

11440

CODE OF BY-LAWS

OF

CRYSTAL LAKES ASSOCIATION, INC.

The undersigned incorporator, desiring to form a corporation (hereinafter referred to as the "Corporation") pursuant to the provisions of The Indiana Not-For-Profit Corporation Act, as amended (hereinafter referred to as the "Act"), executes the following Code of By-Laws.

ARTICLE I

Identification

SECTION 1. Name. The name of corporation is "Crystal Lakes Association, Inc." (hereinafter referred to as the "Association").

SECTION 2. Principal Office and Resident Agent. The post office address of the principal office of the Association is 2855 One American Square, Indianapolis, Indiana 46282; and the name and post office address of its Resident Agent is Mark P. Beery, 684 Cielo Vista Drive, Greenwood, IN 46142.

SECTION 3. Fiscal Year. The fiscal year of the Association shall begin at the beginning of the first day of January in each year and end at the close of the last day of December next succeeding.

ARTICLE II

Definitions

The following are the definitions of the terms as they are

used in the By-Laws and Declaration of Covenants, Conditions and Restrictions of Crystal Lakes ("Declaration").

a. "Committee" shall mean the Crystal Lakes Architectural Control Committee, which shall be composed of the owners of the real estate described in the plat filed with the Declaration, and more particularly defined in the Articles of Incorporation of Crystal Lakes Association, Inc., ("Articles"), or by their duly authorized representative(s).

b. "Lot" shall mean any parcel of real estate, whether residential or otherwise, determined by one of the plats of the Crystal Lakes Development which is recorded in the office of the Recorder of Johnson County, Indiana.

c. "Owner" shall mean a person who has or is acquiring any right, title or interest, legal or equitable, in and to a Lot, but excluding those persons having such interest merely as security for the performance of an obligation.

d. "Association" shall mean "Crystal Lakes Association, Inc." and shall be created as an Indiana Not-For-Profit corporation and its membership shall consist of lot owners who pay mandatory assessments in accordance with the Articles and the Declaration.

### ARTICLE III

#### Association Members

SECTION 1. Membership. Every owner, as defined in a certain Declaration of Covenants, Conditions and Restrictions of Crystal Lakes ("Declaration") recorded in the Office of the Recorder of

Johnson County, Indiana, the members of the first Board of Directors of the Association as specified by its Articles of Incorporation or their successors as appointed by the Developer under the Declaration shall be a member of the Association. The Association shall have two classes of voting membership as set out in the Articles of Incorporation.

SECTION 2. Place of Meeting. All meetings of members of the Association shall be held at such place within Johnson County, Indiana, as may be determined by the Board of Directors and specified in the notices or waivers of notice thereof or proxies to represent members at such meetings.

SECTION 3. Annual Meeting. The annual meetings of the members shall be held on the second Tuesday in June of each year if such a day is not a legal holiday, or, if a legal holiday, then on the next succeeding business day which is not a legal holiday.

SECTION 4. Special Meetings. Special meetings of the members may be called at any time for the purpose of considering matters which require the approval of all or some of the voting Members, or for any other reasonable purpose. Any such Special Meeting shall be called by written notice, authorized by a majority of the Board, or by one-third (1/3) of the members, and delivered not less than seven (7) days prior to the date fixed for such meeting. The notices shall specify the date, time and place of the meeting and the matters to be considered.

SECTION 5. Notice of Meetings. Written or printed notice stating the place, day and hour of a meeting and, in case of a special meeting, the purpose or purposes for which such meeting is

called shall be delivered or mailed by the Secretary of the Association to each member of record of the Association entitled to vote at the meeting, at such address as appears upon the records of the Association, at least ten (10) days before the date of the meeting. Notice of any meeting of the members may be waived in writing by any member if the waiver sets forth in reasonable detail the purpose or purposes for which the meeting is called and the time and place thereof. Attendance at any meeting in person or by proxy shall constitute a waiver of notice of such meeting.

SECTION 6. Voting at Meetings.

(a) Voting Rights. With the exception of the Developer, there shall be one person with respect to each Lot who shall be entitled to vote at any meeting of the members. Such person shall be known as a "Voting Member". Such Voting Member may be the Owner or one of the group composed of all the Owners of a Lot, or may be some person designated by such Owner or Owners to act as proxy on his or their behalf and who need not be an Owner. Any or all of such Voting Members may be present at any meeting of the Voting Members and may vote or take any action as a Voting Member, either in person or by proxy. Developer (or its nominee) may exercise the voting rights with respect to any Lot owned by it, as provided in the Articles of Incorporation.

(b) Proxies. A Voting Member is entitled to vote either in person or by proxy, executed in writing by such Voting Member or by his or her duly authorized attorney-in-fact and delivered to the Secretary of the meeting. Proxies shall be valid only for the

particular meeting designated thereon and must be filed with the Secretary before the scheduled time of the meeting. In any meeting of the Voting Members called for the purposes of electing the Board of Directors of the Association each Voting Member shall be permitted to cast the number of votes to which he is entitled, as hereinabove set forth, for each Director of the Association to be elected at such meeting.

(c) Quorum and Adjournments. The presence in person or by proxy of the Voting Members constituting the representation of a majority of the total votes shall constitute a quorum. Unless otherwise expressly provided herein, any action may be taken at any meeting of the Voting Members at which a quorum is present upon the affirmative vote of the Voting members having a majority of the total votes present at such meeting. Any meeting of the Voting Members, including both annual and special meetings and any adjournments thereof, may be adjourned to a later date without notice other than announcement at the meeting, even though less than a quorum is present.

SECTION 7. List of Voting Members. At least five (5) days before each meeting of the Voting Members, the Secretary shall prepare or cause to be prepared a complete list of the Voting Members of the Association entitled to vote at such meeting arranged in alphabetical order with the address of the Association and shall be subject to inspection by any record Voting Member. The original or duplicate membership register shall be the only evidence as to the persons who are entitled as Voting Members to examine such lists, or to vote at such meeting.

SECTION 8. Action by Written Consent. Any action required or permitted to be taken at any meeting of the Voting Members may be taken without a meeting, if prior to such action, a written consent thereto, setting forth the action so taken, is signed by all the Voting Members entitled to vote with respect to the subject matter thereof, and such written consent is filed with the minutes of the proceedings of the Voting Members. Such consent shall have the same effect as a unanimous vote of the Voting Members.

#### ARTICLE IV

##### Board of Directors

SECTION 1. Number, Term of Office and Qualifications. The Board of Directors shall consist of three (3) members, each of whom must maintain his or her principal residence on a Lot, or be an officer or an employee of Developer, its successors or assigns. Directors shall serve without compensation unless such compensation is approved by the Voting Members holding a majority of the total votes. The Board shall be elected by the Voting Members at their annual meeting and shall hold office until the next ensuing annual meeting of the Voting Members or until their successors have been duly elected and qualified. If a member of the Board of Directors shall cease to meet any qualification herein required for a member of the Board, such member shall thereupon cease to be a member of the Board and his place on the Board shall be deemed vacant. The Voting Members may remove any member of the Board with or without cause, and elect a successor

at a meeting of the Voting Members called expressly for such purpose.

SECTION 2. Vacancies. Vacancies occurring in the membership of the Board of Directors caused by resignation, death or other incapacity, or increase in the number of members of the Board shall be filled by a majority vote of the remaining members of the Board, and each member so elected shall serve until the next meeting of the Voting members, or until his successor shall have been duly elected and qualified. Notice specifying any increase in the number of members of the Board and the name, address and principal occupation or any other pertinent information about any member elected to fill any vacancy shall be given in the next mailing sent to the Voting Members after such increase or election.

SECTION 3. Annual Meetings. The Board of Directors shall meet annually, without notice, immediately following and at the same place as the annual meeting of the Voting Members.

SECTION 4. Regular Meetings. Regular meetings shall be held at such times and places, either within or without the State of Indiana, as may be determined by the President or Board of Directors.

SECTION 5. Special Meetings. Special meetings of the Board of Directors may be called by the President or by two (2) or more members of the Board, 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 telegraph; or notice may be given by mail if mailed at least three (3) days before such meeting.

SECTION 6. Waiver of Notice. Any member of the Board of Directors may waive notice of any meeting in writing. Attendance by a member at any meeting shall constitute a waiver of notice of such meeting.

SECTION 7. Quorum. A majority of the entire Board of Directors then qualified and acting shall constitute a quorum and be sufficient for the transaction of any business, except for filling of vacancies in the Board of Directors which shall require action by a majority of the remaining members of the Board. Any act of the majority of the members of the Board 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 By-Laws. A majority of the members 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 8. Action by Written Consent. Any action required or permitted to be taken at any meeting of the Board of Directors or any committee thereof may be taken without a meeting if, prior to such action, a written consent thereto is signed by all the members of the Board or of such committee, as the case may be, and such written consent is filed with the minutes of the proceedings of the Board.



ARTICLE V

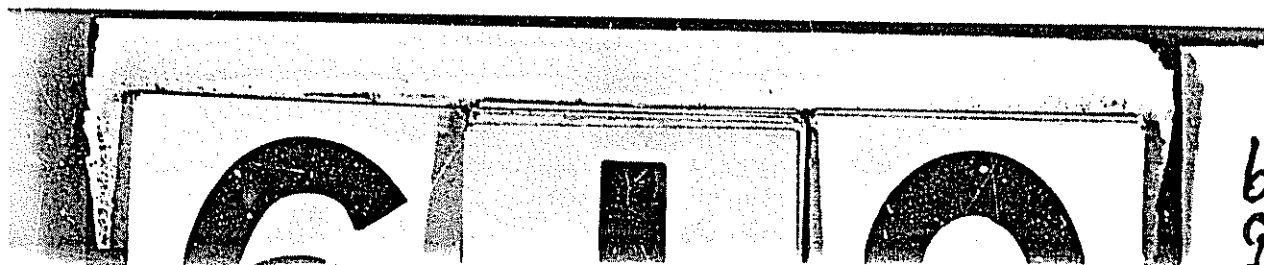
Officers

SECTION 1. Number of Officers. The officers of the Association shall consist of a President, a Secretary, a Treasurer and such officers or assistant officers as the Board shall from time to time create and so elect. Any two (2) or more offices may be held by the same person. Officers shall serve without compensation unless such compensation is approved by the Voting Members holding a majority of the total votes.

SECTION 2. Election and Terms. Each officer shall be elected by the Board of Directors at the annual meeting of the Board or until his successor shall have been elected and qualified or until his death, resignation or removal. Any officer may be removed at any time, with or without cause, by vote of a majority of the whole Board but such removal shall be without prejudice to the contract rights, if any, of the person so removed; provided, however, that election of an officer shall not of itself create contract rights.

SECTION 3. Vacancies. Whenever any vacancy shall occur in any office by death, resignation, increase in the number of officers of the Association, or otherwise, the same shall be filled by the Board of Directors, and the officer so elected shall hold office until the next annual meeting of the Board or until his or her successor is duly elected and appointed.

SECTION 4. President. The President shall be the chief executive officer of the Association; shall preside at all meetings of the 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 full authority to execute proxies on behalf of the Association, to execute, with the Secretary, powers of attorney appointing other associations, corporations, partnerships, or individuals the agent of the Association, all subject to the provisions of the laws of the State of Indiana, the Declaration, and this Code of By-Laws.

SECTION 5. Secretary. The Secretary shall attend all meetings of the Board of of the Voting Members and shall act as Secretary of such meetings; shall give or cause to be given all notices provided for in these By-Laws or required by law; shall record all votes and the minutes of all proceedings of the meetings of the Voting Members and the Board in a book or books to be kept for that purpose; shall be custodian of the records of the Association; and, in general, shall exercise all powers and perform all duties as may from time to time assigned to him or her by the Board or by the President.

SECTION 6. 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 Association Funds; shall immediately deposit, in the name and to the credit of the Association, all monies 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 of by the President; and in general shall exercise all powers, perform all duties customarily incident to such office and such other powers and duties as may from time to time be assigned to him by the Board or by the President.

## ARTICLE VI

### Responsibilities of the Association

SECTION 1. Maintenance. The Association shall maintain and repair the common areas shown on the recorded Plats, including improvements thereon.

SECTION 2. Casualty and Liability Insurance. The Association may procure and maintain casualty insurance for the common areas, liability insurance (including directors' and officers' insurance), and such other insurance as it may deem necessary or advisable.

SECTION 3. Contractual Rights. The Association may contract for such services as management, snow removal, security control, trash removal, and such other services as the Association deems necessary or advisable.

ARTICLE VII

COVENANT FOR MAINTENANCE ASSESSMENTS

SECTION 1. Creation of the Lien and Personal Obligation of Assessments. Developer, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (a) Annual assessments; and (b) Special assessments for capital improvements and operating deficits; such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the property against which either such assessment is made. Each such assessment, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

SECTION 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area and improvements thereon and other purposes as specifically provided herein.

SECTION 3. Maximum Annual Assessments.

(a) Until July 1, 1988, the maximum yearly assessment

on any Lot conveyed by Developer shall not exceed Fifty Dollars (\$50.00).

(b) From and after July 1, 1988, the maximum annual assessment may be increased effective January 1 of each year without a vote of the membership of no more than Fifteen Percent (15%).

(c) From and after July 1, 1988, the maximum annual assessment may be increased by more than the amount specified in Subsection (a) above by a vote of a majority of the members who are voting in person or by proxy, at a meeting duly called for this purpose.

(d) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

(e) A portion of such annual assessments shall be set aside or otherwise allocated in a reserve fund for the purpose of providing repair and replacement of the Common Areas or of any capital improvements which the Association is required to maintain.

SECTION 4. Special Assessment of Capital Improvements and Operating Deficits. In addition to the annual assessments authorized above, the Association may levy a special assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of any capital improvement which the Association is required to maintain or for operating deficits which the Association may from time to time incur, provided that any such assessment shall have the assent of

a majority of the votes of the members who are voting in person or by proxy at a meeting duly called for this purpose.

SECTION 5. Date of Commencement of Annual Assessments; Due Dates. The annual assessment provided for herein shall commence for each Lot on the date of conveyance to an Owner. The Board of Directors shall fix any increase in the amount of the annual assessment at least thirty (30) days in advance of the effective date of such increase. Written notice of special assessments and such other assessment notices as the Board of Directors shall deem appropriate shall be sent to every Owner subject thereto. The due dates for all assessments shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate in recordable form signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate from the Association regarding the status of assessments for any Lot shall be binding upon the Association as of the date of its issuance.

SECTION 6. Effect of Nonpayment of Assessments; Remedies of the Association. If any assessment (or annual installment of such assessment, if applicable) is not paid on the date when due, then the entire unpaid assessment shall become delinquent and shall become, together with such interest thereon and cost of collection thereof as hereinafter provided, a continuing lien on such Lot, binding upon the then Owner, his heirs, devisees, successors and assigns. The personal obligation of the then Owner to pay such assessments, however, shall remain his personal

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obligation and shall not pass to his successors in title unless expressly assumed by them.

If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of Twelve Percent (12%) per annum, and 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 assessment the costs of preparing and filing the complaint in such action; and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorneys' fees to be fixed by the Court, together with the costs of the action in favor of the prevailing party.

No Owner may waive or otherwise escape liability for the assessments provided for herein by abandonment of his Lot.

SECTION 8. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof. Provided, however, the sale or transfer of any Lot pursuant to the foreclosure of any first mortgage on such Lot (without the necessity of joining the Association in any such foreclosure action) or any proceedings or deed in lieu thereof shall extinguish the lien of all assessment becoming due prior to the date of such sale or transfer.

ARTICLE VIII

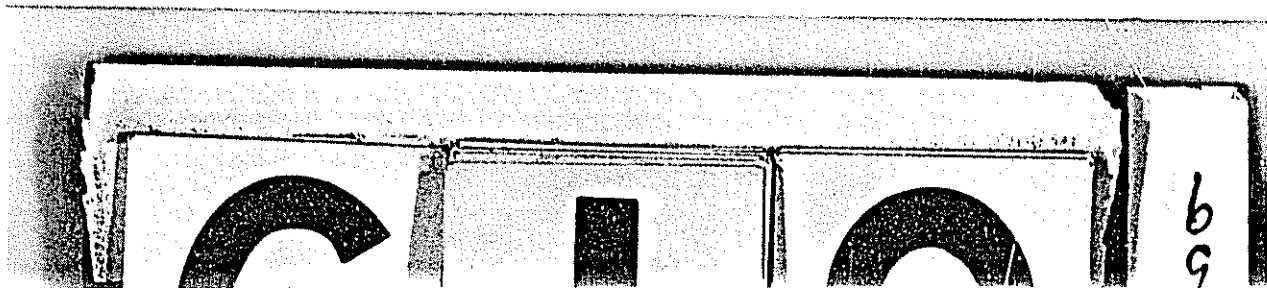
Books and Records

SECTION 1. Books and Records, in General. The Board shall keep full and correct books of account in chronological order of the receipts and expenditures affecting the "Properties" as defined in the Declaration, specifying and itemizing the maintenance and repair expenses of the Properties and other expenses incurred. Such records and the voucher authorizing the payments shall be available for inspection by any owner or any representative of an Owner duly authorized in writing, at such reasonable time or times during normal business hours as may be requested by Owner. Upon ten (10) days notice to the Board and payment of a reasonable fee, any Owner shall be furnished a statement in recordable form of his account, setting forth the amount of any unpaid assessments or other charges due and owing from such Owner, and such amount shall be binding upon the Board and the Association, and any mortgagee or grantee of such Owner furnished with such statement shall not be liable for, any unpaid assessment in excess of the amount set forth in such statement.

ARTICLE IX

Execution of Instruments

SECTION 1. Checks, Drafts, 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 or required by law, by the President and attested by the Secretary.

ARTICLE X

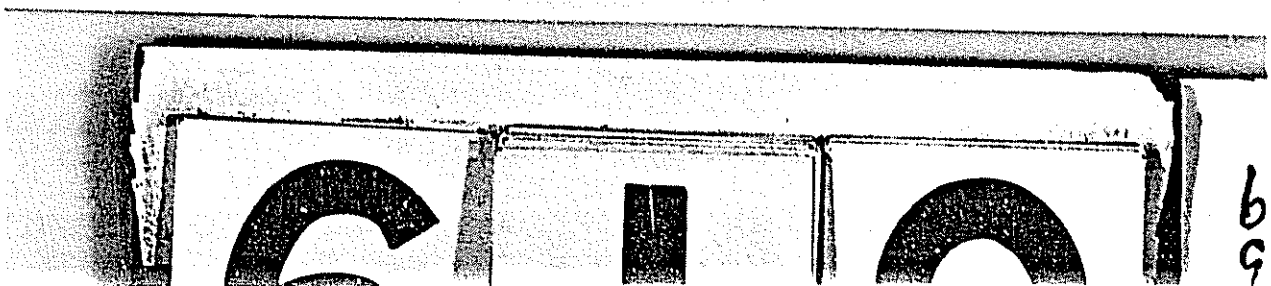
Recording

The original By-Laws and Articles of Incorporation are being recorded with the Declaration of Covenants, Conditions, and Restrictions, and shall be binding upon all lot owners in the same effect as the restrictive covenants set out in the Declaration of Covenants, Conditions and Restriction.

ARTICLE XI

New Sections of Crystal Lakes

All new sections of Crystal Lakes will be bound by these By-Laws and Articles of Incorporation of Crystal Lakes Association, Inc., and each Declaration of Covenants, Conditions and Restrictions shall refer to the original Articles of Incorporation and Code of By-Laws recorded with Section 1 of the Crystal Lakes Development and shall have the same binding effect as it has on Section 1 of said Crystal Lakes Development.



ARTICLE XII

Amendments

These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy, except the Federal Housing Administration or the Veterans' Administration shall have the right to veto amendments while there is Class B membership.

ARTICLE XIII

The Indiana Not-For-Profit Corporation Act of 1971

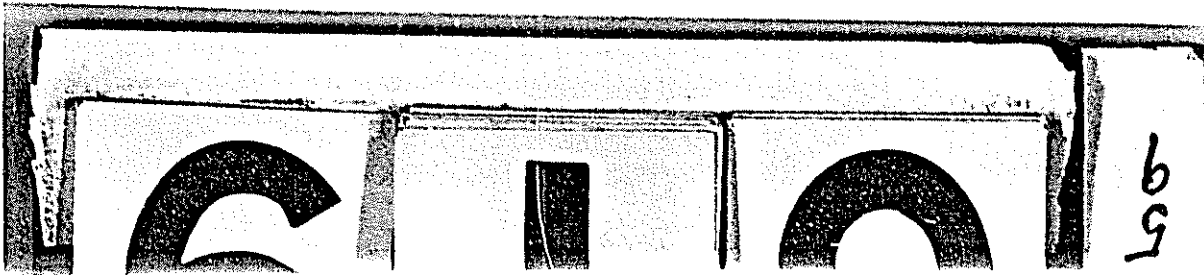
The provisions of the Indiana Not-For-Profit Corporation Act of 1971, as amended, applicable to any of the matters not herein specifically covered by these By-Laws, are hereby incorporated by reference in and made a part of these By-Laws.

CRYSTAL LAKE DEVELOPMENT CORPORATION

By: Mark P. Beery  
MARK P. BEERY, President

STATE OF INDIANA     }  
COUNTY OF JOHNSON   } SS:

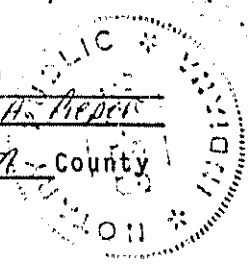
Before me, a Notary Public in and for said County and State personally appeared MARK P. BEERY, who, having been duly sworn, acknowledged the execution of the foregoing for and on behalf of the Corporation and stated that the representations contained therein are true.



Witness my Hand and Notarial Seal this 23 day of July,  
1987.

*Patricia A. Peper*  
Printed: PATRICIA A. PEPER

Residing in Winson County



My Commission expires:  
10-27-87

Also refer to:

Plats & Covenants - Instrument No. 10759  
Plat Book "C", Pages 265 & 266

Articles of Incorporation - Instrument No. 10760  
Miscellaneous Records 59,  
Page 574

JUL 24 3 58 PM '87

RECEIVED FOR RECORD  
BOOK 59 PAGE 619  
JACQUOLINE E. KELLER  
JOHNSON COUNTY RECORDER

THIS INSTRUMENT PREPARED BY:  
John M. Smart, III, Attorney at Law  
P.O. Box 405  
Greenwood, Indiana 46142  
(317) 888-1121

