

## BYLAWS

(revised July 14, 2002)

1. The name of this corporation will be Royal Pines Homeowners' Association, Inc.
2. Its principal place of business shall be located in Royal Pines, Osage County, Kansas.
3. The annual meeting of the members shall be held in Royal Pines at a date and time selected by the executive board. Should the board fail to select a date and time, the meeting shall be held the second Sunday in July at 2:30 o'clock P.M. A special meeting may be called at any time by the executive board. At the annual meeting, directors shall be elected, affairs of the corporation shall be considered, and any and all other business may be transacted.
4. Ten percent (10%) of the members in good standing shall constitute a quorum for the purpose of the annual meeting, but the members present at a meeting though less than a quorum may adjourn the meeting to a later date. In order to vote, a member must be in good standing, that is, one who has paid his or her Homeowners' Association assessments current no later than February 1, of the current year, and is not in violation of the provisions of the Homeowners' Association.
5. The members shall be property owners of Royal Pines Estates. They shall pay annual membership fees and assessments, payable on January 1, delinquent on February 1 of each year, or 30 days after the assessment, and if such assessments and fees are not paid by the delinquency date, they shall draw interest at a rate of 1.5% (one and one half percent) per month from the due date of January 1. Payment of dues, assessments and interest thereon, received after July 1 shall be considered the following year's business. The Homeowners' Association has the right to apply a lien against the property of any member who is delinquent in payment of his or her fees or assessments by approval of the board. Filing fees shall be included as a part of the lien filing. The Homeowners' Association reserves the right to make special assessments. Major road improvements or capital expenditures in excess of \$2,500.00 must be approved by fifty-one percent (51%) of property owners at the annual meeting.
6. All property owners shall be entitled to one vote on any voting issue regardless of how many lots they own. The property owner must be present at the meeting to cast a vote or give written proxy for his or her vote.
7. Immediately following the annual members' meeting, the directors shall meet and elect officers for the next ensuing year.
8. Notice of a special meeting shall be given by the secretary by written notice to all members.
9. There shall be seven (7) directors, each elected for a two (2) year term of office. There is to be elected three (3) directors on odd numbered calendar years and four (4) directors on even numbered calendar years. Committees shall be appointed and formed at the discretion of the Board of Directors.

10. The officers of the corporation shall consist of a president, vice-president, secretary, and treasurer.
11. The directors and officers shall be the executive board.
12. The executive board shall meet on the date of the annual meeting. Dates and times of other board meetings are to be designated by the president with at least a quorum of four members being present. Special board meetings may be called at the request of any two board members.
13. Special meetings shall be called if at least fifty-one percent (51%) of the members of the association request it.
14. Recommendations from Homeowners' Association members may be submitted in writing to any board member for consideration.
15. The duties of the executive board shall be to:
  - (a) Collect dues and keep records of monies spent.
  - (b) Budget to be proposed at January board meeting.
  - (c) Financial statement to be presented at annual meeting.
  - (d) Handle all matters pertaining to the upkeep of common areas of Royal Pines such as roads, street lights, signs, etc. To see that all property and dwellings are maintained satisfactorily.
  - (e) Annual newsletter to be mailed to all homeowners at time of billing of the annual dues.
  - (f) Approve all construction.
  - (g) A copy of the minutes of the annual meeting to be mailed to all Homeowners' Association members in good standing.
16. Written notice of each annual meeting shall be given to each member entitled to vote, either personally or by mail or other means of written communication, charges prepaid, addressed to each member at his address appearing on the books of the corporation or given by him to the corporation for the purpose of notice. If a member gives no address, notice shall be deemed to have been given, if sent by mail or other means of written communication addressed to the place where the principal office of the corporation is situated, or if published at least once in some newspaper of general circulation in the county in which said office is located. All such notices shall be sent to each member entitled thereto not less than ten (10) days nor more than fifty (50) days before each annual meeting, and shall specify the place, the day and the hour of such meeting, and shall state such matters, if any, as may be expressly required by statute. If this

bylaw as to the time and place of election of directors is changed, such notice shall be given to members at least twenty (20) days prior to such meeting.

17. Proxies. We encourage all members to attend the annual meeting, but proxies shall be mailed to all members. Every person entitled to vote or execute consents shall have the right to do so either in person or by one or more agents authorized by a written proxy executed by such person or his duly authorized agent and filed with the secretary of the corporation; provided that no such proxy shall be valid after the expiration of three (3) years from the date of its execution, unless the person executing it specifies therein the length of time for which such proxy is to continue in force.

### DIRECTORS

18. Powers. Subject to limitations of the articles of incorporation, of the bylaws, and of the Kansas General Corporations Code as to action which shall be authorized or approved by the members, and subject to the duties of directors as prescribed by the bylaws, all corporate powers shall be exercised by or under the authority of, and the business and affairs of the corporation shall be controlled by the Board of Directors. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the directors shall have the following powers, to-wit:

First. To select and remove all other officers, agents and employees of the corporation, prescribe such powers and duties for them as may not be inconsistent with law, with the articles of incorporation or the bylaws, fix their compensation, and require from them security for faithful service.

Second. To conduct, manage and control the affairs and business of the corporation, and to make such rules and regulations therefore not inconsistent with law, or with the articles of incorporation or the bylaws, as they may deem best.

Third. To change the principal office for the transaction of the business of the corporation from one location to another within the same county; to fix and locate from time to time one or more subsidiary offices of the corporation within or without the State of Kansas for the holding of any members' meeting or meetings except annual meetings; and to adopt, make and use a corporate seal; and to alter the form of such seal from time to time, as in their judgment they may deem best, provided such seal shall at all times comply with the provisions of law.

Fourth. To appoint an executive committee and other committees, and to delegate to such committees any of the powers and authority of the board in the management of the business and affairs of the corporation, except the power to adopt, amend or repeal bylaws. Any such committee shall be composed of two or more directors.

19. Number and Qualification of Directors. The authorized number of directors of the corporation

shall be seven until changed by amendment to this bylaw.

20. Election and Term of Office. The directors shall be elected at each annual meeting of members, but if any such annual meeting is not held, or the directors are not elected thereat, the directors may be elected at a special meeting of members held for that purpose as soon thereafter as conveniently may be. All directors shall hold office until their respective successors are elected. A director can be removed from office at any time for good cause, however, by a majority vote of the members, and he may be removed without cause by a majority vote of the members, unless he shall have sufficient member support that by use of cumulative voting he would otherwise be able to maintain his position on the board in a regular election of board members.
21. Vacancies. Vacancies in the Board of Directors may be filled by a majority of the remaining directors, even though less than a quorum, or by a sole remaining director, and each director so elected shall hold office until his successor is elected at an annual or special meeting of the members.

A vacancy or vacancies in the Board of Directors shall be deemed to exist in case of the death, resignation or removal of any director, or if the authorized number of directors be increased, or if the members fail at any annual or special meeting of members at which any director or directors are elected to elect the full authorized number of directors to be voted for at that meeting or if any director or directors elected shall fail to qualify as such by filing written acceptance of such election.

The members may elect a director or directors at any time to fill any vacancy or vacancies not filled by the directors. If the Board of Directors accepts the resignation of a director tendered to take effect at a future time, the board or the members shall have power to elect a successor to take office when the resignation is to become effective.

No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of his term of office.

#### OFFICERS

22. Officers. The officers of this corporation shall be president, vice-president, secretary, and treasurer. The corporation may also have, at the discretion of the Board of Directors, a chairman of the board.
23. Election. The officers of the corporation shall be chosen annually by the Board of Directors, and each shall hold his office until he shall resign or shall be removed or otherwise disqualified to service, or his successor shall be elected and qualified.
24. Removal and Resignation. Any officer may be removed, either with or without cause by a majority of the directors at the time in office, at any regular or special meeting of the board, or, except in case of an officer chosen by the Board of Directors, by any officer upon whom such

power of removal may be conferred by the Board of Directors.

25. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in the bylaws for regular appointments to such office.
26. President. Subject to such supervisory powers, if any, as may be given by the Board of Directors to the chairman of the board, if there be such an officer. The president shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors have general supervision, direction and control of the business and officers of the corporation. He shall preside at all meetings of the members of the corporation. He shall preside at all meetings of the members and, in the absence of the chairman of the board, at all meetings of the Board of Directors. He shall be ex-officio a member of all the standing committees, including the executive committee, if any, and shall have the general powers and duties of management usually vested in the office of president of a corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors or these bylaws.
27. Vice-president. In the absence or disability of the president, the vice-president shall perform all the duties of the president and when so acting shall have all the powers of, and be subject to all the restrictions upon the president. The vice-president shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board of Directors or bylaws.
28. Secretary. The secretary shall keep, or cause to be kept, a book of minutes at the principal office or such other place as the Board of Directors may order, of all meetings of directors and members, with the time and place of holding, whether regular or special, and if special, how authorized, the notice thereof given, the names of those members present at the directors' meeting, and the proceedings thereof.

The secretary shall give, or cause to be given, notice of all the meetings of the members and of the Board of Directors required by these bylaws or by law to be given, and he shall keep the seal of the corporation in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these bylaws.

29. Treasurer. The treasurer shall keep and maintain or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital surplus and shares. The books of account shall at all reasonable times be open to inspection by any director.

The treasurer shall deposit all moneys and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board of Directors. He shall disburse the funds of the corporation as may be ordered by the Board of Directors; shall render to the president and directors, whenever they request it, an account of all of his transactions as treasurer and of the financial condition of the corporation, and shall have such other powers and

perform such other duties as may be prescribed by the Board of Directors or these bylaws.

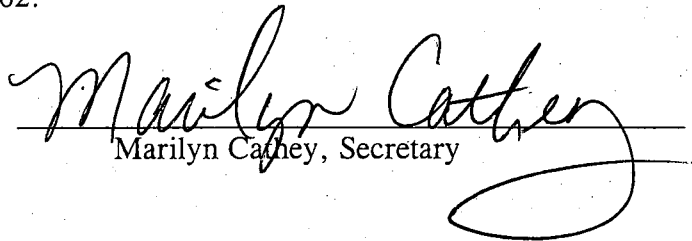
The bylaws of the corporation may be amended, altered or appealed at any time by a vote of the members.

#### CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify:

- (1) That I am the duly elected and acting secretary of Royal Pines Homeowners' Association, Inc., a Kansas corporation; and
- (2) That the foregoing bylaws, comprising six (6) pages, constitute the amended bylaws of said corporation as fully adopted at the meeting of the members thereof duly held on July 14, 2002.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and the name of said corporation this 14<sup>th</sup> day of July, 2002.

  
Marilyn Cathey, Secretary