, the secretary of the Association shall prepare a list of the names and addresses of all its Members who are entitled to notice of the meeting.
- B. The list of Members must be available for inspection by any Member for the purpose of communication with other Members concerning the meeting, beginning two (2) business days after notice is given of the meeting for which the list was prepared and continuing through the meeting, at the Association's principal office. A Member, a Member's agent, or attorney is entitled, on written

demand, to inspect or to copy the list, at a reasonable time and at the Member's expense, during the period it is available for inspection.

- C. The secretary of the board of directors of the Association shall make the list of Members available at the meeting, and any Member, a Member's agent, or a Member's attorney is entitled to inspect the list at any time during the meeting or upon adjournment.
- D. If the secretary of the board of directors of the Association refuses to allow a Member, a Member's agent, or a Member's attorney to inspect the list of Members before or at the meeting (or copy the list as permitted by subsection B), the district court of Saunders County, on application of the Member, may summarily order the inspection or copying at the Association's expense and may postpone the meeting for which the list was prepared until the inspection or copying is complete and may order the Association to pay the Member's costs (including reasonable counsel fees) incurred to obtain the order.
- E. Unless a written demand to inspect and copy a membership list has been made under subsection D prior to the membership meeting and the secretary of the board of directors of the Association improperly refuses to comply with the demand, refusal or failure to comply with this section does not affect the validity of action taken at the meeting.

Section 6.08 Conduct of Meetings: Meetings held by the Members shall be conducted and governed pursuant Robert's Rules of Order. If there is a conflict between Robert's Rules of Order and the specific provisions of these By-Laws, these By-Laws shall govern.

ARTICLE VII DECISIONS AND VOTING PROCEDURES

Section 7.01 Majority Vote: Any decision made by the Members shall require a majority vote of the Class A Members and be approved by the Class B Member, if the Class B Member exists, at any meeting of the Members at which a quorum is present, except as may be provided otherwise in these By-Laws or the Articles of Incorporation of the Association.

ARTICLE VIII ASSESSMENTS

Section 8.01 Assessments:

- A. Assessments, either annual or special, shall be used by the board of directors of the Association to carry out their duties in the areas of maintenance and repair of the Common Area, equipment for the Common Area, insurance as required, materials, supplies necessary or proper in the opinion of the board of directors of the Association as to the operation of the Common Area for the benefit of Members, or for the enforcement of these By-Laws and the Rules and Regulations

of the Association, and for such other expenses that promote the health, safety, welfare, and recreation of the Members of the Association.

- B. Assessments shall be a continuing lien on each Lot upon which the assessment is assessed from the date of the assessment until paid in full.
- C. Assessments shall be fixed at a uniform rate as to all Lots, except as provided herein.
- D. Notwithstanding any other provision of these By-Laws, the board of directors may abate all or part of the assessments due in respect to any Lot, and shall abate all assessments due in respect of any Lot during the period that such Lot is owned by Thomas.

Section 8.02 Annual Assessments:

- A. The board of directors shall propose a budget for each fiscal year of the Association one (1) month prior to the annual meeting, which shall be an estimate of funds needed to:
 - 1. Pay for projected expenses to be incurred in promoting the health, safety, welfare and recreation of the members of the Association and for the improvement and maintenance of the Common Area of Property;
 - 2. Fund reserves for deferred maintenance of the Common Area;
 - 3. Fund reserves for replacement of items within the Common Area;
 - 4. Fund reserves to provide for a working fund to meet anticipated losses;
 - 5. Fund a reasonable amount to be reserved for emergency or unanticipated costs and expenses.
- B. The board of directors, after preparing said proposed budget, shall submit said proposed budget and the proposed annual assessment to fund said budget to the Members of the Association at the annual meeting of the Members of the Association.
- C. Unless excess annual assessments have been authorized by the Members in accordance with Section 8.04 hereof, the annual assessment which may become due and payable in any year shall not exceed the greater of:
 - 1. Five Hundred and no/100 Dollars (\$500.00) per Lot per year, or,
 - 2. One hundred five percent (105%) of the annual assessment charged in the previous calendar year.

Section 8.03 Special Assessments: In addition to the annual assessments authorized above, the board of directors may levy special assessments. Special assessments shall be used for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, replacement or improvement, or other expenditures determined to be necessary by the board of directors for the benefit of Members that promotes the health, safety, welfare, or recreation of Members in the Common Area, including fixtures and personal property related thereto, and including the cost of any litigation involving the Association including, but not limited to, attorney fees and other incidental costs and expenses of litigation and the sum of any judgment for settlement entered into or assessed against the Association. The aggregate special assessments in each calendar year shall be limited to One Thousand and no/100 Dollars (\$1000.00) per Lot. This amount shall increase by five percent (5%) each year, regardless of whether a special assessment was made the prior year, subject to Section 8.04 hereof.

Section 8.04 Excess Annual and Special Assessments. With the approval of two-thirds percent (2/3%) of the votes of the Class A Members and approval by the Class B Member, if the Class B Member exists, at any meeting of the Members at which a quorum is present, the board of directors may establish annual assessments and/or special assessments in excess of the maximum established in these By-Laws.

Section 8.05 Written Notice:

- A. Written notice of the amount of the annual assessment shall be sent to each Member at least thirty (30) days before the due date. The due date shall be fixed by the board of directors of the Association.
- B. Written notice of the amount of any special assessment, and whether or not it is to be paid in one installment or in periodic installments, shall be sent to each Member obligated to pay said special assessment at least thirty (30) days before the due date of the special assessment or the due date of the first installment of said special assessment as established by the board of directors of the Association.

Section 8.06 Late Charges, Collection and Notice:

- A. Assessments shall become delinquent if not paid within thirty (30) days after their respective due dates.
- B. Delinquent assessments shall bear interest at the rate of 14% per annum or 1.17% per month, or the maximum legal rate allowable by law, whichever is lesser, with a minimum of \$5.00 per month billing cost while such assessments remain unpaid.
- C. Any assessment not paid within ninety (90) days after the due date shall be deemed to be in default and, if payable in installments, all future installment payments shall at once be due and payable.

- D. The secretary of the board of directors of the Association shall cause to be recorded in the office of the Register of Deeds of Saunders County, Nebraska, a notice as to each Lot for which the assessment thereon is deemed to be in default.
- E. The board of directors of the Association may bring an action at law against the Member personally obligated to pay the same, or may foreclose said assessment lien. No Member may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of the Member's Lot. A sale or transfer of any Lot shall not affect the assessment lien. Further, no sale or transfer of any Lot shall extinguish the personal liability of the Owner of said Lot for the payment of said assessment without the consent of the board of directors of the Association. The mortgagee of any Lot shall have the right to cure any delinquency of a Member by payment of all sums due, together with interest, costs and fees. The Association shall assign to such mortgagee all of its rights with respect to such lien and right to foreclosure and such mortgagee may thereupon be subrogated to any rights of the Association.
- F. The secretary of the board of directors of the Association shall, on demand, and for a fee, furnish a certificate signed by the secretary setting forth whether the assessment against a specified Lot has been paid.
- G. The lien of any assessments provided for herein shall be subordinate to the lien of any mortgage, contract, deed of trust, or financing statement, given as collateral for any purchase money loan upon a Lot and/or improvement thereon. Sale or transfer of any Lot and/or improvement thereon shall not affect or terminate the assessment lien.

ARTICLE IX SUSPENSION OF MEMBERSHIP PRIVILEGES

Section 9.01 Suspension of Membership Privileges: The board of directors of the Association may suspend the privileges of any Member who has violated, or whose family or guests have violated any provision or provisions of the Articles of Incorporation, By-Laws, and/or rules and regulations of the Association. Said suspension of privileges may include, but shall not be limited to, suspension of voting rights and/or use of the Common Area, or portions thereof, including the period of time for which said privileges are suspended. When the board of directors has received information that a Member, or a Member of the Member's family, or a guest or guests of a Member has violated any provision or provisions of the Articles of Incorporation, By-Laws, and/or rules and regulations of the Association, said Member shall be notified by United States mail, sent first class to the last known mailing address of the Member, said notice to notify said Member of the violation or violations and the date, time, and place of the meeting of the board of directors at which meeting the Member may appear regarding said violation or violations and be given an opportunity to be heard by the board of directors. The board of directors shall then determine, by a majority vote of the board of directors, what action, if any, to impose upon said Member. The action of the board of directors shall be reasonably commensurate with the seriousness of the violation.

**ARTICLE X
BOARD OF DIRECTORS**

Section 10.01 General Powers: The board of directors shall have power to:

- A. Adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the Members, the Member's families, and their guests thereon, and to establish penalties for the infraction thereof pursuant to Article IX hereof;
- B. Suspend, pursuant to Article IX hereof, the voting privileges and the privilege to use the Common Area by a Member, or a Member of the Member's family, or a guest or guests of a Member during any period in which such Member shall be in default in the payment of any assessment/fees/ charges levied by the Association. Such privileges may be suspended after notice and hearing, for a period as determined by the board of directors of the Association;
- C. Enter into and carry out the responsibilities and duties of any management agreement covering any of the Common Area;
- D. Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Members by other provisions of these By-Laws, or the Articles of Incorporation of the Association;
- E. Declare that the office of a member of the board of directors to be vacant in the event such director shall be absent from three (3) consecutive regular meetings of the board of directors
- F. Employ a manager, an independent contractor, or such other employees or agents as it deems necessary, and to prescribe their duties. An officer, director, or Member of the Association may be so employed.

Section 10.02. Duties: It shall be the duty of the board of directors to:

- A. Cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members.
- B. Supervise all officers, agents, and employees of the Association and to see that their duties are properly performed.
- C. As more fully provided in these By-Laws, to:
 - 1. Fix the amount of the annual assessment levied against each Lot;
 - 2. Fix the amount of any special assessment levied against each Lot;

3. Fix the amount of any fees and/or charges for the use of the water and sewage facilities of the Association;
 4. Send written notice of each annual assessment and/or special assessment and/or fees and/or charges to every Member subject thereto;
 5. Foreclose the lien against any Lot for which assessments and/or fees and/or charge are not paid or to bring an action at law against the Member personally obligated to pay the same;
 6. Fulfill the duties, responsibilities and obligations of the Association as set forth in the Articles of Incorporation of the Association and the By-Laws.
- D. Issue or cause an appropriate office to issue, upon demand by any person, a certificate setting forth whether or not any assessment and/or fees and/or charges have been paid. A reasonable charge may be made by the board of directors for the issuance of this certificate. If a certificate states that an assessment has been paid, such certificate shall be conclusive evidence of such payment.
- E. Procure and maintain adequate liability and hazard insurance on property owned or managed by the Association and insurance on such persons as it may deem appropriate.
- F. Cause all officers, directors, or employees having fiscal responsibilities to be bonded and/or insured, as it may deem appropriate.
- G. Cause the Common Area to be maintained.
- H. Expend, commit, and pay Association funds to accomplish the purposes of the Association as set forth in the Articles of Incorporation and/or By-Laws and/or rules and regulations of the Association not heretofore specifically set forth.

Section 10.03 Appointment of Committees: The board of directors may appoint such committees as it deems necessary, such as a nominating committee. Members of committees may consist of one or more members of the board of directors and other Members of the Association.

Section 10.04 Number, Tenure, and Qualifications: Initially, there shall be three (3) members of the board of directors of the Association. There shall be five (5) members of the board of directors of the Association after the appropriate governmental approval of the first phase of the subdivision of the Lake Allure Addition. All directors shall be elected for two (2) year terms to commence after the annual meeting of the year in which elected. Three (3) of the members of the board of directors of the Association shall be chosen in years that end in an odd number and two (2) of the members of the board of directors of the Association shall be chosen in the years that end in an even number. Directors shall be Members of the Association. At the expiration of a director's term, the director shall continue to serve until said director's successor

is elected and qualifies, except in the event of death, resignation or removal of a director. In the event of death, resignation or removal of a director, the board of directors shall, by majority vote of the remaining members of the board of directors, appoint a successor to fill out the unexpired term.

Section 10.05 Compensation: Neither directors nor Members serving on committees of the board of directors shall receive any salary or compensation for services rendered to the Association.

Section 10.06 Regular Meeting: The board of directors may provide for the time and place, within or without Property, for the holding of regular meetings, without other notice than by the resolution calling for such meeting or meetings.

Section 10.07 Special Meetings: Special meetings of the board of directors may be called at the request of the president or at least fifty percent (50%) of the directors. The person or persons calling a special meeting may fix the time and place of the meeting called by them within or outside Property.

Section 10.08 Notice of Special Meetings: Notice of any special meeting shall be given at least five (5) days previous thereto to each member of the board of directors either in person, or by mail, or by facsimile, or by telephone, or by electronic mail, or other written communication, charges prepaid. Notice shall be deemed to be delivered when either delivered personally, deposited in the United States mail, or sent by facsimile, telephonic, electronic mail, or other means of communication. Any director may waive notice of any meeting. The attendance of any director at a meeting shall constitute a waiver of notice except when a director attends for the sole purpose of objecting to the transaction of the business because the meeting is not properly called. The business to be transacted at a special meeting shall be specified in the notice of the meeting.

Section 10.9 Quorum: A majority of the board of directors shall constitute a quorum for the transaction of business, but if less than a majority is present, a majority of those present may adjourn the meeting from time to time without further notice.

Section 10.10 Manner of Acting: The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors.

Section 10.11 Resignations: Any director may resign at any time by giving written notice to the president or secretary of the Association. Such resignation shall take effect when accepted by the board of directors.

Section 10.12 Removal of Directors: Any director may be removed by the Members, with or without cause, at any time by a majority vote of the voting strength of the Class A Members and the approval of the Class B Member, if the Class B Member exists, of the Association at a meeting called expressly for that purpose.

Section 10.13 Indemnification: Every director and officer shall be entitled during and after the term of office to be fully indemnified by exoneration, reimbursement, or otherwise and to be defended and otherwise saved harmless from all liability including court costs and legal fees for any matter connected with service as a director or officer in the performance of duty to the Association, except for any action in which the director and/or officer did not have lawful authority to contract on behalf of the Association, or for any illegal act, or for any act done contrary to the By-Laws of the Association.

Section 10.14 Errors and Omissions Insurance: The board of directors shall be provided an insurance policy or policies insuring all errors and omissions, injuries, liabilities, and perils, arising out of the actions of the Association, its officers, and directors. The policy or policies shall be secured by the Association, and the cost thereof included in the budget and paid for by the Association. A copy of said policy or policies or certificate evidencing the same shall be deposited with the secretary of the Association.

Section 10.15 Annual Audit: The board of directors shall have the authority to conduct an annual audit of the income and expenses of the Association.

Section 10.16 Action Taken Without a Meeting: The board of 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 of the directors. Any action so approved shall have the same effect as though taken at a meeting of the board of directors.

ARTICLE XI OFFICERS & THEIR DUTIES

Section 11.01 Number, Selection, and Term: Officers shall be members of the board of directors of the Association. The officers of the Association shall be a president, a vice-president, a secretary, a treasurer, and any other officer as the board of directors may deem necessary. The officers of the Association shall be elected by the board of directors. An officer shall serve a two (2) year term commencing upon said officer's election at a special or regular meeting of the board of directors immediately on or after the annual meeting of the year in which the term of the prior officer of said office expires. Each officer shall hold office until their successor shall have been elected and qualified, or until his/her death, resignation, or removal. In the event of the death, resignation, or removal of an officer, the board of directors shall, by a majority vote of the board of directors, appoint a successor to fill out the unexpired term of the office. Any two offices may be held by the same person except the offices of president and secretary and except the offices of president and vice president.

Section 11.02 Removal: Any officer may be removed by a vote of those directors entitled to vote at a regular or special meeting of the directors called for that purpose. Such removal shall be without prejudice of any contract rights possessed by the person involved.

Section 11.03 Vacancies: A vacancy in any office which occurs for any reason may be filled by the board of directors for the unexpired portion of that term.

Section 11.04 The duties of the officers are as follows:

- A. President: The president shall preside at all meetings of the Members and directors. The president shall be the general manager of the Association and, subject to the control of the board of directors, shall in general, supervise and direct the operations of the Association. He/she may sign with the secretary, or any other properly authorized officer, any instruments which the board of directors has authorized him or her to execute, except where the signing of such instruments is expressly delegated to the board of directors. The president shall perform all other duties as may be prescribed by the board of directors.
- B. Vice-President: In the absence of the president, or in the event of his or her death, inability, or refusal to act, the vice president shall perform the duties of the president and, when so acting, shall have all of the powers of president and shall be subject to the same restrictions as the president. The vice president shall perform all other duties which the board of directors may assign him or her, from time to time.
- C. Secretary: The secretary shall keep the minutes of the meeting of the board of directors and members in one or more books provided for that purpose. He or she will keep a register of the names, mailing address, telephone numbers, and Lots owned by each Member and shall be in charge of the mailing of all correspondence and the sending of notices as provided by these By-Laws and required by law. He or she shall be custodial of the Association records. He or she shall perform all other duties incident to the office of secretary and such other duties as may be assigned by the president or board of directors.
- D. Treasurer: The treasurer shall have charge and custody of and be responsible for all funds of the Association, and shall receive and give receipts for moneys due and payable to the Association from any source whatsoever. He or she shall deposit all such money in the name of the Association in such banks, trust companies, or depositories as shall be selected by the board of directors. He or she shall perform all duties incident to the office of treasurer, and such other duties as may be assigned by the president or the board of directors from time to time.

Section 11.05 Compensation: The secretary and treasurer may receive a reasonable salary or compensation for services rendered to the Association, payable monthly, as determined by the board of directors and comparable to similar salary or compensation for the same or similar duties in other lake associations in the area of Lake Allure.

**ARTICLE XII
CONTRACTS, LOANS, CHECKS AND DEPOSITS**

Section 12.01 Contracts: The board of directors may authorize any officer or officers, agent or agents, to negotiate, bid on, and enter into any contract or execute and deliver any contract in the name of and on behalf of the Association.

Section 12.02 Loans: No loans or contracts of indebtedness shall be issued in the name of the Association unless specifically authorized by resolution of the board of directors.

Section 12.03 Checks: All checks, drafts, or other orders for the payment of money, or any evidence of indebtedness incurred in the name of the Association shall be signed by such officer or officers and in such manner as shall, from time to time be determined by the board of directors.

Section 12.04 Deposits: All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the board of directors may select.

Section 12.05 Books and Records: The Association shall keep correct and complete books and records of account and shall also keep minutes of the meetings of its Members, board of directors, and committees of the board of directors, and shall keep at the registered or principal office a record giving the names, addresses, telephone numbers, and Lots owned of the Members entitled to vote. All books and records of the Association may be inspected by any Member, or his or her agent or attorney for any proper purpose at any reasonable time.

**ARTICLE XIII
FISCAL YEAR**

Section 13.1 Fiscal Year: The fiscal year of the Association shall begin on the first day of January and end on the last day of December in each year.

**ARTICLE XIV
WAIVER OF NOTICE**

Section 14.1 Waiver of Notice: Whenever any notice is required to be given to any Member or director of this Association under these By-Laws, or any other applicable law, a waiver of notice, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

**ARTICLE XV
AMENDMENTS**

Section 15.1 Amendments: These By-Laws may be amended by a two-thirds (2/3rds) vote of the Members of the Association.

ARTICLE XVI
MISCELLANEOUS PROVISIONS


Section 16.1 General Provisions.

- A. The board of directors, or any Member of the Association, shall have the right to enforce, by any proceeding at law or in equity, any or all provisions of these By-Laws and/or the rules and regulations of the Association. Further, the board of directors, or any Member of the Association, shall have the right to enforce, by any proceeding at law or in equity, any and all provisions of the Declaration of Covenants, Conditions, and Restrictions of Lake Allure. Failure by the board of directors of the Association, or any Member, to enforce any provision herein shall in no event be declared a waiver of the right to do so thereafter. No cause of action shall accrue nor shall any action be brought or maintained by any Member against any other Member, including the Members of the board of directors, for or on account of their failure to bring any action on account of any breach of these conditions.
- B. Invalidation of any one of the provisions of these By-Laws, or of any rule or regulation of the Association, or the Declaration of Covenants, Conditions, and Restrictions of Property, by judgment or court order shall in no way affect any other provision thereof, all of which shall remain in full force and effect.
- C. The provisions contained within these By-Laws, and/or the rules and regulations of the Association, shall run with and bind each Lot within Property and shall inure to the benefit of and be enforceable by any Member of the Association.
- D. These By-Laws shall be governed by, construed, and enforced in accordance with the laws of the State of Nebraska.
- E. If the Association hires an attorney to enforce any of the foregoing provisions of these By-Laws, or the Declaration of Covenants, Conditions, and Restrictions of Lake Allure, or any rules or regulations of the Association by reason of a breach by an Owner, then all costs incurred in the enforcement, including attorney fees, shall be paid by the Owner and the Association shall have a lien on the Lot of the Owner for said amount.

The undersigned, as the incorporators of Lake Allure Homeowners Association, a Nebraska Nonprofit Corporation, hereby certifies that the above and foregoing By-Laws were duly adopted by said incorporators on the 17 day of November, 2011.

LAKE ALLURE HOMEOWNERS
ASSOCIATION, a Nebraska nonprofit
corporation

BY:


Dennis M. Thomas, Incorporator