

BYLAWS OF HUNTER'S COVE HOMEOWNERS ASSOCIATION

ARTICLE I MISSION STATEMENT

Hunter's Cove Homeowners Association, Inc. ("Association"), is an Indiana, nonprofit corporation for the benefit of the property owners of Hunter's Cove Subdivision, Brownsburg, Indiana. The Association is created to promote the interests and improve the relations of its members, and to maintain the quality of the neighborhood through the enforcement of the Covenants.

ARTICLE II MEMBERSHIP & ASSESSMENTS

Each Owner of a lot in Hunter's Cove ("Owner(s)"), as prescribed in Paragraph 15 of the First Amendment to the Covenants, Limitations and Restrictions of Hunter's Cove Subdivision ("Covenants"), shall automatically be a member of the Association. Membership cannot be assigned or transferred to any person or entity.

Regular Assessments shall be payable annually upon written notice from the Association. The Annual Budget and the Regular Assessment shall be adopted by a majority vote of the members present and entitled to vote at the annual meeting of the Association. Special assessments shall be levied only in accordance with Paragraph 16b of the First Amendment to the Covenants.

ARTICLE III MEETINGS OF MEMBERS

Section 3.1 Time and Place of Meetings. All meetings of members of the Association shall be held at such time and place as may be specified in the respective calls and notices or waivers of notice of such meetings. Meetings shall be held at a location convenient to the members of Hunter's Cove.

Section 3.2 Annual Meeting. The Association shall have one annual meeting of members for the election of directors and officers, and for the transaction of such other business as may properly come before the meeting. The Annual Meeting shall be held in the month of February. Failure to hold the annual meeting at the designated time shall not cause any forfeiture or dissolution of the Association.

Section 3.3 Special Meetings. Special meetings of the Association may be called by the President, by a majority of the Board of Directors, or by a written petition signed by Owners authorized to vote representing not less than twelve (12) lots. The call or petition for a special meeting shall state the purpose for which the meeting is to be called. No business shall be transacted at a special meeting

except as stated in the call or petition and in the Notice of Meeting as prescribed in Section 3.4 of these Bylaws.

Section 3.4 Notice of Meetings. A written or printed notice stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting, shall be delivered or mailed to all Owners of record to their local address in Hunter's Cove. The notice shall be mailed or delivered at least fourteen (14) days before the date of the meeting. Notice of any such meeting is waived by attendance in person.

Section 3.5. Voting at Meetings.

(a) Voting Rights. There shall be one (1) vote per lot on all matters to come before the membership provided that the Owner(s) are in good standing with the Association. Owners or members in good standing are current with dues and other obligations to the Association. Voting may be exercised in person only.

(b) Quorum. At any meeting of members, a quorum shall consist of Owners of 25% of the lots entitled to vote. If a quorum is not in attendance at the Annual Meeting, the Board of Directors shall, at their option, reschedule the Annual Meeting or agree to operate for an additional year under the same annual budget and regular assessment. The election of the Officers and Directors shall not require a quorum and shall be conducted as set forth in Section 4.3.

ARTICLE IV BOARD OF DIRECTORS

Section 4.1. Establishment and Powers. The affairs of the Association shall be managed by a Board of Directors, all of whom shall be Owners in good standing with the Association. The Board of Directors shall consist of nine (9) members, who shall be elected in the manner, and to the terms, prescribed in Section 4.2 of these Bylaws. The Board of Directors shall exercise all the powers of the Association subject to any restrictions imposed by law, these Bylaws, or by the Covenants.

Section 4.2. Composition. The Board of Directors shall consist of the following Members:

(a) Officer Directors. The four (4) officers of the Association shall also act as directors. The term of each officer director shall be as set forth in paragraph 5.2.

(b) Zone Delegate Directors. There shall be five (5) zone delegate directors. Zone delegate directors must reside within the zones that they are elected to represent. One (1) delegate director shall represent each of the five (5) zones. The zones are determined by street address as follows:

- Zone 1 - Spotted Owl and Cardinal Lane
- Zone 2 - Hunter's Trail North, 1600 and 1700 Blocks
- Zone 3 - Hunter's Trail South, 1800 and 1900 Blocks
- Zone 4 - Raccoon Court
- Zone 5 - Trotters Run & Cattail Lane

The term of each zone delegate director elected to a full term shall be two (2) years, or until a successor is qualified and elected. In the event there is no qualified candidate for a given zone, a delegate-at-large director shall be nominated and elected. The terms of the zone delegate directors shall be staggered so that three (3) zone delegate directors are elected in odd-numbered years to represent zones one (1), three (3) and five (5) and two (2) zone delegate directors are elected in even-numbered years to represent zones two (2) and four (4). For the initial election, the off year (even year) zone delegate directors will be elected for one-year terms. No Owner shall be elected as both an officer director and a zone delegate director.

Section 4.3. Nomination and Election. The Nominating Committee of the Association, appointed by the Board of Directors, shall nominate a candidate for each directorship (including officers) to be elected at the annual meeting of members. The Nominating Committee shall submit a list of nominees to the Secretary of the Association in time to allow publication of the nominees in the notice for the annual

meeting. At the annual meeting, additional nominations may be submitted with a second from the floor by members authorized to vote and in attendance at the meeting. The members present at the annual meeting shall elect the directors by secret written ballot. The nominee for each directorship who receives the greatest number of votes cast with respect to that directorship shall be elected. The terms of the Board of Directors and Officers of the Association shall run from April 1st until March 31st of the following year.

Section 4.4. Removal. The Board of Directors may remove any director or officer, with or without cause, by a two-thirds (2/3) vote in favor of such removal, following a meeting held for such purpose.

Section 4.5. Vacancies. In the event of a vacancy occurring in the Board of Directors caused by death, resignation or otherwise, the President, at or before the first regular meeting of the Board following notification of the vacancy, shall request that the Nominating Committee nominate a candidate to fill the vacancy until the next annual meeting of members. The nominee, or another qualified candidate whose name is placed in nomination by not less than two (2) directors, shall be elected to fill the vacancy upon receiving a majority vote of the then-elected members of the Board of Directors.

Section 4.6. Board Meetings. At least quarterly, the Board of Directors shall hold regular meetings at such time and place as it may designate. Special board meetings may be held upon the call of the President or any three (3) directors. Notice of all meetings shall be given by mail or telephone to all Directors at least fourteen (14) days prior to the time designated.

Board meetings shall be open to any member of the Association; however, notice of Board meetings shall not be required to be sent to the members.

Section 4.7. Board Voting Rights and Quorum.

(a) Voting Rights. Each director shall be entitled to one (1) vote.

(b) Quorum. At any meeting of the Board of Directors, five (5) directors present in person shall constitute a quorum. The act of a majority of the directors present at a meeting at which a quorum is present shall constitute the act of the Board of Directors unless the act of a greater number is required by other provisions of these Bylaws or by law.

Section 4.8. Action Without Meeting. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if, prior to such action, a written consent to such action is signed by all members of the Board and such written consent is filed with the minutes of proceedings of the Board.

Section 4.9. Additional Powers and Duties. The zone delegates shall assist in carrying out the adopted policies of the Association within their respective zones and shall assist their zone members in bringing matters to the attention of the Board.

ARTICLE V OFFICERS

Section 5.1. Designation. The officers of the Association shall consist of a President, a President-Elect, a Treasurer and a Secretary. All officers shall be Owners in good standing and shall also serve as directors of the Association.

Section 5.2. Term and Limitation. The term of each officer elected to a full term shall be one year, which shall run from April 1st until March 31st. No person may hold any two or more offices simultaneously.

Section 5.3. Nomination and Election. Officers shall be nominated and elected annually by the members of the Association at the annual meeting, in the manner prescribed in Section 4.3 of these Bylaws.

Section 5.4. Removal & Vacancy. Any officer may be removed only in the manner prescribed in Section 4.4 of these Bylaws. Any vacancy occurring in an elected office shall be filled in the manner prescribed in Section 4.5 of these Bylaws.

Section 5.5. President. The President shall preside at all meetings of the members and the Board of Directors, and shall be an ex-officio member of all other committees of the Association except the Nominating Committee. The President shall have all powers and perform all duties consistent with a presiding officer and shall perform such other duties as may be assigned by the Board of Directors.

Section 5.6. President Elect. The President-Elect shall perform all duties and possess all powers of the President in the event of the President's absence or disability. The President-Elect shall assist the President in coordinating the work of the standing committees and perform such other duties as may be mutually acceptable. The President-Elect shall be nominated with the purpose of succeeding to the office of President at the next annual election of officers.

Section 5.7. Treasurer. The Treasurer shall have custody and be responsible for all money, notes, and other valuables of the Association, and shall receive, account for, and deposit all funds in the name of the Association in banks designated by the Board of Directors. The Treasurer shall keep accurate and complete records of the financial condition of the Association, and shall report at the regular meetings of the Board of Directors. The Treasurer shall perform such additional duties as may be assigned by the Board of Directors or the President. The Treasurer may post a bond in such sum and with such surety as may be acceptable to the Board of Directors. The Association shall pay the cost of any such bond. At the direction of the Board of Directors, the financial records of the Association may be audited within a reasonable time after the end of the fiscal year. The fiscal year for the Association is the calendar year.

Section 5.8. Secretary. The Secretary shall attend and record the minutes of all meetings of the Members and the Board of Directors. The Secretary shall see that all notices are duly given in accordance with the provisions of these Bylaws and as required by law. The Secretary shall keep and maintain the records of the Association and shall perform all duties incident to the office of Secretary and such other duties as may be assigned by the Board of Directors or the President.

ARTICLE VI COMMITTEES

Section 6.1. Standing Committees. The standing committees of the Association are:

- Building Control Committee
- Nominating Committee

Within a reasonable period of time following the annual meeting, the Board of Directors shall appoint the standing committee members from among the Association's members and shall designate one member as Chairperson.

(a) Building Control Committee. The Building Control Committee shall consist of three (3) members including a chairperson but excluding the ex-officio President. The Building Control Committee shall be responsible for approving or disapproving all building projects and other similar activity, and shall assist the Board of Directors in enforcing the Covenants. The committee shall be responsible for the following:

- Review and respond to all requests for approval of construction as required in the Covenants.

- Investigate written complaints from Owners of Covenant violations and recommend corrective action.
- Develop criteria and procedures to promote fair and consistent application of the Covenants.

Unless the Board of Directors determines otherwise, the Building Control Committee shall have authority to approve all building projects without further approval of the Board. For any project that is denied by the BCC, the homeowner may appeal such decision in writing to the Board of Directors, who shall promptly meet and vote on it. The Board of Directors shall have the right to overrule or amend any decision of the BCC.

(b) Nominating Committee. The Nominating Committee shall consist of at least three (3) and not more than five (5) members, including the chairperson but excluding the ex-officio President-Elect as Board liaison. The Nominating Committee shall be responsible for identifying and nominating candidates to be elected to the offices and directorships of the Association, and for identifying and nominating candidates to fill vacancies occurring between elections.

Section 6.2. Additional Committees. The Board of Directors may from time to time create such other committees as shall be necessary to further the mission of the Association.

Section 6.3. Membership. Each committee, whether standing, a subcommittee thereof or otherwise, shall consist of the chairperson and such other members as may be appointed as prescribed in these Bylaws. Committee members shall serve for a term of one (1) year, or, if shorter, until the purposes of the committee have been accomplished. Officers and Directors may serve on committees, but the Association encourages all members to volunteer for committees. No committee member, officer, or Director shall vote on any matter, which affects their property directly, such as the approval or denial of a building permit.

Section 6.4. Committee Meetings: Functions and Duties. Committees shall meet at such time and place as shall be designated by the respective chairperson. Committees shall perform such functions as shall be directed by the President or the Board of Directors and shall report their activities to the Board of Directors.

ARTICLE VII

CONTRACTS, CHECKS, DEPOSITS AND FUNDS

Section 7.1. Contracts. The Board of Directors may authorize any officer or agent to enter into contracts or execute and deliver any instrument on behalf of the Association. Such authority may be general or confined to specific instances.

Section 7.2. Checks and Drafts. In the absence of a contrary determination of the Board of Directors, the Secretary and President shall sign all checks, drafts, or other orders for the payment of money issued by the Association.

Section 7.3. Deposits. All funds of the Association shall be deposited to the credit of the Association in such banks or trust companies as the Board of Directors may select.

Section 7.4. Gifts. The Board of Directors may accept on behalf of the Association contributions, gifts, or bequests for general or special purposes of the association.

ARTICLE VIII PROVISION FOR REGULATION OF BUSINESS AND CONDUCT

Section 8.1. Indemnification. The Association shall indemnify any present or former director or officer of the Association against expenses, attorneys' fees, judgments, fines, penalties and amounts paid in settlement reasonably incurred by such person, to the fullest extent allowed by law, in connection with or resulting from any claim, action, suit or proceeding (whether actual or threatened), in which such person may be involved as a party or otherwise by reason of being or having been a director or officer of the Association; provided such person acted in good faith and in a manner which he or she reasonably believed to be in the best interest of the Association; and, with respect to any criminal action or proceeding, in a manner which he or she had no reasonable cause to believe was unlawful. The Board of Directors shall review and approve any request to indemnify.

Section 8.2. Director and Officer Insurance. The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a director or officer of the Association. The Association shall not have a duty to indemnify any such person to the extent such liability is covered by insurance.

ARTICLE IX AMENDMENT OF BYLAWS

This Code of Bylaws may be altered or amended by a majority vote of Owners present and entitled to vote at a meeting of the Association, but only if notice of intention to consider changes in the Bylaws and the proposed changes are contained in the notice of the meeting.