HERITAGE LAKE PROPERTY OWNERS ASSOCIATION, INC.

BYLAWS

ADOPTED, HERITAGE LAKE PROPERTY OWNERS ASSOCIATION BOARD OF DIRECTORS

February 5, 1976

Revised and Restated May 1, 2026

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REVISED AND RESTATED
CODE OF BY-LAWS
for
HERITAGE LAKE PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE I
Identification and Applicability

Section 1. Name. The name of the corporation is "Heritage Lake Property Owners Association, Inc." (referred to as "Corporation" or "Association").

Section 2. Principal Office and Resident Agent. The name and post office address of the registered office of the Association is:
Heritage Lake Property Owners Association, Inc.,
1000 Clubhouse, Coatesville, IN 46121,
or as updated from time to time with the Indiana Secretary of State. The current registered agent of the Association is: Benjamin Routon, 1000 Clubhouse, Coatesville, IN 46121, but may be updated from time to time pursuant to the most recent annual business entity report filed with the Indiana Secretary of State's office.

Section 3. Individual Application. All of the lot Owners, future Owners, mortgagees, tenants, or their guests and invitees, and any other person who may use or occupy a lot or any common areas in the subdivision, shall be subject to the terms and conditions of all documents affecting such lot and the common areas, as well as by the Articles of Incorporation of the Association, these Bylaws, and any Rules and Regulations adopted by the Association.

Section 4. Effect of Becoming an Owner. The Owner of any lot in Heritage Lake, by acceptance of a deed conveying title thereto, or the execution of a contract for the purchase thereof, whether from Developer or a subsequent Owner of such lot, shall accept such deed and execute such contract subject to the provisions contained in the Declaration, the Articles and these Bylaws. By acceptance of such deed or execution of such contract the Owner acknowledges the rights and powers of Developer with respect to the Declaration, Articles and these Bylaws, and also, for themselves, their heirs, personal representatives, successors and assigns, such Owner covenants and agrees and consents to and with Developer and to and with the Owner and subsequent Owners of each of the lots affected by the Declaration, Articles and these Bylaws to keep, observe, and comply with the terms and conditions of the Declaration, Articles and these Bylaws.

ARTICLE II
Definitions

Section 1. "Act" means the Indiana Nonprofit Corporation Act of 1971 and any subsequent amendments thereto

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

Section 3. "Association" or "Corporation" shall mean and refer to Heritage Lake Property Owners Association, Inc.

Section 4. "Board of Directors" means the Board of Directors of the Corporation.

Section 5. "Bylaws" means this Revised and Restated Code of Bylaws, including any amendments or revisions, adopted by the Association.

Section 6. "Declarant" or "Developer" shall mean American Central Corporation, and any successors and assigns of it whom it designates in one or more written recorded instruments to have the rights of Developer under the Declaration, including, without limitation, any mortgagee acquiring title to any portion of the Property (as such term is defined in the Declaration) pursuant to the exercise of rights under, or foreclosure of, a mortgage executed by Developer.

Section 7. "Declaration" shall mean and refer collectively to the Declaration of Restrictive Covenants for each section of Heritage Lake as set forth in the recitals above, and all subsequent properly approved supplements and amendments thereto.

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

Section 9. "Member" shall mean and refer to all those owners who are members of the Association as provided in Article III, Section 1, of the Declaration.

Section 10. "Owner" shall mean and refer to the equitable owner, whether one or more persons or entities, holding any original lot situated upon the Properties whether such ownership be in fee simple title or as land contract vendee, notwithstanding any applicable theory of the mortgage, shall not mean or refer to the

mortgagee except if the mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure. Owners shall be designated as primary and secondary owners as defined and set forth in these Bylaws.

Section 11. "Primary Owner" shall mean the titled owner or contract purchaser who is designated as the owner primarily responsible for paying the assessments and charges for the lot. The primary owner shall also be the designated voting owner for the lot.

Section 12. "Property", "Properties", "Real Estate", "Development" and "Tract" shall refer to the real estate described in the Declaration of the Heritage Lake Subdivision, identified in the Exhibits attached to the Declaration and/or set forth on the various recorded Plats of the Development, and any property subsequently annexed thereto pursuant to the Declaration.

Section 13. "Secondary Owner" shall mean the titled owners or contract purchasers of a lot who are not designated as the primary owner of the lot. Secondary owners are not primarily responsible for paying the assessments and other charges for the lot; however, they do remain jointly and severally liable for the assessments and other charges against the lot should the primary owner fail to pay them. Secondary owners of a lot shall not have the right to vote in Association matters.

ARTICLE III
Membership

Section 1. Membership: There shall be two (2) classes of membership in the Association:

A. Lot Owners.
1. **Titled Owner**. The titled owner is the record owner (i.e. the name on the property deed), whether one or more persons or a corporate entity, of the fee simple title to any Lot which is part of the Real Estate and which is subject to the Covenants.

A titled owner is the determined by the permanent address of the owner. Hence, two or more owners living at the same permanent address as stated on their driver's license or other official identification are considered as one (1) owner. If a lot is owned by multiple persons living at different permanent addresses, each owner having a different permanent address is considered a separate owner. For example, if Joe Smith, Suzy Johnson, Mike Johnson, and Richard Adams are all titled owners of a lot, and Suzy and Mike Johnson are living at the same permanent address, then

this particular lot would be considered to have three (3) titled owners, namely Joe Smith, Richard Adams and the Johnsons. This same rule applies for contract purchasers as well.
If a titled owner is a legal entity, such as a corporation, partnership or trust, the entity must designate the person who will be the primary owner for the entity. To prevent a situation whereby a corporation with hundreds or thousands of members or shareholders attempts to gain access to the common facilities of Heritage Lake, the Association has determined a shareholder must hold at least twenty-five percent (25%) of the outstanding corporate stock in order to qualify for secondary ownership privileges. This same rule applies for contract purchasers as well.

a. **Primary Owner**. Whenever there is more than one (1) titled owner of a lot, one (1) owner must be designated as the primary titled owner of the lot for voting and assessment purposes. The owner designated as the primary owner will hold the voting rights for the lot and will be the owner primarily responsible for paying the annual dues and assessments for the lot. All official notices, whenever possible, will be sent to the primary owner.
If the collective titled owners for a lot do not designate to the Association a primary owner for a lot, then the Association will consider the first name listed on the deed to be the primary owner of the lot.
If the titled owner is an entity, and the entity does not designate to the Association a primary owner for the lot, then the first listed director on the records maintained by the Indiana Secretary of State shall be considered the primary owner of the lot.

b. **Secondary Owner**. All titled owners of a lot who are not the primary owner will be considered secondary titled owners of the lot. Secondary owners do not have voting authority for the lot. Secondary owners will not be primarily responsible for the annual dues and assessments for the lot. However, secondary owners must pay the applicable user fees for access to the common facilities. In addition, secondary owners remain jointly and severally liable for the annual dues and assessments along with all other titled owners of the lot. Therefore, if the primary owner who is primarily responsible for paying the annual dues and assessments does not pay those dues and assessments, all titled owners may be held jointly and severally responsible for the delinquency and legal action, as authorized by the Declaration, may be taken against all owners to collect the delinquency.

2. **Contract Purchaser**. A contract purchaser is any person(s) or entity which is purchasing any lot or parcel of property within Heritage Lake from the titled owner of the lot or parcel under the terms of a duly

executed purchase contract or agreement. To be recognized as a contract purchaser lot owner under the terms of these Bylaws, the purchase contract must be on file with the Association. Contract purchasers are bound by the Covenants and these Bylaws the same as a titled owner of the lot or parcel. Under the terms of the Covenants, a contract purchaser(s) shall have joint and several liability for the payment of annual dues, assessments and other amounts owed to the Association with the titled owner of the lot being purchased on contract.
If a purchase contract is not filed with the Association, then the contract purchaser shall not be recognized by the Association, and the contract purchaser shall be considered a renter member under these Bylaws, and shall have the same membership privileges as a renter member.

a. **Primary Contract Purchaser**. Whenever there is more than one (1) contract purchaser of a lot, the titled owner may elect to designate only one (1) contract purchaser as the primary owner of the lot for voting and assessment purposes. The contract purchaser designated as the primary owner will hold the voting rights for the lot and will be the owner primarily responsible for paying the annual dues and assessments for the lot. All official notices, whenever possible, will be sent to the primary owner.

b. **Secondary Contract Purchaser**. If multiple persons or entities are purchasing a lot on contract, all contract purchasers of a lot who are not designated as the primary owner will be considered secondary owners of the lot. Secondary owners do not have voting authority for the lot. Secondary owners will not be primarily responsible for the annual dues and assessments for the lot. However, secondary owners must pay the applicable user fees for access to the common facilities. In addition, secondary owners remain jointly and severally liable for the annual dues and assessments along with all other titled owners of the lot. Therefore, if the primary owner who is primarily responsible for paying the annual dues and assessments does not pay those dues and assessments, all contract purchasers, along with all titled owners of the lot, may be held jointly and severally responsible for the delinquency and legal action, as authorized by the Declaration, may be taken against all owners to collect the delinquency.

1. **Titled Owners**. The membership of any titled owner shall terminate only when the owner no longer holds title to any lot in Heritage Lake.

2. **Contract Purchaser**. The membership of any contract purchaser shall terminate upon the expiration of the purchase contract or agreement.

3. **Associate**. The membership of any associate member shall terminate at the same time as the membership of the lot owner with whom their associate membership was affiliated.

4. **Renter**. The membership of any renter member shall be automatically terminated when the rental agreement is terminated or the renter ceases to reside at the property. The membership of any renter member may also be terminated at any time by the Board for the failure to pay any user fees or other amounts owed to the Association. Renter membership may also be terminated for failing to abide by the rules or requirements for using the common facilities as set or adopted by the Board.

Section 3. Membership Identification: The Board may, but is not obligated to, adopt a membership identification card or certificate to be issued to members. If adopted, the identification card or certificate may contain the class of membership and any other information deemed appropriate by the Board. Membership identification cards or certificates are not transferrable.

ARTICLE IV
Voting Rights

Section 1. In General. Each lot is assigned one (1) vote on each issue presented to the members. Unless otherwise suspended, an owner shall be entitled to cast one (1) vote on each issue properly brought before the membership.

Section 2. Multiple or Corporate Owners. In the event any lot(s) is owned or being purchased by more than one (1) person or by a legal entity, only one (1) person with respect to such lot(s) shall be entitled to vote at a meeting of the members. In the event any lot(s) is owned by a corporation or trust, the entity's designated representative, agent, or trustee, shall be entitled to vote at a meeting of the members.

If a lot(s) is titled in the name of more than one person or entity, or is being purchased on contract by an individual, corporation or entity, the collective owners or corporate owner of the lot shall decide which owner shall be designated as the "primary owner" for the lot(s).

As a result, each primary owner of the Association in good standing shall have the following voting rights, unless otherwise suspended or provided for in these Bylaws:

A. **Titled Owner**. Except for lots owned by the Association, a titled owner shall have one (1) vote for each lot he owns.
Except in cases of multiple titled owners, the titled owner of a lot shall be considered the primary owner of his lots, unless he is selling any of his lots on purchase contract, in which case, the titled owner may appoint the contract purchaser as the primary owner. To appoint the contract purchaser as the primary owner, the titled owner must file the purchase contract with the Association and designate in writing that the contract purchaser is to be the primary owner of the lot. Once the primary voting rights for a lot(s) have been transferred from the titled owner to a contract purchaser, the titled owner shall not have any voting rights for those particular lot(s). This transfer of voting rights from the titled owner to the contract purchaser does NOT occur until the purchase contract has been filed with the Association and the titled owner has designated in writing to the Association the contract purchaser as the primary owner.
Upon the expiration or termination of the membership of a contract purchaser who has been assigned primary ownership rights, the primary ownership rights for the lot (s) involved in the purchase contract shall automatically revert to the titled owner of the lot(s).

B. **Contract Purchaser**. A contract purchaser appointed as the primary owner shall have one (1) vote for each lot (s) he is purchasing under the contract. If a contract purchaser is purchasing more than one lot in Heritage Lake under separate contracts, the contract purchaser must be designated as the primary owner under each separate purchase contract in order to have primary ownership rights for the lots subject to that particular contract.

C. **Association**. The Association shall have no voting rights for any lot(s) it may hold in its name.

Section 3. Proxies. Any eligible Member may vote either in person or by his duly appointed proxy. When a Member wishes to appoint a proxy to vote in his place for a specific meeting, the Member must designate the name of his proxy in writing and deliver it in person, by US Mail, facsimile, or electronic mail or other electronic means, to the Association or its designated agent. The proxy is effective once it is received by the Association or its designated agent. Unless excused by the presiding officer, all proxies must be received by the Association at least two (2) business days before the date of the scheduled meeting where the proxy is to be counted. That will give the Association sufficient time to verify the validity of the proxy.

To be valid, a proxy must contain:

A. The member's name and address giving the proxy;
B. The name of the person being appointed as proxy;
C. The date the proxy is given;

D. The date of the meeting for which the proxy is given;
E. The member's signature; and
F. An affirmation under the penalties for perjury that the individual signing the proxy has the authority to grant the proxy to the individual named in the proxy to exercise the member's proxy.

A proxy is only valid for one hundred eighty (180) days from the date it is signed. 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 proxy appointment was to be used.

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. If a member has his voting privileges suspended for any reason, then he cannot vote, whether in person or by proxy. In addition, any member who is suspended for any reason cannot serve as a proxy for another member.

Section 4. Majority Required. Except as otherwise provided in the Declaration, Articles, these Bylaws, or Indiana law, each question or action being voted upon by the owners shall be deemed passed if approved by a simple majority of the eligible votes cast by the owners present, in person or by proxy or ballot, at a meeting at which a quorum is present.

Section 5. Suspension of Voting Rights. No owner 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 or ballot.

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 becomes due.

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

full.
It should be clearly noted that it is the owner's status as of the record date, not the date of the meeting, which determines whether the owner is entitled to vote. The Board of Directors shall be free to adopt additional rules regarding the suspension of voting rights they deem necessary or appropriate for the failure of an Owner to pay any sums owed to the Association.

Section 6. Voting

A. Written Ballot. Any action required or permitted to be taken at any meeting of the Members may be taken by written ballot with or without a meeting if the Association delivers a written ballot to every owner entitled to vote on the matter. To be valid, the ballot must contain:

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

The ballot must set forth each proposed action and provide an opportunity for the owner to vote for or against each proposed action. Approval by written ballot is only valid if:

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

A solicitation, or request, for votes by written ballot must indicate:

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

Ballots may be returned by mail, facsimile, electronic mail or other electronic means, or personally delivered to the Association's business office prior to the due date. Only official ballots sent to the Owners by the Association will be accepted. Unofficial ballots will not be counted. Each Owner must fully fill out the ballot, print their name and address and sign the ballot.
Once a ballot is submitted, it cannot be revoked. If an Owner signs or submits more than one ballot, the first ballot submitted, if possible to determine, will be considered the valid ballot. However, if an Owner signs or submits more than one ballot, and it is not possible to determine which ballot is to be used, the Board may reject all ballots submitted by that Owner.

B. **Petitions:** The Association may deliver a written or electronic petition under IC 32-21-2-3.5 to every owner entitled to vote on the matter. An owner may return a petition under IC 32-21-2-3.5 by mail, facsimile, electronic mail or other electronic means, or personally delivered to the Association's business office prior to the due date. To be valid, the petition must contain:

a) the printed name of the lot owner;
b) the signature of the lot owner;
c) the lot(s) owned by the lot owner;
d) an indication of whether the owner approves or disapproves of applying the proposed covenants to all lots included as part of the homeowner's association; and
e) the percentage needed to approve the measure as indicated in the covenants, but under no circumstances more than two-thirds (2/3) of the owners.

C. **Electronic Voting:** Any measure to be voted upon by the owners may be conducted by electronic voting in any method approved by the Board of Directors.
D. **In General:** The Board of Directors may adopt additional voting procedures for submitting and processing ballots. In addition, voting and meeting participation may be held or performed in any manner set forth in the Act or deemed acceptable by the Courts as a practical way to collect votes and allow Members to participate in Association actions.

Section 7. Record Date. For all annual and special meetings of the Association where elections or voting on any matters will be conducted, the record date for determining owners entitled to notice and eligible to vote at the meeting shall be forty-five (45) days prior to the date of the meeting.

Section 8. Voting List. After the record date for a notice of meeting, the Secretary of the Association shall prepare a list of the names of the owners of the Association who are entitled to notice and eligible to vote as of the record date. For the purpose of communication with other members concerning the meeting, this list shall be kept at the business office of the Association, and, upon written request, this list may be inspected by any owner, the owner's agent authorized in writing, or the owner's attorney authorized in writing, may inspect and copy the list during regular business hours at the business office of the Association beginning five (5) business days prior to the date of the meeting. The list shall also be available at the meeting and may be inspected at the meeting by any owner, the owner's agent who is

authorized in writing to do so, or the owner's attorney who is authorized in writing to do so.

ARTICLE V
Membership Meetings

Section 1. Location of Meetings: Unless otherwise specified in the meeting notice, all meetings of the members shall be held in the community meeting room at the Heritage Lake Clubhouse. If a meeting is not being held in the Heritage Lake Clubhouse, the notice shall set forth the specific location, which must be within Putnam County, Indiana.

Section 2. Annual Meeting: The annual meeting of the Association shall be held in February of each year. However, if for some reason the annual meeting cannot be held in the month of February, the Board may select another date to hold the annual meeting; provided that the annual meeting must be held no more than fifteen (15) months after the previous annual meeting. The specific date, time and place of the annual meeting are to be determined by the Board of Directors. At each annual meeting, the Members shall elect the Board of Directors of the Association in accordance with the provisions of these Bylaws and transact such other business as may properly come before the meeting.

Section 3. Special Meetings: A Special Meeting of the owners may be called by the President, by resolution approved by a majority of the Board of Directors, or upon written petition signed by not less than ten percent (10%) of the primary owners in good standing. The petition shall be presented to the President or Secretary of the Association and shall state the specific purposes for which the meeting is to be called. The Board of Directors has thirty (30) days from the date the Secretary receives a properly signed petition from the Members to send a Notice to the Membership calling the requested Special Meeting. The specific purposes for calling the special meeting, along with the date, time and location of the special meeting shall be stated in the notice of the meeting which is sent to the primary owners. No business shall be transacted at a Special Meeting except as stated in the notice of the meeting, unless all the primary owners are present at the Special Meeting.
It should be noted that the primary owners may not call or hold a Special Meeting of the Members without first submitting a petition, signed by not less than ten percent (10%) of the primary owners in good standing, asking that the Board of Directors call a Special Meeting as set forth above. If the Board refuses to call a Special Meeting of the Members after receiving a proper petition from the

primary owners, then the primary owners may call a Special Meeting of the Membership on their own.

Section 4. Notice of Meetings: Written or printed notices stating the place, day and hour of a meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called shall be delivered or mailed by the Secretary of the Corporation to each primary owner of record of the Corporation entitled to vote at the meeting, at such last known address of the primary owner as it appears upon the records of the Corporation, at least ten (10) days and no more than thirty (30) days before the date of the meeting.
Notices of any meeting may be mailed by first class U.S. Mail. Notices of meetings may also be published in a newspaper of general circulation in Putnam County, Indiana. If the owner consents to electronic service, then notice of meetings may be provided to owners by email; postings on the Association's website, if one; or the Association's social network sites, if any.
Notice of any meeting of the members may be waived in writing by any owner, and is automatically waived by the owner's attendance at the meeting in person, by proxy or by ballot.

Section 5. Quorum and Adjournments: At any meeting of the membership, unless otherwise set forth in the Declaration of Covenants, the presence of primary owners, in person, by proxy, or by ballot entitled to cast twenty percent (20%) of the total number of valid and eligible primary owner votes shall constitute a quorum. For purposes of this section, the term "eligible" means any primary owner whose privileges are not suspended for any reason as set forth in the Declaration, Articles or these Bylaws. If a Member has had his voting rights suspended pursuant to the Declaration, Articles or these Bylaws, that vote is not considered a valid or eligible vote toward calculating quorum requirements. After a primary owner's vote is represented, either in person, by proxy, or by ballot for any purpose at a meeting, the vote will be considered present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting. Except as otherwise provided in the Declaration, Articles or these Bylaws, each question or action shall be deemed passed if approved by a simple majority of the eligible votes cast by the primary owners present, in person, by proxy, or by ballot at a meeting at which a quorum is present. If a twenty percent (20%) quorum is not met at the first meeting, then a subsequent meeting(s) may be called within sixty (60) days, and the quorum requirement at the subsequent meeting(s) shall drop by one-half of the quorum requirement at the preceding meeting until a meeting where quorum exists is held.
For meetings at which: a) a change in the basis or maximum of the annual assessment is to be voted upon; b) a special assessment is to

be voted upon; c) where the removal of one or more directors is to be voted upon; or d) where a vote regarding the legal structure of the Association is to be voted upon, the presence of owners, in person, by ballot or by proxy, entitled to cast sixty percent (60%) of the total number of eligible voting owner votes shall constitute a quorum at the first meeting. If a sixty percent (60%) quorum is not met at the first meeting for one of the above issues, then a subsequent meeting (s) may be called within sixty (60) days, and the quorum requirement at the subsequent meeting(s) shall drop by one-half of the quorum requirement at the preceding meeting until a meeting where quorum exists is held. However, no subsequent meeting(s) may be called more than sixty (60) days after the preceding meeting. In addition, no subsequent meetings may be called for the removal of directors.
For purposes of this section, the term "eligible" means any primary owner whose privileges are not suspended for any reason as set forth in the Declaration, Articles or these Bylaws. If an owner has had his voting rights suspended pursuant to the Declaration, Articles or these Bylaws, that vote is not considered a valid or eligible vote toward calculating quorum requirements. After an owner's vote is represented, either in person, by ballot or by proxy, for any purpose at a meeting, the owner will be considered present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting. In the event a quorum is not present at any meeting called under authority of these Bylaws, that meeting may be adjourned to a date not more than sixty (60) days later without further notice other than announcement at the meeting even though less than a quorum is present.

Section 6. Order of Business: The order of business at all 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 presentation of Annual Budget (if an annual meeting).
6. Election of director(s) (if an annual meeting).
7. Unfinished business.
8. New business.
9. Forum.
10. Adjournment.

ARTICLE VI
Nomination and Election of Directors

Section 1. Nominations. Any owner in good standing who meets the requirements for candidates as set forth in these Bylaws may request

a "Petition for Directorship" from the Secretary of the Association or his designee. The potential candidate must file the completed Petition for Directorship by the end of October. The Petition for Directorship must be signed by at least twenty-five (25) primary owners in good standing supporting the nominee's candidacy for the Board of Directors.
All candidates must submit their name, phone number and address along with a brief paragraph stating the reason the candidate wishes to serve on the Board. At the time ballots are mailed out for the annual meeting, this paragraph will then be communicated to the neighborhood for the owners' consideration.

Section 2. Election. At the annual meeting, voting on each open position for the Board of Directors shall be by written ballot containing the signature, printed name and address of the primary owner casting said ballot.
If the number of written nominations received by the Association matches the number of open board positions to be voted upon at the annual meeting, then there is no reason to incur the expense of a mailed ballot since all submitted nominees will be elected by default.
Each primary owner, or their proxy, may cast the total number of votes to which he is entitled to cast for as many nominees as are to be elected; however, cumulative voting shall not be allowed. Those persons receiving the highest number of votes shall be elected.
If there is a tie for directorship positions (i.e. three (3) directors are to be elected at the annual meeting, but the third and fourth highest vote recipients both received seventy-five (75) votes), the tie will be resolved by a run-off vote of the primary owners in attendance at the annual meeting. If a run-off vote still results in a tie, then the remaining tie shall be resolved by either 1) drawing names from a hat; or 2) flipping a coin.
In the event no quorum is present at an annual meeting of the Association, or if a sufficient number of candidates cannot be found to fill all open Board vacancies at the annual meeting, then the remaining members of the Board of Directors may fill any directorship positions open for election at the annual meeting in the same fashion as they would fill a vacancy under the terms of these Bylaws.

Section 3. Re-Counts. A re-count request may be made in writing by any primary owner. The re-count request shall be filed in the business office of the Association within fifteen (15) days following the date of the election. The re-count shall be completed within thirty (30) days after the filing of the re-count request. The Board of Directors, or other appropriate committee, shall conduct the re-count, and any candidate(s) affected by the re-count shall have the right to be present during the re-count. No person(s) other than

candidate(s), Board members and appointed committee members, may be present at the re-count.

Section 4. Destruction of Ballots. The Association shall keep ballots for a period of ninety (90) days following the meeting date where an election or vote was held. Upon the expiration of this ninety (90) day period, any vote taken at the meeting will be presumed valid and accepted by the membership and the ballots shall be destroyed by the Board or their designated agent.

ARTICLE VII
Board of Directors

Section 1. Number, Qualifications and Term of Office.

(a). Number. The affairs of the Association shall be governed and managed by the Board of Directors (herein collectively called the "Board" or "Directors" and individually called "Director"). The Board of Directors shall be composed of nine (9) persons. The exact number of Directors may be increased or decreased, as permitted by law, by resolution of the Board of Directors, with the minimum number of Directors being six (6) and the maximum number being eighteen (18). If the number of directors currently serving changes due to the resignation or removal of directors, the Board shall continue to function with the remaining number of directors until those vacancies are filled so long as there are at least six (6) directors serving.

(b). Qualifications. A Director must not have their membership or voting rights in the Association suspended for any reason as set forth in the Declaration, Articles or these Bylaws. A Director removed from the Board of Directors by the Members or the Directors under Section 2 of this Article may not run for a position on the Board or be appointed to fill a vacancy on the Board for a period of six (6) years beginning on the date of his removal from the Board.

No lot(s) may be represented by more than one (1) person or representative on the Board of Directors at the same time.

(c). Term of Office. The Board of Directors shall serve their terms on a staggered basis as provided by law, with approximately one-third (1/3) of the Board being open for election each year. Based upon the current nine (9)-member Board, at each annual election there shall be three (3) directorship positions open for election. All directors shall be elected to serve a three (3) year term of office. All directors shall serve their full term and/or until their respective successors are properly elected and qualified.

In the event that the number of Directors is increased or decreased by resolution of the Board, the election terms, or rotation, of said Directors shall be determined by the Board at the time the increase or decrease is approved, so long as the election of Directors

continues to be staggered and approximately one-third (1/3) of the Board is open for election each year. If multiple directors are being appointed by the Board to fill staggered Board vacancies, then the Board shall determine which appointee shall serve each respective staggered term.

Section 2. Vacancies and Removal.

(a). Vacancies. Any vacancy occurring on the Board of Directors caused by a death, resignation or otherwise, shall be filled by a majority vote of the remaining members of the Board; unless the vacancy is caused by a Director being removed from the Board by a vote of the Membership at a special meeting called for that purpose, in which case a majority of the members in attendance at that meeting shall select a successor(s) to fill the vacant term(s) of any removed Director(s). Any Director appointed to fill a vacancy on the Board shall serve the unexpired portion of his predecessor.

(b). Removal. A Director may be removed from the Board of Directors, with or without cause, by a majority vote of the members of the Association at a Special Meeting of the members called expressly for that purpose. Pursuant to Indiana Code 23-17-12-10, as may be amended or re-codified from time to time, the Board of Directors also has the right to remove a Director from the Board "for cause" by a majority vote of the Board.

For purposes of this provision, an act that constitutes "for cause" includes, but is not limited to: a) failing to attend three (3) or more consecutive meetings of the Board of Directors; b) becoming ineligible to serve on the Board pursuant to any terms set forth in the Covenants, Articles or these Bylaws; c) acts of fraud, theft, deception, or criminal behavior while acting on behalf of the Association; d) breach or disclosure of confidential Board information or discussions to person(s) not on the Board; or e) any other actions not authorized by the Board which hinder or bypass the authority of the Board to act as a whole.

Determination of whether "for cause" has been sufficiently established to justify removal of a Director is left to the sole discretion of the members if the Director is being removed by the members or to the Board if the Director is being removed by the Board. The vacancy of a Director removed by the members at a Special Meeting or by the Board shall be filled pursuant to the vacancy provisions within these Bylaws. A Director removed from the Board of Directors by the Members or the Directors under this section may not run for a position on the Board or be appointed to fill a vacancy on the Board for a period of six (6) years beginning on the date of his removal from the Board.

Section 3. Duties of the Board of Directors. The Board of Directors shall be the governing body of the Association representing all of the Owners and being responsible for the functions and duties of the Association, including but not limited to, providing for the administration of the Real Estate, the management, maintenance, repair, upkeep and replacement of the Common Area (unless the same are otherwise the responsibility or duty of Owners), enforcement of the terms of the Declarations and any rules and regulations adopted by the Board, and the collection and disbursement of the Common Expenses.

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

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

(a) maintenance, repair and replacement of the Common Areas, unless the same are otherwise the responsibility or duty of owners of Lots; provided, however, that this duty shall not include or be deemed or interpreted as a requirement that the Association, the Board or any managing agent must provide any on-site or roving guards, security service or security system for protection or surveillance, and the same need not be furnished;

(b) landscaping, painting, decoration, furnishing, and maintenance and upkeep of, the Common Areas;

(c) assessment and collection from the primary owners of the owners' respective shares of the Common Expenses;

(d) collection of user fees for the common facilities from the secondary owners and non-voting members;

(e) preparation of the annual budget, a copy of which will be made available to each member upon their request;

(f) preparing annually a full accounting, or financial statement, of all income and expenses of the Association for the prior fiscal year, itemized when possible, and making the annual accounting available to each voting member upon their request;

(g) procuring and maintaining for the benefit of the Association, the owners, any managing agent and the Board the insurance coverage required under the Declaration and such other insurance coverage

as the Board, in its sole discretion, may deem necessary or advisable;

(h) paying taxes and assessments assessed against and payable with respect to the Common Areas and paying any other necessary expenses and costs in connection with the Common Areas;

(i) Adopt and enforce rules and regulations ("Rules") reasonably necessary, as determined in the sole discretion of the Board of Directors, to ensure that all Primary and Secondary Owners, their family members, guest, and invitees, utilize Heritage Lake and all Heritage Lake common areas in a safe and reasonable manner. The Rules may provide for a schedule of fines and sanctions which may be imposed on the Primary and Secondary Owners for a violation of the Rules. Sanctions may include, but not be limited to, monetary fines and the loss of Heritage Lake and common area privileges. The Primary and Secondary Owners shall be responsible for the acts and omissions of all family members, and their guest and invitees, while on Heritage Lake or any Heritage Lake common area.

The Rules shall be in writing and shall be made reasonably available to Primary and Secondary Owners. The Rules shall also be available on the Heritage Lake website.

The Rules shall include an appeals procedure whereby an aggrieved Primary and Secondary Property may appeal the imposition of any sanction or fine. The aggrieved Primary and Secondary Owner, at their sole expense, may be represented by an attorney at any appeals hearing. The Board of Directors shall conduct a hearing on all appeals which are timely initiated. The hearing shall be open to all Primary and Secondary Owners. The Board of Directors shall maintain written minutes of all appeal hearings.

In conformance with Article I, Section four (4), of these Bylaws, each Primary and Secondary Owner agrees to be bound by and follow the Rules, and to fully comply with any sanction and timely pay any fine permitted by the Rules. The Board of Directors are empowered to initiate legal action to enforce the Rules and compel compliance with any sanction, and collect any fine, including but not limited to, seeking injunctive relief. In the event such legal action is required, the Board of Directors shall also be entitled to recover costs and attorneys' fees as provided in Article X of the Bylaws. Under no circumstance shall the Board of Directors or the Heritage Lake POA be required to post any form of surety bond to obtain injunctive relief. Nothing contained herein is intended to and shall not create any duty or obligation to any third-party beneficiary. The Board of Directors and the employees of the Heritage Lake POA shall not have any liability to any Primary or Secondary Owner, or their family members, guests, and invitees, or any trespasser, arising from or related to the adoption, implementation, or enforcement of the Rules.

(j) all other duties and obligations that may be imposed upon the Association or the Board under the Declaration, Articles, Bylaws or the Act.

Section 4. Powers of the Board of Directors.

The Board of Directors shall have such powers as are reasonable and necessary to accomplish the performance of their duties. These powers include, but are not limited to, the power to:
(a) employ a managing agent to assist the Board in performing its duties;
(b) purchase, lease or otherwise obtain for the Association, to enable it to perform its functions and duties, such equipment, materials, labor and services as may be necessary in the judgment of the Board of Directors;
(c) employ legal counsel, architects, contractors, accountants and others as in the judgment of the Board of Directors may be necessary or desirable in connection with the business and affairs of the Association;
(d) employ, designate, discharge and remove such personnel as in the judgment of the Board of Directors may be necessary for the maintenance, upkeep, repair and replacement of the Common Areas, and to perform all other maintenance, upkeep, repair and replacement duties of the Association and the Board;
(e) include the costs of performing all of its functions, duties and obligations as Common Expenses and to pay all such costs there from;
(f) open and maintain a bank account or accounts in the name of the Association;
(g) adopt, revise, amend and alter from time to time such additional rules and regulations with respect to use, occupancy, operation, enjoyment and architectural additions or modifications of all areas within the Heritage Lake development, including the individual lots, streets (whether public or private), and the Common Areas, said rules and regulations being in addition to the rules and restrictions set forth in the Declaration, as the Board, in its discretion, deems necessary or advisable; provided, however, that copies of any such additional rules and regulations so adopted by the Board shall be promptly delivered to all Owners or duly recorded in the Office of the Putnam County Recorder;
(h) take any and all appropriate action, including legal action, if necessary, to enforce or gain compliance by all Owners of the provisions, restrictions or requirements within Declaration, Articles, Bylaws, or rules and regulations of the Association;

(i) grant to such public or private companies, entities or bodies as the Board may approve, such easements as may be necessary to provide the Lots and Common Areas with facilities for utility and similar

services, including but not limited to cable television facilities and service; provided that such easements are located within or are co-extensive with any one or more utility easements, maintenance and access easements, landscape and maintenance easements, or Common Areas shown upon, and identified as such on, or provided for in, any subdivision plat of the Properties, whether such plat is heretofore or hereafter recorded.

Section 5. Annual Meeting. Unless otherwise agreed upon, the Board of Directors shall have its annual meeting of the Board of Directors following the annual meeting of members for the purpose of organizing, electing officers and considering any other business that may be brought before the meeting.

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 U.S. Mail. If notice is given by U.S. Mail, notice must be sent, via first class, postage pre-paid, mail at least three (3) days before the special meeting.

Section 8. Waiver of Meeting Notice. 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 filled, qualified and acting shall constitute a quorum and be sufficient for transaction of any 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, by which all Directors participating may hear each other during the meeting.

Section 11. Emergency Action Taken Without a Meeting. Any action that requires a decision to be made by the Board before the next regularly scheduled Board meeting (i.e. train wreck, dam breaks, fire, etc.) may be taken without a formal meeting of the Board if the action is approved by a majority of the entire Board in writing or via email, and so long as evidence of the written or email approval is made a part of the corporate Board minutes or records.

Section 12. Compensation. No Director shall receive compensation for any service he may render to the Association as a Director. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties, and any Director may be paid and compensated for services 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 the Directors shall have no personal liability with respect to any contract made by them on behalf of the Association.

Section 14. Additional Indemnity of Directors. The Association shall indemnify, hold harmless and defend any person, his heirs, assigns and legal representatives, made a party to any action, suit or proceeding by reason of the fact that he is or was a Director of the Association, against the reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with the defense of such action, suit or proceeding, or in connection with any appeal therein, except as otherwise specifically provided herein in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such Director is liable for gross negligence or misconduct in the performance of his duties. The Association shall also reimburse to any such Director the reasonable costs of settlement of or judgment rendered in any action, suit or proceeding, if it shall be found by a majority vote of the Owners that such Director

was not guilty of gross negligence or misconduct. In making such findings and notwithstanding the adjudication in any action, suit or proceeding against a Director, no Director shall be considered or deemed to be guilty of or liable for negligence or misconduct in the performance of his duties where, acting in good faith, such Director relied on the books and records of the Association or statements or advice made by or prepared by the managing agent or any officer or employee thereof, or any accountant, attorney or other person, firm or corporation employed by the Association to render advice or service unless such Director had actual knowledge of the falsity or incorrectness thereof; nor shall a Director be deemed guilty of or liable for negligence or misconduct by virtue of the fact that he failed or neglected to attend a meeting or meetings of the Board of Directors.

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

ARTICLE VIII
Officers

Section 1. In General. The officers of the Association shall be members of the Board of Directors and may consist of a President, a Vice President, a Secretary, a Treasurer, and such other officers or assistant officers as the Board shall from time to time create and so appoint. No Director may hold more than one (1) office at the same time.

Section 2. Election and Terms. A Director will be appointed by the Board of Directors to fill each officer position at the Board's annual meeting, and the Directors will hold those officer positions until: a) the next annual meeting of the Board; b) the expiration of the Director's term on the Board of Directors; or c) the Director's removal or resignation from the Board, whichever occurs first.

Section 3. Vacancies and Removal. Whenever any vacancy shall occur in any office by death, resignation, increase in the number of officers of the Association, or otherwise, the vacant office shall be

filled by the Board of Directors, and the office so elected shall hold office until the next annual meeting of the Board or until his or her successor is duly elected and appointed.
Any officer may be removed at any time, with or without cause, by vote of a majority of the whole Board. A Director removed from a particular office shall continue to serve on the Board of Directors, and may be re-appointed to a different office or may serve on the Board without an officer designation.

Section 4. President. The President shall be the chief executive officer of the Association; shall preside at all meetings of Voting Members and of the Board of Directors; shall have general and active supervision, control, and management of the affairs and business of the Association, subject to the orders and resolutions of the Board; shall have general supervision and direction of all officers, agents and employees of the Association; shall see that all orders and resolutions of the Board are carried into effect; and in general shall exercise all powers and perform all duties incident to such office and such other powers and duties as may from time to time be assigned to him by the Board.
The President shall have the authority to execute, with the Secretary, powers of attorney appointing other corporations, partnerships or individuals the agent of the Association, all subject to the provisions of the laws of the State of Indiana, Covenants, Articles of Incorporation and this Code of Bylaws.

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

Section 6. Secretary. The Secretary shall attend meetings of the Board and of the Members and shall act as Secretary of such meetings; shall give or cause to be given all notices provided for in these Bylaws or required by law; shall record all votes and minutes of all proceedings of the meetings of Members and the Board in a book or books to be kept for that purpose; shall be custodian of the records of the Association; shall have charge of the list of Members; and in general shall exercise all powers and perform all duties as may be from time to time assigned to him or her by the Board or by the President.
The Secretary shall act in the place or stead of the President or Vice President in the event of their absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board of Directors or as are delegated to him by the President. The Secretary, or Board in the Secretary's absence, shall

have the authority to delegate someone to serve as the Secretary's assistant for note/minute taking purposes at a meeting and for any other of the Secretary's duties as is deemed necessary or appropriate.

Section 7. Treasurer. The Treasurer shall keep correct and complete records of account showing accurately at all times the financial condition of the Association; shall be the custodian of the corporate funds and securities; shall immediately deposit, in the name and to the credit of the Association, all moneys and other valuable effects of the Association in such depositories as may be designated by the Board of Directors; shall disburse the funds of the Association as may be ordered by the Board or by the President; and in general, shall exercise all powers and perform all duties customarily incident to such office and such other powers and duties as may from time to time be assigned to him or her by the Board or the President.
The Treasurer shall act in the place or stead of the President, Vice President or Secretary in the event of their absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board of Directors or as are delegated to him by the President. The Treasurer shall have the authority to delegate someone to serve as the Treasurer's assistant for any of the Treasurer's duties as is deemed necessary or appropriate.

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

ARTICLE IX
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 repeal able.

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 X
Rules and Regulations; Enforcement

Section 1. Rules and Regulations. The Board shall have the authority to promulgate, adopt, revise, amend, and alter from time to time such additional rules, regulations, policies, procedures and guidelines governing the use, occupancy, operation, enjoyment and architectural changes and modifications of the lots, streets (public or private), common areas, and any other portion of the Properties, including the personal conduct of the members and guests thereon, as in the sole discretion of the Board are deemed necessary or advisable. These rules, regulations, policies, procedures and guidelines, and any amendments thereto, shall be furnished by the Association to all owners prior to the effective date. All rules, regulations, policies, procedures and guidelines shall be binding and enforceable upon each and every lot and member, including all occupants, guests and invitees of any lot or member, in the Development the same as if it were expressly set forth in the Declaration itself. Any rules, regulations, policies, procedures and

guidelines adopted by the Board may be specifically overruled, cancelled, or modified by the Board or at a duly called and constituted regular or special meeting of the members by a majority vote of all eligible members of the Association.

Section 2. Enforcement In General. Any party to whose benefit the Declaration or these Bylaws inures, including the Association, any Committee, or any individual owner, may proceed at law or in equity to prevent the occurrence or continuation of any violation of the Declaration or these Bylaws, or any rules, regulations, policies, procedures or guideline adopted thereto, but neither the Association or any Committee shall be liable for damages of any kind, including legal fees and costs, to any person for failing to enforce or carry out any of the provisions of the Declaration or these Bylaws.

Section 3. Costs and Attorney Fees. In the event the Association is required to retain attorneys or engage in civil proceedings in order to enforce the terms and provisions of the Declaration, Articles, Bylaws, or the rules, regulations, policies, procedures and guidelines adopted pursuant thereto, as each may be amended from time to time, the Association shall be entitled to recover its costs and reasonable attorneys' fees incurred in connection with such action, proceeding or litigation without the necessity of proving any actual damages to the Association or its members, obtaining a court order of injunctive relief, including those cases when the alleged violation is corrected by the owner following the filing of a lawsuit but before judgment is entered on the matter, or securing compliance by any other method of due process for any structure, improvement, act or omission that is not in compliance with the covenants, bylaw, or the rules, regulations, policies, procedures and guidelines. The Association, or owner, bringing an action is also entitled to reimbursement for any legal expenses incurred in gaining an owner's compliance with any provision in the Declaration, Articles, Bylaws, or the rules, regulations, policies, procedures and guidelines of the Association, regardless of whether an actual lawsuit is ultimately filed against the owner. (For example, and not by way of limitation, the Association is entitled to recover any legal expenses incurred to have a violation letter sent to an owner to compel compliance, even if the violation is subsequently corrected and a lawsuit is not filed.) Damages or expenses incurred by the Association relating to the prosecution of a violation of the Declaration, Articles, Bylaws or the rules, regulations, policies, procedures and guidelines of the Association shall be a personal obligation of the owner determined to be in violation of any of the covenants, bylaws, rules, regulations, policies, procedures or guidelines, and an owner cannot avoid liability to the Association for reimbursement of these damages and expenses by subsequently

selling his interest in the property before a factual or final determination regarding the validity of the violation is made by any court of competent jurisdiction. Any costs and/or expenses incurred by the Association as the result of a proceeding against a owner for violation of the covenants, bylaws, rules, regulations, policies, procedures or guidelines that is not recovered from the owner may be absorbed as a common expense by the Association in its next fiscal budget. The provisions of this Section shall be in addition to any remedies that may be provided in any specific sections of the Declaration.

ARTICLE XI
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 will be available for inspection by any Member or other properly designated party at the principal office of the Association or other designated location selected by the Board during reasonable business hours or under other reasonable circumstances, where copies of the same may be purchased at reasonable cost up to one dollar ($1.00) per page.

The Association will keep detailed books of account showing all expenditures and receipt of administration which will specify the Common Expenses incurred by or on behalf of the Association and the members. The accounts, books, records, financial statements, and other papers of the Association will 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 reasonable circumstances. Any holder, insurer, or guarantor of a first mortgage on a Lot will be entitled upon written request to receive a financial statement for the immediately preceding fiscal year. The Association is entitled to reimbursement from the party requesting to inspect records any reasonable administrative or reproduction expenses incurred by the Association as a result of the records request. The Association reserves the right to require any member to request inspection of the accounts, books, records, financial statements, and other papers of the Association according to the requirements set forth under the Indiana Nonprofit Corporation Act of 1991, specifically Indiana Code 23-17-27 et seq., IC32-25.5-3-3(g) through (m), and any amendments or changes to these laws. The Association reserves the right to deny an Owner access to any records that are not required to be opened for inspection under Indiana law. The Association also reserves the

right to charge Owners requesting inspection of Association records reasonable copy and search charges and other charges as allowed or not prohibited by law.

ARTICLE XII
Assessments and Fiscal Year

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

If the assessment is not paid within thirty (30) days after the assessment falls due, the assessment shall bear interest from the date of delinquency at the annual rate of six percent (6%). In addition, and pursuant to the authority granted to the Association in its Articles and the Act, the Association may impose reasonable late fees on all delinquencies. The Board shall have the right to determine the amount of the late fee, the time period before the late fee is imposed, the rate of the late fee (i.e. annually, monthly, etc.) and to make any other provisions for late fees and interest charges on late payments as the Board, in its sole discretion, deems appropriate. The Board may also adopt specific collection procedures to be used in collecting assessments and pursing delinquent accounts.

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

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

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

In addition, an Owner who becomes more than thirty (30) days delinquent on any assessment or other payment due to the Association shall not be eligible to vote, either in person or by proxy; to be elected or serve on the Association's Board of Directors; or to use any of the Common Area facilities, if any, pursuant to the provisions set forth in the Declaration.

Section 2. Primary Responsibility for Assessments.

The primary owner of each lot shall be primarily responsible for paying all annual assessments, special assessments and other charges against each lot.
The Association will initially invoice the primary owner only for the annual and special assessments. If the primary owner fails to pay the assessments or other charges against the lot(s) within thirty (30) days of the charges becoming due, the Association will then notify the secondary owners of the lot that they are now responsible for paying any outstanding assessments or other charges imposed on the lot. The secondary owners will be given thirty (30) days from the date of the invoice sent to the secondary owners to pay any outstanding balances. If the secondary owners do not pay the outstanding balances within thirty (30) days of being invoiced, then the secondary owners will also be considered delinquent. At that time, the Association may pursue collection remedies against all owners of the lot as set forth in the Declaration.

Section 3. User Fee.

An annual user fee, also sometimes referred to as an "activity fee", may be charged by the Association to owners for the admission and use of the common areas and facilities in Heritage Lake.
Each separate owner of a lot (based on the address of the owner) must pay a user fee if the owner wants access and use of the common areas and facilities. Spouses and dependents of the owner are included in the user fee.
If a lot is owned by multiple owners, the primary owner pays the annual assessment for the lot and receives a credit in like amount to be applied to his user fee, and the remaining secondary titled owners must each pay a separate user fee.
If a lot is owned by a corporation, then the designated primary owner pays the annual assessment for the lot (which includes the user fee for the primary owner). Any remaining shareholders of the corporation living at different addresses who hold at least twenty-five percent (25%) of the outstanding shares of the corporation must pay a user fee.
The amount of the user fee is set each year by the Board of the Association.
User fees are not transferrable to other owners.
No more than four (4) user fees per lot will be allowed.

Section 4. Fiscal Year.

The fiscal year of the Association shall begin at the beginning of the first day of January in each calendar year and end at the close of the last day of December of the same calendar year.

ARTICLE XIII
Filing of Purchase Contracts

Section 1. Purchase Contracts.

Every purchase contract for a lot in Heritage Lake must be filed with the Association at the Association's business office within one (1) week of the execution of the purchase contract. The titled owner of a lot being sold under a purchase contract remains the primary owner and the primary party responsible for paying assessments and other charges related to the lot unless the purchase contract is properly filed with the Association and the titled owner has designated the contract purchaser as the primary owner.
Purchase contracts must be filed with the Association no later than December 1st of each calendar year to be effective for the next assessment cycle and fiscal year. If the purchase contract is filed with the Association by December 1st, the Association will be able to update its records and invoice the contract purchaser in January for the annual assessments. If the purchase contract is filed after December 1st, the titled owner will remain primarily responsible for assessments on the lot(s) subject to the contract until the next assessment cycle. For example, if a purchase contract is filed in January 2011, the titled owner will be primarily responsible for the assessments for 2011 on the lot. Under this scenario, the contract purchaser will not become primarily responsible for the lot assessments until January 2012.

ARTICLE XIV
Execution of Instruments

Section 1. Checks, Draft, etc.

All checks, drafts, bills of exchange or other orders for the payment of money, obligations, notes or other evidences of indebtedness of the Association shall be signed or endorsed by such officer or officers, employee or employees of the Association as shall from time to time be designated by the Board of Directors.

Section 2. Contracts.

All contracts, agreements, deeds, conveyances, mortgages and similar instruments authorized by the Board of Directors shall be

signed, unless otherwise directed by the Board of Directors or required by law, by the President, and attested by the Secretary.

ARTICLE XV
Miscellaneous

Section 1. Changing the Legal Structure of the Association.

In the event that any action is proposed which would change the legal structure of the Association through dissolution of the Association, voluntary bankruptcy of the Association, or municipal incorporation of the Heritage Lake Development, in whole or in part, such action shall not be legally valid or binding until such time as it is specifically approved and/or ratified by a two-thirds (2/3) vote of all eligible members or the percentage required by law, whichever is less.

Section 2. Dissolution.

Upon dissolution of the Heritage Lake Property Owners Association, any assets remaining after payment of its debts shall be transferred to a corporation organized for purposes substantially the same as the Association or to a governmental unit. Upon dissolution, no assets of the Association shall be distributed to any incorporator, donor, officer, member or employee of Heritage Lake.

ARTICLE XVI
Amendments

Section 1. Amendments.

The Board of Directors of the Association shall have power to make, alter, amend or repeal the Code of Bylaws of the Association by an affirmative vote of the majority of the members of the Board of Directors of the Association; and Pursuant to the authority granted to the Board of Directors by the Articles and Revised Bylaws, the Board of Director(s) desires to adopt an amendment to the Revised Bylaws;

Section 2. Recording Amendments.

This Revised and Restated Code of Bylaws shall be recorded, as well as all subsequent amendments or changes to these Bylaws. All recordings must be executed by the President and Secretary of the Board and recorded in the Office of the Putnam County Recorder before becoming effective.

Section 3. Document Conflicts.

In the case of any conflict between the Declaration and the Articles, the Declaration will control. In the case of any conflict between the Declaration and these Bylaws, the Declaration will control. In the case of any conflict between the Articles and these Bylaws, the Articles will control.

ARTICLE XVII
The Indiana Nonprofit Corporation Action of 1991

The provisions of the Indiana Nonprofit Corporation Act of 1991, as amended, along with Indiana Code 32-25.5-3-3(g) through (m), IC 32-25.5-3-9, IC 32-25.5-3-10, IC 32-25.5-3-11, IC 32-25.5-5, and any other laws applicable to the Association or any matter not herein specifically coved by these Bylaws, are hereby incorporated by reference in and made part of these Bylaws.
[End of Bylaws]

The undersigned hereby certifies that this Revised and Restated Code of Bylaws of Heritage Lake Property Owners Association, Inc. was duly moved and passed by a majority vote of the Board of Directors of said Association.

HERITAGE LAKE PROPERTY OWNERS ASSOCIATION, INC.

BYLAWS ADOPTED,
HERITAGE LAKE PROPERTY
OWNERS ASSOCIATION
BOARD OF DIRECTORS

February 5, 1976

Revisions:
December 7, 1977
December 6, 1980
January 6, 1980
November 14, 1983
June 9, 1986
March 13, 1989
April 9, 1990
February 26, 1994
February 24, 1996
April 8, 1996
December 9, 1996
July 14, 1997
August 12, 2002
February 10, 2003
December 13, 2004
February 13, 2006
April 10, 2006
October 9, 2006
March 12, 2007
March 14, 2011
March 13, 2018
March 11, 2019
March 22, 2021
May 1, 2026

Revised and Restated
May 1, 2026

Heritage Lake