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Cross-Reference:

- Oak Highlands, Section 1 (Plat), Instrument # 020019455
- Oak Highlands, Section 2 (Plat), Instrument # 030019900
- Oak Highlands, Section 3 (Plat), Instrument # 050005923
- Oak Highlands, Declaration of Covenants, Instrument # 020020455

REVISED AND RESTATED

CODE OF BYLAWS

for

OAK HIGHLANDS HOMEOWNERS ASSOCIATION, INC.

COMES NOW the Oak Highlands Homeowners Association, Inc., by its Board of Directors, on this 27 day of APRIL, 20 11, and states as follows:

WITNESSETH THAT:

WHEREAS, the residential community in Hancock County, Indiana commonly known as Oak Highlands was established upon the recording of certain Plats and other documents with the Office of the Recorder for Hancock County, Indiana; and

WHEREAS, the Plat for Oak Highlands, Section 1, was recorded with the Office of the Hancock County Recorder on November 27, 2002, as Instrument # 020019455, or Plat Cabinet C, Slide 109; and

WHEREAS, the Plat for Oak Highlands, Section 2, was recorded with the Office of the Hancock County Recorder on September 15, 2003, as Instrument # 030019900, or Plat Cabinet C, Slide 132; and

WHEREAS, the Plat for Oak Highlands, Section 3, was recorded with the Office of the Hancock County Recorder on May 9, 2005, as Instrument # 050005923, or Plat Cabinet C, Slide 204; and

WHEREAS, the Declaration of Covenants, Conditions and Restrictions for Oak Highlands was recorded with the Office of the Hancock County Recorder on December 16,

Tanner Law Group

47 2002, as Instrument # 020020455, said Declaration stating that by taking a deed to any Lot as
48 set forth on the above listed Plats for the Oak Highlands development, each owner becomes a
49 mandatory member of the subdivision's homeowner's association known as Oak Highlands
50 Homeowners Association, Inc. ("Association"), an Indiana nonprofit corporation; and
51

52 WHEREAS, the Association was incorporated pursuant to the above listed Declaration
53 as a non-profit corporation pursuant to Articles of Incorporation ("Articles") filed with, and
54 approved by, the Indiana Secretary of State on May 7, 2003; and
55

56 WHEREAS, the Association's Initial Board of Director(s) adopted a Code of Bylaws
57 ("Bylaws") to provide for the administration of the Association; and
58

59 WHEREAS, the Articles of Incorporation, Article X, Section 4, and the Bylaws, Article
60 VII, Section 1, states that the Board of Directors of the Corporation shall have the power to
61 make, alter, amend or repeal the Bylaws of the Corporation by an affirmative vote of a majority
62 of the members of the Board of Directors; and
63

64 WHEREFORE, pursuant to the authority granted to the Board of Directors by the
65 Articles and Bylaws, a majority of the Board of Directors have voted to adopt this Revised and
66 Restated Code of Bylaws to replace the current Bylaws. This Revised and Restated Code of
67 Bylaws does not conflict in any manner with any provision contained in the Declaration or the
68 Articles of Incorporation, and it is the intention of the Association that this Revised and Restated
69 Code of Bylaws shall replace all formerly adopted Bylaws and any amendments thereto.
70

71
72

[End of Recitals]

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75 **REVISED AND RESTATED**
76

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78 CODE OF BY-LAWS
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80 for

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82 OAK HIGHLANDS HOMEOWNERS ASSOCIATION, INC.
83

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87 **ARTICLE I**
88

89 Identification
90

91 Section 1. Name. The name of the corporation is "Oak Highlands Homeowners Association,
92 Inc." (hereinafter referred to as "Corporation" or "Association").
93

94 Section 2. Principal Office and Resident Agent. The name and post office address of the
95 registered office of the Association is: Oak Highlands Homeowners Association, Inc., P.O. Box 853,
96 Greenfield, IN 46140, or as updated from time to time with the Indiana Secretary of State's Office.

97 The registered agent of the corporation is currently: Joshua Thomas, 1262 Redwood Drive,
98 Greenfield, IN 46140. However, it should be noted that the registered agent may be a member of the
99 Board of Directors or a hired management agent and can potentially change from year to year. Therefore,
100 the current registered agent of the Association may be determined through the most recent annual
101 business entity report filed with the Indiana Secretary of State's office.

102 Until the Board of Directors otherwise determines, the registered office of the Association shall
103 be the registered place of business of the Association, but such registered office may be changed from
104 time to time by the Board of Directors in the manner provided by law and need not be identical to the
105 registered place of business of the Association.
106

107
108
109 **ARTICLE II**
110

111 Definitions
112

113 Section 1. "Act" means the Indiana Nonprofit Corporation Act of 1991 and any subsequent
114 amendments thereto.
115

116 Section 2. "Articles of Incorporation" or "Articles" means the Articles of Incorporation of the
117 Corporation filed with the Office of the Secretary of State of Indiana, as the same are or hereafter may be
118 amended from time to time.
119

120 Section 3. "Association" or "Corporation" shall mean and refer to Oak Highlands Homeowners
121 Association, Inc.

122
123 Section 4. "Board of Directors" means the Board of Directors of the Corporation.
124

125 Section 5. "Bylaws" means the most current Code of Bylaws, including any amendments or
126 revisions, adopted by the Association.
127

128 Section 6. "Declarant" or "Developer" means C.P. Morgan Communities, L.P., an Indiana
129 limited partnership, and any successors and assigns of it whom it designates in one or more written
130 recorded instruments to have the rights of Developer under the Declaration, including, without limitation,
131 any mortgagee acquiring title to any portion of the Property (as such term is defined in the Declaration)
132 pursuant to the exercise of rights under, or foreclosure of, a mortgage executed by Developer.
133

134 Section 7. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and
135 Restrictions for Oak Highlands, recorded with the Office of the Hancock County Recorder on December
136 16, 2002, as Instrument # 020020455, and all subsequent amendments thereto.
137

138 Section 8. "Director" means a member of the Board of Directors, elected or appointed in
139 accordance with these Bylaws.
140

141 Section 9. "Owner" also referred to as "Member" or "Lot Owner", means the record owner,
142 whether by one or more persons, of the fee simple title to any lot, but excluding those persons having
143 such interest merely as security for the performance of an obligation.
144

145 Section 10. "Property", "Properties", "Real Estate" "Development" and "Tract" shall mean and
146 refer to the real estate described in the Declaration, identified in the exhibits attached to the Declaration,
147 and/or set forth on the various recorded Plats of the Development, and any property subsequently annexed
148 thereto pursuant to the Declaration.
149

150 Section 11. All other terms used in these Bylaws not set forth herein are to be interpreted as
151 defined and used in the Declaration.
152

153 154 155 ARTICLE III

156 157 Membership, Meetings, and Voting Rights

158
159 Section 1. Membership: Reference is hereby made to the Declaration and the Articles which
160 sets forth terms, provisions, and conditions governing and relating to membership in the Association,
161 transfer of membership and voting rights of classes of Members, all of which terms, provisions and
162 conditions are incorporated herein by reference.
163

164 Section 2. Quorum and Adjournments: At any meeting of the membership, unless otherwise
165 stated in these Bylaws or in the Declaration, the presence of Members, in person or by proxy, entitled to
166 cast five percent (5%) of the total number of valid and eligible Owner votes shall constitute a quorum.
167 For purposes of this section, the term "eligible" means any Owner whose privileges are not suspended for
168 any reason as set forth in the Declaration, Articles or these Bylaws. If a Member has had his voting rights
169 suspended pursuant to the Declaration, Articles or these Bylaws, that vote is not considered a valid or
170 eligible vote toward calculating quorum requirements. After a Member's vote is represented, either in
171 person or by proxy, for any purpose at a meeting, the vote will be considered present for quorum purposes
172 for the remainder of the meeting and for any adjournment of that meeting. Except as otherwise provided

173 in the Declaration, Articles or these Bylaws, each question or action will be deemed passed if approved
174 by a simple majority of the eligible votes cast by the Members present, in person or by proxy, at a
175 meeting at which a quorum is present. In the event a quorum is not present at any meeting called under
176 authority of these Bylaws, that meeting may be adjourned to another date not more than sixty (60) days
177 later without further notice to the members.
178

179 Section 3. Meetings: Meetings of the Members of the Association will follow these provisions:
180

181 A. Place. Meetings of the Members are to be held in Hancock County, Indiana, at a place
182 selected by the Board of Directors of the Association.
183

184 B. Annual Meeting. The Board of Directors of the Association will set a date for the
185 Association's Annual Meeting to be held each year. The only limitation to setting the
186 date for the Annual Meeting is that the Annual Meeting must be held no more than fifteen
187 (15) months after the previous annual meeting. However, the specific date, time and
188 place of the Annual Meeting are to be determined by the Board of Directors. At each
189 Annual Meeting, the Members will conduct director elections and transact any other
190 Association business to be properly addressed at the meeting.
191

192 C. Special Meetings. A Special Meeting of the Lot Owners may be called by: a) the
193 President; b) resolution approved by a majority of the Board of Directors; or c) by written
194 petition signed by at least ten percent (10%) of the Lot Owners. The petition must be
195 presented to the President or Secretary of the Association and must state the purpose(s)
196 for which the Special Meeting is to be called.
197

198 The Board of Directors has thirty (30) days from the date the Secretary receives a
199 properly signed petition from the Members to send a Notice to the Membership calling
200 the requested Special Meeting. The purpose(s) of the Special Meeting, along with the
201 date, time and location of the Special Meeting must be stated in the meeting notice sent to
202 the Lot Owners. No business shall be transacted at a Special Meeting except as stated in
203 the notice of the meeting, unless all the Lot Owners are present.

204 It should be noted that according to the Act the Members may not call or hold a
205 Special Meeting of the Members without first submitting a petition, signed by not less
206 than ten percent (10%) of the Members, asking that the Board of Directors call a Special
207 Meeting as set forth above. If the Board refuses to call a Special Meeting of the
208 Members after receiving a proper petition from the Members, then the Members may call
209 a Special Meeting of the Membership on their own.

210 D. Notice of Meetings. Written or printed notices stating the place, day and hour of a
211 meeting and, in case of a special meeting, the purpose or purposes for which the meeting
212 is called shall be delivered or mailed by the Secretary of the Corporation to each member
213 of record of the Corporation entitled to vote at the meeting, at such address as appears
214 upon the records of the Corporation, at least ten (10) days before the date of the meeting,
215 but not more than sixty (60) days prior to the meeting.

216 Notices of any meeting may be mailed by first class U.S. Mail. Notices of
217 meetings may also be hand-delivered to an owner's residence. If the owner consents to
218 electronic service, then notice of meetings may be provided to owners by email or
219 postings on the Association's website, if one.

220 Notice of any meeting of the members may be waived in writing by any owner or
221 by the owner's attendance at the meeting in person, by proxy or by ballot.
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- E. **Order of Business.** The order of business at meetings of the members shall, to the extent applicable, be as follows:
1. Call to Order.
 2. Reading of minutes of preceding meeting.
 3. Reports of officers.
 4. Reports of committees.
 5. Treasurer's Report and review of Annual Budget (if an annual meeting).
 6. Election of director(s) (if an annual meeting).
 7. Unfinished business.
 8. New business.
 9. Adjournment.

Section 4. Voting at Meetings.

- A. **Voting Rights.** Unless otherwise suspended, each Lot is entitled to cast one (1) vote on each issue properly brought before the membership. In the event any Lot is owned by more than one person, the owners must decide among themselves which owner is entitled to vote at a meeting of the members. In the event the lot is owned by a corporation or other entity, that entity may appoint a representative to cast the vote(s) for the lot.
- B. **Proxies.** A Member may vote either in person or by his duly appointed proxy. Where a Member's vote is by proxy, the Member must designate his proxy in writing and deliver it to the Secretary of the Corporation or any other officer or agent of the Association authorized to tabulate votes. The proxy is effective once it is received by the Association.
- A proxy must contain the member's printed name, address or Lot number, the member's signature, and the date the proxy is executed (signed). A proxy is only valid for eleven (11) months from the date of its execution unless a longer or shorter period of validity is expressly set forth in the proxy. A proxy may be revoked in writing by the member prior to being exercised or by the member's personal attendance at the meeting where the vote is to be taken.
- If a member signs more than one proxy appointment, the latest in time, if possible to determine, is considered to be valid. If a member signs more than one (1) proxy to be used at a particular meeting, and it cannot be determined which proxy is the latest in time, then none of the member's proxies shall be counted or voted.
- C. **Majority Required.** Except as otherwise provided in the Declaration, Articles, these Bylaws, or Indiana law, each question or action voted upon at any member meeting will be deemed passed if approved by a simple majority of the eligible votes cast by the Members present, in person or by proxy, at the meeting at which a quorum is present.
- D. **Suspension of Voting Rights.** No Member shown on the books or management accounts of the Association to be more than thirty (30) days delinquent in any payment due to the Association shall be eligible to vote, either in person or by proxy.
- For purposes of this provision, the thirty (30) day period begins on the first day of the fiscal year or the due date of the assessment as set by the Board of Directors pursuant to its authority as set forth in the Declaration, whichever is later in time. If the amount due to the Association is for an obligation other than assessments, such as reimbursement for a covenant violation or court judgment, then the thirty (30) day period shall start on the date the amount became due.

274 The term "payment" means the payment of all amounts due to the Association, including
275 any assessments, collection fees, interest, late fees, attorney fees, court costs, or other sums
276 that are owed to the Association. As a result, if any Owner is paying the Association on a
277 payment plan or agreement, and that payment arrangement does not pay the entire amount
278 due to the Association within thirty (30) days of becoming due, then that Owner's voting
279 rights will stay suspended until the entire amount due to the Association is paid in full.

280 In addition, payment of delinquent accounts by any method other than cash at a meeting
281 where a vote will be held does not end any suspension under this provision until the funds
282 from the payment are actually received by the Association. The Board of Directors is free to
283 adopt additional rules regarding the suspension of voting rights as they deem necessary or
284 appropriate for the failure of an Owner to pay any sums owed to the Association.
285

286 **Section 5. Action by Written Ballot, Etc.** Any action required or permitted to be taken at any
287 meeting of the Members may be taken by written ballot with or without a meeting if the Association
288 delivers a written ballot to every owner eligible to vote on the matter. To be valid, the ballot must
289 contain:

- 290 a) the printed name of the lot owner;
- 291 b) the signature of the lot owner;
- 292 c) the lot(s) owned or being purchased by the lot owner; and
- 293 d) the date the ballot is being signed.

294 Approval by written ballot is only valid if:

- 295 a) the number of votes cast in person and/or by ballot equals or exceeds the quorum required to
296 be present at a meeting authoring such action; and
- 297 b) the number of approvals equals or exceeds the number of votes required to approve the matter
298 at a meeting.

299
300 The written ballot must set forth each proposed action and provide an opportunity for the owner
301 to vote for or against each proposed action. A solicitation, or request, for votes by written ballot must
302 indicate:

- 303 a) the number of responses needed to meet the quorum requirements;
- 304 b) the percentage of approvals necessary to approve each matter, other than the election of
305 directors; and
- 306 c) specify the time by which a ballot must be received by the Association to be counted.
307

308
309 If a meeting is to be held, then ballots may be mailed or personally delivered to the Association's
310 registered office prior to the meeting date; however, unless otherwise stated on the ballot, all ballots cast
311 by owners NOT attending the meeting must be RECEIVED at the Association's registered office by the
312 end of business at least three (3) business days prior to the date of the meeting in order to be counted.
313 Unless otherwise stated on the ballot, any ballots received less than three (3) business days prior to the
314 meeting date will not be counted.

315 If a meeting is NOT to be held, then owners must mail or personally deliver their ballot to the
316 Association's registered office by the due date stated on the ballot. Any ballots RECEIVED after the due
317 date will not be counted.

318 Only official ballots sent to the owners by the Association will be accepted. Unofficial ballots
319 will not be counted. Each owner must fully fill out the ballot, print their name and address and sign the
320 ballot. The Board of Directors may adopt additional voting procedures for submitting and processing
321 ballots.

322 If an owner signs or submits more than one ballot, the latest in time, if possible to determine, is
323 considered to be valid. However, if an owner signs or submits more than one ballot, and it is not possible
324 to determine which ballot is to be used, the Board may reject all ballots submitted by that owner.

325 In addition, voting and meeting participation may be held or performed in any manner set forth in
326 the Act or deemed acceptable by the Courts as a practical way to collect votes and allow Members to
327 participate in Association actions.
328

329 330 ARTICLE IV

331 332 Nomination and Election of Directors 333

334 **Section 1. Nominations.** Nominations for the Board of Directors may be made by any Owner
335 from those persons eligible to serve. Such nominations may be made in writing and presented to the
336 Secretary of the Association prior to the date of the annual meeting. The Board has the authority to set a
337 deadline date for submitting written nominations prior to the annual meeting.

338 If an insufficient number of written nominations are received prior to the date of the annual
339 meeting to fill all Board positions open for elections at the annual meeting, then oral nominations will be
340 accepted from the floor prior to voting on any open Directorship position.

341 If a sufficient number of written nominations are received prior to the date of the annual meeting
342 to fill all Board positions open for elections at the annual meeting, then the presiding officer of the annual
343 meeting has the sole discretion to either: 1) stand on the submitted written nominations; or 2) accept
344 additional oral nominations from the floor, prior to voting on any open Directorship position.
345

346 **Section 2. Election.** Voting on each position for the Board of Directors shall be by paper ballot
347 containing the signature, printed name and address of the Owner casting the ballot. Written balloting may
348 be waived by proper motion at the annual meeting and voting conducted by a voice vote or show of hands
349 in circumstances where the number of nominees does not exceed the number of Board positions open for
350 election (i.e. 2 nominees for 2 open directorships).

351 Each Owner, or their proxy, may cast the total number of votes to which he is entitled to cast for
352 as many nominees as are to be elected; however, cumulative voting shall not be allowed. Those persons
353 receiving the highest number of votes shall be elected.

354 At any director election where the terms of those directors being elected are to be staggered, the
355 highest vote recipient shall be elected to the longest term, the second highest vote recipient shall be
356 elected to the second longest term, and so on until all director positions being elected are filled. If there is
357 a tie for directorship positions of differing term lengths (i.e. two (2) persons both receive fifteen (15)
358 votes, but one (1) is to serve a two (2) year term and one (1) is to serve a one (1) year term), the directors
359 may agree to which term each will serve without the need for a new run-off vote. If the directors cannot
360 resolve the term dispute by agreement, then the presiding officer shall have the sole discretion to decide
361 the issue by either: 1) conducting a run-off ballot vote by the members; 2) draw from a hat; or 3) the flip
362 of a coin.

363 In the event no quorum is present at an annual meeting of the Association, or if a sufficient
364 number of candidates cannot be found to fill all open Board vacancies at the annual meeting, whether by
365 slating, written petition or oral nomination, then the remaining members of the Board of Directors may
366 fill any directorship positions open for election at the annual meeting. Any Director so appointed to fill
367 an open position on the Board of Directors shall serve the same term as if elected by the members at the
368 annual meeting.
369

370 **Section 3. Conducting Elections by Ballot.** The election of directors may be conducted by
371 ballot so that owners may select their nominees and send in their votes prior to the annual or special
372 meeting. If the number of written nominations received by the Association before the deadline date
373 exceeds the number of open board positions to be filled at the annual meeting, then a ballot will be mailed
374 to each owner for voting on new board members. *If the election of directors is conducted by ballot*

375 voting, then NO write-in nominations or nominations from the floor will be accepted so everyone has a
376 chance to vote on the same list of candidates.

377 If the number of written nominations received by the Association before the deadline date
378 matches the number of open board positions to be filled at the annual meeting, then there is no reason to
379 incur the expense of a mailed ballot since all submitted nominees will be elected by default. In this
380 situation, the Board may go ahead and send out a ballot for voting, or it may simply waive ballot voting
381 and accept the submitted nominees by voice vote at the annual meeting.

382 If an insufficient number of written nominations are received by the deadline date to fill all Board
383 positions open for election at the annual meeting, then ballot voting will not be conducted and oral
384 nominations will be accepted from the floor prior to voting on any open Directorship position.
385

386 387 388 **ARTICLE V**

389 **Board of Directors**

390 391 392 **Section 1. Number, Qualifications and Term of Office.**

393
394 (a). **Number.** The affairs of the Association shall be governed and managed by the Board of
395 Directors (collectively called the "Board" or "Directors" and individually called "Director"). The Board
396 of Directors will be composed of five (5) persons, with the minimum number of Directors being three (3)
397 and the maximum number being nine (9). The exact number of Directors may be increased or decreased,
398 as permitted by law, by resolution of the Board of Directors. If the number of directors currently serving
399 changes due to the resignation or removal of directors, or if an insufficient number of members volunteer
400 to fill all possible Board positions, the Board shall continue to function with the remaining number of
401 directors until those vacancies are filled so long as there are at least three (3) directors serving.
402

403 (b). **Qualifications.** A director must be an owner who maintains his primary place of residence
404 in the Oak Highlands community and does not have his membership rights in the Association suspended
405 for any reason as set forth in the Declaration, Articles or these Bylaws. No Lot may be represented by
406 more than one person or representative on the Board of Directors at the same time.
407

408 (c). **Term of Office Generally.** The Board of Directors will serve their terms on a staggered
409 basis as provided by law, with approximately one-third (1/3) of the Board being open for election each
410 year. Therefore, at the first Annual Meeting following adoption of these bylaws, two (2) directors will be
411 elected to serve three (3) year terms, two (2) directors will be elected to serve two (2) year terms, and one
412 (1) director will be elected to serve a one (1) year term. At all director elections thereafter, directors will
413 be elected to serve a three (3) year term. All directors shall serve their full term and/or until their
414 respective successors are properly elected and qualified.

415 In the event that the number of Directors is increased or decreased by resolution of the Board, the
416 election terms, or rotation, of said Directors shall be determined by the Board at the time the increase or
417 decrease is approved, so long as the election of Directors continues to be staggered and approximately
418 one-third (1/3) of the Board is open for election each year. If multiple directors are being appointed by
419 the Board to fill staggered Board vacancies, then the Board shall determine which appointee shall serve
420 each respective staggered term.
421

422 423 424 425 **Section 2. Vacancies and Removal.**

426
427 (a). **Vacancies.** Any vacancy that occurs on the Board of Directors due to the death,
428 resignation, or removal of a director will be filled by a new appointee approved by a majority vote of the
429 remaining Directors, and the appointee will serve the remaining term of the vacant directorship.
430 However, if a vacancy is caused by a Director being removed from the Board by a vote of the
431 Membership at a special meeting called for that purpose, then a majority of the members in attendance at
432 that special meeting must select a replacement(s) to fill the position(s) of the removed Director(s). Any
433 Director elected by the members to fill a vacancy on the Board will serve the unexpired portion of the
434 vacant directorship.

435
436 (b). **Removal.** Any Director may be removed from the Board of Directors, with or without
437 cause, by a majority vote of the Members of the Corporation.

438 Pursuant to Indiana Code 23-17-12-10, as may be amended or re-codified from time to time, and
439 the Articles, the Board of Directors also has the right to remove a Director from the Board with or without
440 cause by a two-thirds (2/3) vote of the Board.

441 The vacancy of a Director removed by the Members at a special meeting or a vacancy of a
442 directorship due to a Director being removed by a vote of the Board shall be filled pursuant to the
443 vacancy provisions within these Bylaws.

444
445
446 **Section 3. Duties of the Board of Directors.** The Board of Directors is the governing body of
447 the Association representing all of the Owners and is responsible for the functions and duties of the
448 Association, including but not limited to, providing for the administration of the Real Estate, the
449 management, maintenance, repair, upkeep and replacement of the Common Area (unless the same are
450 otherwise the responsibility or duty of Owners), and the collection and disbursement of the Common
451 Expenses.

452 The Board shall fulfill these duties in good faith, with the care an ordinarily prudent person in a
453 like position would exercise under similar conditions, and in a manner the Board believes to be in the best
454 interest of the Association. The availability of funds, the unforeseen or unexpected nature of expenses
455 caused by natural, administrative, or regulatory reasons, or any other factor or factors which may hinder
456 or prevent the Board from taking action to fulfill any of these duties shall be considered in determining
457 the reasonableness of the Board's actions or failure to provide certain services or maintenance as provided
458 herein.

459 The Board may employ a managing agent upon such terms as the Board shall find, in its
460 discretion, reasonable and customary. The managing agent shall assist the Board in carrying out its
461 duties, which include, but are not limited to:

- 462 (a) maintenance, repair and replacement of the Common Areas, unless the same are
463 otherwise the responsibility or duty of Owners of Lots; provided, however, that this duty
464 shall not include or be deemed or interpreted as a requirement that the Association, the
465 Board or any managing agent must provide any on-site or roving guards, security service
466 or security system for protection or surveillance, and the same need not be furnished;
- 467 (b) landscaping, painting, decoration, furnishing, and maintenance and upkeep of, the
468 Common Areas;
- 469 (d) assessment and collection from the Owners of the Owners' respective shares of the
470 Common Expenses;
- 471 (e) preparation of the annual budget, a copy of which will be mailed or delivered to each
472 Owner;
- 473 (f) preparing and delivering annually to the Owners a full accounting of all receipts and
474 expenses incurred in the prior year;

- 475 (g) keeping a current, accurate and detailed record of receipts and expenditures affecting the
476 Common Areas and the business and affairs of the Association, specifically itemizing the
477 Common Expenses;
478 (h) procuring and maintaining for the benefit of the Association, the Owners, any managing
479 agent and the Board the insurance coverage required under the Declaration and such
480 other insurance coverage as the Board, in its sole discretion, may deem necessary or
481 advisable;
482 (i) paying taxes and assessments assessed against and payable with respect to the Common
483 Areas and paying any other necessary expenses and costs in connection with the
484 Common Areas;
485 (j) enforcing the covenants, restrictions, bylaws and rules and regulations in the Declaration,
486 Articles, Bylaws or adopted rules and regulations;
487 (k) all other duties and obligations imposed upon the Association or the Board under the
488 Declaration, Articles, Bylaws or the Act.
489

490 **Section 4. Powers of the Board of Directors.** The Board of Directors shall have such powers
491 as are reasonable and necessary to accomplish the performance of their duties. These powers include, but
492 are not limited to, the power to:

- 493 (a) employ a managing agent to assist the Board in performing its duties;
494 (b) purchase, lease or otherwise obtain for the Association, to enable it to perform its
495 functions and duties, such equipment, materials, labor and services as may be necessary
496 in the judgment of the Board of Directors;
497 (c) employ legal counsel, architects, contractors, accountants and others as in the judgment
498 of the Board of Directors may be necessary or desirable in connection with the business
499 and affairs of the Association;
500 (d) employ, designate, discharge and remove such personnel as in the judgment of the Board
501 of Directors may be necessary for the maintenance, upkeep, repair and replacement of the
502 Common Areas, and to perform all other maintenance, upkeep, repair and replacement
503 duties of the Association and the Board;
504 (e) include the costs of performing all of its functions, duties and obligations as Common
505 Expenses and to pay all such costs there from;
506 (f) open and maintain a bank account or accounts in the name of the Association;
507 (g) create, adopt, revise, amend or alter from time to time such additional rules and
508 regulations with respect to use, occupancy, operation, enjoyment, and architectural
509 additions or modifications of the Real Estate, including the individual lots, streets
510 (whether public or private), and the Common Areas, said rules and regulations being in
511 addition to the rules and restrictions set forth in the Declaration, as the Board, in its
512 discretion, deems necessary or advisable; provided, however, that copies of any such
513 additional rules and regulations so adopted by the Board shall be promptly delivered to
514 all Owners;
515 (h) take any and all appropriate action, including legal action, if necessary, to enforce or gain
516 compliance by all Owners of the provisions, restrictions or requirements within
517 Declaration, Articles, Bylaws, or rules and regulations of the Association;
518 (i) grant to such public or private companies, entities or bodies as the Board may approve,
519 such easements as may be necessary to provide the Lots, Dwelling Units and Common
520 Areas with facilities for utility and similar services, including but not limited to cable
521 television facilities and service; provided that such easements are located within or are
522 co-extensive with any one or more utility easements, maintenance and access easements,
523 landscape and maintenance easements, or Common Areas shown upon, and identified as
524 such on, or provided for in, any subdivision plat of the Development, whether such plat is
525 heretofore or hereafter recorded.

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Section 5. Annual Meeting. The Board of Directors shall meet annually, without notice, immediately following, and at the same place as, the annual meeting of the Voting Members.

Section 6. Regular Meetings. Regular meetings of the Board of Directors shall be held at such regular intervals, without notice, at such place and hour as may be determined from time to time by resolution of the Board of Directors. If a regular meeting of the Board is to be held on a date other than a regularly scheduled meeting date previously set by the board, then notice of the meeting must be provided to each director at least forty-eight (48) hours prior to the meeting.

Section 7. Special Meetings. Special meetings of the Board of Directors may be called by the President or by a majority of the members of the Board of Directors, at any place within or without the State of Indiana, upon twenty-four (24) hours notice, specifying the time, place and general purposes of the meeting, given to each Director personally, by telephone or email; or notice may be given by U.S. Mail if sent, via first class, postage pre-paid, mail at least three (3) days before such meeting.

Section 8. Notice and Waiver of Notice. Notices of Board meetings shall be given to each Director as set forth in these Bylaws. A Director waives formal meeting notice requirements by attending the meeting or by voting in writing or email on any issue addressed at a meeting of the Board.

Section 9. Quorum. A majority of the entire Board of Directors then qualified and acting constitutes a quorum for the purpose of transacting business, except for filling vacancies in the Board of Directors which shall require action by a majority of the remaining Directors. Any act of the majority of the Directors present at a meeting at which a quorum shall be present shall be the act of the Board unless otherwise provided for by law or by these Bylaws. A majority of the Directors present may adjourn any meeting from time to time. Notice of an adjourned meeting need not be given other than by announcement at the time of adjournment.

Section 10. Attendance at Board Meeting. Any board member may participate in a board meeting telephonically, such as a conference call, or electronically, such as internet video transmission, or other internet or electronic communication by which all directors participating may hear each other during the meeting.

Section 11. Action Taken Without a Meeting. Any action required or permitted to be taken at a meeting of the Board of Directors or any committee may be taken without a meeting if the action is approved by a majority of the entire Board in writing or via email. If an action is approved via writing or email, evidence of the written or email approval must be made a part of the corporate Board minutes or records. However, failure to keep documentation of the approval does not automatically invalidate the decision.

Section 12. Compensation. No Director shall receive compensation for any service he may render to the Association as such director. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties, and any Director may be paid and compensated for services rendered to the Association in a capacity other than as a director.

Section 13. Non-Liability of Directors. The Directors shall not be liable to the Owners or any other Persons for any error or mistake of judgment exercised in carrying out their duties and responsibilities as Directors, except for their own individual willful misconduct, bad faith or gross negligence. The Association shall indemnify and hold harmless and defend each of the Directors against any and all liability to any person, firm or corporation arising out of contracts made by the Board on behalf of the Association, unless any such contract shall have been made in bad faith. It is intended that

577 the Directors shall have no personal liability with respect to any contract made by them on behalf of the
578 Association.

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580 **Section 14. Additional Indemnity of Directors.** The Association shall indemnify, hold
581 harmless and defend any person, his heirs, assigns and legal representatives, made a party to any action,
582 suit or proceeding by reason of the fact that he is or was a Director of the Association, against the
583 reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection
584 with the defense of such action, suit or proceeding, or in connection with any appeal therein, except as
585 otherwise specifically provided herein in relation to matters as to which it shall be adjudged in such
586 action, suit or proceeding that such Director is liable for gross negligence or misconduct in the
587 performance of his duties. The Association shall also reimburse to any such Director the reasonable costs
588 of settlement of or judgment rendered in any action, suit or proceeding, if it shall be found by a majority
589 vote of the Owners that such Director was not guilty of gross negligence or misconduct. In making such
590 findings and notwithstanding the adjudication in any action, suit or proceeding against a Director, no
591 Director shall be considered or deemed to be guilty of or liable for negligence or misconduct in the
592 performance of his duties where, acting in good faith, such Director relied on the books and records of the
593 Association or statements or advice made by or prepared by the Managing Agent (if any) or any officer or
594 employee thereof, or any accountant, attorney or other person, firm or corporation employed by the
595 Association to render advice or service unless such Director had actual knowledge of the falsity or
596 incorrectness thereof; nor shall a Director be deemed guilty of or liable for negligence or misconduct by
597 virtue of the fact that he failed or neglected to attend a meeting or meetings of the Board of Directors.
598

599 **Section 15. Bond.** The Board of Directors may provide surety bonds (or an equivalent form of
600 coverage) and may require the managing agent (if any), the treasurer of the Association, and such other
601 officers as the Board deems necessary, to provide surety bonds (or an equivalent form of coverage),
602 indemnifying the Association against larceny, theft, embezzlement, forgery, misappropriation, wrongful,
603 abstraction, willful misapplication and other acts of fraud or dishonesty, in such sums and with such
604 sureties as may be approved by the Board of Directors and any such bond (or equivalent form of
605 coverage) shall specifically include protection for any insurance proceeds received for any reason by the
606 Board. The expense of any such bonds (or equivalent form of coverage) shall be a Common Expense.
607

608 609 ARTICLE VI

610 611 Officers

612
613 **Section 1. In General.** The officers of the Corporation must be members of the Board of
614 Directors and may consist of a President, a Vice President, a Secretary, a Treasurer, and such other
615 officers or assistant officers as the Board shall from time to time create and so appoint. Any two (2) or
616 more offices may be held by the same person, except that the duties of the President and Secretary shall
617 not be performed by the same person.
618

619 **Section 2. Election and Terms.** Each officer will be appointed by the Board of Directors at the
620 Board's annual meeting, and shall hold that officer position until: a) the next annual meeting of the
621 Board; b) the expiration of the director's term on the Board of Directors; or c) the director's removal or
622 resignation from the Board, whichever occurs first.
623

624 **Section 3. Vacancies and Removal.** Whenever any vacancy shall occur in any office by death,
625 resignation, increase in the number of officers of the Corporation, or otherwise, the vacant office shall be
626 filled by the Board of Directors, and the officer so elected shall hold office until the next annual meeting
627 of the Board or until his or her successor is duly elected and appointed.

628 Any officer may be removed at any time, with or without cause, by vote of a majority of the
629 whole Board. A Director removed from a particular office shall continue to serve on the Board of
630 Directors, and may be re-appointed to a different office or may serve on the Board without an officer
631 designation.

632
633 **Section 4. President.** The President shall be the chief executive officer of the Corporation; shall
634 preside at all meetings of Voting Members and of the Board of Directors; shall have general and active
635 supervision, control, and management of the affairs and business of the Corporation, subject to the orders
636 and resolutions of the Board; shall have general supervision and direction of all officers, agents and
637 employees of the Corporation; shall see that all orders and resolutions of the Board are carried into effect;
638 and in general shall exercise all powers and perform all duties incident to such office and such other
639 powers and duties as may from time to time be assigned to him by the Board.

640 The President shall have full authority to execute proxies on behalf of the Corporation, and to
641 execute, with the Secretary, powers of attorney appointing other corporations, partnerships or individuals
642 the agent of the Corporation, all subject to the provisions of the laws of the State of Indiana, the
643 Declaration, the Articles of Incorporation and this Code of Bylaws.

644
645 **Section 5. Vice-President.** The Vice-President shall act in the place or stead of the President in
646 the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as
647 may be required by him the Board of Directors or as are delegated to him by the President.

648
649 **Section 6. Secretary.** The Secretary shall attend meetings of the Board and of the Voting
650 Members and shall act as Secretary of such meetings; shall give or cause to be given all notices provided
651 for in these Bylaws or required by law; shall record all votes and minutes of all proceedings of the
652 meetings of Voting Members and the Board in a book or books to be kept for that purpose; shall be
653 custodian of the records of the Corporation; shall have charge of the list of Voting Members; and in
654 general shall exercise all powers and perform all duties as may be from time to time assigned to him or her
655 by the Board or by the President. The Secretary, or Board in the Secretary's absence, shall have the
656 authority to appoint someone to serve as the Secretary's assistant for note/minute taking purposes at a
657 meeting.

658
659 **Section 7. Treasurer.** The Treasurer shall keep correct and complete records of account
660 showing accurately at all times the financial condition of the Corporation; shall be the custodian of the
661 corporate funds and securities; shall immediately deposit, in the name and to the credit of the Corporation,
662 all moneys and other valuable effects of the Corporation in such depositories as may be designate by the
663 Board of Directors; shall disburse the funds of the Corporation as may be ordered by the Board or by the
664 President; and in general, shall exercise all powers and perform all duties customarily incident to such
665 office and such other powers and duties as may from time to time be assigned to him or her by the Board
666 or the President.

667
668 **Section 8. Special Appointments.** The Board of Directors may appoint such other officers
669 and/or assistant officers as the affairs of the Association may require, each of whom shall hold office for
670 such period, have such authority, and perform such duties as the Board of Directors may, from time to
671 time, determine.

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ARTICLE VII

Committees

Section 1. In General. The Board of Directors, by resolution adopted by a majority of the Board of Directors, may create or appoint one (1) or more various committees to assist the Board in carrying out the purposes of the Association. Members of committees may, but need not, be members of the Board of Directors. Each committee, to the extent provided in such resolution or as authorized pursuant to the Act, Articles, Declaration, or these Bylaws, shall have and may exercise such authority of the Board of Directors as shall be expressly delegated by the Board from time to time; except that no such committee shall have the authority of the Board of Directors in reference to:

- a. Adopt, amend or repeal the Articles of Incorporation;
- b. Approve or recommend a plan of merger or consolidation of the corporation not requiring Member approval;
- c. Approve or recommend to the Members the sale, pledge, lease, transfer or exchange of all or substantially all of the assets of the Corporation;
- d. Approve or recommend to the Members the dissolution of the Corporation or a revocation thereof;
- e. Adopt, amend, or repeal the Bylaws of the Corporation;
- f. Fill vacancies on the Board of Directors or committees;
- g. Elect, appoint or remove Directors or members of committees;
- h. Fix the compensation of any member of such committee; or
- i. Alter or repeal any resolution of the Board of Directors that by its terms provides that it shall not be so amendable or repealable.

A majority of all members of any such committee may determine its action and fix the time and place of its meetings, unless the Board of Directors shall otherwise provide. The Board of Directors shall have power at any time to change the number and members of any such committee, to fill vacancies and to discharge any such committee. The designation of such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed upon it or him by the Indiana Nonprofit Corporation Act of 1991, as amended.

ARTICLE VIII

Records of the Association

Section 1. In General. Current copies of the Declaration, the Articles, the Bylaws, rules and regulations, other corporate documents concerning the Real Estate or the Association and its operation required to be kept and made available for inspection shall be available for inspection by any member or other properly designated party at the principal office of the Association during reasonable business hours or under other reasonable circumstances, where copies of the same may be purchased at reasonable cost.

The Association shall keep detailed books of account showing all expenditures and receipt of administration which shall specify the maintenance and repair expenses of the Common Areas, all easements, and any other expenses incurred by or on behalf of the Association and the members. The accounts, books, records, financial statements, and other papers of the Association shall be open for inspection by any member upon written request submitted to the Board at least five (5) days in advance of the inspection date, and said inspection is to be made during reasonable business hours or under other

730 reasonable circumstances. Any holder, insurer, or guarantor of a first mortgage on a Lot shall be entitled
731 upon written request to receive a financial statement for the immediately preceding fiscal year.

732 The Association reserves the right to require any member to request inspection of the accounts,
733 books, records, financial statements, and other papers of the Association according to the requirements set
734 forth under the Indiana Nonprofit Corporation Act of 1991, specifically Indiana Code 23-17-27 et seq.,
735 and any amendments or re-codification subsequently adopted thereto. The Association reserves the right
736 to deny an owner access to any records that are not required to be opened for inspection under Indiana
737 law, or if the Association determines the owner's request; a) was not made in good faith or for a proper
738 purpose; b) the member fails to describes with reasonable particularity the purpose and the records the
739 member desires to inspect; or c) the records requested are not directly connected to the stated purpose for
740 the request.

741 742 743 744 **ARTICLE IX**

745 **Execution of Instruments**

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748 **Section 1. Checks, Draft, etc.** All checks, drafts, bills of exchange or other orders for the
749 payment of money, obligations, notes or other evidences of indebtedness of the Association shall be
750 signed or endorsed by such officer or officers, employee or employees of the Association as shall from
751 time to time be designated by the Board of Directors.

752
753 **Section 2. Contracts.** All contracts, agreements, deeds, conveyances, mortgages and similar
754 instruments authorized by the Board of Directors shall be signed, unless otherwise directed by the Board
755 of Directors or required by law, by the President, and attested by the Secretary.

756 757 758 **ARTICLE X**

759 **Assessments and Fiscal Year**

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762 **Section 1. Assessments.** Each Owner is obligated to pay to the Association annual and special
763 assessments as more specifically described in the Declaration. The assessments are secured by a
764 continuing lien upon the property against which the assessment is made. Any assessments which are not
765 paid within thirty (30) days shall be delinquent.

766 If the assessment is not paid within thirty (30) days after the assessment falls due, the assessment
767 shall bear interest from the date of delinquency at twelve percent (12%) per annum or the highest rate
768 allowable under Indiana law, whichever is greater. In addition, the Association may impose reasonable
769 late fees on all delinquencies. The Board shall have the right to determine the amount of the late fees, the
770 time period before the late fees are imposed, the rate of the late fees (i.e. annually, monthly, etc.) and to
771 make any other provisions for late fees and interest charges on late payments as the Board, in its sole
772 discretion, deems appropriate. The Board may also adopt specific collection procedures to be used in
773 collecting assessments and pursuing delinquent accounts.

774 If the Association incurs administrative fees or expenses as a result of collecting delinquent
775 amounts, the Owner shall be personally obligated to reimburse the Association these fees.

776 If the Association employs legal counsel to pursue the collection of unpaid amounts owed to the
777 Association, the Owner shall be personally obligated to pay any collection costs or expenses for the
778 sending of collection letters or other correspondence or communication prior to the filing of legal action,
779 or for the Association's attorney to take any other action in an attempt to collect the unpaid amounts.

780 The Association may bring an action at law against the Owner personally obligated to pay the
781 same or to foreclose the lien against the property, or both, and there shall be added to the amount of such
782 account balance the costs of preparing the collection notices and letters, preparing and filing the
783 complaint in such action, interest and late fees on any assessment as above provided, and reasonable
784 attorneys' fees, together with the costs of the action.

785 In addition, an Owner who becomes more than thirty (30) days delinquent on any assessment or
786 other payment due to the Association shall not be eligible to vote, either in person or by proxy; to be
787 elected or serve on the Association's Board of Directors; or to use any of the Common Area facilities, if
788 any, pursuant to the provisions set forth in the Declaration, Articles and/or these Bylaws.
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790 **Section 2. Fiscal Year.** The fiscal year of the Association shall begin at the beginning of the
791 first day of January in each calendar year and end at the close of the last day of December of the same
792 calendar year.
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794 795 796 797 **ARTICLE XI**

798 **Enforcement**

800
801 **Section 1. In General.** The provisions of the Declaration, Articles, Bylaws, and rules,
802 regulations and architectural guidelines for Oak Highlands, including amendments or modifications
803 thereto, shall be binding and enforceable upon each and every Lot and Lot Owner in Oak Highlands. For
804 any violation of the Declaration, Articles, Bylaws, or rules, regulations or architectural guidelines adopted
805 by the Board or the Architectural Committee, each owner in violation shall be subject to an action at law
806 or in equity by the Association to enjoin the violation, or pursue any other relief or remedy as may be set
807 forth in the Declaration, Articles, Bylaws or rules and regulations.

808 If the Association takes any action to enforce any provision or restriction in the Declaration,
809 Articles, Bylaws, and rules, regulations and architectural guidelines of Oak Highlands, including, but not
810 limited to, the preparing and sending of violation letters, towing of vehicles, self-help or legal action filed
811 in the courts, then the Association shall be entitled to reimbursement of all its costs and expenses,
812 including, but not limited to reasonable attorney fees, administrative charges by a management agent, and
813 court costs, of said enforcement activity or action from the party or parties in violation of said rule or
814 regulation.

815 The foregoing remedies shall be in addition to, or supplement, any remedies of the Association
816 identified in the Declaration, Articles or Bylaws, and may be used or applied to any enforcement activity
817 or action taken pursuant to any violation of the Declaration, Articles or Bylaws or any properly adopted
818 rule or regulation.

819 These remedies are adopted herein to maintain the intent and spirit of the Declaration, Articles or
820 Bylaws that the Association and its members should not be penalized or suffer a financial loss to the
821 Association's operating budget for the cost of any enforcement efforts necessary to gain or achieve an
822 Owner's compliance with the terms and restrictions set forth in the Declaration, Articles or Bylaws or any
823 properly adopted rule or regulation.
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