

CODE OF BY-LAWS

OF

AUBURN MEADOWS PROPERTY OWNERS ASSOCIATION, INC.

Version 2
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ARTICLE I
NAME, OFFICES, AND REGISTERED AGENT

Section 1. Name The name of the Corporation is AUBURN MEADOWS PROPERTY OWNERS ASSOCIATION, INC., and is hereinafter referred to as "the Corporation."

Section 2. Offices The principal office of the Corporation is at the current office of the Association's management company. The Board of Directors, hereinafter referred to as "the Board" may from time to time establish other offices of the Corporation at whatever place or places seem to be expedient.

Section 3. Registered Agent The name of the registered agent of the Corporation shall be the current management company designated by the Board. The post office of the Corporation shall be the current principal office address listed in Section 2 of this Article.

Section 4. Purpose The purpose of the Corporation shall be to transact such business as shall be necessary to maintain and safeguard the safety of the Auburn Meadows Subdivision located in Hendricks County, Indiana.

ARTICLE II
RECORDS AND ACCOUNTING

Section 1. Records The following records must be kept at the principal office of the Corporation: correct books of all business transactions of the Corporation, a copy of the Code of By-Laws, a recorded copy of the Association's Covenants and Restrictions, and a roster of the Corporation which must contain the names alphabetically arranged, of all persons who are members of the Corporation, showing such persons

respective place of residence. The membership list must be available to all members upon request.

Section 2. Accounting Year The accounting year of the Corporation shall begin on January 1 of each year and end on December 31.

Section 3. Accounting Method The general accounting of the Corporation may be the cash method or accrual method of accounting, except the Corporation may use one or more special methods of accounting, whenever appropriate, for the purpose of reporting, e.g., the income from installment sales or for any other appropriate items of income or deductions.

ARTICLE III ANNUAL MEMBERS MEETING

Section 1. Place of Meetings Every meeting of the members of the Corporation shall be held at the principal office of the Corporation, or such other place as the Board shall designate.

Section 2. Annual Meetings The annual meeting of the members shall be held within the first two weeks in January of each year for the purpose of electing Directors of the Board and for the such other business as may come before the meeting. If an annual meeting has not been called and held for any reason, such meeting may be held at any time thereafter as a special meeting called for that purpose. Further, if that annual meeting has not been called and held within the first two months of each year, the members may call the meeting.

Section 3. Special Meetings Special meetings of the members, unless otherwise provided by law, may be called by the President, by a majority of the Board or

at the request of a majority of members of the Association, which request shall be in writing and state the purpose of the meeting.

Section 4. Membership Every lot owner in Auburn Meadows sub-division shall be awarded membership and shall be entitled to one vote for each lot owned. Only those votes cast by members in "good standing" will be recognized. A member not in good standing would be a member who has unpaid and overdue assessments or uncorrected violations of standards of conduct or construction of which he or she has been duly notified.

Section 5. Notice of Meetings Written or printed notice stating the place, day and hour of the meeting, and in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten nor more than forty days before the date of the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the records of the Corporation, with postage thereon prepaid.

Section 6. Quorum for Meeting Unless otherwise provided in the Articles of Incorporation or in this Code of By-Laws, the presence of at least ten percent (10%) of the members in person or designated proxy for voting purposes is necessary to constitute a quorum for the transaction of business at any meeting of members. In the absence of a quorum at any such meeting, any officer entitled to preside at, or to act as secretary of, such meeting, may adjourn such meeting from time to time until a quorum is present thereat. At any meeting, following an adjourned meeting, any business may be transacted which might have been transacted at the meeting as originally called, if there is a quorum present at such subsequent meeting.

Section 7. Organization of Meetings At each meeting of the members, the President of the Board shall conduct the meeting, and if there is no officer of the Corporation present at said meeting, a majority vote of the members present may designate a Chairman and acting Secretary to record the business transacted.

Section 8. Order of Business at the Meetings The order of business at all meetings shall be determined by the chairman of the meeting, but the order of business to be conducted at any meeting may be changed by a majority of the members present at such meeting. At all meetings, the Robert's Rules of Order will be adopted as the rules of parliamentary procedure.

Section 9. Voting at Meetings For all members, voting may be viva voce, and need not be by written ballot. However, in the event that any member shall request that a vote be taken by ballot on any issue, the request must be granted.

Section 10. Inspectors for Voting at Meetings At any meeting, the chairman shall select two (2) persons to act as inspectors of any election. The chairman may require that such inspectors swear an oath to faithfully execute their duties with strict impartiality. Such inspectors shall take charge of the voting and counting process and shall certify the results of any vote taken.

Section 11. Annual Assessments The Board shall be entitled to assess an annual assessment per lot on members of the sub-division as they shall see fit for the maintenance, and protection of the homeowners association. The Board will annually review the financial needs of the Corporation, and adjust assessments to accommodate the Corporation's budget for the upcoming calendar year. The Board shall establish a late fee that will accrue for each month a member's invoiced assessment is delinquent. The Board shall also be entitled to place a lien of the property of any member who shall fail to pay the assessments in the time and manner required. All costs of collecting any unpaid assessments, including legal fees, filing fees and court costs, will be billed to the delinquent member.

ARTICLE IV

DIRECTORS

Section 1. Number, Election, and Term of Office The business of the Corporation shall be conducted by a Board as from time to time constituted. All Directors must be of legal age and must be a current member in good standing. The Board shall consist of nine members, and shall be selected by the members of the Corporation at their annual meeting, by ballot. The terms of the initially elected Directors shall be staggered evenly over 3, 2, and 1 year terms. Thereafter, members will elect new Directors to replace the retiring Directors, plus any additional Directors to fill any vacancies on the Board.

Section 2. Place of Meetings The Board shall hold their meetings at such time and place as they shall determine, provided that, upon request, members of the Corporation shall be given adequate notice of the time and place of any such meeting.

Section 3. First Meeting After each election of the Board, whether at an annual meeting or a special meeting, on the same day and at the conclusion of the meeting of the members at which such election was held, the newly elected Board shall meet for the purpose of organizing, the appointment of officers, and the transaction of other business. Notice of said meeting need not be given. Such meeting may be held at any other time and place as a majority of the Board may determine.

Section 4. Regular Meetings The Board shall hold regular meetings at a time and place as determined by the Board. The Secretary shall post notice of a proposed schedule of all meetings of the Board to the membership for the coming year, provided that in the event that any of said meetings are canceled, the Secretary need not send special notice to all members.

Section 5. Special Meetings Special meetings of the Board may be called by or at the request of the President or at the request of any one (1) Director. The person authorized to call special meetings by the Board may fix the place for holding of

such special meeting of the Board called by them, and shall notify each Director at least three days prior to said meeting.

Section 6. Quorum of Meetings A majority of the Board as established by these By-Laws shall constitute a quorum for the transaction of business at any meeting of the Board, provided, that if less than a majority of the Directors are present at any meeting, a majority of those present may adjourn the meeting from time to time without further notice. A Director shall be determined to be present at any meeting of the Board if they are not physically present, but participate and interact via live audio connection (i.e. telephone or other live audio device) for the full duration of the meeting.

Section 7. Organization of Meetings At each meeting of the Board, the President of the Board shall conduct the meeting, and in his absence by the Vice-President. Any meeting of the Board shall be adjourned by a majority vote of the Board members.

Section 8. Order of Business at the Meetings The Order of business at all meetings shall be determined by the chairman of the meeting, but the order of business to be conducted as any meeting may be changed by a majority of the members present at such meeting. At all meetings, the Robert's Rules of Order will be adopted as the rules of parliamentary procedure.

Section 9. Voting at Meetings All votes shall be determined by the affirmative votes of the members present, and all such votes shall be recorded in the minutes of the meeting.

Section 10. Removal of Directors Any Director may be removed, either with or without cause, at any time by the vote of at least eighty (80%) percent of the members of the Corporation, at a special meeting of members called for that purpose.

Section 11. Vacancies on the Board of Directors Any vacancy occurring in the Board, may be filled by majority vote of the remaining Directors.. A Director appointed by the Board to fill the unexpired term, shall serve for the same period of time as his predecessor.

Section 12 Compensation Directors shall not receive any salary for serving, provided that nothing shall preclude a Board member from being reimbursed for reasonable expenses taken on behalf of the Corporation.

ARTICLE V

OFFICERS

Section 1. Number The Officers of the Board shall be the President, Vice-President, Treasurer, and Secretary. Any two or more offices may be held by the same person except the Offices of Secretary and President. The Board may require any officer to give security for the faithful performance of his or her duties.

Section 2. Election, Term of Office, and Qualifications Election of the Officers of the Board shall be made at the first Board meeting after the annual meeting. The term of each officer shall be for the remainder of the year.

Section 3. Removal Any officer or agent elected by the Board may be removed by the Board, either with or without cause, by resolution adopted by the Board at a regular or special meeting called for that purpose.

Section 4. President The President of the Board shall be the principal officer of the Corporation and shall, in general, supervise all of the business and affairs of the Corporation. He shall preside at all meetings of the members, the Board, and the executive committee if he is a member. He may sign, with the Secretary or any other officer of the Corporation thereunto authorized by the Board, any deeds, mortgages,

bonds or contracts, or other which the Board, has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by these By-Laws 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 from time to time.

Section 5. Vice-President In absence of the President, or in any other case in which he may be unable to or refuse to act, the Vice-President shall perform the duties of the President, and when so acting, shall have all of 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 by the President or the Board.

Section 6. Treasurer If required by the Board, the Treasurer and certain other agents as designated by the Board shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board shall determine. He shall (a) have charge and custody of and be responsible for all funds and securities of the Corporation; (b) receive and give receipt for all moneys payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation in such banks or other depositories as shall be elected in accordance with Article V of these By-Laws; and (c) in general perform all of the duties incident to the office of Treasurer and such other duties as may be assigned from time to time by the President of the Board. With the approval of a majority of the Board, these duties may be assigned to the Association's Management Company.

Section 7. The Secretary The Secretary shall; (a) keep minutes of the meetings of the members, the Board , in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law; (c) be custodian of the corporate records; (d) keep a register of the post office address of each member which shall be furnished to the Secretary by the 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 by the President or by the Board.

Section 8. Vacancies In the event that any Officer of the Board shall be unable to serve their appointed capacity, the Directors then in office may elect or appoint a successor who shall fill out the remainder of the term and shall be fully responsible for all the duties of their new office as established in these By-Laws.

ARTICLE VI RESIGNATIONS

Section 1. Resignations Any Officer or Director of the Corporation may resign his position by giving written notice to the President or the Secretary of the Board. Such resignation shall take place at the time specified therein, and if no time is set out, upon receipt thereof, and the acceptance shall not be necessary in order to make said resignation effective.

ARTICLE VII CONTRACTS

Section 1. Contracts Unless otherwise provided in these By-Laws, no officer or Board member has any authority to bind the Corporation by any contract or engagement or pledge, unless specifically authorized by the Board at one of their regular/special meetings. However, in the event of any emergency, the President may contract on the Corporation's behalf for emergency services.

Section 2. Indebtedness No loans may be contracted for without a specific authorization of the Board. When authorized by the Board, any officer of the Corporation shall have the authority to affect a loan and advances for the Corporation

from any Bank, trust company, or from any firm or individual and may execute such promissory notes or bonds as may be necessary and shall have the authority to pledge or mortgage any corporation asset. Such authorization may be general or confined to a specific purpose.

Section 3. Checks, Drafts, Similar Payment Orders, and Notes All check drafts and similar orders for payment of moneys out of the funds of the Corporation, and notes and all other evidences of indebtedness of the Corporation must be signed on behalf of the Corporation in such manner as shall be determined from time to time by resolution of the Board.

Section 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 bank, trust company, or other depositories as the Board shall designate, or as shall be selected by any officer or agent of the Board. For the purpose of such deposit, The President, Secretary, Treasurer or managing agent may endorse any check, money order or similar payment on behalf of the Corporation.

ARTICLE VIII

NOTICE/WAIVER OF NOTICE

Section 1. Posting of Notices The Board may designate from time to time various forums to distribute and post pertinent notices and communications regarding Corporation and subdivision activities. Examples would include posting information on the Corporation's public website, member oriented newsletters crafter by the Board, and general communications from any agent of the Board. Any specified delivery method of notice for a specified action or function stipulated in these By-Laws will take precedence over these general forums of notice and communication.

Section 2. Waiver of Notice Unless otherwise provided in these By-Laws, any person entitled to a notice may waive same, and said waiver will constitute notice for any business meeting that notice is normally required.

ARTICLE IX
AMENDMENTS

The members shall have the exclusive right to make any amendment, alteration or change to these By-Laws, which amendment shall be by a majority of members at the regular annual meeting or any special meeting of the members called pursuant to the provisions of the By-Laws.

ARTICLE X
The Indiana Not-For-Profit Corporation Act of 1991

The provisions of the Indiana Not-For-Profit Act of 1991, as amended, applicable to any of the matters not specifically covered by these By-Laws, are hereby incorporated by reference and made a part of these By-Laws.

ARTICLE XI
Indemnification

Section 1. Indemnification of Directors and Officers To the extent not inconsistent with the laws of the State of Indiana, every person (and the heirs and personal representatives of such person) who is or was a Director or Officer of the Association shall be indemnified by the Association to the same and fullest extent that Directors of nonprofit corporations are indemnified under the Act, as it now exists or as hereinafter amended.