
By-Laws Of Skyline Ridge Homeowners Association, Inc.

Article I

Definitions

Section 1. Declaration. Declaration means the Declaration of Covenants, Conditions, and Restrictions for Skyline Ridge Planned Development, dated September 18, 1998, and recorded November 6, 1998 in the office of the Recorder of Tippecanoe County, Indiana, and as the same may be amended from time to time. Such Declaration was amended in 2012 and recorded December 11, 2012 in the Office of the Recorder of Tippecanoe County, Indiana.

Section 2. Association. Association means Skyline Ridge Homeowner's Association, Inc.

Section 3. Meaning of Terms. Unless there appears a clear intention to the contrary, any term which is used in these By-Laws and which is defined in the Declaration of Articles of Incorporation shall have the same meaning as it has when so used in the Amended Declaration of Covenants, Conditions and Restrictions or the Articles of Incorporation.

Article II

Members

Section 1. Membership. Every owner of a lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any lot.

Section 2. Classes of Membership. The Association shall have one class of membership. Members shall be all owners of lots, as those terms are defined in Article I, Sections 4 and 7 of the Declaration. Ownership of a lot in the property shall be the sole qualification for membership. When more than one person holds an interest in any lot, all such persons shall be members, provided, however, that the one vote for such lot shall be exercised as provided in Section 7 below.

Section 3. Place of Meeting. All meetings of the members shall be held at such place, within Tippecanoe County, Indiana, as may be specified in the notices or waivers of notice thereof.

Section 4. Annual Meeting. The annual meeting of the members shall be held in the Spring of each year. At the annual meeting the members shall elect the directors of the Association for the following year. The members may also transact such other business as may properly come before the meeting.

Section 5. Special Meetings. Special meetings of the members shall be called upon the order of the President or a majority of the Board of Directors or upon presentation to the Secretary of a petition signed by at least one-tenth (1/10) of the members entitled to vote by the Articles of Incorporation. No business shall be transacted at a special meeting except as stated in the notice of that meeting.

Section 6. Notice of Meeting. Notice of annual and special meetings shall be mailed to each member at the address which appears on the records of the Association not less than thirty (30) days nor more than (60) days in advance of the meeting. All notices shall state the date, time and place of the meeting, and notice of a special meeting shall also state the purpose for which the meeting is called. In the case where several members have the same address as shown on the records of the Association, one notice shall be sufficient.

Section 7. Voting Rights. Members shall be entitled to cast one (1) vote per lot on all matters submitted to a vote of the membership. When more than one person is an owner of a lot, all such persons shall be members, but their total vote shall not exceed one per lot owned, and such vote shall be cast as one unit in such manner as the majority of the owners of such lot may agree. In the event such owners fail to reach an agreement, they shall not be entitled to vote and shall be considered as abstaining. In the event some of such owners do not attend the meeting, in person or by proxy, those owners who are in attendance, in person or by proxy, for purposes of determining the manner in which their vote shall be cast, shall be considered as the sole owners of the lot.

The Board of Directors may suspend the voting rights of a member during any period in which such member shall be in default in payment of any annual or special assessment levied by the Association.

Section 8. Quorum. At the annual meeting of members the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes shall constitute a quorum. If the required quorum is not present for such meeting, another meeting may be called subject to the notice requirements set forth herein, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting. At all subsequent meetings of members, the presence in person or by proxy of members representing a majority of the outstanding voting rights shall constitute a quorum for the transaction of business. A majority vote at any such meeting shall decide all questions unless a greater plurality is required by law, the Declaration, the Articles of Incorporation or these By-Laws. If at any meeting of members there be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum can be obtained. Any

business which might have been transacted at the meeting as originally called may be transacted at any adjournment thereof without further notice.

Section 9. Proxies. Votes may be cast in person or by proxy. All proxies shall be in writing and filed with the Secretary prior to the commencement of the meeting in which they are to be voted. No proxy shall be valid for a period of more than eleven (11) months unless a longer time is expressly provided in the proxy, and every proxy shall automatically cease upon sale by the owner of his lot.

Article III

Board of Directors

Section 1. Number and Qualifications. The number of directors of the Association shall be five (5).

Section 2. Election and Term of Office. Directors shall be elected at the annual meeting of members by a majority of the votes cast by members entitled to vote, for such terms and in such manner as is provided in the Articles of Incorporation, the provisions of which are incorporated herein by reference. Directors shall not be elected by cumulative voting. Nomination of directors shall be made by the standing Board of Directors and may also be made from the floor at the annual meeting of members.

Section 3. Regular Meetings. A regular meeting of the Board of Directors shall be held annually immediately following the annual meeting of members and at such other intervals and upon such notice as may be fixed from time to time by resolution of the Board of Directors.

Section 4. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association or by any two (2) directors after not less than three (3) days notice to each director. Notice of any meeting of the Board of Directors may be waived in writing or by attendance at such meeting.

Section 5. Quorum. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of any business. A majority vote at any such meeting shall decide all questions unless a greater plurality is required by law. If at any meeting of the Board of Directors there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum can be obtained. Any business which might have been transacted at the meeting as originally called may be transacted at any adjournment thereof without further notice.

Section 6. Action by Unanimous Written Consent Without a Meeting. Any action which is required or permitted to be taken at a meeting of the Board of Directors or any committee

thereof may be taken without a meeting if, prior to such action, a written consent setting forth the action to be taken is signed by all Directors or all members of such committee as the case may be. A copy of the consent shall be filed with the minutes of the meetings of the Board of Directors.

Section 7. Powers and Duties. The Board of Directors shall manage the affairs of the Association and shall have such powers as are given to it by law, by the Articles of Incorporation and by the Declaration including, but not limited to, the power:

- (a) To call special meetings of the members whenever it deems necessary;
- (b) To appoint and remove at its pleasure all officers, agents and employees of the Association, to prescribe their duties and require of them such security or fidelity bond as it may deem expedient. Nothing contained in these By-Laws shall be construed to prohibit the employment of any member, officer or Director of the Association in any capacity whatsoever;
- (c) To employ or contract for a manager or managing agent for such compensation, during such period and upon such other terms and conditions as the Board of Directors may determine;
- (d) To establish, levy, assess and collect all the various assessments or charges, which under the terms and provision of law, the Articles of Incorporation, these By-Laws and the Declaration, the Association is empowered or required to establish, levy, assess and collect. The Board of Directors may designate and retain a collecting agent to collect such assessments and charges;
- (e) From time to time to adopt, publish, amend, modify or withdraw rules and regulations governing the use of the common areas and facilities and regarding the personal conduct thereon of the members, their families and guests;
- (f) To exercise for the Association all powers, duties and authorities vested in or delegated to the Association; and
- (g) To contract for, or to provide directly, services for the common benefit of all owners, such as trash and garbage collection, the costs of which shall be a common expense.

It shall be a duty of the Board of Directors:

- (a) To cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereof to the members at the annual meeting held for such purpose;
- (b) To keep detailed, accurate records in chronological order, of the receipts and expenditures affecting the common areas and facilities, specifying and itemizing the maintenance and repair expenses of the common areas and facilities and any other

expenses incurred. Such records and vouchers authorizing the payments shall be available for examination by the owners at convenient hours on weekdays;

- (c) To establish assessments by using generally accepted accounting principles applied on a consistent basis, including the establishment and maintenance of replacement reserve funds for contingencies and for capital repairs and replacements of the common areas and facilities and limited common areas, which funds shall be used for those purposes only and not for usual and ordinary repair expenses of the common areas and facilities and limited common areas. Such replacement reserve funds shall be maintained in separate interest-bearing accounts in a bank in Tippecanoe County, Indiana;
- (d) To obtain liability insurance protection, in an amount to be determined by the Board of Directors from time to time, insuring the Association, its Directors and officers, the manager, the respective employees and agents thereof and all owners against liability arising out of the use of the common areas;
- (e) To supervise all officers, agents, and employees of the Association and to see that their duties are properly performed; and
- (f) To maintain, replace and repair the common areas and facilities and to carry out all other obligations and duties imposed on the Association by the Declaration.

Section 8. Compensation. The directors shall receive no compensation for their services as directors but shall be reimbursed for their actual expenses incurred in the discharge of their duties and may be compensated for additional services actually rendered the Association which are not connected to their duties as directors.

Section 9. Death, Resignation and Removal. Any director may be removed, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining directors and shall serve until the next annual meeting at which time the vacancy shall be filled by the members.

Article IV

Officers

Section 1. Designation. The officers of the Association shall be a President, a Vice-President, a Secretary, a Treasurer and such other officers as the Board may from time to time by resolution designate.

Section 2. Election. The election of the officers shall take place at the first meeting of the Board of Directors at the regular meeting following each annual meeting of the members.

Section 3. Term. The officers shall be elected annually by the Board of Directors and each shall hold office for one (1) year and until his successor is elected and qualified, unless he shall sooner resign, be removed or become otherwise disqualified.

Section 4. Resignation and Removal. Any officer may be removed from office, with or without cause, by the Board of Directors. Any officer may resign at any time by giving written notice to the Board of Directors. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Multiple Offices. Any two or more offices may be held by the same person except that the offices of the President and the Secretary shall not be held by the same person.

Section 6. President. The President shall be the chief executive officer of the Association and shall preside at all meetings of the Board of Directors and members and shall have such other powers and perform such other duties as are delegated to him by the Board of Directors.

Section 7. Vice-President. The Vice-President shall perform the duties of the President when the President shall be absent or unable to act. The Vice-President shall also perform such other duties and have such other powers as are delegated to him by the Board of Directors from time to time.

Section 8. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the members. He shall have charge of such books and papers as the Board of Directors may direct and shall perform such other duties as may be from time to time imposed upon him by the Board of Directors.

Section 9. Treasurer. The Treasurer shall keep complete and accurate books of account in accordance with the accounting methods adopted by the Board of Directors, showing the financial condition of the Association and the results of its operations. He shall have custody of all monies of the Association and shall disburse such funds as directed by the Board of Directors. He shall cause an annual audit of the Association's books to be made at the completion of the Association's fiscal year and shall assist in the preparation of an annual budget and a statement of income and expenditures to be presented to the members at their annual meeting.

Section 10. Fidelity Bonds. The Board of Directors may provide fidelity bonds and may require the managing agent, if any, the Treasurer and such other officers of the Association, as the Board of Directors deems necessary, to provide fidelity bonds, indemnifying the Association against larceny, theft, embezzlement, forgery, misappropriation, and other acts of fraud or dishonesty in such sums as may be approved by the Board of Directors. The expense of any

such bonds shall be a common expense. The bonds shall also provide that they may not be canceled or substantially modified (including cancellation for nonpayment of premium) without at least ten (10) days prior written notice to the Association.

Article V

Committees

The Board of Directors shall appoint such committees, as it deems appropriate in the management of the affairs of the Association. Such committees may include but are not limited to:

- (a) **A Landscape and Maintenance Committee** which shall advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the common areas and facilities and which shall perform such other functions as the Board of Directors in its discretion may determine.
- (b) **An Audit Committee** which shall supervise the annual audit of the Association's books and review the annual budget and statement of income and operating expenditures to be presented to the membership in connection with its regular annual meeting. The Treasurer shall be an ex-officio member of this committee.
- (c) **An Architectural Committee** which shall perform the functions described in Article V of the Declaration.

Article VI

Assessments

Section 1. Assessments. Each year on or before December 1, the Board of Directors shall estimate the total amount necessary to pay for the wages, material, insurance premiums, taxes, services and supplies and other common expenses (as defined in Article VII hereof) which will be required during the ensuing calendar year for the rendering of all services required to be performed by the Association under the Declaration or hereunder, together with a reasonable amount considered by the Board of Directors to be necessary for a reserve for contingencies and replacements. The Board of Directors shall, on or before December 1 of each year, notify each owner in writing as to the amount of such estimate with reasonable itemization thereof. This estimated cash requirement shall be assessed against each lot equally. Each owner, jointly and severally, shall be liable for and shall pay to the Association on or before January 1 of the ensuing year, and on or before the first day of each month thereafter during said year, one-

twelfth (1/12) of the total assessment made against his lot pursuant to this section. On or before the date of the annual meeting of each calendar year, the Board of Directors shall supply to all owners an itemized accounting of the maintenance expenses for the preceding calendar year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the estimates provided, and showing the net deficit or surplus of amounts actually collected over actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves shall be used at the discretion of the Board of Directors and any deficit shall be added to future assessments according to the owner's ownership percentage.

Section 2. Reserves. The Association shall build up and maintain two reserve funds. One shall be for contingencies and the other for capital repairs and replacements. Expenditures not originally included in the annual estimate which may become necessary during the year shall be charged first against the contingency reserve. The replacement reserve fund shall be used only for capital expenditures in connection with the replacement and repair of common area and facilities and limited common areas, and shall not be used for usual and ordinary repair expenses of the common area and facilities and limited common areas. Such funds shall be maintained in separate interest-bearing accounts in a bank, savings bank or savings and loan association in Tippecanoe County, Indiana.

Section 3. Special Assessments. If the annual estimated cash requirement provided for in Section 1 of this Article proves inadequate for any reason, and if the contingency reserve is depleted, the Association may at any time levy a further special assessment which may be assessed against each lot equally. The Association shall serve notice of such special assessment on all owners by a statement in writing showing the reasons thereof. Such special assessment which is due more than ten (10) days after delivery or mailing of such notice of special assessment and shall be paid in a lump sum or in such installments as the Board of Directors shall determine. All owners shall be personally liable for such special assessments.

In addition to the special assessments authorized above, the Association may levy, in any assessment year, a special assessment for capital improvements provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of its members voting in person or by proxy at a meeting duly called for this purpose.

Section 4. Commencement of Assessments. On or before the first day of the month following the closing of the sale of each lot, and on or before the first day of each month thereafter during the same calendar year, the owner acquiring title shall pay the Association one-twelfth (1/12) of the annual assessment made pursuant to Section 1 hereof or, in case the first month is a partial one, a pro-rata portion thereof.

Section 5. Non-Waiver. The failure or delay of the Association to assess or notify the owner of any assessment shall not constitute a waiver or release of the owner's obligation to pay any assessment as herein provided whenever the same shall be determined and, in the absence of an annual estimate or special assessment, the owner shall continue to pay the assessment at the then existing monthly rate established for the previous year until the regular assessment shall have been established. No owner may exempt himself from liability for the assessment imposed by this Article by waiver of the use or enjoyment of any common areas and facilities or by the abandonment of his lot or otherwise.

Section 6. Books and Records. The Association shall keep books of account of its receipts and expenditures specifying and itemizing the maintenance and repair expenses of the common areas and facilities and any other expenses incurred. Upon ten (10) days notice to the Association and payment of a reasonable fee, any owner shall be furnished a certificate of his account setting forth the amount of any unpaid assessment or other charge due or owing from such owner. Any purchaser of a lot may rely on the accuracy of such certificate and such purchaser shall not be liable for, nor shall the lot conveyed be subject to a lien for, any unpaid assessments against the owner which were incurred prior to the date of such certificate and which are in excess of the amount therein set forth.

Section 7. Fiduciary Obligation. All funds collected hereunder by the Association shall be held and expended only for the purpose designated herein, and except for such assessments as may be levied against less than all owners, shall be deemed to be held for the benefit, use and account of all owners.

Section 8. Default. If an owner is in default in the payment of any assessment or charge, the Association may enforce its lien against such owner's lot and proceed to collect any such delinquent sum in accordance with the provisions of the Declaration. If such assessment or charge is not paid when due, a late charge of \$5.00 will be assessed for each week, or portion thereof, that the amount is due and unpaid. The Association may also assess reasonable attorney's fees and costs of collection when any amount is not paid when due.

Article VII

Common Expenses

In addition to those enumerated in the Declaration, the following shall be common expenses:

All expenses incurred in connection with the exercise of any power or duty referred to in Article III, Section 7, of these By-Laws.

Article VIII

Business Management

Section 1. Contracts. The Board of Directors may authorize any officer or agent to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

Section 2. Limitation on Debt. The Association may not borrow money or enter into contracts resulting in a total indebtedness in excess of 150 percent (150%) of its gross revenues for the previous fiscal year; provided that additional borrowings may be authorized by a two-thirds (2/3) vote of the membership; and provided further that a long-term contract for the management of the property shall not be considered in violation of this section.

Section 3. Loans. No loans shall be contracted on behalf of the Association and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

Section 4. Vouchers. All vouchers for payment of Association expenses shall be approved in writing prior to payment by such officer or agent and in such manner as shall from time to time be determined by the Board of Directors.

Section 5. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by such officer or agent of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 6. Deposits. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the Board of Directors may select.

Section 7. Books and Papers. The books, records and papers of the Association shall at all times during reasonable business hours be subject to the inspection by any member for any proper purpose.

Section 8. Insurance. The Association, as a common expense, shall effect and maintain at all times comprehensive general liability insurance covering the Association, its Directors, officers, employees, agents, manager and all owners (while any of the aforementioned are performing an activity or function on behalf of the Association) with respect to the property with minimum limits of not less than \$500,000 for injury to one person and \$1,000,000 for injury of more than one person in any one accident or occurrence and \$50,000 for property damage, and from time

to time upon receipt thereof deposit promptly with the owners current certificates of such insurance, without prejudice to the right of any owner to maintain additional liability insurance.

Section 9. Rental Units. An owner of a lot within the properties may lease or rent the lot and improvements located herein for one time period not to exceed 12 months during the life of ownership of the property, so long as a copy of the executed lease or rental agreement is provided to the Board of Directors within 10 days of execution. This provision shall not apply to any written lease or rental agreement existing at the time of this addition to the By-Laws, a copy of which must be provided to the Board of Directors, but shall apply to those owners upon the termination of any such existing rental or lease agreement.

Section 10. Disputes. In the event of any dispute or disagreement between any owners relating to the property, or any question of interpretation or application of the provisions of the Declaration, the determination thereof by the Board of Directors shall be binding and final as to each of said owners.

Section 11. Fiscal Year. The fiscal year of the Association shall commence on January 1 and end on December 31 of each year.

Article IX

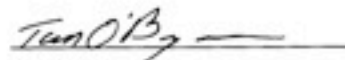
Amendments

These By-Laws may be altered, amended or repealed and new By-Laws adopted by the majority vote of the Board of Directors unless otherwise specifically provided.

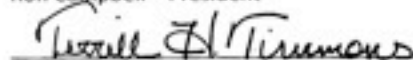
The foregoing Code of By-Laws of the Association were duly adopted by the Board of Directors of the Association on the 23rd day of April, 2014



Ron Campbell – President



Tim O'Bryan – Vice-President



Terry Timmons – Secretary/Treasurer



Don Woods – Director



Bill Corya – Director