

BYLAWS
OF
VALLEY SHORES HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION

The name of the corporation is Valley Shores Homeowners Association, Inc. (hereinafter referred to as the "Association"). The principal office of the corporation shall be located at 1505 North 203rd Street, Elkhorn, Nebraska 68022, but meetings of Members and Directors may be held at such places within the State of Nebraska, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

The following definitions shall control the construction of these Bylaws:

Section 1. "Covenants" shall mean the Declaration of Covenants, Conditions and Restrictions dated June 7, 2004 and recorded on June 7, 2004, as Instrument No. 2004073712, in the Register of Deeds, Douglas County, Nebraska, and any subsequent amendments thereto which are properly recorded pursuant to the terms of such Covenants.

Section 2. "Lot" shall mean and refer to all Lots which are subject to the Covenants (hereinafter referred to as the "Valley Shores Lots").

Section 3. "Member" shall mean and refer to those persons entitled to membership in the Association as set forth in the Articles of Incorporation.

Section 4. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot including contract buyers of a Lot, but excluding those having such interest merely as security for the performance of an obligation.

ARTICLE III

MEMBERSHIP

Section 1. Members. The Members of the Association shall be as set forth in the Articles of Incorporation.

Section 2. Annual Meeting. The first annual meeting of the Members shall be held within one (1) year from the date of incorporation of the Association, and each subsequent regular annual

meeting of the Members shall be held on the first Saturday of December at the hour of 9:00 o'clock a.m. or at a place and time to be specified by Board of Directors.

Section 3. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of one-fourth of the Members.

Section 4. Notice of Meeting. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, not less than ten (10) days nor more than fifty (50) days before such meeting, unless otherwise specified in the Articles of Incorporation or these Bylaws, to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of Notice. Such notice shall specify the day, place and time of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 5. Quorum. The presence at the meeting of Members entitled to vote, or of proxies entitled to vote, twenty-five percent (25%) of the votes of membership shall constitute a quorum for any action except as otherwise provided herein. If the required quorum is not present, another meeting may be called subject to the same notice requirement and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the date set for the preceding meeting.

Section 6. Proxies. At all meetings of Members, each member may vote in person or by proxy. All proxies shall be dated, in writing, and filed with the Secretary to or at the commencement of the meeting at which the proxy is to be exercised. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot, or, unless otherwise stated in said proxy, upon a date eleven (11) months from its execution.

ARTICLE IV

BOARD OF DIRECTORS

Section 1. Number. The affairs of this Association shall be managed by a Board of not less than three (3) directors.

Section 2. Term of Office. At the second annual meeting the Members shall elect one (1) director for a term of one (1) year, one (1) director for a term of two (2) years and then one (1) director for a term of three (3) years; and at each annual meeting thereafter the Members shall elect one (1) or two (2), director(s), as the case may be, for a term of three (3) years.

Section 3. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of

Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting of the Members until the close of the next annual meeting of the Members and such appointment shall be announced at each annual meeting. The Nominating Committee shall accept as many nominations for election to the Board of Directors as it receives from the members, in its discretion, but not less than the number of vacancies that are to be filled. Such nominations shall be made from among Members.

Section 4. Election Procedure. Election to the Board of Directors shall be by secret written ballot. At such election, the Members (or their proxies) may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Articles. The persons receiving the largest number of votes shall be elected.

Section 5. Removal. Any Director may be removed from the Board, with or without cause, by a majority of the votes of the membership of the Association. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining members of the Board and shall serve until the next annual meeting of the Members.

Section 6. Annual Meetings. Annual meetings of the Board of Directors shall be held within one (1) week following the annual meeting of the Members, without notice to general membership.

Section 7. Regular Meeting. Regular meetings of the Board of Directors shall be held without notice to the general membership, at such place and hour as may be fixed from time to time by a majority of the Board, with prior written notice of at least five (5) days to all Directors, unless said notice is waived by all Directors.

Section 8. Special Meeting. Special meetings of the Board of Directors shall be held without notice to the general members, at such place and hour as may be fixed from time to time by a majority of the Board, with prior written notice of at least five (5) days to all Directors, unless said notice is waived by all Directors.

Section 9. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 10. Compensation. No Director shall receive compensation for any service he may render to the Association as a Director. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties and the Association may contract with Directors for the performance of unrelated services at a fair and reasonable compensation.

Section 11. Action Taken Without a Meeting. The 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 the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE V

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(a) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws or the Articles of Incorporation;

(b) Declare the office of a Member of the Board of Directors to be vacant in the event such Member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(c) Employ and discharge a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

(d) Enforce the provisions of the Covenants, including the right to bring the appropriate action to enforce the Covenants.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) Cause to be kept a complete record of all its acts and corporate affairs.

(b) Supervise all officers, agent and employees of this Association, and to see that their duties are properly performed;

(c) As provided in the Articles of Incorporation, to:

(1) Fix the amount of the dues and assessments for membership in accordance with the Covenants, Articles of Incorporation and Bylaws;

(2) Fix the amount of dues and assessments for the improvement, operation and maintenance of the Valley Shores Lake pursuant to the rules and regulations of the Valley Shores Lake Rules; and

(3) Cause written notice of the amount and the payment date for the dues to be sent to every Member within thirty (30) days after the date of the determination of the assessment, however, if the Board of Directors fails to send such written notice, that will not relieve the Members of the obligation to pay the assessments.

ARTICLE VI

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a President, who shall at all times be a member of the Board of Directors, a Vice President, a Secretary, and a Treasurer, and such other Officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the annual meeting of the Board of Directors within 1 week following each annual meeting of the Members.

Section 3. Term. The Officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or is otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other Officers as the affairs of the Association may require, each of whom shall hold office for such period and have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any Officer may be removed from office with or without cause by the Board. Any Officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The Officer appointed to such vacancy shall serve for the remainder of the term of the Officer he replaces.

Section 7. Duties. The duties of the Officers are as follows:

(a) President. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and agreements and shall co-sign all checks and promissory notes.

(b) Vice President. The Vice President shall act in the place and stead of the President in the event of his/her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him/her by the Board.

(c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

(d) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and, when required, shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting. In the event the Board of Directors requires, the Treasurer will obtain a bond in the amount and upon the terms that the Board of Directors requires.

ARTICLE VII

COMMITTEES

The Board of Directors shall appoint committees as deemed appropriate to carry out the purposes of the Association.

ARTICLE VIII

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Covenants, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE IX

DUES

As provided in the Articles, in order to vote and participate in the Association, each member must pay their dues and assessments on or before its due date in order to be a member in good standing of the Association. The member shall not be permitted to vote as a member of the Association or participate in the Association activities unless the member is current in payment of all dues and assessments.

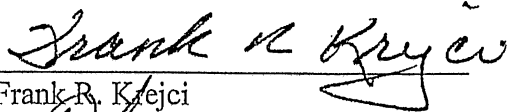
ARTICLE X

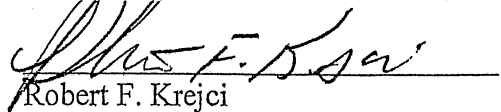
MISCELLANEOUS

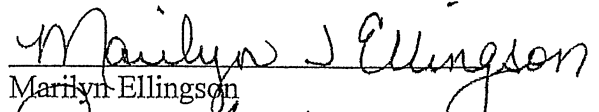
Section 1. Amendments. These Bylaws may be amended, provided such amendment is not inconsistent with the Declaration or Articles of Incorporation, at a regular or special meeting of the Members, by a vote of a majority of the Members.

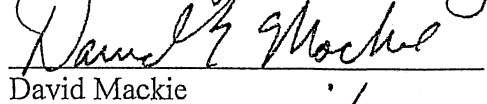
Section 2. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the thirty-first day of December of every year, except that the first fiscal year shall begin on the date of incorporation and shall end on the next succeeding thirty-first day of December.

IN WITNESS WHEREOF, we, being all of the Directors of the VALLEY SHORES HOMEOWNERS ASSOCIATION, INC., have hereunto set our hands this ____ day of January, 2006.


Frank R. Krejci


Robert F. Krejci


Marilyn Ellingson


David Mackie


Vera Jane Krejci

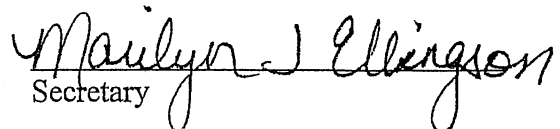
CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of the Valley Shores Homeowners Association, Inc., a Nebraska Non-Profit Corporation, and

That the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 12 day of January, 2006.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this ____ day of January, 2006.


Secretary