CODE OF BY-LAWS

OF THE

FOUR OAKS HOMEOWNERS' ASSOCIATION, INC.

ARTICLE I

Name, Principal Office, Identification and Applicability and Definitions

Section 1.01. Name and Principal Office. The name of the Homeowners Association shall be Four Oaks Homeowners’ Association, Inc. (the "Association"). The principal office of the Association in the State of Indiana shall be located at such place in the State of Indiana as the Board of Directors of the Association shall determine from time to time.

Section 1.02. Identification and Adoption. These By-Laws are adopted to govern the administration of the Four Oaks Homeowners’ Association, Inc., a homeowners association created to govern the use of common areas, and partly to govern the use of Lots, in a residential subdivision located in Hendricks County, Indiana, known as Four Oaks (the "Subdivision").

The Articles of Incorporation of the Association are incorporated herein by reference, and all of the covenants, rights, restrictions and liabilities therein contained shall apply to and govern the interpretation of these By-Laws. The provisions of these By-Laws shall apply to the administration and conduct of the affairs of the Association.

Section 1.03. Individual Application. All of the lot Owners, future owners, mortgagees, tenants, future tenants, or their guests, invitees, and any other person who may use or occupy a lot or any common areas in the Subdivision, shall be subject to the terms and conditions of all documents affecting such lot and the common areas, as well as by the Articles of Incorporation of the Association, these By-Laws, and any Rules and Regulations adopted by the Association.

Section 1.04. Definitions. All terms used herein shall have the same meaning as defined in the Declaration of Covenants, Conditions and Restrictions, as amended, governing the Subdivision (which shall be known as the "Declaration"). The term “HOA Act" shall refer to the requirements of Article 32.25.5 of the Indiana Code (The “HOA Act”). The term "annual budget" shall mean the Budget adopted, or in context proposed for adoption, pursuant to Article V of these By-Laws. The masculine pronoun shall be construed to include and/or mean the feminine and neuter gender as the case may be and the singular shall where applicable include the plural. The term "Member" means an Owner in its capacity as a Member of the Association, and sometimes the term Owner is used to describe such person in its capacity as a member of the Association. The term "Declarant" means RH of Indiana, L.P., and any successors or assigns who take title to any portion of the Subdivision for the purpose of development and sale, and who are designated as the successor Declarant under the Declaration in recorded instrument executed by the immediately preceding Declarant. The term "Declarant's Control Period" shall mean and refer to the period of time beginning as of the date of adoption of these By-Laws and extending to the time of termination of the Class B membership in the Association in accordance with the Declaration of Covenants and Restrictions of Four Oaks.
ARTICLE II

The Association

Section 2.01 Location. The principal office of the Association shall initially be located at 9025 North River Road, Suite 100, Indianapolis, IN 46240, or at such other address as may be designated by the Association in writing and recorded with the Hendricks County, Indiana Recorder’s office; provided, however, the Association may change the location of its principal office without recording said change in address if after the Declarant’s Control Period.

Section 2.02 Activities of the Association. Subject to the Articles of Incorporation and the Declaration, the Association when so empowered shall engage in activities to benefit the Association and the owners of Lots located within the property, including, but not limited to, the following:

(a) To establish and or enforce reasonable rules and regulations for the use of: (i) landscaped islands lying within the public rights of way; (ii) easement area; or (iii) Common Areas.

(b) To establish an orderly and efficient system for the payment of, or reimbursement for, all expenses of the Association, and for the establishment and collection of assessments needed to fund the activities of the Association, including both annual and special assessments.

(c) To establish procedures for the settlement of disputes and grievances among Lot owners and Members and the Board as more particularly set forth in Section XI.

(d) To provide or arrange for landscape maintenance services for the Common Areas of the Development and Association property if authorized by the Board of Directors.

(e) To provide and arrange for such other services to Association property as the Board of Directors may from time to time determine.

(f) To promulgate and or enforce rules and regulations and perform such other acts as deemed necessary to carry out the purposes of the Association.

(g) To purchase, lease, or otherwise acquire, improve, construct, own, hold, use, maintain, operate, exchange, encumber, sell, convey or otherwise dispose of real and personal property of every kind, nature or description, as may be necessary or desirable to promote the purposes of the Association.

(h) To make and perform contracts of every kind for any lawful purpose without limit as to any amount, with any person, firm, association, corporation, municipality, state, government, or municipal or political subdivision.

(i) To enforce and exercise the rights granted to the Association by the Declaration.
(j) To carry out the duties and obligations imposed upon the Association by the Declaration and the HOA Act.

Section 2.03. Annual Meetings. The annual meeting of the Owners shall be held in the calendar year after the year in which the Association is established, and in each calendar year thereafter. The Board of Directors shall determine the date and time for the annual meeting and shall give written notice to the Owners. At the annual meeting the Owners shall elect the Board of Directors of the Association in accordance with the provisions of these By-Laws, shall consider the annual budget, and shall transact such other business as may properly come before the meeting. Each Owner, by acceptance of a deed to a lot, or by acquisition of any interest in a dwelling unit on a lot by an type of judicial acts inter vivos or causa mortis, or otherwise, shall be deemed to have appointed Declarant as such Owner’s agent, attorney-in-fact and proxy, which shall be deemed coupled with an interest and irrevocable until the end of the Declarant’s Control Period, to exercise all of said Owner’s right to vote, and to vote as Declarant determines, on all matters as to which Members of the Association are entitled to vote under the Declaration, the Articles, these By-Laws, the Indiana Nonprofit Corporation Act or otherwise.

Section 2.04. Special Meetings. A special meeting of the Owner’s may be called by the President, by request of two (2) Directors or upon a written request of not less than fifteen percent (15%) of the Owners. The request shall be presented to the President or Secretary of the Association and shall state the purposes for which the meeting is to be called and such purposes shall be stated in the notice thereof which is sent to the Owners. No business shall be transacted at a special Meeting except as stated in the notice of the meeting, unless all the Owners are present.

Section 2.05. Notice and Place of Meetings. Any meetings of the Owners may be held at any suitable place in the county where the Subdivision is located 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, mailed, or sent by electronic mail by the Secretary of the Association to each Owner not less than ten (10) days prior to the date set for such meeting. The notice shall be mailed, delivered, or sent by electronic mail to the Owners at their street address or email address as it appears upon the records of the Association and to any Mortgagee who requests the same in writing at its address as appears in the records of the Association. Attendance at any meeting by an Owner or their authorized representative, in person or by proxy, shall constitute a waiver of notice of such meeting.

Section 2.06. Voting.

(a) Number of Votes. To facilitate the orderly conduct of the meeting, each Owner other than the Declarant shall be a member of the Association, and shall be entitled to cast one vote on each matter coming before the meeting. The Declarant must approve all actions of the Association and the board in accordance with Section 4.6 of the Declaration until the expiration of the Declarant's Control Period.

(b) Multiple Owners. Where the Owner of a lot constitutes more than one person, or is a partnership, there shall be only one voting representative member entitled to cast the vote allocable to that lot. No vote shall be split.
(c) **Voting by Corporation or Trust.** Where a corporation or trust is an owner or is otherwise entitled to vote, the trustee may cast the vote on behalf of the trust and the agent or other representative of a corporation who is duly empowered to vote shall cast any votes to which the corporation is entitled.

(d) **Proxy.** A Member may vote either in person or by a duly authorized and designated attorney-in-fact. Where voting is by proxy, the Owner shall duly designate an attorney-in-fact in writing, and such written designation shall be delivered to the Association prior to or at the commencement of the meeting.

(e) **Quorum.** Except where otherwise expressly provided in these By-Laws, one-tenth (1/10) of the Members shall constitute a quorum at all meetings.

(f) **Membership Roster.** The Association shall maintain the roster of Members and other information regarding the Members and make such information available as required under Section 32-25.5-3-1 of the HOA Act.

(g) **Conduct of annual meeting.** The President of the Association shall serve as Chairman of the annual meeting and in the President’s absence the Vice President shall serve. During the Declarant’s Control Period, a representative appointed by the Declarant may serve as Chairman of the annual meeting.

The Chairman shall call the annual meeting to order at the duly designated time and business will be normally conducted in the following manner:

1. **Reading of Minutes.** The Secretary, or a designated representative, shall read the minutes of the last annual meeting and the minutes of any special meeting held subsequent thereto, but such reading may be waived upon motion.

2. **Treasurer’s Report.** The Treasurer, or a designated representative, 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 proposed annual budget for the current year.

3. **Budget.** The Association shall prepare and adopt an annual budget consistent with the requirements and procedures of Section 32-25.5-3-3 of the HOA Act. The proposed annual budget for the current fiscal year shall be presented to the Members by the Board or a designated representative. The Board of Directors shall also present the annual Assessments for the year that they have approved and that represents such amount as will raise the funds required to comply with the annual budget, including reserve requirements.

4. **Election of Board of Directors.** After the Declarant’s Control Period, nominations for the Board of Directors may be made by any Owner from those persons eligible to serve. Voting for the Board of Directors will be by paper or electronic ballot unless a majority of the Owners present waive voting by paper or electronic ballot and approve another form of voting. The ballot shall contain the name of each person nominated to serve as a Board member. Each Owner may cast one vote for as many nominees as are to be elected. No Owner may cast
more than one vote for any nominee. Those persons receiving the highest number of votes shall be elected.

(5) Other Business. Other business may be brought before the meeting only if accepted and ruled in order by the Chairman of the Meeting, or which is pursuant to written request submitted to the Secretary of the Association at least three (3) days prior to the date of the meeting.

(6) Adjournment.

ARTICLE III

Board of Directors.

Section 3.01. Number and Eligibility. The business and affairs of the Association shall be governed and managed by the Board of Directors (herein collectively called the "Board" or "Directors" and individually called "Director"), with each Director having one (1) vote. The Board of Directors shall be composed of a minimum of three (3) and a maximum of five (5) persons. No person shall be eligible to serve as a Director unless he is an Owner or unless he is appointed by the Declarant. Also, any Owner who is thirty (30) days or more in arrears in its annual or special Assessments will not be eligible to serve or to continue to serve as a Director.

Section 3.02. Initial Board of Directors. The Initial Board of Directors shall be appointed by Declarant acting in its sole discretion. Notwithstanding any other provision in these By-Laws, the Initial Board of Directors shall hold office until the first annual meeting of the Owners after the Declarant’s Control Period and shall serve at the discretion of the Declarant.

Section 3.03. 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 an officer or trustee, shall be eligible to serve on the Board of Directors. No Owner other than the Declarant may be represented on the Board of Directors by more than one person at a time.

Section 3.04. Term of Office and Vacancy. Subject to Section 3.02 above, the Board of Directors shall be elected at each annual meeting of the Association. At the first annual meeting of the Board, one-third (1/3) of the Directors shall be elected for one (1) year, one-third (1/3) of the Directors for two (2) years and one-third (1/3) of the Directors for three (3) years. At each subsequent annual meeting one-third (1/3) of the Directors shall be elected for a term of three (3) years (since the term of one-third (1/3) of the Directors will be expiring), and any other vacancies in the Board of Directors shall be filled by electing a Director to serve for the remainder of the term of the Director who did not serve for the whole term of office. Any vacancy or vacancies occurring in the Board of Directors shall be filled until the next annual meeting of the Members by a vote of a majority of the remaining Directors or by vote of the Owners if a Director is removed in accordance with Section 3.05 of this Article III. Directors may not be elected to serve more than two (2) consecutive terms on the Board.

Section 3.05. Removal of Director. A Director or Directors, except the initial Directors, may be removed with or without cause by vote of the Owners at a meeting duly called and constituted. In such case, a successor Director shall be elected at the same meeting from eligible Owners. A Director so elected shall serve until the next annual meeting of the Owners or until a
successor is duly elected and qualified. An initial Director may be removed and replaced at any time at the discretion of the Declarant.

Any Director who has three (3) consecutive unexcused absences from Board meetings or who is delinquent in the payment of any Assessment or other charge due the Association of more than thirty (30) days may be removed by a majority of the Directors present at a regular or special meeting at which a quorum is present, and a successor may be appointed by the Board to fill the vacancy for the remainder of the term. In the event of death, disability, or resignation of a Director, a vacancy may be declared by the Board, and it may appoint a successor who shall serve for the remainder of the term of such Director who is no longer serving.

Section 3.06. Duties of the Board of Directors. The Board of Directors shall provide for the management, administration, operation, maintenance, repair, upkeep and replacement of the Common Areas in the Subdivision, and the collection and disbursement of the Common Expenses. The Board may employ a managing agent upon such terms as the Board shall find, in its discretion, reasonable and customary. The managing agent, if any, shall assist the Board in carrying out its duties, which may include, but are not limited to:

(a) management, maintenance, landscaping, painting, decorating, furnishing, repair and replacements of the Common Areas;

(b) procuring of utilities used in connection with the common facilities, removal of garbage and waste, and snow removal from the Common Areas and, if the Board of Directors deems prudent, from public streets in the Subdivision;

(c) assessment and collection from the Owners of the Owners’ pro rata share of the Common Expenses;

(d) preparation of annual budget, a copy of which will be made available to each Owner at the same time as the notice of the annual or special meeting at which the same is to be acted upon is mailed or delivered;

(e) preparing and delivering annually to the Owners a full accounting of all receipts and expenses incurred in the prior year; such accounting shall be delivered to each Owner within sixty (60) days of the closing of each fiscal year;

(f) keeping a current, accurate and detailed record of receipts and expenditures affecting the Subdivision and the business and affairs of the Association, specifying and itemizing the Common Expenses. All records and vouchers shall be available for examination by an Owner upon reasonable notice during normal business hours;

(g) to procure fire and extended coverage insurance covering any improvements on or to the Common Areas to the full replacement value thereof and to procure public liability and property damage insurance, Directors and Officers liability coverage, fidelity bonds, and Worker’s Compensation Insurance, if the Association employs any direct employees, for the benefit of the Owners and the Association; and,

(h) assessment and collection of special Assessments from any or all of the Owners.
Section 3.07. Powers of the Board of Directors. The Board of Directors shall have all powers as are reasonable and necessary to accomplish the performance of their duties. These powers include, but are not limited to, the power:

(a) to employ a managing agent or a real estate management company (either being hereinafter referred to as "Managing Agent") to assist the Board in performing its duties;

(b) to purchase, lease or otherwise obtain for the benefit of the Association such equipment, fixtures, materials, labor, and services as may be necessary in the judgment of the Board of Directors; provided, however, that the Board shall not enter into any contract or borrow funds in violation of Section 32-25.5-3-4 and Section 32-25.5-3-5 of the HOA Act.

(c) to employ legal counsel, architects, contractors, accountants, and others as in the judgment of the Board of Directors may be necessary or desirable in connection with the business and affairs of the Association;

(d) to include the costs of performing all of its functions, duties and obligations as Common Expenses;

(e) to open and maintain one or more bank accounts in the name of the Association;

(f) to make assessments to the Members and establish the means and methods of collecting such assessments;

(g) to determine rules and procedures for hiring and firing of personnel or contractors necessary for the maintenance, repair and replacement of Common Areas and for approving the payment of vouchers, invoices and the like;

(h) to adopt, revise, amend and alter from time to time reasonable rules and regulations with respect to use, occupancy, operation, and enjoyment of the Common Areas;

(i) to borrow money for the purpose of maintenance, repair or restoration of the Common Areas;

(h) to grant easements and other rights over the Common Areas;

(i) to enforce by legal means the provisions of these By-Laws, the Declaration, and the rules and regulations adopted by it, and bringing any proceeding which may be instituted on behalf of or against the Owners concerning the Association;

(j) to impose non-discriminatory fines upon any Owner or Owners if they, or any members of their family, guests or invitees, shall violate any rules or regulations adopted by the Association, such fine shall be collectible by the Association in the same manner as payment of the annual Assessment is collectible, and shall be secured by a lien on the Owner's Lot and subject to late charges, interest, administrative fees and legal expenses to the same extent as a late payment of the annual Assessment; and
(k) to do such other acts and things as are in the best interest of a majority of Owners and which are not contrary to law.

Section 3.08. Limitation on Board Action. After the Declarant's Control Period ends, the authority of the Board of Directors to enter into contracts shall be limited to contracts involving a total expenditure of less than $50,000.00 per year without obtaining the prior approval of the Owners at a meeting thereof, except in the following cases:

(a) contracts for replacing or restoring portions of the Common Areas damaged or destroyed by fire or other casualty where the cost thereof is payable out of insurance proceeds actually received or for which the insurance carrier has acknowledged coverage;

(b) proposed contracts and proposed expenditures expressly set forth as provided for in the annual budget, which shall include but not be limited to the compensation of the Managing Agent, ongoing contracts of all kinds, maintenance contracts, landscape contracts, contracts for improvements which have been approved by the Owners and contributions to reserve accounts; and,

(c) expenditures necessary to deal with emergency conditions in which the Board of Directors reasonably believes there is insufficient time to call a meeting of the Owners.

Section 3.09. No Compensation. No Director shall receive any compensation for services as such except to the extent as may be expressly authorized by a majority vote of the Owners; provided that a director may be reimbursed for reasonable costs and expenses incurred for the benefit of the Association if approved by the other Directors.

Section 3.10. Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by the President, but at least four (4) meetings shall be held during each fiscal year with at least one (1) such meeting occurring in each calendar quarter. The Secretary shall give notice of the regular meetings of the Board to each Director personally or mailed by United States Mail to the Director’s street address as shown on the records of the Association at least three (3) days prior to the date of such meeting.

Special meetings of the Board of Directors may be called by the President or any two members of the Board. The person or persons calling such meeting shall give written notice thereof to the Secretary who shall either personally, by United States Mail to the Director’s street address as shown on the records of the Association, or by electronic mail to the Director’s email address as shown on the records of the Association 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 or purposes for which the meeting is called. Any regular or special meeting shall be held at such place and at such time as shall be designated in the notice.

Section 3.11. Waiver of Notice. Any Director may, in writing, waive notice of a meeting and such waiver shall be deemed equivalent to the receipt 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 the meeting of the Board, or if those not present shall waive notice of the meeting or shall consent to the actions taken at the meeting, notice shall not be required and any business may be transacted at such meeting.
Section 3.12. Quorum. At all meetings of the Board 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 3.13. Action Without a Formal Meeting. Any action that may be taken at a meeting of the Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the Directors and such consent shall have the same force and effect as a unanimous vote.

Section 3.14. Non Liability of Directors. The Directors shall not be liable to the Owners or any other persons for any error or mistake in judgment exercised in carrying out their duties and responsibilities as Director, except for their own individual willful misconduct, bad faith or gross negligence. The Association shall indemnify and hold harmless each of the Directors against any and all liability to any person, firm or corporation arising out of contracts made by the Board on behalf of the Association, unless any such contract shall have been made in bad faith. The Association shall if reasonably available carry liability insurance for the Board of Directors. The cost of such insurance shall be included as part of the Common Expenses. It is intended that the Directors shall have no personal liability with respect to any contract made by them in good faith on behalf of the Association. The Owners shall be subject to special assessment for sums necessary for the Association to pay the aforesaid indemnity in favor of the Directors. Every contract made by the Board or the Managing Agent on behalf of the Association shall be in the name of the Association.

Section 3.15. Additional Indemnity of Directors and Officers. The Association shall indemnify, hold harmless, and defend any person, his or her heirs, assigns and personal representatives, made a party to any action, suit or proceeding by reason of the fact that he is or was a Director or an Officer of the Association, against the reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with the defense of such action, suit or proceeding, or in connection with any appeal thereon, except as otherwise specifically provided herein in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such person is liable for gross negligence or willful misconduct in the performance of his or her duties. The Association shall also reimburse to any such Director or Officer of the Association the reasonable costs of settlement or of judgment rendered in any action, suit or proceeding, if it shall be found by a majority of the Owners that such Director or Officer was not guilty of gross negligence or willful misconduct. In making such findings and notwithstanding the adjudication in any action, suit or proceeding against a Director or an Officer, no Director or Officer shall be considered or deemed to be guilty of or liable for negligence or willful misconduct in the performance of his or her duties where, acting in good faith, such Director or Officer relied on the books and records of the Association or statements or advice made by or prepared by the Managing Agent or any officer or employee thereof, or any accountant, attorney or other person, firm or corporation employed by the Association to render advice or service unless such Director had actual knowledge of the falsity or incorrectness thereof; nor shall a Director or Officer be deemed guilty of or liable for negligence or willful misconduct solely by virtue of the fact that he failed or neglected to attend a meeting or meetings of the Board of Directors.

Section 3.16. Bond. The Board of Directors may provide surety bonds and may require the Managing Agent (if any), the 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 determined to be proper 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 such bond shall be a Common Expense.

Section 3.17. Books and Records. The Board of Directors shall itself, or through the Managing Agent, make available to Owners and lenders, and to holders, insurers or guarantors of any first mortgage, current copies of the Declaration, these By-Laws, any rules and regulations concerning the Subdivision, and the books, records and financial statements of the Association. "Available" shall mean available for inspection, upon request, during normal business hours or under other reasonable circumstances.

ARTICLE IV

Officers

Section 4.01. 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. 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 4.02. Election of Officers. The Officers of the Association shall be elected annually by the Board of Directors at the initial meeting of each new Board. Upon an affirmative vote of a majority of all members of the Board, any officer may be removed either with or without cause and a successor elected at any regular meeting of the Board or at any special meeting of the Board called for such purpose.

Section 4.03. The President. The President shall be elected from among the Directors and shall be the chief executive officer of the Association. He shall preside as Chairman at all meetings of the Association and of the Board, shall have and discharge all of the general powers and duties usually vested in the office of president or chief executive officer of an association or a stock corporation organized under the laws of Indiana, including but not limited to the power to appoint committees from the Owners as he 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.

Section 4.04. The Vice President. A Vice President shall be elected by the Directors, but need not be from among the Directors, and shall perform all duties incumbent upon the President during the absence or disability of the President. In the absence of the President, the Vice President shall preside at all meetings of the Owners and of the Board of Directors. The Vice President shall also perform such other duties as these By-Laws may prescribe or as shall, from time to time, be delegated to him by the Board or by the President.

Section 4.05. The Secretary. The Secretary need not 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 the proceedings of such meeting, 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 By-Laws.

Section 4.06. The Treasurer. The Board shall elect 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. He shall be the legal custodian of all monies, notes, securities and other valuables which may from time to time come into possession of the Association. The treasurer shall immediately deposit all funds of the Association coming into its hands in some reliable bank or other depository to be designated by the Board and shall keep such bank account in the name of the Association. The Treasurer need not be an Owner.

Section 4.07. Additional Officers. The Board of Directors may, from time to time, designate and elect additional officers, including but not limited to Vice Presidents and an Assistant Secretary and Assistant Treasurer who shall have such powers and duties as are set forth herein for such office. The Assistant Secretary and Assistant Treasurer shall have such powers and duties as the officer whom they are elected to assist shall delegate to them, and such other powers and duties as these By-Laws or the Board of Directors may prescribe.

Section 4.08. Delegation to Management Agent. The duties of the Secretary and/or the Treasurer may be delegated to a Managing Agent if one is then serving.

ARTICLE V

Committees

Section 5.01. General. Committees are hereby authorized to perform such tasks and to serve for such periods as may be designated by a resolution adopted by a majority vote of the Directors. Each committee shall operate in accordance with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors.

Section 5.02. Architectural Control Committee. There shall be created and established the “Four Oaks Architectural Control Committee” (“Committee), which shall have exclusive jurisdiction over all construction on any portion of the Lots (as such term is defined in the Declaration). Until 100% of the Lots have been developed and conveyed to purchasers in the normal course of development and sale, the Declarat, or not more than five (5), nor less than three (3), persons designated by it, shall constitute the Committee and shall serve at the discretion of the Declarant. In all instances, at least one member of the Committee will be designated by the Declarant. After the sale of 100% of the Lots, the committee shall be a standing committee of the Association in accordance with Article VI of Declaration, consisting of three (3) persons, as may be determined by the Board. If at any time no members of the committee have been appointed, then three (3) members of the Board shall be and constitute the Committee.

ARTICLE VI

Accounting, Budget and Assessments

Section 6.01. Annual Accounting. Annually, as soon as practicable after the close of each fiscal year and prior to the date of the annual meeting of the Association next following the
end of such fiscal year, the Board shall cause to be prepared and furnished to each Owner a financial statement, which statement shall show all receipts and expenses received, incurred and paid during the preceding calendar year. The Association shall furnish such financial statement for the preceding fiscal year free of charge to any holder, insurer or guarantor of a first mortgage who shall so request in writing.

Section 6.02. Proposed Annual budget. The Initial Board of Directors shall establish the first annual budget and its resultant regular assessment. Annually thereafter, on or before the date of the annual meeting of the Association or any special meeting at which the budget is to be acted upon, the Board of Directors shall cause to be prepared a proposed annual budget for the ensuing or current fiscal year estimating the total amount of the Common Expenses for such fiscal year. The Board of Directors shall furnish a copy of such proposed annual budget to each Owner prior to or at the annual meeting. The annual budget shall be submitted to the Owners at the annual meeting or a special meeting of the Association for adoption, and if so adopted, shall be the basis for the annual Assessments for the following fiscal year. At the annual meeting of the Owners, the Budget may be approved in whole or in part or may be amended in whole or in part, by a majority vote of the eligible Owners represented at such meeting.

Section 6.03. Annual and Special Assessments. Common Expenses shall be assessed to the Owners, either as an annual Assessment, or as a special Assessment, equally with respect to each lot which is subject to assessment, all as set forth in Article V of the Declaration and below:

(a) An annual Assessment shall be made for each fiscal year of the Association for all anticipated ongoing operating expenses of the Association, including reserves. The amount of the aggregate annual Assessments shall be equal to the total amount of expenses provided for in the annual budget, including reserve items.

(b) Special Assessments may be made for any unusual and/or extraordinary items, including capital expenditures, and any unanticipated items. Special Assessments shall be payable in such amounts and at such times as may be provided in the resolution or other formal proposal setting forth the terms of such Special Assessments and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved, if the Board so determines.

(c) Reserve Assessments shall be made upon the closing of the conveyance of each Lot by an Owner to a subsequent Owner, the purchaser of such Lot shall pay to the Association, in addition to any other amounts then owed or due to the Association, as a contribution to its working capital fund, an amount equal to fifty (50%) of the then annual Assessment against each Lot, which payment shall be non-refundable and shall not be considered as an advance payment of any assessment or other charge owed the Association with respect to such Lot.

(d) Violation Assessments shall be levied upon an Owner for (i) an uncured violation of the Declaration, or (ii) for damages, if any portion of the Common Area that the Association is obligated to maintain, repair and/or replace is damaged due to the willful or negligent act or omission of such Owner or Owner’s guest or invitee as described in Section 5.12 of the Declaration.
(e) The annual Assessment and all special, reserve and violation Assessments, together with interest, late charges, costs and reasonable attorney's fees, shall be a continuing lien on the lot upon which each such assessment is made as each installment thereof becomes payable. Each such Assessment, together with interest, late charges, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of the lot at the time the Assessment was payable.

Section 6.04. Fiscal Year. The fiscal year of the Association shall commence on January 1 and end on December 31, but the Board of Directors may change such fiscal year.

Section 6.05. Notice of Meetings for Assessments. Written notice of any meeting other than the annual meeting which is called for the purpose of reviewing the annual budget and annual Assessment or a special Assessment, shall be given or sent to all members and such notice shall state that the annual budget and/or a special Assessment will be considered at such meeting.

Section 6.06. Commencement of Assessments. The annual Assessments provided for herein shall be made for each fiscal year of the Association. The annual Assessment shall be set for each fiscal year of the Association. If the annual Assessment has not been set by the first day of the fiscal year, then the payments due on the annual Assessment shall be based upon a tentative annual budget set by the Board of Directors, and if none is set then the assessments shall be based on the prior year's assessment, or at the option of the Board based upon one hundred ten percent (110%) of the prior year's assessment, until the annual budget and the annual Assessment for such fiscal year is approved. If more than one lot is conveyed or rented with a home, then each lot, or part lot, shall be subject to the annual Assessment. The annual Assessment for the fiscal year in which the conveyance of the first lot to an Owner other than a builder occurs shall be established by the Declarant. No lot shall be liable for payment of the annual Assessment until after a home on the lot is substantially completed and is conveyed by the builder of the home to a purchaser. At the time of the first conveyance of a home, the purchaser shall pay a prorated assessment for the balance of the year in which the lot is conveyed. The seller of each lot shall be responsible to notify the Association of the sale of the lot and to give to the Association the purchaser's name and address for mailing purposes and satisfactory evidence of ownership. The buyer and seller of each lot shall be jointly responsible for paying any fees relating to collection of information from the Association as required for the sale and shall pay such fees directly or reimburse the Association for such costs. Such costs and fees shall be considered part of the annual Assessment and subject to all late charges, interest, fees and attorney fees required for collection.

Section 6.07. Delinquent Assessment. Each Owner shall be personally liable for the payment of all annual Assessments and other Assessments against its lot under Section 5.16 and 5.17 of the Declaration. Where the Owner constitutes more than one person, the liability of such persons shall be joint and several. Any payment of an Assessment which is not paid within thirty (30) days of the date when due shall automatically be subject to a late charge of $25.00. A late fee of $25.00 plus interest at a rate of twelve percent (12%) per annum shall be due on all unpaid balances older than thirty (30) days. The Association may bring an action at law against the Owner personally obligated to pay the same; it may foreclose its lien against the Owner's lot; or it may assert both rights and/or any other remedy available to it in law or in equity.
Section 6.08. Lien of Assessments. All sums assessed by the Association, but unpaid, including installments of the annual Assessment and special Assessments, and any fines duly imposed by the Association, together with late charges, interest, attorney's fees and the costs of collection thereof, shall constitute a lien on the Owner's lot prior to all other liens, except only:

(a) Tax liens on the lot in favor of any assessing unit or special district; and
(b) All sums unpaid on a first mortgage of record.

The sale or transfer of any lot by foreclosure or by deed in lieu of foreclosure (but not any other transfer), shall extinguish the Assessment lien for payments which became due prior to the date of such sale or transfer, but shall not extinguish the personal liability of the lot Owner for such assessments. No such sale or transfer shall relieve the lot Owner from liability for any assessments thereafter becoming due or from the lien thereof. The lien for sums assessed may be foreclosed by a suit by the Association or the Managing Agent on its behalf in like manner as mechanic liens.

Section 6.09. Liability of Grantee. In a voluntary conveyance of a lot other than a deed in lieu of foreclosure, the grantee of the lot shall be jointly and severally liable with the grantor for all unpaid assessments by the Association against the latter for its share of the Common Expenses or for special assessments up to the time of the grant or conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefore. Upon the request of any Owner, purchaser or Mortgagee, the Secretary or other authorized officer of the Association or the Managing Agent shall provide within seven (7) days of the request, a statement of the amount of current and delinquent assessments by the Association, including fines and charges, against a particular lot. The Association may charge a reasonable charge for such statement if permitted by law and it may require the Owner to confirm that the person requesting the statement is a Mortgagee or purchaser of or from the Owner. Once having been furnished with such a statement, such person (other than the delinquent Owner) shall not be liable for, nor shall the lot conveyed be subject to a lien for, any unpaid assessments made by the Association against the grantor in excess of the amount therein set forth, plus costs of collection of such sums, if applicable.

Section 6.10. Failure of Owner to Pay Assessments. Each Owner shall be personally liable for the payment of all annual and other Assessments as described in Article V of the Declaration. Where the Owner constitutes more than one person, the liability of such persons shall be joint and several. The Board may, at its option, bring a suit to recover a money judgment for any unpaid annual or other Assessments without foreclosing or waiving the lien securing the same, or it may bring a joint action to recover money damages and to foreclose its lien on the lot.

ARTICLE VII

Rules and Regulations

Section 7.01. Right of Board to Adopt Rules and Regulations. The Board may promulgate such reasonable and non-discriminating Rules and Regulations regarding the operation of the Common Areas and to provide reasonable restrictions on the use of the several lots, as the Board may deem necessary from time to time. The Board shall cause copies of such rules and regulations to be delivered or mailed promptly to all Owners.
ARTICLE VIII

Insurance; Casualty Losses; and Condemnation

Section 8.01. Insurance. The Association, acting through its Board or its duly authorized agent, shall obtain and continue in effect the following types of insurance, if reasonably available, or if not reasonably available, the most nearly equivalent coverages as are reasonably available:

(a) A master casualty insurance policy, and to the extent obtainable for reasonable amounts, “all risk” coverage, affording fire and extended coverage insurance insuring the Common Areas in an amount consonant with the full replacement value of the improvements, if any, which, in whole or in part, comprise the Common Areas. The Board shall be responsible for reviewing the amount and type of such insurance at least annually and shall purchase additional insurance as is necessary to provide the insurance required above. Such insurance coverage shall name the Association as the insured, for the benefit of each Owner (to the extent, if any, that individual Owners have an independent interest in the property covered thereby.)

(b) A master comprehensive public liability insurance policy in such amount or amounts as the Board shall deem appropriate form time to time, but in any event with a minimum combined limit of One million dollars ($1,000,000.00) per occurrence. Such policy shall cover all of the Common Areas and shall insure the Association, the Board, Officers, any committee or organ of the Association or Board, any Managing Agent appointed or employed by the Association, the Declarant, and all persons acting or who may come to act as agents or employees of any of the foregoing with respect to the Property, all Owners of lots and all other persons entitled to occupy any lot or dwelling unit on a lot. Such policy shall contain a “severability of interest” clause or endorsement which shall preclude the insurer from denying the claim of an Owner because of negligent acts of the Association or other Owners.

(c) Workers compensation insurance and employers liability insurance, if and to the extent required by law.

(d) Directors and officers liability coverage.

(e) Such additional insurance as the Board, in the exercise of its business judgment, determines advisable.

Section 8.02. Casualty Losses. In the event of damage to or destruction of any Common Areas due to fire or any other casualty or disaster, the Association shall promptly cause the same to be repaired and reconstructed. The proceeds of insurance carried by the Association shall be applied to the cost of such repair and reconstruction. If the insurance proceeds, if any, received by the Association as a result of any such fire or other casualty or disaster are not adequate to cover the cost of repair and reconstruction of these areas, or in the event there are no insurance proceeds, the cost for restoring the damage and repairing and reconstructing these areas so damaged or destroyed (or the costs thereof in excess of insurance proceeds) shall be assessed by the Association against all of the Owners in equal shares. Any
such amounts assessed against the Owners shall be assessed as part of the Common Expenses and shall constitute a lien from the time of assessment as provided herein.

Section 8.03. Condemnation. Whenever all or any part of the Common Areas shall be taken (or conveyed in lieu of and under threat of condemnation by any authority having the power of condemnation), the award made for such taking shall be payable to the Association, to be disbursed as follows:

(a) If the taking involves a portion of the Common Areas on which improvements have been constructed, then, unless the Declarant (so long as it is during the Declarant’s Control Period) and the Board shall otherwise agree, the Association shall restore or replace such improvements so taken on the remaining land included in the Common Areas to the extent lands are available therefore, in accordance with plans approved by the Board and the Declarant.

(b) If the taking does not involve any improvements on the Common Areas, or if there is a decision made not to repair or restore, or if there are net funds remaining after any such restoration or replacement is completed, then such award or net funds shall be disbursed to the Association and used for such purposes as the Board of Directors shall determine.

ARTICLE IX

Miscellaneous

Section 9.01. Amendment. These By-Laws may be amended by a vote of not less than fifty-one percent (51%) of the members of the Board of Directors voting in person or by proxy at a duly constituted meeting called for such purpose, or at an annual meeting. Declarant may unilaterally amend these By-Laws at any time and from time to time if such amendment is (a) necessary to bring any provision hereof into compliance with any applicable governmental statutes, rules, or regulations, or judicial determination; (b) necessary to enable any reputable title insurance company to issue title insurance coverage on the common areas; (c) required by an institutional or governmental lender or purchaser of mortgage loans to enable such lender or purchaser to make or purchase mortgage loans on the Common Areas; or (d) necessary to enable any governmental agency or reputable private insurance company to insure mortgage loans on the Common Areas. Additionally, so long as it still owns any property described in Exhibit “A” of the Declaration for development, the Declarant may unilaterally amend these By-Laws for any other purpose; provided the amendment has no material adverse effect upon any rights of any Owner.

Section 9.02. Conflicts. In the case of any conflict between the Articles of Incorporation and the By-Laws, the Articles of Incorporation shall control. In the case of any conflict between these By-Laws and the Declaration, the Declaration shall control. In the case of any conflict between the By-Laws and the HOA Act, the HOA Act, shall control.

ARTICLE X

Mortgages
Section 10.01. Notice to Mortgagee. Any Owner who places a first mortgage lien upon such Owner's lot may notify the Secretary of the Association or the Managing Agent and provide the name and address of the Mortgagee, or the Mortgagee may do so, with a statement as to whether notices are to be sent to the Mortgagee. A record of such Mortgagee and its name and address shall be maintained by the Secretary or the Managing Agent and any notice required to be given to the Mortgagee pursuant to the terms of the Declaration or these By-Laws shall be deemed effectively given if mailed to such Mortgagee at the address shown in such record at the time provided, or as to which the Association is later notified in writing. Unless notification of any such mortgage and the name and address of Mortgagee are furnished to the Secretary or the Managing Agent, either by the Owner or the Mortgagee, no notice to the Mortgagee as may otherwise be required by the Declaration or these By-Laws shall be required.

Section 10.02. Notice to Owners. Each Owner shall have the duty to notify the Association of its address for notice purposes and all notices duly mailed or delivered to that address shall be proper notice hereunder. The Association shall have no duty to send notice to any Owner, to any other address or to any Owner for whom the Association has no address.

ARTICLE XI

Grievance Committee

11.01 Grievance Committee. The Board shall establish a Grievance Committee consisting three (3) persons, each of whom must be a Member who is not on either the Board or the Architectural Control Committee. The term of office for each member on the Grievance Committee shall be for not more than one year, and may be staggered as the Board deems appropriate. The members of the Grievance Committee shall select a chair, who shall lead the meetings of the Grievance Committee. Although the Grievance Committee may meet without all members of the committee present, it may only act if two members are present. In the even of a conflict of interest involving one member of the Grievance Committee, the other two members shall act on behalf of the committee. If two or more members of the Grievance Committee shall have a conflict of interest, the Grievance Committee shall so notify the Board and the Board shall appoint replacements for the limited purpose of hear that particular matter. The Board shall notify all Members of the identities of the members of the Grievance Committee, including its chair. The Grievance Committee shall not be required to meet more than once per calendar month. The purpose of the Grievance Committee shall be to receive complaints and disputes by and between (i) two or more Members, whether arising out of a purported breach of the restrictions set forth in the Declaration in the use of a particular Lot or Lots, or otherwise; (ii) one or more Members and the Association; (iii) two or more members of the Board; (iv) two or more members of the Architectural Control Committee; and (v) one or more Members and any outside firm or the management firm or individual hired by the Association to manage the Association and its facilities (the "Manager"), provided that under no circumstances may the Manager initiate any such grievance matter. The Grievance Committee may consult with the Manager on any complaints and disputes except for those referenced in (v) above and may invite the Manager to attend or otherwise participate in the meetings of the Grievance Committee. The Grievance Committee shall have no authority to consider matters delegated to the Architectural Control Committee under the terms of the Declaration. The Grievance Committee’s authority shall be limited to the mediation of the matters that may come before it but it shall have no authority to render legally binding decisions upon those that come before it. Members shall submit matters to be presented to the chair of the Grievance Committee or, to the President of the
Board. Individual meetings of the Grievance Committee shall be conducted using Roberts Rules of Order or other procedures the Grievance Committee may adopt in writing from time to time. Minutes from the meetings of the Grievance Committee shall be delivered to the Secretary of the Board for inclusion in the records of the Association.
Adopted this 23rd day of May, 2014.

DECLARANT:

RH OF INDIANA, L.P., an Indiana limited partnership

By: RH Builders of Indiana, Inc., its general partner

By: [Signature]

Kenneth E. Windler, Assistant Vice President

STATE OF INDIANA )

) SS:

COUNTY OF MARION )

Before me, a Notary Public, in and for said County and State, personally appeared Kenneth E. Windler, the Assistant Vice President of RH Builders of Indiana, Inc., the general partner of RH of Indiana, L.P., as the Declarant herein, and acknowledged the execution of the foregoing Code of By-Laws of the Four Oaks Homeowners’ Association, Inc. this 23rd day of May, 2014.

My Commission Expires: 9-0-14

Wonda Woolridge, Notary Public

Resident of Hamilton County, Indiana

Printed: Wonda Woolridge

This document prepared by Kenneth Windler, Ryland Homes, 9025 North River Road, Indianapolis, IN 46240 (317) 846-3148.

I affirm, under the penalties of perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law. Kenneth Windler.