

BYLAWS

The Executive Board of Fieldstone Place Condominium Association, Inc. ("Association") adopts the following Bylaws:

OFFICES

1. The offices of the Association shall be at 4631 S. 67th St., Lincoln, Nebraska, and at such other places as the Executive Board may determine.

MEMBERS

2. The membership Association shall be defined in the Declaration of Fieldstone Place, a condominium, and shall be subject to the payment of annual and special assessments made by the Association. Rights of membership may be suspended by the Executive Board during any period for which such assessments remain unpaid. Upon the adoption and publication of rules and regulations governing the use of the common elements, rights of membership may be suspended by the Executive board, for a period not to exceed 30 days, for violations of such rules and regulations. Rights of membership may be delegated by any member to any person residing within any unit in which such member holds the interest requisite for membership.

MEMBERS' MEETINGS

3. Meetings of the members for the election of directors of the Executive Board shall be held at the offices of the Association or at such place as shall be stated in the notice of the meeting. The annual meeting of the members shall be held on the first Tuesday of October of each year, if not a legal holiday, and if a legal holiday, on the next secular day. At each annual meeting, the members shall elect one (1) director for a term of three years by plurality vote, and transact such other business as may properly come before the meeting.
4. At all meetings of the members, a quorum is present throughout any meeting of the Association if persons entitled to cast one-fifth of the votes which may be cast for the election of the Executive Board are present, in person or by proxy, at the beginning of the meeting. For the approval of a special assessment for capital improvements or an amendment to the Bylaws, unit owners entitles to cast sixty-seven percent (67%) of the votes which may be cast by all unit owners, present in person or by proxy, shall constitute a quorum.
5. At any meeting of the members, any member may vote in person or by proxy appointed by an instrument in writing executed by such member. If no record date is fixed by the Executive Board, the date on which the notice of the meeting is mailed shall be deemed the record date for the determination of members entitled to vote. Transferees of any unit transferred after the record date shall not be entitled to notice nor to vote.
6. Written notice of the annual meeting shall be delivered or mailed to each member entitled to vote at the address which appears on the books of the Association at least ten days but not more than fifty days prior to the meeting.
7. Special meetings for any purpose may be called by the President, a majority of the Executive Board, or at written request of one-fifth of the members entitled to vote. The request shall state the purpose of the meeting.
8. Written notice of any special meeting, stating the purpose of the meeting, shall be delivered or mailed, postage prepaid, to each member entitled to vote at the address which appears on the books of the Association at least ten days but not more than fifty days prior to the meeting.

9. The notice of any meeting must state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or bylaws, any budget changes, and any proposal to remove a director or officer.
10. The act of a majority of the votes in the Association present at any meeting, at which there is a quorum, shall be the act of the Association, except as may otherwise be specifically provided by statute or these Bylaws.

DIRECTORS

11. The number of directors serving on the Association Board of Directors shall be three (3). After termination of the period of declarant control, as defined in the Articles of Incorporation of the Association, a majority of the directors shall be members of the Association. The election of directors shall be held at the annual meeting of the members. Each director shall be elected to serve for three years or until a successor shall be elected. A director may be removed by two-thirds of the votes in the Association present at an annual meeting of the members or at a special meeting of the members if the proposed removal is contained in the notice of such special meeting. For purposes of these By-Laws, the term "Executive Board" shall refer to and be the same as the Association Board of Directors.
12. If the office of any director shall become vacant for any reason, a majority of the remaining directors, though less than a quorum, shall choose a successor who shall hold office until the next election of directors.
13. The property and business of the Association shall be managed by the Executive Board. The Executive Board shall prepare a proposed budget for the condominium and a schedule of assessments, send written notice of each assessment to every member assessed, collect the assessments, issue a certificate upon request setting forth whether any assessments are paid or due, adopt and publish rules and regulations governing the use of the common and limited common elements, and exercise all other powers of the Association.
14. Within 30 days after adoption of any proposed budget for the condominium, the Executive Board shall provide a summary of the budget to all members and set a date for a meeting of the members to consider ratification of the budget not less than 14 days, nor more than 30 days, after the mailing of the summary. Unless, at that meeting, two-thirds of all the 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 members shall be continued until such time as the members ratify a subsequent budget proposed by the Executive Board.

Upon request, the Executive Board shall provide to any unit owner with:

- a. A statement setting forth the amount of the monthly common expense assessment and any unpaid common expense or special assessment currently due and payable from the unit owner;
 - b. A statement setting forth any other fees payable by unit owners;
 - c. The most recent regularly prepared balance sheet and income and expense statement, if any, of the Association;
 - d. The current operating budget of the Association, if any.
15. Directors shall not receive any stated salary for their services, but by resolution of the Executive Board, expenses of attendance may be allowed for regular or special meetings of the Executive Board. A director may serve the Association in any other capacity and receive compensation.

MEETINGS OF THE EXECUTIVE BOARD

16. The Executive Board shall meet immediately following the annual meeting of the members, and no notice of the meeting shall be necessary if a quorum is present.
17. Regular meetings of the Executive Board may be held without notice at the time and place determined by the Executive Board.
18. Special meetings of the Executive Board may be called by the President and shall be called at the written request of two directors.
19. Notice of any special meeting of the Executive Board shall be given to each director, either personally or by mail, at least three days prior to the meeting.
20. At all meetings of the Executive Board, a quorum is present throughout the meeting if persons entitled to cast one-half of the votes on the Executive Board are present at the beginning of the meeting. The act of a majority of the directors present at the meeting, at which there is a quorum, shall be the act of the Executive Board, except as may otherwise be specifically provided by statute.

INSURANCE

21. Commencing not later than the time of the first conveyance of a unit to a person other than the Declarant, the Association shall maintain, to the extent reasonably available:
 - a. Property insurance on the property including the common elements insuring against all risks of direct physical loss commonly insured against or, in the case of a conversion building, against fire and extended coverage perils. The total amount of insurance after application of any deductibles shall be not less than eighty percent of the actual cash value of the insured property at the time the insurance is purchased and at each renewal date, exclusive of land, excavations, foundations, and other items normally excluded from property policies; and
 - b. Liability insurance, including medical payments insurance, in an amount determined by the Executive Board but not less than any amount specified in the Declaration, covering all occurrences commonly insured against for death, bodily injury, and property damage arising out of or in connection with the use, ownership, or maintenance of the common elements.
22. In the case of a building containing units having horizontal boundaries described in the Declaration, the insurance maintained under subdivision (a)(1) of this section, to the extent reasonably available, shall include the units, but need not include improvements and betterments installed by unit owners.
23. If the insurance described in subsections (a) and (b) of this section, is not reasonably available, the Association promptly shall cause notice of that fact to be hand delivered or sent prepaid by the United States mail to all unit owners. The Association may carry any other insurance it deems appropriate to protect the Association or the unit owners.
24. Insurance policies carried pursuant to subsection (a) of this section must provide that:
 - a. Each unit owner is an insured person under the policy with respect to liability arising out of his or her interest in the common elements or membership in the Association;
 - b. The insurer waives its right to subrogation under the policy against any unit owner or member of his or her household;

- c. No act or omission by any unit owner, unless acting within the scope of his or her authority on behalf of the Association, will void the policy or be a condition to recovery under the policy; and
 - d. If, at the time of a loss under the policy there is other insurance in the name of a unit owner covering the same risk covered by the policy, the Association's policy provides primary insurance.
25. Any loss covered by the property policy under subdivisions (a)(1) and (b) of this section must be adjusted with the Association, but the insurance proceeds for that loss are payable to any insurance trustee designated for that purpose, or otherwise to the Association, and not to any mortgagee or beneficiary under a deed of trust. The insurance trustee or the Association shall hold any insurance proceeds in trust for unit owners and lienholders as their interests may appear. Subject to the provisions of subsection (h) of this section the proceeds must be disbursed first for the repair or restoration of the damaged property, and unit owners and lienholders are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the property has been completely repaired or restored, or the condominium is terminated.
26. An insurance policy issued to the Association does not prevent a unit owner from obtaining insurance for his or her own benefit.
27. An insurer that has issues an insurance policy to the Association shall issue certificates or memoranda of insurance to the Association and, upon written request, to any unit owner, mortgagee, or beneficiary under a deed of trust. The insurer issuing the policy may not cancel or refuse to renew it until thirty days after notice of the proposed cancellation or nonrenewal has been mailed to the Association, each unit owner and each mortgagee or beneficiary under a deed of trust to whom a certificate or memorandum of insurance has been issued at their respective last-known addresses.
28. The Executive Board shall maintain:
- a. Adequate fidelity bonds to protect against dishonest acts on the part of officers, members of the Executive Board and employees of the Association and all others who handle funds of the Association. Such fidelity bonds shall:
 - i. Name the Association as an obligee;
 - ii. Be written in an amount not less than one-half the total annual condominium assessments for the year; and
 - iii. Contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression;
 - b. If required by any governmental agency, flood insurance in accordance with the applicable regulations of such agency; and
 - c. Such other insurance as the Executive Board may determine or as may be requested from time to time by a majority of the unit owners.

OFFICERS

29. The officers of the Association shall be elected by the Executive Board and shall be President, Vice President, Secretary, and Treasurer. One person may hold any two offices, except the offices of President and Vice President.
30. The Executive Board, at the first meeting after the annual meeting of the members, shall elect a President from the members of the Executive Board, and a Vice President, a Secretary and a Treasurer, none of whom need to be a member of the Executive Board.

31. The Executive Board may appoint other officers and agents, and delegate such authority as the Executive Board may determine.
32. The officers of the Association shall hold office for one year or until their successors are elected. Any officer elected by the Executive Board may be removed at any time by the affirmative vote of the majority of the Executive Board. If any office becomes vacant, the Executive Board shall elect a successor who shall hold office until the next election of officers.

PRESIDENT

33. The President shall be the chief executive officer of the Association, preside at all meetings of the members and the Executive Board, and carry out all orders and resolutions of the Executive Board.
34. The President shall execute conveyances of real estate, contracts and amendments to the Declaration, except when such authority is expressly delegated by the Executive Board to some other officer or agent of the Association.

VICE PRESIDENT

35. The Vice President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President and shall perform such other duties as the Executive Board may prescribe.

SECRETARY

36. The Secretary shall attend all meetings of the Executive Board and all meetings of the members and record all votes and the minutes of all proceedings in books belonging to the Association. The Secretary shall give, or cause to be given, notice of all meetings of the members and special meetings of the Executive Board and shall perform such other duties as the Executive Board or the President may prescribe.

TREASURER

37. The Treasurer shall have the custody of the Association funds, keep accurate accounts or receipts and disbursements in books belonging to the Association and deposit all monies in the name of the Association in such depositories as may be designated by the Executive Board.
38. The Treasurer shall disburse the funds of the Association as directed by the President or the Executive Board and shall file, at least annually, a report of all transactions and the financial condition of the Association.
39. If required by the Executive Board, the Treasurer shall give bond for the faithful performance of the duties of the office.

INDEMNITY

40. The Association shall defend and indemnify the directors and officers from all claims arising from the performance of their duties, except those involving willful misconduct or bad faith. The cost of defense and indemnification shall be a common expense.

NOTICES

41. Whenever, by these Bylaws, notice is permitted to be given by mail, notice shall be deemed to have been given when mailed.
42. A waiver of any notice, signed by the person entitled to such notice, at any time, shall be equivalent to the giving of such notice.

CONFLICTING PROVISIONS

43. In the event of a conflict between then Articles of Incorporation and these Bylaws, the Articles shall be controlling; in the event of a conflict between the Declaration and these Bylaws, the Declaration shall be controlling.

AMENDMENTS

44. These Bylaws may be amended at any regular or special meeting of the members or the Executive Board. Notice of the proposed amendment shall be contained in the notice of a special meeting.

Adopted: December 7, 2005