

REVISED & AMMENDED BYLAWS
OF
PAINTED ROCKS LOT OWNERS ASSOCIATION

ARTICLE I. OFFICES

Section 2.1. Principal Office. The principal office of the corporation in the State of Iowa shall be located in the County of Marion. The Corporation may have such other offices, either within or without the State of Iowa as the Board of Directors may designate or as the business of the Corporation may require from time to time.

Section 2.2 Registered Office. The registered office of the Corporation required by the Iowa Nonprofit Corporation Act, Chapter 504A, Code of Iowa, to be maintained in the State of Iowa may be, but need not be, identical with the principal office in the State of Iowa, and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE II. PURPOSES

The Corporation shall be operated for the purpose of the maintenance, regulation and development of “Painted Rocks Development”. In addition, the Corporation shall have unlimited powers to engage in and to do any lawful act concerning any or all lawful purposes for which corporations may be organized under the Iowa Nonprofit Corporation Act.

ARTICLE III. MEMBERS

Section 3.1. Members. The membership of this Corporation shall be those persons or entities who are record owners, including contract purchasers, of a fee or undivided fee interest in a lot which is subject to the Revised, Amended and Substituted Restrictive covenants in “Painted Rocks Development”.

Section 3.2. Dues and Initiation Fee. The Board of Directors shall establish an initiation fee and annual dues. For purposes of determining the initiation fee and dues, lot owners who own more than one lot shall be treated as a single member and shall be charged accordingly.

Section 3.3. Annual Meeting. The annual meeting of the members of the Corporation shall be held each year on the second Sunday of July at such place and time as may be designated by the Board of Directors. The annual meeting shall be held for the purpose of electing directors and for the transaction of other business as may come before the meeting.

Section 3.4. Special Meetings. Special meetings of the members, for any purpose or purposes, may be called by a majority of the Board of Directors at such place and time as may be designated by the Board of Directors.

Section 3.5. Notice of Meetings. Written notice stating the day, place and hour of the meeting, and in the case of a special meeting, the purpose or purposes for which called shall be given at least seven days before the date of the meeting, either personally or mailed to each member. Such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. Any member may waive notice of any meeting.

Section 3.6. Voting and Members. The owner of each lot shall have one vote for each lot that is covered by the restrictive covenants, at any meeting of the members.

Section 3.7. Quorum. A majority of the members of the Corporation entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of the members.

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Section 3.8. Proxies. At all meetings of the members, a member may vote by proxy executed in writing by the member or by his duly authorized attorney-in-fact. Such proxy shall be filed with the Secretary of the Corporation before or at the time of the meeting.

Section 3.9. Informal Action by Members. Any action required or permitted by the Iowa Non-Profit Corporation Act, the Articles of Incorporation or these Bylaws, to be taken at a meeting of the members, may be taken without a meeting if a consent in writing, setting forth the actions so taken, signed by all the members entitled to vote, with respect to the subject matter thereof. Such consent shall have the same effect as a vote of the members.

ARTICLE IV. BOARD OF DIRECTORS

Section 4.1. General Powers. The business and affairs of the Corporation, including the control and disposition of its property and funds, shall be managed by its Board of Directors.

Section 4.2. Number, Tenure and Qualifications. The number of directors of the Corporation shall be not less than nine or more than thirteen. Each director shall hold office until his or her successor shall have been elected and qualified. Directors shall be members of the Association and shall not exceed one board of director per household. The number of directors, within the limits prescribed, shall be determined annually by the Board of Directors.

The terms for the initial Board of Directors shall be selected by lot, with six directors serving terms of three years, three directors serving terms of two years and two directors serving a term of one year. After the initial Board of Directors, each director shall serve a term for three years commencing with his or her appointment or until his or her successor shall have been appointed and qualified.

Section 4.3. Regular Meetings. A regular meeting of the Board of Directors shall be held without other notice than this Bylaw immediately after, and at the same place as, the annual meeting of members. The Board of Directors may provide, by resolution, the time and place, either within or without the State of Iowa, for the holding of additional regular meetings without other notice than such resolution.

Section 4.4. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or a majority of the directors. The person or persons authorized to call special meetings of the Board of Directors may fix any place, either within or without the State of Iowa, as the place for holding any special meeting of the Board of Directors called by them.

Section 4.5. Notice. Notice of any special meeting shall be given at least three days previously thereto by written notice delivered personally or mailed to each director at his or her personal or business address. Such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. Any director may waive notice of any meeting. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except when a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Except as otherwise provided in these Bylaws, neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

Section 4.6. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

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Section 4.7. Vacancies. Any vacancy occurring in the Board of Directors and, to the extent permitted by law, any directorship to be filled by reason of an increase in the number of directors may be filled by election by a majority of the then sitting Directors of the Corporation. A director so elected shall serve the unexpired term of his or her predecessor in office or the full term of such new directorship, as the case may be.

Section 4.8. Presumption of Assent. A director of the Corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his or her dissent shall be entered in the minutes of the meeting or unless he or she shall file his or her written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

Section 4.9. Informal Action by Directors. Any action required to be taken at a meeting of the directors, or any other action which may be taken at a meeting of the directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors entitled to vote with respect to the subject matter thereof. For purposes hereof, facsimile signatures shall be adequate to show consent.

Section 4.10. Resignation. Any director may at any time resign by serving written notice thereof on the remaining directors.

Section 4.11. Compensation. Directors shall serve without compensation, except reasonable expenses may be paid.

ARTICLE V. OFFICERS

Section 5.1. Officers' Appointment and Term of Office. The officers of the Corporation shall be a President, a Vice President, a Secretary and a Treasurer. They shall be elected annually at the first meeting of the Board of Directors held after the annual meeting of the members. Each officer shall hold office until his or her successor shall have been duly appointed and shall have qualified or until his or her death or resignation. All officers must be members of the Board of Directors.

Section 5.2. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, shall be filled in accordance with the provisions of these Bylaws with respect to the original appointment to such office.

Section 5.3. President. The President shall be the principal executive officer of the Corporation and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Corporation. He or she shall, when present, preside at all meetings of the Board of Directors. He or she may sign, with the Secretary or any other proper officer of the Corporation thereunto authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time. The immediate past president must serve one additional ex officio year on the Board of Directors upon leaving office.

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Section 5.4. Vice President. In the absence of the President or in the event of the President's death, inability or refusal to act, the Vice President shall perform 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 perform such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

Section 5.5. Secretary. The Secretary shall: a) keep the minutes of the Board of Directors' meetings in one or more books provided for that purpose; b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; c) be custodian of the corporate records; d) keep a register of the post office address of each member of the Board of Directors which shall be furnished to the Secretary by such member; and e) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

Section 5.6. Treasurer. The Treasurer shall: a) have charge and custody of and be responsible for all funds and property of the Corporation; b) receive and give receipts for monies due and payable to the corporation from any source whatsoever, and deposit all such monies in the name of the Corporation in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of these Bylaws; c) compile and distribute annually to each director a report of the activities of the Corporation, including a statement of receipts and expenditures; and d) in general, perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the Board of Directors.

ARTICLE VI. INDEMNIFICATION

Except for any prohibition against indemnification specifically set forth in these Bylaws or in Chapter 504A, Code of Iowa, at the time indemnification is sought by any member, director, officer, employee, volunteer or agent of the Corporation, the Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceedings, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he or she is or was a member, director, officer, employee, volunteer or agent of the Corporation, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonable incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation, and with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

ARTICLE VII. CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 7.1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 7.2. Loans. No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances. The Corporation shall make no loan to any officer or director of the Corporation.

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Section 7.3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by the Treasurer or such other officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Any indebtedness over \$250.00 needs authorization by the Board of Directors unless the indebtedness is related to an authorized project by the Board of Directors or Members.

Section 7.4. Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

ARTICLE VIII. WAIVER OF NOTICE

Whenever any notice is required to be given to any member or director of the Corporation under the provisions of the Articles of Incorporation or under the provisions of the Iowa Nonprofit Corporation Act, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. For purposes hereof, facsimile signatures shall be adequate to show consent for such waiver.

ARTICLE IX. FISCAL YEAR

The fiscal year of the Corporation shall begin on the first day of January in each year.

ARTICLE X. SEAL

The Corporation shall have no corporate seal.

ARTICLE XI. AMENDMENTS

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by a majority vote of all members of the Board of Directors at any regular or special meeting of the Board of Directors provided that a minimum of thirty (30) days' notice in writing of the character of the proposed alteration, amendment or repeal is given to all members of the Board of Directors.

ARTICLE XII. COMMITTEES OF THE BOARD OF DIRECTORS

The President, with the Board of Directors' concurrence, may establish and appoint standing and special committees as shall be deemed desirable for the endeavors of the Corporation. A standing or special committee shall limit its activities to the accomplishment of those tasks for which it was appointed and shall have no powers, except those specifically conferred by action of the Board of Directors. Upon the completion of the tasks assigned to any special committee, the special committee shall be discharged. Persons who are not directors or officers of the corporation may be appointed to serve on standing or special committees. All standing or special committee members shall serve at the pleasure of the Board of Directors.

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Article XIII. Enforcement

If any member has a complaint or notices a violation of the restrictive covenants, a notice should be sent in writing per the following steps. A notice must identify the issue, the corresponding restrictive covenant that applies, the offending member, and the name and address of the member addressing the issue. If it is deemed necessary by the Board of Directors, steps 1 and/or 2 may be skipped for step 3.

Step 1: Member must attempt to handle this issue with the related association member. If proof is submitted of these actions and the Board of Directors agrees there is an issue, then proceed to step 2.

Step 2: An officer, chosen by the Board of Directors, addresses the issue with all associated members. If no agreement can be reached and the Board of Directors agrees there is still an issue, then proceed to step 3.

Step 3: The association, with the agreement of the Board of Directors, will issue a written notice to the offending member with the possibility of legal action to follow.

If none of these steps are deemed necessary by the Board of Directors, any member still has the right to pursue the issue on an individual basis as per the restrictive covenants.