



Sedgwick County
Register of Deeds - Tonya Buckingham

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Authorized By:

Tonya Buckingham

Date Recorded: 01/18/2023 10:00:43 AM

CERTIFICATE OF AMENDMENT
TO
DECLARATION AND BYLAWS
OF
ROLLING HILLS COUNTRY CLUB ESTATES,
A CONDOMINIUM

THIS CERTIFICATE OF AMENDMENT on behalf of Rolling Hills Country Club Estates Homeowners Association is executed as of this 6th day of January, 2023.

WHEREAS, there has heretofore been placed of record that certain Declaration of Condominium of Rollings Hills Country Club Estates, a Condominium, being recorded November 8, 1972 at Book 37, Page 1038, which Declaration covers that certain real property now legally described as Rolling Hills Country Club Estates Fourth Addition, Wichita, Sedgwick County, Kansas;

WHEREAS, the original Bylaws of the Rolling Hills Country Club Estates Homeowners Association (the "Association") were filed of record November 8, 1972, at Book 37, Page 1007;

WHEREAS, Article XII, Section 5 of the Bylaws provides for amendment thereof;

WHEREAS, A meeting of the Association members was duly called on May 12, 2022, upon proper prior notice for the purpose of adopting certain modifications to and restating of the original Bylaws, to be codified as the Amended and Restated Bylaws; and

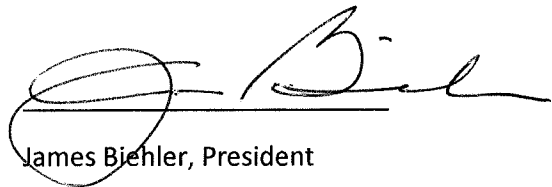
WHEREAS, the record condominium owners holding not less than seventy-five percent (75%) of the total authorized vote of said Association revoted in favor of adopting the Amended and Restated Bylaws.

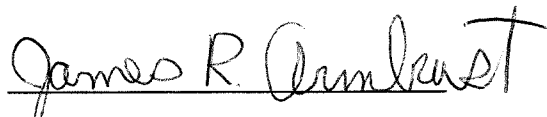
NOW, THEREFORE, the undersigned certify as follows:

1. A correct and complete copy of The Amended and Restated Bylaws of the Association is attached hereto on Exhibit A.

2. Not less than Three-fourths (3/4ths) of the total authorized votes of members of the Association affirmatively voted in favor of the Amended and Restated Bylaws, in accordance with the terms and procedures of Article XII, Section 5 of the original Bylaws.
3. This CERTIFICATE OF AMENDMENT is executed as of the date first above written, and effective upon its recordation with the Register of Deeds.

IN WITNESS WHEREOF, the undersigned have hereunto subscribed our names under penalty of perjury on this 6th day of January, 2023.


James Biehler, President

Attest: 
James Armbrust, Secretary

Rolling Hills Country Club Estates Homeowners
Association

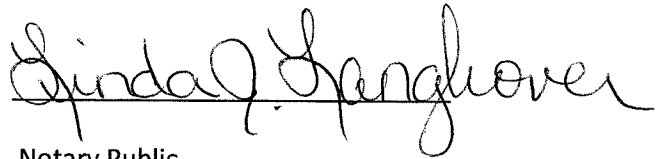
VERIFIED ACKNOWLEDGMENT

STATE OF KANSAS)
) ss:
SEDGWICK COUNTY)

BE IT REMEMBERED, that on this 6 day of January, 2023, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came James Biehler as the President , and James Armbrust as the Secretary of the Rolling Hills Country Club Estates Homeowners Association, to me personally known to be the identical persons who, upon their oath being first duly sworn, executed the within and foregoing instrument and duly acknowledged to me that they executed the same as their free act and voluntary deed for the uses and purposes therein set forth.

IN WITNESS WHERE OF, I have hereunto set my hand and affixed my official seal the day and year last above written.




Notary Public

My appointment expires:

Exhibit A

AMENDED AND RESTATED BY-LAWS

of the

ROLLING HILLS COUNTRY CLUB ESTATES HOMEOWNERS ASSOCIATION

A Corporation Not For Profit

Under the Laws of the State of

Kansas

ARTICLE I

NAME AND LOCATION

SECTION 1. Name. These are the Amended and Restated By-Laws of the Rolling Hills Country Club Estates Homeowners Association, herein called the Association, a corporation not for profit under the laws of the State of Kansas, the Articles of Incorporation of which were filed in the office of the Secretary of State on October 30th, 1972. These Bylaws hereby supersede and replace all prior Bylaws of the Association, The Association has been organized for the purpose of administering a condominium pursuant to the Kansas Condo Ownership Act(K.S.A. §58-3101 et seq.), herein called the Act, which condominium is identified by the name Rolling Hills Country Club Estates, a Condominium, and is located upon the following land:

Rolling Hills Country Club Estates
Fourth Addition, Wichita, Sedgwick
County, Kansas.

SECTION 2. Location. The address of the office of the Association shall be as set forth in the records of the Kansas Secretary of State.

SECTION 3. Fiscal Year. The fiscal year of the Association shall be the calendar year.

ARTICLE II

MEMBERSHIP

SECTION 1. Membership. Every person who is the record owner of a fee or undivided fee interest in any condo shall be a member of the Association. Such persons shall not include persons who hold an interest merely as security for the performance of an obligation.

SECTION 2. Membership in the Association may not be severed from the ownership of the underlying condo, or otherwise assigned, sold or transferred separate from the underlying condo.

ARTICLE III

MEETINGS OF MEMBERS

SECTION 1. Annual Members' meetings. The annual members' meeting shall be held at an agreed upon place and time in the month of February of each year for the purpose of electing directors and transacting any other business authorized to be transacted by the members.

SECTION 2. Special members' meeting shall be held whenever called by the president or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from members entitled to cast at least 8 or more votes of the entire membership.

SECTION 3. Notice of all members' meetings, stating the time and place and the objects for which the meeting is called, shall be given by the president or vice president or secretary unless waived in writing by each member. Such notice shall be in writing to each member at his/her address as it appears on the books of the Association and shall be delivered not less than 10 days nor more than sixty days prior to the date of the meeting. Proof of such delivery

shall be given by the affidavit of the person giving the notice. Notice of meeting may be waived before or after meetings.

SECTION 4. A quorum at members' meetings shall consist of persons entitled to cast at least fifty-one percent (51%) of the votes of the entire membership being present in person or by proxy at the beginning of the meeting or have properly cast an absentee ballot. If any meeting of the members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy may adjourn the meeting, from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present.

SECTION 5. Voting. In any meeting of members the owners of condos shall be entitled to cast one vote for each condo.

If a condo is owned by one person his/her right to vote shall be established by the record title to his/her condo. If a condo is owned by more than one person, the person entitled to cast the vote for the condo shall be designated by a certificate signed by all of the record owners of the condo and filed with the secretary of the Association. Such certificates shall be valid until revoked, or until superseded by a subsequent certificate, or until a change in the ownership of the condo concerned. A certificate designating the person entitled to cast the vote of a condo may be revoked by any owner thereof.

Votes may be cast in person or by proxy. Proxies may be made by any person entitled to vote. They shall be valid only for the particular meeting designated and must be filed with the secretary before the appointed time of the meeting. A proxy may only be revoked by actual notice of revocation given to the person presiding over the meeting of the Association.

SECTION 6. The order of business at annual members' meetings, and as far as practical at all other members' meetings, shall be

- (1) election of chairman of the meeting;
- (2) calling of the roll and certifying of proxies;
- (3) proof of notice of meeting or waiver of notice;
- (4) reading and disposal of any unapproved minutes;
- (5) reports of officers;
- (6) reports of committees;
- (7) election of inspectors of election;
- (8) election of directors (if necessary);
- (9) unfinished business

The presiding chairman of the meeting may elect to utilize the most recent edition of Roberts' Rules of Order, but is not required to.

ARTICLE IV

BOARD OF DIRECTORS; SELECTION; TERM

SECTION 1. Number. The affairs of the Association shall be managed by a board of not more than 5 directors, the exact number to be determined at the time of election. Directors' fees shall be determined by the members. Present membership in the Association is a condition of eligibility to serve as a Director.

SECTION 2. Election of directors shall be conducted at the annual members' meeting. A nominating committee of three (3) members shall be appointed by the Board of Directors not less than thirty (30) days prior to the annual members' meeting. The committee shall nominate one person for each director then serving. Additional nominations for directorships and directors may be made from the floor. The election shall be by ballot (unless dispensed with by unanimous consent) and by a plurality of the votes cast, each person voting being entitled to cast his/her votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

SECTION 3. Vacancies. Except as to vacancies provided by removal of directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the remaining directors.

SECTION 4. Removal. Any director may be removed with or without cause at a special meeting of the members called for that purpose if the number of votes cast in favor of removal exceeds the number of votes cast in opposition to removal. The vacancy in the Board of Directors so created shall be filled by the members of the Association at the same meeting.

SECTION 5. Term. The term of each director's service shall extend until the next annual meeting of the members and thereafter until his/her successor is duly elected and qualified or until he/she is removed in the manner elsewhere provided.

ARTICLE V

DIRECTORS' MEETINGS

SECTION 1. The organization meeting of a newly-elected Board of Directors shall be held within thirty (30) days of its election at such place and time as shall be fixed by the directors at the meeting at which they were elected, and no further notice of the organization meeting shall be necessary.

SECTION 2. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors. Notice of regular meetings shall be given to each director and to all Association members at least five (5) days prior to the day named for such meeting, which notice shall state the time, place and purpose of the meeting. The Board shall meet at least once per year.

SECTION 3. Special meetings of the directors may be called by the president and must be called by the secretary at the written request of two or more of the directors. Notice of the meeting shall be given to each director and to all Association members at least five (5) days prior to the day named for such meeting, which notice shall state the time, place, and purpose of the meeting.

SECTION 4. Waiver. Any director may in writing waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.

SECTION 5. A quorum at directors' meetings shall consist of a majority of the entire board of directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except where approval by a greater number of directors is required by the Declaration of condominium, herein called the Declaration, the Articles of Incorporation, or these By-Laws. If at any meeting of the Board of Directors less than a quorum is present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such director for the purpose of determining a quorum.

SECTION 6. The presiding officer of directors' meetings shall be the Chairman of the Board if such an officer has been elected, or if not, the president shall preside. In the absence of the presiding officer, the directors present shall designate one of their number to preside.

SECTION 7. The order of business at directors' meetings shall be

- (1) calling of roll;
- (2) proof of due notice of meeting;
- (3) reading and disposal of any unapproved minutes;
- (4) reports of officers;
- (5) election of officers;
- (6) unfinished business; and
- (7) adjournment.

SECTION 8. Regular and special meetings of the Board of Directors shall be open to the Association members except during executive session. No final vote or action may be taken during executive session.

ARTICLE VI

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

SECTION 1. Powers and duties. All of the powers and duties of the Association existing under the Act, the Declaration, the Articles of Incorporation, and these By-Laws shall be exercised exclusively by the Board of Directors, its agents, contractors, or employees, subject only to approval by condo owners when such is specifically required. Compensation of employees of the Association shall be fixed by the directors. A director may be an employee of the Association, and a contract for management of the condominium may be entered into with a director.

The powers of the Board shall include but not be limited to:

(a) adopt and publish rules governing the use of the common area, the personal conduct of the members and their guests thereon, and to establish reasonable penalties for any infraction;

(b) suspend the voting rights (except on issues of assessments and fees) and right to use recreational common areas of a member during any period during which such member shall be in default in the payment of any assessment levied by the Association;

(c) determine whether to take enforcement action to impose sanctions or commence an action for violation of the Declaration, Bylaws or rules;

(d) pass reasonable limited waivers, exemptions or make

interpretations pertaining to the scope of permissible occupants of a condo within the spirit and meaning of the Declaration as amended and the district court's ruling in Case 17-CV-000593-CO; and

(e) as authorized by the 9-26-88 Amendment to the Declaration and Bylaws, to allow reasonable renting or leasing of a condo to avoid undue hardship and determine the corresponding criteria, terms, limitations and restrictions under which such leasing may be done.

SECTION 2. Authority of the Board of Directors. The Board of Directors, for the benefit of the Association and the owners, shall enforce the provisions hereof and shall acquire and shall pay for out of the common expense fund hereinafter provided for, the following:

(a) Utilities. Water, sewer, garbage collection, electrical, telephone and gas and other necessary utility service for the common area (and to the extent not separately metered or charged, for the condos);

(b) Hazard Insurance. A policy or policies of fire insurance as the same are hereinafter more fully set out, with extended coverage endorsement, for the full insurable replacement value of the condos and common areas, payable as hereinafter provided, or such other fire and casualty insurance as the Board of Directors shall determine gives substantially equal or greater protection to the owners, and their mortgagees, as their respective interests may appear, which said policy or policies shall provide for a separate loss payable endorsement in favor of the mortgagee or mortgagees of each condo, if any. The Board may acquire blanket protection for all common areas, the condo and all fixtures appurtenant thereto including floor and wall coverings. Such limits and coverage shall be reviewed at least annually by the Board of Directors and can be increased or modified in its discretion. each condo, if any. The Board may acquire blanket protection for all common areas, the condos and all fixtures appurtenant thereto including floor and wall coverings. Such limits and coverage shall be reviewed at least annually by the Board of Directors and can be increased or modified in its discretion.

(c) Liability Insurance. A policy or policies as the same are hereinafter more fully set out, insuring the Board of Directors, the owners and manager and employees (if

any) against any liability to the public or to the owners (of condos and of the common area, and their invitees, or tenants), incident to the ownership and/or use of the condominium property, and including the personal liability exposure of the owners incident to their ownership and use of the common areas but excluding such liability for such owners arising from their ownership and occupancy of areas reserved for their exclusive use. Automobile liability coverage for both owned and non-owned automobiles shall be obtained in such amounts as the Board of Directors shall determine necessary. Limits of liability under such insurance shall not be less than One Million Dollars (\$1,000,000.00) for any one person injured, for any one accident, and shall not be less than Two Hundred Fifty Thousand Dollars (\$250,000.00) for property damage for each occurrence (such limits and coverage to be reviewed at least annually by the Board of Directors and increased in its discretion). Said policy or policies shall be issued on a comprehensive liability basis and shall provide cross liability endorsement wherein the rights of named insured under the policy or policies shall not be prejudiced as respects his, her or their action against another named insured;

(d) Workmen's compensation insurance to the extent necessary to comply with any applicable laws;

(e) Manager. The services of a person or firm to manage its affairs (herein called "the Manager") to the extent deemed advisable by the Board of Directors as well as such other personnel as the Board of Directors shall determine shall be necessary or proper for the operation of the common area, whether such personnel are employed directly by the Board of Directors or are furnished by the Manager;

(f) Legal and accounting services necessary or proper in the operation of the common area or the enforcement of the provisions hereof and the Declaration;

(g) A blanket fidelity bond naming the Board of Directors, Manager, and such other persons as may be designated by the Board of Directors as principals and the owners as obligees, in such amount as the Board of Directors shall deem adequate to protect the interests of the owners;

(h) Painting, maintenance, repair and all landscaping of the common area, and such furnishing and equipment for the common area as the Board of Directors shall determine are necessary and proper, and the Board of Directors shall have the exclusive right and duty to acquire the same for the common area; provided, however, that the interior surfaces of each condo shall be painted, maintained and repaired by the owners thereof, all such maintenance to be at the sole cost and expense of the particular owner;

(i) Any other materials, supplies, labor, services maintenance, repairs, structural alterations, insurance, taxes or assessments which the Board of Directors is required to secure or pay for pursuant to the terms of the Declaration or by law or which in its opinion shall be necessary or proper for the operation of the common area or for the enforcement of the Declaration;

(j) Maintenance and repair of any condo, if such maintenance or repair is reasonably necessary in the discretion of the Board of Directors to protect the common area or preserve the appearance and value of the project and the owner or owners of said condo have failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair delivered by the Board of Directors to said owner or owners, provided that the Board of Directors shall levy a special assessment against the condo of such owner or owners for the cost of said maintenance or repair.

SECTION 3. Board of Directors' Powers, Exclusive. The Board of Directors shall have the exclusive right to contract for all goods, services and insurance, payment for which is to be made from the common expense fund.

SECTION 4. Delegation to Manager. The Board of Directors may delegate any of its duties, powers or functions, to any person or firm, to act as Manager of the project, provided that any such delegation shall be revocable upon notice by the Board of Directors. The members of the Board of Directors shall not be liable for any omission or improper exercise by the Manager of any such duty, power or function so delegated by written instrument executed by a majority of the Board of Directors.

ARTICLE VII

OFFICERS OF THE ASSOCIATION

SECTION 1. The executive officers of the Association shall be a president, who shall be a director, a vice president, who shall be a director, a treasurer, a secretary, and an assistant secretary, all of whom shall be elected annually by the Board of Directors and any or all of whom may be removed by vote of the directors at any meeting. The election of officers shall take place at the organizational or first meeting of the Board following the annual meeting of the members.

Any person may hold two or more offices except that the president shall not also be the secretary or an assistant secretary. The Board of Directors may from time to time elect other officers to exercise such powers and duties as the Board shall find to be required to manage the affairs of the Association. Compensation of officers shall be fixed by the Board of Directors.

SECTION 2. The president shall be the chief executive officer of the Association. He/She shall have all of the powers and duties which are usually vested in the office of president of an association, including but not limited to the power to appoint committees from among the members from time to time, as he/she may in his/her discretion determine appropriate, to assist in the conduct of the affairs of the Association. The president shall have authority to prepare, execute, certify and record amendments to the Declaration or the Bylaws on behalf of the Association.

SECTION 3. The vice president shall in the absence or disability of the president exercise the powers and perform the duties of the president. He/She shall also generally assist the president and exercise such other powers and perform such other duties as shall be prescribed by the directors.

SECTION 4. The secretary shall keep the minutes of all proceedings of the directors and the members. He/She shall attend to the giving and serving of all notices to the members and directors and other notices required by law. He/She shall keep the records of the Association, except those of the treasurer, and shall perform all other duties incident to the office of secretary of an association and as may be required by the directors or the president. The assistant secretary shall perform the duties of the secretary when the secretary is absent.

SECTION 5. The treasurer shall have custody of all property of the Association, including funds, securities, and evidences of indebtedness. He/She shall keep the books of the Association in accordance with good accounting practices, cause the preparation of all tax returns as may be required and shall perform all other duties incident to the office of treasurer. Such books and records shall be available for examination by the condo owners or authorized agent at convenient hours of weekdays.

ARTICLE VIII

COMMON EXPENSES AND CHARGES

SECTION 1. Determination of common expenses and common charges. The Board of Directors shall for each calendar year prepare a budget for the condominium, determine the amount of the common charges payable by the condo owners to meet the common expenses of the condominium and allocate and assess such common charges among the condo owners equally. The common expenses shall include, among other things, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Directors pursuant to the provisions of ARTICLE VI and the fees and disbursements of the insurance trustee. The common expenses may also include such amounts as the Board of Directors may deem proper for the operation and maintenance of the condominium property, including, without limitation, an amount for working capital of the condominium, for a general operating reserve, for a reserve fund for replacements and to make up any deficit in the common expenses for any prior year. The common expenses may also include such amounts as may be required for the purchase by the Association or its designee, corporate or otherwise, on behalf of all condo owners, of any condo whose owner has elected to sell such condo or of any condo which is to be sold at a foreclosure or other judicial sale.

SECTION 2. Notice. No later than the end of the month of January of each year, the Board of Directors shall advise each owner in writing of the anticipated amount of common charges payable by such owner during the coming year and shall furnish copies of the budget on which such common charges are based to all condo owners and to their mortgagees.

SECTION 3. Further Assessment. If such budget subsequently is determined by the Board of Directors to be inadequate, including nonpayment of an owner's assessment, the Board of Directors may at any time levy a further assessment, which shall be assessed against the owners in like proportion.

SECTION 4. Collection and Payment. The Board of Directors shall assess common charges against the condo owners either monthly or from time to time as the Board of Directors may determine but in any case at least annually and shall take prompt action to collect any common charge due from a condo owner which remains unpaid by him/her for more than thirty (30) days from the due date for its payment. All condo owners shall be obligated to pay the common charges assessed by the Board of Directors pursuant to SECTIONS 1 and 3 of this ARTICLE VIII monthly, in advance or at such other time or times as the Board of Directors may determine.

SECTION 5. Default in payment of common charges. In the event of default by any condo owner in paying to the Board of Directors the assessed common charges, such condo owner shall be obligated to pay interest at the rate of ten percent (10%) per annum on such common charges from the due date thereof, together with all expenses, including attorneys' fees, incurred by the Board of Directors in any proceeding brought to collect such unpaid common charges. The Board of Directors shall have the right and duty to attempt to recover such common charges, together with interest thereon and the expenses of the proceeding, including attorneys' fees, in an action to recover the same brought against such condo owner, or by foreclosure of the lien on such condo as provided in K.S.A. §58-3123(a).

SECTION 6. Foreclosure of liens for unpaid common charges. In any action brought by the Board of Directors to foreclose a lien on a condo because of unpaid common charges, the condo owner shall be required to pay a reasonable rental for the use of his/her condo and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect such rental. The Board of Directors, acting on behalf of all condo owners, shall have the power to bid in such condo at the foreclosure sale and to acquire and hold, mortgage, or convey the same. A suit to recover a money judgment for unpaid common charges shall be maintainable without foreclosing or waiving the lien securing the same.

SECTION 7. Sale of Condo. No condo owner shall be liable for the payment of any part of the common charges assessed against his/her condo subsequent to a sale, transfer or other conveyance, by him/her of such condo made in accordance with ARTICLE V of the Declaration. A purchaser of a condo in a voluntary conveyance shall be jointly and severally liable with the grantor for all unpaid assessments against the grantor up to the time of the grant or conveyance, except that a mortgagee or other purchaser who obtains title to the condo by foreclosure of the first mortgage shall not be liable for any assessments chargeable to such condo prior to the acquisition of title to such condo and such condo shall not be subject to a lien for the payment of common charges assessed prior to the foreclosure sale.

SECTION 8. Statement of common charges. The Board of Directors shall promptly provide a written statement of the unpaid charges due from a condo owner to such condo owner or to any grantee to whom such condo is or has been conveyed, in each case upon written request for such a statement. Any grantee who makes such a request shall not be liable for, nor shall the condo conveyed be subject to a lien for, any unpaid assessments against the grantor in excess of the amount therein set forth.

ARTICLE IX

INSURANCE

SECTION 1. Policies. The Board of Directors shall obtain and maintain at all times insurance of the type and kind and in at least the amounts provided hereinabove, and including insurance for such other risks, of a similar or dissimilar nature, as are or shall hereafter customarily be covered with respect to other condominium projects similar in construction, design and use which insurance shall be governed by the following provisions:

(a) All policies shall be written with a company licensed to do business in the State of Kansas and holding a rating of "AAA" or better by Best's Insurance Reports;

(b) Exclusive authority to adjust losses under policies hereafter in force in the project shall be vested in the Board of Directors or its authorized representative;

(c) In no event shall the insurance coverage obtained and maintained by the Board of Directors hereunder, be brought into contribution with insurance purchased by individual owners or their mortgagees;

(d) Each owner may obtain additional insurance at his/her own expense; provided, however, that no owner shall be entitled to exercise his/her right to maintain insurance coverage in such a way as to decrease the amount which the Board of Directors, in behalf of all of the owners, may realize under any insurance policy which the Board of Directors may have in force on the project at any particular time;

(e) Each owner shall be required to notify the Board of Directors of all improvements made by the owner to his/her condo if the improvements are expected to physically attach to or otherwise modify or alter the common areas and facilities;

(f) Any owner who obtains individual insurance policies covering any portion of the project other than personal property belonging to such owner, shall be required upon request of the Board to file a copy of such individual policy or policies with the Board of Directors within thirty (30) days after purchase of such insurance;

(g) The Board of Directors shall be required to make every effort to secure insurance policies that will provide for the following:

(1) A waiver of subrogation by the insurer as to any claims against the Board of Directors, the Manager, the owners and their respective servants, agents, and guests;

(2) That the master policy on the project cannot be cancelled, invalidated or suspended on account of the conduct of any one or more individual owners without a prior demand in writing that the Board of Directors or Manager cure the defect;

(3) That the master policy on the project cannot be cancelled, invalidated or suspended on account of the conduct of any officer or employee of the Board of Directors or Manager without a prior demand in writing that the Board of

Directors or Manager cure the defect; and

(4) That any "no other insurance" clause in the master policy exclude individual owners' policies from consideration.

(h) The annual insurance review which the Board of Directors is required to conduct as provided in SECTION 2 ARTICLE VI above may include an appraisal of the improvements in the project by a representative of the insurance carrier writing the master policy.

SECTION 2. Insurance Trustee.

(a) All insurance policies purchased by and in the name of the Board of Directors of the Association shall provide that proceeds covering property losses shall be paid to the Board of Directors of the Association, as Insurance Trustee.

(b) The duty of the Insurance Trustee shall be to receive such proceeds as are paid and delivered to it and to hold such proceeds in trust for the benefit of the owners and their mortgagees in the following shares, but which shares need not be set forth in the records of the Insurance Trustee. An undivided share of such proceeds on account of damage or destruction to the common areas and facilities shall be held in trust for the owners in accordance with their respective percentages of undivided interest in and to the common areas and facilities. Proceeds on account of damage or destruction to condos shall be held in trust for the owners of the damaged or destroyed condos in proportion to the cost of repairing or reconstructing the damage or destruction suffered by each such owner. In the event that a mortgagee endorsement has been issued as to any particular condo, the share of such condo owner shall be held in trust for such owner and his/her mortgagee as their interests may appear.

(c) Proceeds of insurance policies received by the Insurance Trustee shall be disbursed as follows:

(1) If the damage or destruction for which the proceeds are paid is to be repaired or reconstructed, such portion thereof as may be required for such purpose shall be disbursed in payment of such repairs or reconstruction as hereinafter provided. Any proceeds remaining after defraying the cost

of repairs or reconstruction shall be disbursed to the beneficial owners, remittances to condo owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a condo and may be enforced by such mortgagee.

(2) If the damage or destruction is not to be repaired or reconstructed, the disbursements shall be made by the Insurance Trustee in accordance with the terms of SECTION 3 of this ARTICLE IX.

(3) The Board of Directors of the Association as Insurance Trustee shall determine whether the damage or destruction was to the common areas and facilities or one or more condos or both.

If the damage or destruction is to the common areas and facilities and is to be repaired or reconstructed, the mortgagee known by the Insurance Trustee to have the largest interest in or lien upon such common areas and facilities may direct that disbursements be made by the Insurance Trustee to those persons and in such amounts as may be specified therein or, in the alternative, it may authorize the Insurance Trustee to make disbursements upon and pursuant to such written authorizations as may be submitted to it by an architect or other person named therein as having been employed by the Association to supervise such repairs or reconstruction.

If the damage or destruction is to one or more condos and is to be repaired or reconstructed, the mortgagee or mortgagees, if any, known by the Insurance Trustee to have an interest in or lien upon such Condo or Condos may direct that disbursements be made by the Insurance Trustee to those persons and in such amounts as may be specified therein or, in the alternative, it may authorize the Insurance Trustee to make disbursements upon and pursuant to such written authorizations as may be submitted to it by an architect or other person named therein as having been employed by the Association to supervise such repairs or reconstruction.

SECTION 3. Damage and Destruction.

(a) Immediately after the damage or destruction by fire or other casualty to all or any part of the property covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this paragraph, means repairing or restoring the property to substantially the same condition in which it existed prior to the fire or other casualty with each condo and the common areas and facilities having the same vertical and horizontal boundaries as before.

(b) Such damage or destruction shall be repaired or reconstructed if at least Seventy-Five Percent (75%) of the total vote of the Association shall decide within 120 days after the casualty, to repair or reconstruct. No mortgagee shall have any right to participate in the determination as to whether the damage or destruction shall be repaired or reconstructed.

(c) In the event that it should be determined by the Association in the manner prescribed above that the damage or destruction shall not be repaired or reconstructed, then and in that event (1) the property shall be deemed to be owned in common by the condo owners, (2) the undivided interest in the property owned in common which shall appertain to each condo owner shall be the proportion that the value placed on his/her condo by the Board of Directors for insurance premium assessment purposes bears to the value so placed on all condos for such purposes, (3) any liens affecting any of the condos shall be deemed to be transferred in accordance with the existing priorities to the percentage of undivided interest of the condo owner in the property, and (4) the property shall be subject to an action for partition at the suit of any condo owner, in which event the net proceeds of sale shall be paid to the Insurance Trustee. Said net proceeds of sale, together with the net proceeds of the insurance on the property, shall be considered as one fund which shall be divided among all of the condo owners in a percentage equal to the percentage of undivided interest owned by each owner in the property, after first paying out of the respective share of the condo owners, to the extent sufficient for the purpose, all liens of the undivided interest in the property owned by each condo owner. Disbursements to

such owners shall be made as provided for in SECTION 2 of this ARTICLE IX.

SECTION 4. Repair and Reconstruction.

(a) If the damage or destruction for which the insurance proceeds are paid to the Insurance Trustee is to be repaired or reconstructed and such proceeds are not sufficient to defray the cost thereof, the Board of Directors shall, without a vote of the members, levy a special assessment against all owners of the damaged condos, and against all owners in the case of damage to the common areas and facilities, in sufficient amounts to provide funds to pay such excess cost of repair or reconstruction. Additional assessments may be made in like manner at any time during or following the completion of any repair or reconstruction. Such assessments against condo owners for damage to condos shall be in proportion to the cost of repair and reconstruction of their respective condo. Such assessments on account of damage to the common areas and facilities shall be in proportion to the owner's share in the common areas and facilities.

(b) Any and all sums paid to the Association under and by virtue of those special assessments provided for above to defray the estimated excess cost of repair or reconstruction shall be deposited by the Association with the Insurance Trustee. The proceeds from insurance and assessments, if any, received by the Insurance Trustee, when the damage or destruction is to be repaired or reconstructed, shall be disbursed as provided for in SECTION 2 of this ARTICLE IX.

SECTION 5. Minor Repairs.

(a) Notwithstanding the foregoing provisions of this ARTICLE IX, in the event of damage by fire or other casualty to either the common areas and facilities or a single condo covered by insurance written in the name of the Association and if the insurance proceeds initially offered or paid therefor are less than Twenty Five Thousand Dollars (\$25,000.00) and the estimated cost of repairing such damage is less than twice the amount of such proceeds, then the damage shall be repaired in accordance with the following provisions.

(b) If the damage is confined to the common areas and facilities, such insurance proceeds shall be used by the Association to defray the cost of such repairs. If the cost of such repairs is less than the amount of such insurance proceeds, the excess shall be retained by the Association or its duly authorized agent and placed in the reserve maintenance fund or such other fund as may be established for the purpose of providing for the maintenance, repair and replacement of the common areas and facilities. If the cost of such repairs exceeds the amount of such insurance proceeds, such excess may be provided, either by means of a special assessment levied by the Board of Directors, without a vote of the members, against all owners in proportion to each owner's share in the common areas and facilities or by means of an appropriation from the reserve maintenance fund or such other fund as may be established for the purpose of providing for the maintenance, repair and replacement of the common areas and facilities as the Board of Directors in the exercise of its sole discretion may determine.

(c) If the damage is confined to a single condo, such insurance proceeds shall be used by the Association to defray the cost of such repairs. If the cost of such repairs is less than the amount of such insurance proceeds, the excess shall be paid jointly to the owner and his/her mortgagee, if any, who may use such proceeds as they alone may determine.

(d) If the cost of such repairs exceeds the amount of such insurance proceeds, such excess shall be provided by means of a special assessment levied by the Board of Directors, without a vote of the members, against the owner of the damaged condo. Payments for repairs provided for in this subparagraph (d) shall be made only after all such repairs have been completed and approved by the Association, the owner and his/her mortgagee, if any, which approval shall not be unreasonably withheld.

ARTICLE X

MORTGAGEES

SECTION 1. Mortgagees.

(a) Unless waived in writing, the holder of the first mortgage of record on any condo shall be entitled to written notification from the Association of any change in the condominium documents which notice shall be given thirty (30) days prior to the effective date of such change.

(b) The holder of the first mortgage of record on any condo shall be given written notification from the Association of any default by a mortgagor-owner in the performance of such mortgagor-owner's obligations under the condominium documents which have not been cured within thirty (30) days.

(c) Unless all holders of first mortgage liens on individual condos have given their prior written approval, the Association shall not:

(1) change the prorata interest or obligations of any condo for purposes of levying assessments and charges and determining shares of the common elements and proceeds of the project;

(2) partition or subdivide any condo or the common elements of the project; or

(3) by act or omission seek to abandon the condominium status of the project, except as provided by statute and the condominium documents in case of substantial loss to the condos and common elements of the project.

(d) An owner who mortgages his/her condo shall notify the Board of Directors in writing of the name and address of such mortgagee and the Board shall maintain such information in the files of the Association.

ARTICLE XI

MAINTENANCE

SECTION 1. Owner's Obligation to Repair. Except for those portions which the Board of Directors is required to maintain and repair hereunder (if any), each owner shall at the owner's expense keep the interior of his/her condo and its equipment and appurtenances in good order, condition and repair in a clean and sanitary condition, and shall do all redecorating, painting and varnishing which may at any time be necessary to maintain the good appearance and condition of his/her condo. In addition to decorating and keeping the interior of the condo in good repair, the owner shall be responsible for the maintenance, repair or replacement of any plumbing fixtures, water heaters, furnaces, lighting fixtures, refrigerators, air conditioning equipment, dishwashers, disposals or ranges that may be in, or connect with the condo. All terraces, balconies and driveways shall be kept in a clean and neat condition.

SECTION 2. Liability. A condo owner shall be liable for the expense of any maintenance, repair, or replacement rendered necessary by his/her act, neglect, or carelessness or by that of any member of his/her family or guests, employees, agents, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy, or abandonment of an condo or its appurtenances (such as deck, doors and windows). In any proceeding arising because of an alleged default by a condo owner, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees as may be awarded by the court.

SECTION 3. Liens. The owner shall promptly discharge any lien which may hereafter be filed against his/her condominium and shall otherwise abide by the provisions of K.S.A. §58-3109.

ARTICLE XII

GENERAL PROVISIONS

SECTION 1. Failure of Board of Directors to Insist Strict Performance No Waiver. The failure of the Board of Directors or Manager to insist in any one or more instances, upon the strict performance of any of the terms, covenants, conditions or restrictions

of the Declaration, or to exercise any right or option herein contained, or to serve any notice or to institute any action shall not be construed as a waiver or a relinquishment for the future, of such term, covenant, condition or restriction but such term, covenant, condition or restrictions shall remain in full force and effect. The receipt by the Board of Directors or Manager of any assessment from an owner, with knowledge of the breach of any covenant hereof shall not be deemed as a waiver of such breach, and no waiver by the Board of Directors or Manager of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Board of Directors or Manager.

SECTION 2. Limitation of Board of Directors Liability. The Board of Directors shall not be liable for any failure of water supply or other service to be obtained and paid for by the Board of Directors hereunder, or for injury or damage to person or property caused by the elements or by another owner or person in the project or resulting from electricity, water, rain, dust or sand which may leak or flow from outside or from any parts of the buildings, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other place unless caused by gross negligence of the Board of Directors. No diminution or abatement of common expense assessments shall be claimed or allowed for inconveniences or discomfort arising from the making of repairs or improvements to the common area or from any action taken to comply with any law, ordinance or orders of a governmental authority.

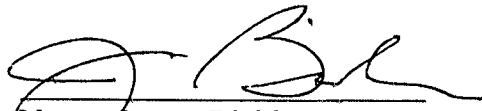
SECTION 3. Indemnification of Board of Directors Members. Each member of the Board of Directors shall be indemnified by the owners against all expenses and liabilities including attorneys' fees, reasonably incurred by or imposed upon him/her in connection with any proceeding to which he/she may be a party, or in which he/she may become involved, by reason of his/her being or having been a member of the Board of Directors, or any settlement thereof, whether or not he/she is a member of the Board of Directors at the time such expenses are incurred, except in such cases wherein the member of the Board of Directors is adjudged guilty of willful misfeasance or malfeasance in the performance of his/her duties; provided that in the event of a settlement the indemnification shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interests of the Board of Directors.

SECTION 4. Audit. Any owner may at any time at his/her own expense cause an audit or inspection to be made of the books and records of the Board of Directors. The Board of Directors at the expense

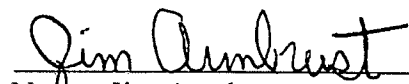
of the common expenses, shall obtain an audit of all books and records pertaining to the project at no greater than annual intervals and furnish copies thereof to the owners.

SECTION 5. Amendments. These By-Laws may be amended at any time from time to time hereafter by a certificate signed and acknowledged by record condo owners holding at least seventy-five percent (75%) the total authorized vote hereunder or a certificate to such effect signed and acknowledged for the Association by its president and attested by the secretary, with any such amendment to become effective when it is duly recorded in the office of the Register of Deeds of Sedgwick County, Kansas.

The foregoing were adopted as the Amended and Restated By-Laws of the Rolling Hills Country Club Estates Homeowners Association, a corporation not for profit under the laws of the State of Kansas, by Seventy-five percent (75%) of the total authorized votes of the members at a duly called meeting of the Association members.


Name: James Biehler
President

Attest


Name: Jim Armbrust
Secretary