

**AMENDED AND RESTATED CODE OF BYLAWS OF
TIPTON LAKES COMMUNITY ASSOCIATION, INC.**

An Indiana Nonprofit Corporation

COMES NOW Tipton Lakes Community Association, Inc. (hereinafter “Association”), by its Board of Directors, and states as follows:

WITNESSETH THAT:

The residential community in Columbus, Bartholomew County, Indiana commonly known as Tipton Lakes was established upon the recording of certain Plats with the Office of the Recorder for Bartholomew County, Indiana; and

The Plats for Tipton Lakes were originally subject to a certain “Declaration of Covenants, Conditions and Restrictions”, which was recorded on November 26, 1980, with the Bartholomew County Recorder in Miscellaneous Records 59, Pages 992-1055, and amended first on December 20, 1982 in Book 66 Pages 447-456, and again on or about September 4, 1985 in Book 72 Pages 496-562 (the “Declaration”); and

The Association was incorporated pursuant to the Declaration as a nonprofit corporation pursuant to Articles of Incorporation filed with, and approved by, the Indiana Secretary of State on or about November 26, 1980; and

The Association’s initial Board of Directors originally adopted a Code of Bylaws for the Association and the homeowners within Tipton Lakes. Subsequently, the Bylaws have been amended by the Association; and

Indiana Code Section 23-17-18-1 authorized the Bylaws to be amended by a majority vote of the Board of Directors.

The Board of Directors desires to further amend the Bylaws of the Association.

WHEREFORE, the following Amended and Restated Code of Bylaws for Tipton Lakes Community Association, Inc. is hereby approved and adopted by the Board of Directors of the Tipton Lakes Community Association, Inc., after being approved by a majority of the members of the Board at a meeting held on July 27, 2020, and are effective as of the date of adoption. The following Bylaws shall supersede and replace all former Bylaws of the Association.

(Amended and Restated 7/20)

**AMENDED AND RESTATED CODE OF BYLAWS OF
TTIPON LAKES COMMUNITY ASSOCIATION, INC.**

An Indiana Nonprofit Corporation

ARTICLE 1

NAME

Section 1.1. Name. The name of this corporation is Tipton Lakes Community Association, Inc. (hereinafter referred to as “**Association**”).

ARTICLE 2

IDENTIFICATION & APPLICABILITY

Section 2.1. Identification and Adoption. The provisions of these Bylaws shall apply to the Tipton Lakes community (sometimes referred to in these Bylaws as “Tipton Lakes”) and the administration and conduct of the affairs of the Association.

Section 2.2. Individual Application. Each of the Owners within Tipton Lakes shall automatically and mandatorily be Members in the Association and be entitled to all the privileges and subject to all of the obligations thereof. All Owners, by their acceptance of their respective deeds to their Lots covenant and agree to be bound by the conditions, restrictions, and obligations contained in the Declaration of Covenants, Conditions & Restrictions of Tipton Lakes Community Association, Inc. said Declaration being recorded in the Bartholomew County Recorder’s Office on November 26, 1980 as Miscellaneous Records 59, Pages 992-1055 , and further amended (hereafter, “**Declaration**”), together with all amendments or supplements thereto, the Articles of Incorporation, the rules and regulations of the Association and of the provisions hereof. All of the Owners, future Owners, tenants, future tenants, their guests and invitees, or any other person who might now or hereafter use or occupy a Lot or any part of the Common Areas shall be subject to the rules, restrictions, terms, and conditions set forth in the Declaration, the Articles of Incorporation, these Bylaws, the Indiana Homeowners Association Act (the “**HOA Act**”) (but only to the extent that the provisions of the HOA Act are applicable to the Association since it was created prior to the enactment of the HOA Act), and the mandatory provisions of the Indiana Nonprofit Corporation Act of 1991 (the “**Nonprofit Act**”), all as the same may be amended from time to time, and to any rules and regulations adopted by the Board of Directors as herein provided. The Declaration is incorporated herein by reference. All the covenants, rights, restrictions, and liabilities contained in the Declaration shall apply to and govern the interpretation of the Articles of Incorporation and these Bylaws. The definitions and terms, as defined and used in the Declaration, shall have the same meaning in the Articles of Incorporation and these Bylaws, and reference is specifically made to Article I of the Declaration containing definitions for terms, unless otherwise indicated herein. However, the “Association” is referred to as the “Corporation” in the Declaration.

ARTICLE 3

MEETINGS OF THE ASSOCIATION

Section 3.1. Purpose of Meetings. At least annually, and at such other times as may be necessary or appropriate, a meeting of the Members shall be held for the purpose of electing the Board of Directors and for such other purposes as may be required by the Declaration, these Bylaws, the Articles of Incorporation, the HOA Act, or the Nonprofit Act.

Section 3.2. Annual Meeting. The annual meeting for the Members of the Association shall be held in April, with the specific date, time and place 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. If there is ever a reason that the Board of Directors believes that a “face to face” annual meeting cannot be safely conducted, the Board may instead utilize written, “mail-in” or electronic ballots pursuant to Section 3.8 below.

Section 3.3. Special Meetings. A special meeting of the Members of the Association may be called by the President, by resolution of the Board of Directors or upon a written petition of the Owners of not less than ten percent (10%) of the Class A members. The resolution or petition shall be presented to the President or Secretary of the Association and shall state the purpose for which the meeting is to be called. No business shall be transacted at a special meeting except as stated in the petition or resolution.

If the Board of Directors fails to send out a notice of the date, time, and place for a special meeting within thirty (30) days after the date the Board receives a valid written demand for the special meeting under this Section, a Member of the Association who signed the written demand may:

- (1) set the date, time, and place for the special meeting; and
- (2) send out the notice for the special meeting to the other Members.

Section 3.4. Notice and Place of Meetings. All meetings of the Members of the Association shall be held within Tipton Lakes or at any suitable place in Bartholomew County, Indiana, as may be designated by the Board of Directors. Written notice stating the date, time, and place of any meeting, and in the 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 Association to each Member entitled to vote thereat not less than thirty (30) days prior of a meeting for any changes in the Governing Documents and fifteen (15) days prior to a meeting over any other issues in which the Members are entitled to vote. Any written notice delivered to the Members as part of a newsletter or other publication regularly sent to the Members constitutes a written notice. If at any meeting an amendment to the Declaration is to be considered, the notice of such meeting shall describe the nature of such proposed amendment. All notices shall be either hand delivered, mailed by first-class U.S. Mail to the Members at their respective addresses as the same shall appear upon the records of the Association, or sent by email to an email address provided by any Member who consents to receiving notice via email pursuant to the next paragraph. If an annual or special meeting of Members is adjourned to a different date, time or

place, written notice is not required to be given of the new date, time or place so long as the new date, time and place is announced at the meeting pursuant to the Nonprofit Act before adjournment.

In lieu of written notices from the Association sent pursuant to the above paragraph, an Owner may elect to receive notices from the Association by email. Any Owner choosing email shall be deemed to have waived the right to receive notices from the Association by U.S. Mail or personal delivery. However, any such Owner shall have the right at any time to withdraw his or her election to receive notice by email, and shall thereafter be sent notices by the Association pursuant to the above paragraph.

Section 3.5. Voting.

(a) Class A and Class B Members. The Declaration in Section 3.03 describes the Class A and Class B Membership, including their voting rights. The Class C Membership described in the Declaration has expired.

(b) Voting by Corporation, Trust or Other Legal Entities. Where a corporation or trust is an Owner or is otherwise entitled to vote, the trustees may cast the vote on behalf of the trust, and the agent or other representative of the corporation duly empowered by the board of directors of such corporation shall cast the vote to which the corporation is entitled. The secretary of such corporation or a trustee of such trust so entitled to vote shall deliver or cause to be delivered prior to the commencement of the meeting a certificate signed by such person to the Secretary of the Association stating who is authorized to vote on behalf of said corporation or trust. Similar procedures shall be in effect for any other form of legal entity that is not a natural person, such as a limited liability company, limited liability partnership, etc.

(c) Proxy. A Class A or Class B Member may vote either in person or by his or her duly authorized and designated attorney-in-fact. Where voting is by proxy, the Class A or Class B Member shall duly designate his or her attorney-in-fact in writing, delivered to the Secretary of the Association prior to the commencement of the meeting. Delivery of a proxy can be by hand delivery, first-class mail or email. No such proxy shall remain valid for longer than one hundred eighty (180) days from the date it is signed. To be valid, a proxy must contain:

1. The name and address of the Class A or Class B Member who is giving the proxy;
2. The name of the person being appointed as proxy;
3. The date on which the proxy is given;
4. The date of the meeting for which the proxy is given;
5. The signature of the Class A or Class B Member who is giving the proxy;
and

6. An affirmation under the penalties of perjury that the individual signing the proxy has the authority to grant the proxy to the individual named in the proxy to exercise it on the Class A or Class B Member's behalf.

A proxy may be revoked in writing by the Class A or Class B Member prior to it being exercised or by the Class A or Class B Member's personal attendance at the meeting where the vote is to be taken.

(d) **Quorum.** Except where otherwise expressly provided in the Declaration, the HOA Act, or the Nonprofit Act, the presence of Members or their duly authorized representatives (in other words, proxy holders) holding at least **twenty-five percent (25%)** of each Class of Membership shall constitute a **Quorum** at all meetings, unless otherwise provided in the Governing Documents. The Members at a meeting at which a quorum is initially present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a Quorum. If a quorum is not present, the meeting may be adjourned to a date not more than sixty (60) days later without notice other than announcement at the meeting even though less than a Quorum is present.

(e) **Suspension of Voting Rights.** To be considered in "**Good Standing**", a Class A Member cannot be more than six (6) months delinquent in any payment due to the Association (or for such shorter period of time as may be permitted under the HOA Act). If a Class A Member is not in Good Standing, he or she shall not be eligible to vote, either in person or by proxy, or to be elected to, or to serve on, the Board of Directors. In addition, any Member who is not in Good Standing cannot serve as a proxy for another Member.

(f) **Manner of Voting and Meeting Participation.** Voting and meeting participation may be held or performed in any manner set forth in the Declaration or these Bylaws as well as any manner that is not prohibited by the Nonprofit Act or the HOA Act, or deemed acceptable by the Courts as a practical way to collect votes and allow Members to participate in Association actions. The Board of Directors shall have discretion to provide for such procedures and to set the terms of use.

Specifically, the Board of Directors shall have the power to authorize voting by the Owners through a secure, internet-based online voting system ("electronic voting"). The Board of Directors can adopt rules and regulations concerning the use of acceptable, verifiable means of technology, including electronic means for Owner notice, voting, signatures, consents and approvals. A verifiable electronic signature satisfies any requirements for signatures on documents. If an Owner either does not have the capability or desire to conduct business electronically, the Association shall make reasonable accommodation, at its expense, for the person to conduct business without the use of electronic or other similar means.

Section 3.6. Conduct of Annual Meeting. The Chair of the annual meeting shall be the President of the Association. Business will be conducted in the following order:

- (a) Call to Order & Establishment of a Quorum. In determining whether a Quorum is present, Class A Members and Class B Members will be counted as separate Classes and each of those Classes participating either in person or by proxy shall be counted.
- (b) Approval of Minutes. Since the minutes of the last annual meeting were sent to the Members as part of the annual meeting packet, the Secretary shall ask if there are any proposed corrections or additions. After a motion and second, the Members will vote to approve the minutes.
- (c) Treasurer's Report. The Treasurer shall report to the Members concerning the financial condition of the Association and answer relevant questions of the Members concerning the Common Expenses and financial report for the prior year and the Board-approved budget for the current fiscal year.
- (d) Election of Board of Directors. Candidates for elected Directorships shall make their intentions known to the Elections Committee at least six (6) weeks before the annual meeting. The Elections Committee shall provide all Members with a ballot containing the names of all valid candidates with the Notice of the Annual Meeting. Nominations for the Board of Directors may be made by Members from those persons eligible to serve. If there is an insufficient number of candidates on the ballot provided by the Elections Committee, then oral nominations will be accepted from the floor prior to voting on Director positions. Otherwise, if a sufficient number of candidates are on the ballot provided by the Elections Committee to fill all open Board positions, then the vote shall consist only of the candidates on said ballot. Unless voting is done through a secure website or its equivalent pursuant to Section 3.9(M) below, voting for the Board of Directors will be by paper ballot. However, written balloting may be waived by a majority of the votes cast by the Members and voting may be conducted by a voice vote or show of hands in circumstances where the number of nominees does not exceed the number of Board positions (i.e. three nominations for three open positions). The ballot shall contain the name of each person nominated to serve as a Board member. Each Member may cast the total number of votes to which he or she is entitled for as many nominees as are to be elected; however, no Member shall be entitled to accumulate his or her votes. Those persons receiving the highest number of votes shall be elected. If there is a tie for any Director position, the nominees involved in the tie may agree to the end result without the need for a "tiebreaker." If the nominees cannot resolve the tie by agreement, then the presiding Chair will have the sole

discretion to resolve the tie by conducting a run-off ballot vote by the Members.

- (e) Other Business. Other business may be brought before the Annual Meeting if initiated by the Board or upon a written request submitted to the Secretary of the Association at least ten (10) days prior to the date of said Meeting; provided, however, that such written request may be waived at said Meeting if agreed by a majority of the votes cast; but only for items of common concern to all Members.
- (f) Adjournment. Upon completion of all business before the Association, the President, upon the motion of any Member, may adjourn the meeting. Upon proper Motion and approval of a majority of the votes cast, all annual and special meetings may be adjourned to a later date pursuant to the Nonprofit Act.

Section 3.7. Conduct of Special Meeting. The President of the Association shall act as Chair of any special meetings of the Association. The Chair shall call the meeting to order at the duly designated time and the only business to be considered at such meeting shall be in consideration of the matters for which such meeting was called, as set forth in the notice of such special meeting.

Section 3.8. Action by Written Ballots. In lieu of any “face to face” annual or special meeting of the Members, written, “mail-in” or electronic ballots may be utilized in the manner prescribed in the Nonprofit Act or the HOA Act. To be valid, the Association must deliver a written ballot to every Member entitled to vote on the matter. The written ballot must set forth each proposed action and provide an opportunity for the Member to vote for or against each proposed action. Approval by written ballot is only valid if the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing such action, and the number of approvals equals or exceeds the number of votes required to approve the matter at a meeting. A request for votes by written ballot must indicate the number of responses needed to meet the quorum requirements, state the percentage of approvals necessary to approve each matter, other than the election of directors, and specify the time by which a ballot must be received by the Association to be counted.

Section 3.9. Means of Communication. To avoid the costs of paper, postage and handling that would otherwise be incurred when distributing documents or information to Members by regular mail, and also to be more efficient in transmitting information that Members can receive even when out of town, the Association will, to the extent possible, make Association matters available online through the Association’s website (if any) and/or via email or similar means, including but not limited to:

- (A) Notices of Annual or Special Meetings
- (B) Proxies and Ballots
- (C) Annual Budgets
- (D) Nominees for the Board of Directors for an upcoming election
- (E) List of current members of the Board of Directors
- (F) Recorded copy of the Declaration and all amendments thereto
- (G) These Bylaws and the Articles of Incorporation and all amendments thereto

- (H) Architectural or Design Guidelines, if any
- (I) Architectural Design Review form
- (J) Rules and Regulations adopted by the Board of Directors
- (K) Name of, and contact information for, the Association's property management company, if any
- (L) Invoices, statements or coupon booklets for payment of Assessments
- (M) Voting through a secure website or equivalent
- (N) Payment of Assessments through a secure website or equivalent

For items listed above that the Association could email, the Member must waive the right to receive the same by regular mail and agree to receive the same by email in the manner described in Section 3.4 above.

Section 3.10. Failure to Reach Quorum. As is set forth in the HOA Act and Nonprofit Act, the failure to achieve a quorum at a meeting does not exempt any Member from, or create an affirmative defense for, any Member with respect to: (1) the Member's obligations under the Declaration, the Articles of Incorporation or these Bylaws, or (2) the Member's obligations to otherwise abide by the provisions of the Declaration, the Articles of Incorporation and these Bylaws, including but not limited to the payment of assessments. If a valid election cannot be held due to a failure to reach quorum at the annual meeting, the Directors then in office shall continue to serve as Directors until such time as (1) they resign from office, or (2) their replacements are duly elected and qualified. Alternatively, if a quorum is not present at an annual meeting, 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.

ARTICLE 4

BOARD OF DIRECTORS

Section 4.1. Board of Directors. The affairs of the Association shall be governed and managed by the Board of Directors (herein sometimes collectively called "Board" and individually called "Directors"). The Board of Directors shall be composed of three (3) to nine (9) persons who are Class A Members of the Association. The Board shall determine the number of elective positions to be on the Board based upon the growth in Class A Members of the Association and the administrative demands of the Association.

Section 4.2. Additional Qualifications. Where an Owner consists of more than one person or is a partnership, corporation, trust, or other legal entity, then one of the persons constituting the multiple Owner, or a partner or an officer or trustee shall be eligible to serve on the Board of Directors, except that no single Lot may be represented on the Board of Directors by more than one person at a time.

In addition, and in a display of honesty and integrity to the members of the community, all persons elected to serve as Director must execute, or sign, the Statement of Conduct adopted by the Board of Directors and attached to these Bylaws and marked as "Addendum 1", to govern the conduct

and activities of Board members; and any person elected to serve on the Board of Directors who refuses to sign the Statement of Conduct shall not be eligible to serve as Director.

Section 4.3 Composition of Directors

Appointed Directors. Appointed Directors shall be appointed by the Board of Directors by a simple majority vote of the active Directors to fill a vacant position on the Board.

Elected Directors. Elected Directors shall be Members who are elected from and by the Members. The Board shall endeavor to ensure that Elected Directors represent the geographically diverse interests of the Members of the Association.

Section 4.4. Term of Office and Vacancy. Each Director shall serve a term of three (3) years commencing at the immediate conclusion of the annual meeting. One-third (1/3) of the persons on the Board of Directors shall be elected at each annual meeting of the Association. In the event the number of persons on the Board is not divisible by three, the number of Directors' positions available for election at the annual meetings shall be such number as to as closely approximate as possible the one-third requirement. For example, with a Board consisting of five (5) persons, two positions shall be elected at the annual meeting, two for the following annual meeting, and one for the next annual meeting. The unexcused absence of a Director from three consecutive regular meetings of the Board shall be deemed a resignation from the Board. Any vacancy occurring in the Board caused by a death, resignation, or otherwise other than a vacancy created by removal or an increase in the number of Directors, shall be filled through a vote of appointment by a majority of the remaining Directors. An Appointed Director shall serve through the remainder of the unexpired term of the vacant position that he or she is filling. Despite the expiration of a Director's term, the Director continues to serve until a successor is appointed or elected and qualified. A Director may serve any number of consecutive terms.

Section 4.5. Removal of Directors. A Director or Directors may be removed by the Class A Members with or without cause if the number of votes cast to remove would be enough to elect the Director(s) at a meeting to elect Directors. A Director or Directors may be so removed by the Class A Members only at a meeting called for the purpose of removing the Director(s). The meeting notice must state that the purpose of the meeting is for voting upon the removal of the Director(s). In such case, his or their successor(s) shall be elected at the same meeting from eligible Class A Members nominated at the meeting to serve for the remainder of the term(s) of the removed Director(s).

In addition, a Director may also be removed "for cause" by a two-thirds (2/3) vote of the remaining Directors. For purposes of this provision, an act that constitutes "for cause" includes, but is not limited to: (a) becoming ineligible to serve on the Board pursuant to any terms set forth in the Declaration, Articles or these Bylaws; (b) acts of fraud, theft, deception, or criminal behavior; (c) breach or disclosure of confidential Board information or discussions to a person not on the Board; (d) failure to conform or follow the Director's Statement of Conduct; (e) or 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 remaining Directors.

Section 4.6. Duties of the Board of Directors. Without limiting the generality of its powers, it shall be the duty of the Board to:

- (a) Exercise its powers in accordance with the Governing Documents;
- (b) Cause to be prepared an annual budget and statement of its financial receipts, expenditures, and condition and to present a statement thereof to the Members, at the Annual Meeting of the Members, or at any special meeting when such statement is requested in writing by more than fifty percent (50%) of the votes of the Class A Members who are entitled to vote;
- (c) Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- (d) As more fully provided herein to:
 - (1) fix the amount of the Annual Assessments against each Lot at least thirty (30) days in advance of each Annual Assessment period;
 - (2) send written Notice of each assessment to every Class A Member subject thereto at least thirty (30) days in advance of each Annual Assessment period;
 - (3) take prompt action to collect by legal means and by any remedy allowed or not prohibited by the Governing Documents any past due assessments or other charges against any Lot;
 - (4) purchase, if obtainable, a master casualty policy affording fire and extended coverage in an amount consonant with the full replacement value of any improvements that in whole or in part comprise the Common Area, Lake Property, facilities and maintenance of buildings and structures, paid as part of the common expenses. The Board of Directors, on behalf of the Members, shall also, if obtainable, purchase through the Association a master liability policy in appropriate amounts which may be revised from time to time by a decision of the Board of Directors, which policy shall cover the Association, the Directors, officers, and committee members, the managing agent, if any, all persons acting or who may come to act as agents or employees of any of the foregoing with respect to the Association and its Properties, if any. Such other policies or bonding as may be required or desired in the interest of the Members and the Association may be obtained by the Board of Directors for the Association, including without limitation, workmen's compensation insurance, liability insurance on motor vehicles owned by the Association, and specialized policies covering lands or improvements on which the Association has or shares ownership or other rights, and directors' and officers' liability policies. To the extent obtainable the Board shall purchase insurance policies which meet the applicable requirements of the Federal Mortgage Agencies; and

- (5) reconstruct, replace, and repair the Common Areas and facilities thereon as the need may from time to time arise.

Section 4.7. Powers of the Board of Directors. The Board of Directors shall have all powers for the conduct of the affairs of the Association which are enabled by law, the Declaration, and the Articles of Incorporation which are not specifically reserved to Members or the Developer.

Section 4.8. Compensation. No Director or Officer shall receive any compensation for his or her services as such except to such extent as may be expressly authorized by a majority of the votes cast by the Members. The Managing Agent shall be entitled to reasonable compensation for its services, the cost of which shall be a Common Expense.

Section 4.9. Meetings and Notice. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of Directors. No written or verbal notice need be given to Directors for regularly scheduled Board meetings of which the Directors are already aware. For all other Board meetings, the Secretary shall give notice of such meetings of the Board to each Director personally or by United States mail at least three (3) days prior to the date of such meetings. Special meetings of the Board may be called by the President or any two (2) Directors of the Board. The person or persons calling such meeting shall give written notice thereof to the Secretary, who shall either personally or by mail and at least three (3) days prior to the date of such special meeting, give notice to the Board members. The notice of the meeting shall contain a statement of the purpose for which the meeting is called. Such meeting shall be held at such place as shall be designated in the notice. The notice shall be placed on the Association website and at the entrance to the Association Office not less than three (3) days before the meeting date. To the extent provided in the Nonprofit Act, a Director may conduct or participate in a regular or special meeting of the Board of Directors through the use of conference telephone or any means of communication by which all Directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting by this means is considered to be present in person at the meeting.

In lieu of written notices from the Secretary sent pursuant to the above paragraph, a Director may elect to receive notices of Board meetings by email. Any Director choosing email shall be deemed to have waived the right to receive notices from the Association by U.S. Mail or personal delivery. However, any such Director shall have the right at any time to withdraw his or her election to receive notice by email, and shall thereafter be sent notices by the Secretary pursuant to the above paragraph.

Section 4.10. Conduct of Board Meetings. The President shall preside over all meetings of the Board of Directors and the Secretary shall keep a minute book of the Board of Directors recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings. There shall be no minutes of the discussion of an Executive Meeting, but the Board shall record generally any decisions that result from said Executive Meeting.

Section 4.11. Open Board Meetings and Executive Meetings. As and to the extent required by the HOA Act or any other applicable law, meetings of the Board of Directors shall be open to attendance by the homeowner members of the Association. The Board may meet in private “executive sessions” to discuss owner delinquencies, contract negotiations (i.e. bids), pending, threatened, and current litigation and legally confidential employment matters. The Board may adopt rules,

regulations and procedures regarding administration of open Board Meetings, including regulation of matters such as Owner participation, time limits for speaking, scheduling, agendas, and other administrative issues consistent with Indiana law, the Declaration and these Bylaws. It is recognized and understood that there may, from time to time, be disagreements with regard to certain issues. Notwithstanding such disagreements, Owners agree to conduct themselves at meetings in an appropriate, reasonable and adult-like fashion, and to abide by all rules and regulations governing administration of meetings as adopted by the Board. In the event that an Owner is repeatedly disruptive despite multiple warnings, makes threats of physical harm, commits an illegal or violent act, or otherwise acts in a threatening, violent, hostile, or unduly aggressive fashion, said Owner may be immediately removed from the meeting. In the event that the same Owner repeatedly acts in a hostile, threatening or violent manner at meetings, or is removed from two (2) consecutive meetings, said Owner may have his or her rights to attend Board and membership meetings temporarily suspended at the discretion of the Board. The duration of such suspension shall be determined by the Board, factoring in the egregiousness of the Owner's conduct and the potential threat to the health, safety and welfare of other Owners.

Section 4.12. Waiver of Notice. Before or after any meeting of the Board, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. The presence of any Director at a meeting shall, as to such Director, constitute a waiver of notice of the time, place, and purpose thereof. If all Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 4.13. Quorum. At all meetings of the Board, unless the Nonprofit Act, the HOA Act, or these Bylaws provide otherwise, a majority of the Directors shall constitute a quorum for the transaction of business and the votes of the majority of the Directors present at a meeting at which a quorum is present shall be the decision of the Board.

Section 4.14. Bond. The Board of Directors may require the Managing Agent, Treasurer 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 bond shall be a Common Expense.

Section 4.15. Informal Action by Directors. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting, if prior to such action a written consent to such action is signed by all members of the Board and such written consent is filed with the minutes of proceedings of the Board or committee.

Section 4.16. Standards of Conduct and Liability of Directors and Officers. The standard and duty of conduct for and the standard or requirements for liability of the Directors and Officers of the Association shall be as set forth in the Nonprofit Act and the HOA Act.

ARTICLE 5

OFFICERS

Section 5.1. Officers of the Association. The principal officers of the Association shall be the President, Vice-President, Secretary and Treasurer, all of whom shall be elected by the Board. The Directors may appoint an Assistant Treasurer and an Assistant Secretary and such other officers as in their judgment may be necessary. Any two or more offices may be held by the same person, except that the duties of the President and Secretary shall not be performed by the same person.

Section 5.2. Election of Officers. The officers of the Association shall be elected annually by the Board at the first meeting of the Board following each election thereof. Each officer shall hold office for one (1) year or until his or her successor shall have been duly elected and qualified, unless earlier removed by the Board of Directors. Upon recommendation of a majority of all members of the Board or upon an affirmative vote of a Majority of Vote (as defined in Section 3.5(e) hereof), any officer may be removed either with or without cause and his or her successor elected at any regular meeting of the Board or at any special meeting of the Board called for such purpose. A Director removed from a particular office shall continue to serve on the Board of Directors and may be reappointed to a different office or may serve on the Board without an officer designation.

Section 5.3 Resignation, Removal, and Vacancies. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written Notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of receipt of such Notice or any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. If an officer position is vacant, the vacancy may be filled by appointment of the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer they replace.

Section 5.4. The President. The President shall be elected from among the Directors and shall be the chief executive officer of the Association. The President shall preside at all meetings of the Association and of the Board, shall have and discharge all the general powers and duties usually vested in the office of the president or chief executive officer of a nonprofit corporation organized under the laws of Indiana, including, but not limited to, the power to appoint committees from among the Class A Members as he or she may deem necessary to assist in the affairs of the Association and to perform such other duties as the Board may from time to time prescribe. The President shall be the member of the Board to sign all leases, mortgages, deeds, and other written instruments. The President shall also co-sign all checks and promissory notes.

Section 5.5. The Vice-President. The Vice-President shall be elected from among the Directors and shall perform all duties incumbent upon the President during the absence or disability of the President. The Vice-President shall also perform such other duties as these Bylaws may prescribe or as shall, from time to time, be imposed upon him or her by the Board or by the President.

Section 5.6. The Secretary. The Secretary shall be elected from among the Directors. The Secretary shall attend all meetings of the Association and of the Board and shall keep or cause to be kept a true and complete record of proceedings of such meetings, shall authenticate the Association's records, shall perform all other duties incident to the office of the Secretary, and such other duties as

from time to time may be prescribed by the Board. The Secretary shall specifically see that all notices of the Association or the Board are duly given, mailed or delivered, in accordance with the provisions of these Bylaws.

Section 5.7. The Treasurer. The Board shall elect from among the Directors a Treasurer who shall maintain a correct and complete record of account showing accurately at all times the financial condition of the Association and such other duties incident to the office of Treasurer. The Treasurer shall be legal custodian of all monies, notes, securities, and other valuables which may from time to time come into possession of the Association. He or she shall immediately deposit all funds of the Association coming into his or her hands in some reliable bank or other depository to be designated by the Board and shall keep such bank account in the name and for the exclusive benefit of the Association. The Treasurer may permit the Managing Agent, if any, to handle and account for monies and other assets of the Association to the extent appropriate as part of its duties.

Section 5.8. Assistant Officers. The Board of Directors may from time to time designate and elect from among the Class A Members an Assistant Secretary and Assistant Treasurer, who shall have such powers and duties as the Officers whom they are elected to assist and shall delegate to them such other powers and duties as these Bylaws or the Board of Directors may prescribe.

ARTICLE 6

COMMITTEES

Section 6.1. Elections Committee

- (a) Number. The Elections Committee shall be comprised of at least three (3) and not more than five (5) Members as appointed by the Board of Directors. Only Members of the Association can be appointed to the Elections Committee. No member of the Committee may be a candidate for election or re-election. The Committee shall be chaired by the Association's Vice-President.
- (b) Method of Selection. The Elections Committee shall be appointed by the Board of Directors no later than two (2) months prior to the Annual Meeting.
- (c) Term. The terms of the appointed Members will be as determined by the Board.
- (d) Vacancies. In the event a vacancy occurs, the Board of Directors shall appoint a Member to fill such vacancy for the remainder of the unexpired term.
- (e) Duties. The Elections Committee shall be responsible for the orderly supervision and administration of Board elections, Cluster Committee elections, and other Association elections, if any, in accordance with these Bylaws and procedures adopted by the Board.

Section 6.2 Cluster Committee(s).

- (a) In conjunction with the Annual Meeting of the Association, the Members within each Cluster may elect from one to six Cluster Members, as the Board shall determine on the basis of the size and character of the Cluster, to serve as the Cluster Committee. Cluster Committees are not applicable to all Clusters; therefore, some Clusters will not have a Committee.
- (b) It shall be the duty of the Committee to:
 - (1) Advise the Board each year of the proposed budget for maintaining and operating the Common Areas within the Cluster and providing services for the Cluster as outlined in the Supplementary Declaration or Declarations which established such Cluster and annexed it to the Tipton Lakes Community Association, Inc.
 - (2) Advise the Board of Directors as to the consensus of Cluster Members on Association matters by keeping a “open door/ear policy” that might result in concerns and suggestions being brought to the attention of the Board of Directors.
 - (3) Assist the Association in identifying new neighbors who move into the Cluster.
 - (4) Identify future Cluster Committee Representatives.
 - (5) Perform such duties as may be assigned by the Board of Directors.

Section 6.3. Design Review Committee.

- (a) Number. The Design Review Committee shall be comprised of at least three (3) and not more than nine (9) Members as appointed by the Board of Directors. Only Members of the Association or the Executive Director of the Association (who may not be a Member of the Association) can be appointed to the Design Review Committee.
- (b) Method of Selection. The Design Review Committee shall be appointed by the Board of Directors. The Board of Directors also has the power to remove a Member of the Design Review Committee at any time, with or without cause.
- (c) Term. The terms of the Design Review Committee Members will be as determined by the Board of Directors.
- (d) Vacancies. In the event a vacancy occurs, the Board of Directors shall appoint a Member to fill such vacancy for the remainder of the unexpired term.

- (e) **Duties.** The Design Review Committee shall regulate the external design, appearance, and location of the Tipton Lakes Properties and improvements thereon in such a manner so as to preserve and enhance values and to maintain a harmonious relationship among structures and the natural vegetation and topography. In furtherance thereof, the Committee shall:
- (1) Review and approve, modify, or disapprove, within forty-five (45) days, all written applications of Owners and of the Association for improvements or additions to Living Units, Lots or Common Areas.
 - (2) Periodically inspect the Tipton Lake Properties for compliance with design standards and approved plans for alteration.
 - (3) Develop design standards subject to the confirmation of and adoption by the Board of Directors to be entered in the Association's Book of Resolutions.
 - (4) Adopt procedures for the exercise of its duties and, through the Board, enter them in the Book of Resolutions.
 - (5) Maintain complete and accurate records of all actions taken.
- (f) **Meetings.**
- (1) **Regular meetings.** The Design Review Committee shall meet as often as their responsibilities require. The date, time, and place of regular meetings shall be determined by the Design Review Committee.
 - (2) **Special Meetings.** The President of the Association or the chairman of the Design Review Committee may call into session special meetings of the Design Review Committee upon reasonable Notice.
 - (3) **Quorum.** The quorum required at meetings for the Design Review Committee to carry out its business shall be a simple majority of the respective Committee or subcommittee.
 - (4) **Action taken without a Meeting.** The Design Review Committee shall have the right to take any action in the absence of a meeting, which it could take at a meeting by obtaining the written approval of all the members thereof, which shall be filed with the minutes of the proceedings of the Committee. Any action so approved shall have the same effect as though taken at a meeting of the committee or subcommittees.

Section 6.4. Other Committees. The Board shall appoint other committees as deemed appropriate in carrying out its purposes.

ARTICLE 7

INDEMNIFICATION

Section 7.1. Liability of the Board of Directors, Officers, Members, members of the Covenants Committee, Design Review Committee, or other Committees, and the Association.

- (a) To the extent not inconsistent with the laws of the State of Indiana, every person (and the heirs and personal representatives of such person) who is or was a director or officer of the Association, or members of the Election Committee, Design Review Committee, or other committees the Board may establish shall not be liable to the Association or any Member for any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith. The Association shall indemnify and hold harmless each of the officers and Directors from and against all contractual liability to others arising out of contracts made by the officers of the Board of Directors on behalf of the Association unless any such contract shall have been made in bad faith or contrary to applicable laws, the Declaration, Bylaws, or other Governing Documents, except to the extent that such liability is satisfied by directors' and officers' liability insurance. Officers and members of the Board of Directors shall have no personal liability with respect to any contract approved by the Board of Directors on behalf of the Association. Every agreement made by the officers, the Board of Directors or the managing agent, if any, on behalf of the Association shall, if obtainable, provide that the officers, the members of the Board of Directors or the managing agent, as the case may be, are acting only as agent for the Association and shall have no personal liability thereunder. The Association shall indemnify and hold harmless each of the members of the Election Committee, Design Review Committee, and other committees established by the Board from and against all liability to others arising out of the exercise of their responsibilities unless their action shall have been taken in bad faith or contrary to the provisions of applicable law, the Declaration, these Bylaws, or other Governing Documents.
- (b) The Association shall not be liable for any failure of services to be obtained by the Association or paid for as a common expense, or for injury or damage to person or property caused by the elements or by any Member, or any other person, or resulting from electricity, water, snow or ice which may leak or flow from or over any portion of the Common Areas or from any pipe, drain, conduit, appliance or equipment. The Association shall not be liable to any Member for loss or damage, by theft or otherwise, of articles, which may be stored upon any of the Common Areas. No diminution or abatement of any assessments, as herein elsewhere provided, shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the Common Areas or from any action taken by the Association to comply with the Governing Documents, any law,

ordinance or with the order or directive of any municipal or other governmental authority.

ARTICLE 8

RECORDS OF THE ASSOCIATION

Section 8.1. In General. Current copies of the Declaration, the Articles, the Bylaws, rules and regulations, financial documents and other corporate documents concerning Tipton Lakes 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 proposed 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 shall be entitled upon written request to receive a financial statement for the immediately preceding fiscal year.

The Association reserves the right to require any member desiring to inspect the books, records, financial statements, and other papers of the Association to comply with the requirements set forth under the Nonprofit Act and the HOA Act, and any amendments or re-codification subsequently adopted thereto.

The Association reserves the right to deny any request by a member for inspection of the Association's roster of members, including mailing addresses of members, which the Board of Directors determines: (a) was not made in good faith or for a proper purpose; (b) the member fails to describe with reasonable particularity the purpose of the inspection; (c) the purpose is not directly related to the operation of the Association; or (d) was made to solicit money or property, or for a commercial purpose, or for marketing or advertising purposes.

ARTICLE 9

MISCELLANEOUS

Section 9.1. Fiscal Year. The fiscal year of the Association shall be the calendar year.

Section 9.2. Reimbursement of Expenses. A Member who is an officer, director, employee, or agent of the Association may be reimbursed for expenses incurred on the Association's behalf.

Section 9.3. Conflict. In case of conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE 10

GRIEVANCE RESOLUTION PROCEDURES

Section 10.1. Grievance Resolution Procedures. Effective July 1, 2015, Indiana enacted a statute that requires many disputes involving an Indiana homeowners association to be addressed through a grievance resolution procedure before a lawsuit can be filed in court. Currently, that statute is found in the HOA Act at Indiana Code 32-25.5-5. To comply with the spirit and intent of that statute, all Members of the Association, the Board of Directors, the Officers of the Association, and committee members agree to encourage the amicable resolution of disputes involving Tipton Lakes and to avoid the emotional and financial costs of litigation if at all possible. They all are deemed to covenant and agree that the statutorily mandated grievance resolution procedures shall apply to any claim covered by the Indiana statute, subject to the claims that the statute lists as being exempt from those required procedures. (For example, one of the exempt claims is a claim by the Association for unpaid Assessments and any action by the Association to collect Assessments.)

ARTICLE 11

AMENDMENT TO BYLAWS

Section 11.1. Amendment. These Bylaws may be amended, altered or replaced by a new Code of Bylaws, without the approval of the Members, by an affirmative vote of the majority of the members of the Board of Directors of the Association, except as prohibited by any provision of the Declaration, the Nonprofit Act, or the HOA Act.

This instrument prepared by:

P. Thomas Murray, Jr., Attorney at Law

Eads Murray & Pugh, P.C.

9515 E. 59th Street, Suite B

Indianapolis, IN 46216

Tele: (317) 536-2565

Tom@IndianaHOALaw.com

ADDENDUM #1
To the Bylaws of
Tipton Lakes Community Association, Inc

Board Member Statement of Conduct

Congratulations on your election or appointment to the Board of Directors for the Tipton Lakes Community Association, Inc. The purpose of this letter is to acquaint you with the standard of conduct that is expected of community association Board members in Indiana. The law imposes certain legal obligations on all Board members. Failure to fulfill these obligations could lead to a lawsuit against the Association, the Board, and even you personally. Chief among these obligations is what's called a "fiduciary duty" to the Association and its members. This means that you must perform your duties as a Board member in good faith and with the degree of care that an ordinarily prudent person would use under similar circumstances, being at all times loyal to the Association and its best interests. But in practice it gets a little more complicated than that. While it's impossible to review every possible situation you might face, here are some guidelines to follow. As a Board member, you must:

1. Act in the Association's best interests at all times. Your decisions must be based on what's best for the Association as a whole. Making decisions or taking actions that put the interests of yourself, your family, your friends, or your supporters above those of the Association or its members as a whole is a breach of your fiduciary duty to the Association.

2. Act with care, including seeking advice from experts when appropriate. When making decisions or taking actions, you must exercise the degree of care that an ordinarily prudent person would under the circumstances. Among other things, this means that if, for example, the Board must decide an issue that no one on the Board is an expert on, the Board should consult an expert. This doesn't mean you should feel paralyzed to make a decision, but it does mean that you should exercise care in making certain decisions regarding issues for which the average person would find it helpful or necessary to seek some input or advice from an expert or advisor before making a final decision, such as legal, accounting, construction or particular maintenance (such as fertilization chemicals) issues or matters.

3. Act within the scope of your authority. Your authority is defined in the Association's governing documents and by applicable Indiana and local law. It's important that you become familiar with the provisions of the Declaration, Bylaws and other governing documents of the community; and that you understand the scope of your authority in those documents and not exceed it. If a Board action violates the duly adopted Bylaws, Declaration, or other governing documents, or state or local laws, the Board may have breached its fiduciary duty and the action may have to be invalidated. Examples of this would be failing to comply with procedural requirements for community meetings and elections, or failing to enforce or comply with the restrictions or requirements in the Declaration. Therefore, it is very important that Board members always act to make reasonable decisions that are consistent with Indiana and local laws, the Declaration, the Bylaws, and the other governing documents of the community. Likewise, Board members should not act unilaterally or contrary to Board decisions, such as signing contracts, approving architectural requests, or making other promises or agreements with vendors or other Owners without Board approval.

4. Act in good faith. Board members' motives at all times must be to further the legitimate best interests of the Association. If Board members make decisions based on favoritism, discrimination, or malice - or make arbitrary decisions -they are breaching their fiduciary duty. This doesn't mean that the Board can't create a rule that affects some members differently from the way it affects others, such as a clean-up-after-your-pets rule or a parking rule. It just means that the decision to create the rule must be based on Board members' honest judgment of what is best for the Association as a whole. This same guideline applies to enforcement of the covenants as well, meaning a Board member should not seek to enforce the restrictions of the community selectively or in a personal or self-serving fashion.

5. Act professionally. Being a member of the Board requires you to behave and express yourself in a professional and businesslike manner. Remember that you are a representative of the owners, and your behavior is a reflection on everyone you represent. Obviously inappropriate language and personal attacks against other Board members, owners, managers, guests, vendors or contractors are not consistent with the best interests of the Association. Also, Board members should attend meetings regularly. You were chosen to sit on the Board because of your experience, education and talents, and not attending meetings prevents the Board from using your valuable input to make decisions. Additionally, if a Board member has any perceived, potential, or actual conflict of interest regarding any aspect of the business operations of the Association, this information must be disclosed to the Board immediately. An example of this would be a situation where a Board member, or a relative or close friend, is directly involved with any vendor being used by the Association, such as the lawn maintenance company. This conflict of interest disclosure is required under the law, and failure to make a proper disclosure could open the Board member up to personal liability surrounding the conflict.

The great thing about serving on a Board is that each member is asked to bring his or her experience, knowledge and talents to the table and use them collectively for the benefit of the entire community. This doesn't mean every member needs to agree or have the same opinion of how the Association should handle a particular matter, but it does mean that each member should respect other points of view, seek to understand those differences, and ultimately follow the decision of the entire Board, even if that decision is not in agreement with the individual Director's views.

6. Act to preserve confidentiality. Remember, each Board member may be entrusted with information that is private or personal in nature and should not be passed along to others who are not on the Board. (That includes spouses, family members, and others in the Board member's household.) Board members should always maintain the confidentiality of all legal, contractual, personnel, vendor and management matters involving the Association. Board members should also maintain the confidentiality of the personal lives of other Board members, Association members, residents and management staff. Failing to keep confidential information private creates an enormous amount of potential liability for the Association, the members, and each individual Board member. This doesn't mean that the Board should not discuss any Association matters with the residents, because you obviously need to let the members know what the Board is doing on their behalf. However, a safe approach to take on this issue is to not discuss specifics of confidential matters, but merely update the members in general terms. An example would be to tell members that there is a pending lawsuit involving an issue, and that the Association's legal counsel is providing guidance to the Board as it makes decisions during the litigation process, but not to disclose the terms of specific settlement offers or arguments being made by either side in the issue.

7. Act as a Steward for the Community. Board members have been elected to lead the community through the Association. You have been entrusted to manage and make decisions that will impact the entire neighborhood. As a representative of the people, you should hold yourself up as an example to the other residents of the community by complying and following the provisions of the governing documents for the community. Board members should also not defame, slander, harass, threaten, or otherwise attempt to intimidate or ridicule any other Board member, Association member, resident, or management staff member. Any action by a Board member that fails to fall within this good steward guideline is acting outside the scope of the Board member's authority, and as such, may be opening himself or herself up to potential individual liability or removal from the Board.

8. Avoid the following six common mistakes. You'll have to use your best judgment in determining what your fiduciary duty requires of you in any specific situation. But there are common mistakes that you should avoid:

- Don't take personal advantage of business opportunities that should benefit the entire community.
- Don't do business with the Association unless you disclose that fact to the other Board members and get the appropriate approval to do so.
- Don't give preferential treatment to friends and supporters, or expect it for yourself from others.
- Don't accept gifts from vendors or others doing business- or seeking to do business -with the Association.
- Don't make decisions on behalf of the Association based solely upon your personal goals or views, but make them based upon the desire of the residents and the benefit to the neighborhood as a whole. Dictators seldom have loyal and happy followers.
- Don't reveal confidential information.

The Board has decided to adopt this statement of conduct to serve as a source of guidance for all Board members and to be a reminder to each member of his or her responsibilities as a Board member and a representative of the owners in Tipton Lakes Community Association, Inc. Each Board member should always keep in mind that he or she has been entrusted to act as a representative of the community by their neighbors. Therefore, every member of the Board is asked to sign this statement of conduct as your affirmation that you have read, understand and agree to follow these simple rules of conduct and ethical behavior. Your refusal to adopt and follow these simple rules of conduct shall act as a disqualification to serve on the Board of Directors.

You have undertaken an important job in our community, and we appreciate your service!

Thank you.

Board Member's Agreement to Abide by the Statement of Conduct

I hereby state that I have read this Statement of Conduct and understand these rules and what is expected of me as a Board member of the Association. I also state by my signature below that I agree to follow these rules of conduct, and that I understand my failure to abide by these rules of conduct may result in my removal from the Board of Directors of the Tipton Lakes Community Association, Inc.

Date: _____

Signature of Director

Printed Name of Director

[All Directors serving on the Association's Board of Directors must sign a Statement of Conduct, which shall be maintained in the Association's records. This Statement of Conduct shall remain valid and in effect through the end of the Director's current term. If the Director is re-elected for a new term upon the expiration of his/her current term, then a new Statement of Conduct shall be signed by the Director for their new term of office.]