

**BYLAWS
OF
SADDLEBROOK ASSOCIATION OF CO-OWNERS, INC.
AN INDIANA NONPROFIT CORPORATION**

ARTICLE ONE

Identification and Applicability

Section 1.1 Identification and Adoption. These Amended and Restated Bylaws are executed simultaneously with the execution of a certain Amended and Restated Declaration of Covenants, Conditions and Restrictions of Saddlebrook, a part of the Stone Ridge Community (hereinafter referred to as the "Amended Declaration") to which these Bylaws are attached and of which they are made a part. The Amended Declaration is incorporated herein by reference and all of the covenants, conditions, rights, restrictions, and liabilities therein contained shall apply to and govern the interpretation of these Bylaws. The definitions and terms as defined and used in the Amended Declaration shall have the same meanings in these Bylaws and reference is hereby made to the definitions in Section 1 of the Amended Declaration. The provisions of these Bylaws shall apply to the Saddlebrook Real Estate and to the administration and conduct of the affairs of the Saddlebrook Association.

Section 1.2 Individual Application. All of the Saddlebrook Lot Owners, tenants, their guests and invitees, or any other person who might now or hereafter use or occupy any Saddlebrook Lot or any part of the Saddlebrook Real Estate as provided therein, shall be subject to the rules, restrictions, terms and conditions set forth in the Amended Declaration and these Bylaws, as the same may be amended from time to time.

ARTICLE TWO

Meetings of Association

Section 2.1 Purpose of Meetings. At least annually and at such other times as may be necessary or appropriate, a meeting of the Saddlebrook Lot Owners shall be held for the purpose of electing the Board of Directors, approving the annual budget, providing for the collection of Common Area Expenses, and for such other purposes as may be required by the Amended Declaration and these Bylaws.

Section 2.2 Annual Meetings. Annual meetings shall be held in the month of October or November of each calendar year. At each annual meeting, the Saddlebrook Lot Owners shall elect the Board of Directors of the Saddlebrook Association in accordance with the provisions of these Bylaws and transact such other business as may properly come before the meeting.

Section 2.3 Special Meetings. A special meeting of the Saddlebrook Association may be called by resolution of the Board of Directors or upon a written petition of the Saddlebrook Lot Owners who have not less than twenty-five percent (25%) of the membership votes. Any resolution or petition shall be presented to the President or Secretary of the Saddlebrook

Association and shall state the purpose for which the meeting is to be called. No business shall be transacted at a special meeting except as stated in the petition or resolution.

Section 2.4 Notice and Place of Meetings. A meeting of the members of the Saddlebrook Association shall be held at any suitable place in Monroe County, Indiana, as may be designated by the Board of Directors. Written notice stating the date, time, place of any meeting, and in the case of a special meeting the purpose(s) for which the meeting is called, shall be delivered, mailed or emailed by the Secretary of the Association to each Saddlebrook Lot Owner, not less than fourteen (14) days prior to the date of such meeting. The notice shall be delivered, mailed or emailed to the Saddlebrook Lot Owner at their address as it appears upon the records of the Saddlebrook Association. Attendance at any meeting in person or by proxy shall constitute a waiver of notice of such meeting. All electronic mail notices shall suffice for any notice required to be given to a Saddlebrook Lot Owner by these Bylaws.

Section 2.5 Substitute Annual Meeting. If the annual meeting shall not be held in the month designated by the Bylaws, a substitute annual meeting may be called in accordance with the provisions of Section 2.4 of this Article. A meeting so called shall be designated and treated for all purposes as the annual meeting.

Section 2.6 Voting. For the purposes of the conducting of meetings and voting at meetings, each Saddlebrook Lot Owner shall be entitled to one vote for each Saddlebrook Lot owned. All persons holding an interest in any Saddlebrook Lot shall be members provided, however, each Saddlebrook Lot represented shall have only one vote as the Saddlebrook Lot Owner may determine.

2.6.1 Multiple Owner. Where the Saddlebrook Owner constitutes more than one person, or is a partnership, there shall be only one voting representative entitled to the vote allocable to that Saddlebrook Lot. At the time of acquisition of title to a Saddlebrook Lot by a multiple owner or a partnership, those persons constituting such owner or the partners shall file with the Secretary of the Saddlebrook Association a proxy appointing one of such persons or partners as the voting representative for such Saddlebrook Lot which shall remain in effect until such appointed representative relinquishes such appointment in writing, becomes incompetent, dies, or such appointment is otherwise rescinded by order of a court of competent jurisdiction, or the subject Saddlebrook Lot which forms the basis of the vote is conveyed. Such appointed voting representative may grant a proxy to another to vote in his place at a particular meeting(s) pursuant to paragraph 2.6.3 of this Section 2.6, which shall constitute relinquishment of his right to act as voting representative for the Saddlebrook Lot.

2.6.2 Voting by Corporation or Trust. Where a corporation or trust is a Saddlebrook Owner or otherwise entitled to vote, the trustees may cast the vote on behalf of the trust, and the agent or other representative of the corporation duly empowered by the board of directors of such corporation shall cast the vote to which the corporation is entitled.

2.6.3 Proxy. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary of the Saddlebrook Association before the appointed time of each meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Saddlebrook Lot; or, upon receipt of a notice by the Secretary, or the Board of Directors of the death or judicially declared incompetence of a member; or, upon the expiration of eleven (11) months from the date of the proxy. A form of proxy or written ballot may provide an opportunity to specify approval or disapproval with respect to any proposal.

2.6.4 Quorum. Except where otherwise expressly provided in the Amended Declaration or these Bylaws, the Saddlebrook Lot Owners representing fifty percent (50%) of all the Saddlebrook Lot Owners taken together, shall constitute a quorum at all meetings. The term majority of Saddlebrook Lot Owners or majority of vote, as used in these Bylaws, shall mean the Saddlebrook Lot Owners entitled to not less than fifty percent (50%) of the votes in accordance with the Amended Declaration as such may be amended from time to time and shall not mean a majority of the persons or votes present or represented at such meeting.

2.6.5 Conduct of Annual Meeting. The Chairman of the meeting shall be the President of the Saddlebrook Association. The President shall call the meeting to order at the duly designated time, and business will be conducted in the following order:

Reading of Minutes. The Secretary shall present the minutes of the last annual meeting and the minutes of any special meeting held subsequent thereto.

Treasurer's Report. The Treasurer shall report to the Members concerning the financial condition of the Saddlebrook Association and to answer relevant questions of the Members concerning the Common Area Expenses and financial report for the prior year and the proposed budget for the current year.

Budget. The proposed budget for the next calendar year shall be presented to the Saddlebrook Lot Owners for approval or amendment.

Election of Board of Directors. Nominations for the Board of Directors may be made by any Saddlebrook Lot Owner from those persons who are eligible to serve. Such nominations must be in writing and presented to the Secretary of the Saddlebrook Association at least twenty (20) days prior to the annual meeting. Voting for the Board of Directors will be by paper ballot, unless the Members present vote to suspend the provision for a paper ballot vote. The ballot shall contain the name of each person nominated to serve as a director. Each Saddlebrook Lot Owner may cast his vote for each of as many nominees as are to be elected; however, he shall not be entitled to accumulate his votes. Those persons receiving the highest number of votes shall be elected.

Other Business. Other business may be brought before the meeting only upon a written request submitted to the Secretary of the Saddlebrook Association at least ten (10) days prior to the date of the meeting.

Adjournment. Upon completion of all business before the Saddlebrook Association, the President, upon the motion of any Saddlebrook Lot Owner, may adjourn the meeting; provided, however, that no annual meeting shall be adjourned until a budget is approved by the Saddlebrook Lot Owners for the upcoming year.

ARTICLE THREE

Board of Directors

Section 3.1 Board of Directors.

3.1.1 The affairs of the Saddlebrook Association shall be governed and managed by the Board of Directors. The Board of Directors shall be composed of three (3) or five (5) persons.

3.1.2 Directors shall be elected at the annual meeting of the Saddlebrook Association and those persons who receive the highest number of votes shall be deemed to have been elected. The size of the Board of Directors may be increased from time to time upon the affirmative vote of seventy-five percent (75%) of all Saddlebrook Lot Owners provided that the Board of Directors shall not be less than three (3) in number nor more than five (5). Each Director shall hold office for a period of three (3) years or until his death, resignation, retirement, removal, disqualification or his successor is elected and qualified; provided, however, the Board of Directors will ensure that the staggered terms will be maintained. Each Director shall be one of the Saddlebrook Lot Owners and must be in compliance at the time of his election with all covenants, terms, conditions and obligations of these Bylaws and the Amended Declaration. In the event a Saddlebrook Lot Owner is a corporation, partnership, trust or other legal entity, other than a natural person, or persons, then an officer or director of such corporation, partner of such partnership, beneficiary of such trust or manager of such other legal entity, shall be eligible to serve as a member of the Board of Directors. Nothing herein contained shall be construed to prevent the election of a Director to succeed himself.

3.1.3 Vacancies in the Board, including vacancies due to any increase in the number of persons on the Board shall be filled by majority vote of the remaining Directors thereof. Any director so elected or appointed to fill a vacancy shall hold office for a term equal to the unexpired term of the Director he succeeds. Except as otherwise provided in this Amended Declaration, the Saddlebrook Common Area shall be managed by the Board and the Board shall act by majority vote of those present at its meetings when a quorum exists. Meetings of the Board may be called, held and conducted in accordance with such regulations as the Board may adopt. A majority of the total number of members of the Board shall constitute a quorum.

3.1.4 All meetings of the Board shall be open to attendance by any Saddlebrook Lot Owner, except that the President may call the Board into executive session on matters of personnel, infractions of the rules and regulations of the Saddlebrook Association, and matters of similar sensitivity. Any action taken by the Board in executive session shall be recorded in the executive session minutes.

3.1.5 Any action required or permitted to be taken at any meeting of the Board, whether done before or after the action is taken, may be taken without a meeting. Such consent may be made in writing or through email communication, if such consent is documented in the minutes of the next Board meeting.

3.1.6 Any notice required to be given to any Director may be given by electronic mail if the Director has provided an electronic mail address to the Secretary of the Saddlebrook Association. All notices provided to the Director electronically shall satisfy all requirements contained in these Bylaws.

Section 3.2 Powers of the Board of Directors. The Board of Directors shall have such powers as are reasonably necessary or appropriate to accomplish the performance of their duties. These powers include, but are not limited to, the power:

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

3.2.2 To purchase for the benefit of the Owners such equipment, materials, labor, and services as may be necessary in the judgment of the Board of Directors;

3.2.3 To procure for the benefit of the Owners insurance coverage for all Saddlebrook Common Areas as outlined in the Amended Declaration.

3.2.4 To employ legal counsel, architects, contractors, 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 Saddlebrook Association;

3.2.5 To include the costs of all of the above and below as Common Area Expenses and assessments and to pay all of such resulting costs;

3.2.6 To consent to amendment of the Amended Declaration as therein provided;

3.2.7 To adopt, revise, amend and alter from time to time reasonable rules and regulations with respect to use, occupancy, operation and enjoyment of Saddlebrook Real Estate or the Common Areas;

3.2.8 To open and maintain a bank account or accounts in the name of the Saddlebrook Association.

Section 3.3 Limitations on Board Action. The authority of the Board of Directors to enter into contracts shall be limited to contracts involving a total expenditure of less than Ten Thousand Dollars (\$10,000.00) without obtaining the prior approval of a majority of Saddlebrook Lot Owners, except in the following cases:

3.3.1 Contracts for replacing or restoring portions of the Saddlebrook Common Area damaged or destroyed by fire or other casualty where the cost thereof is payable out of insurance proceeds actually received;

3.3.2 Proposed contracts and proposed expenditures expressly set forth in the proposed annual budget as approved by the Saddlebrook Lot Owners at the annual meeting;

Section 3.4 Compensation. No Directors shall receive any compensation for any service to the Saddlebrook Association except to such extent as a Director may be reimbursed for actual expenses incurred in the performance of the Director's duties.

Section 3.5 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 a majority of Directors. The Secretary shall give notice of regular meeting of the Board to each Director personally, by mail or email, at least five (5) days prior to the date of such meeting.

A special meeting of the Board of Directors may be called by the President or any two members of the Board of Directors. The person or persons calling such meeting shall give written notice thereof to the Secretary, who shall either personally, by mail or email, at least three (3) days prior to the date of such special meeting, give notice to the Directors. The notice of the meeting shall contain a statement of the purpose for which the meeting is called. Such meeting shall be held at such place as designated in the notice.

Section 3.6 Waiver of Notice. Before any meeting of the Board of Directors, any Director may, in writing or by email, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. The presence of any Director at a meeting shall, as to such Director, constitute a waiver of notice of the time, place, and purpose thereof. If all Directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

Section 3.7 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 3.8 Non-Liability of Directors. The Directors shall not be liable to the Saddlebrook Association for any error or mistake of judgment exercised in carrying out their duties and responsibilities as Directors, except for their own individual willful misconduct, bad faith or gross negligence. The Saddlebrook 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 of Directors on behalf of the Saddlebrook Association unless any such contract shall have been made in bad faith or contrary to the provisions of the Amended Declaration or Bylaws. It is intended that the Directors shall have no personal liability with respect to any contract made by them on behalf of the Saddlebrook Association. Every contract made by the Board shall provide that the Board of Directors, in executing such contract, is acting as agent for the Association and shall have no resulting personal liability.

Section 3.9 Additional Indemnity of Directors. The Saddlebrook Association shall indemnify any person, his heirs, assigns, and legal representatives, made a part to any action, suit or proceeding by reason of the fact that the person is or was a Director of the Saddlebrook Association, against the reasonable expenses, including attorney's fees, actually and necessarily incurred by the Director in connection with the defense of such action, suit or proceeding, or in connection with any appeal therein, except as otherwise specifically provided herein in relation to matters as to which it shall be adjudged in such action, suit or proceeding, if it shall be found by a majority of the Saddlebrook Lot Owners that such Director was not guilty of gross negligence or misconduct. In making such findings and notwithstanding the adjudication in any action, suit or proceeding against a Director, no Director shall be considered or deemed to be guilty of or liable for negligence or misconduct in the performance of his duties where acting in good faith, such Director relied on the books and records of the Saddlebrook Association or statements or advice made by or prepared by the Managing Agent of the Saddlebrook Association or any officer or employee thereof, or any accountant, attorney or other person, firm or corporation employed by the Saddlebrook Association to render advice or service unless such Director had actual knowledge of the falsity or incorrectness thereof; nor shall a Director be deemed guilty of or liable for negligence or misconduct by virtue of the fact that the Director failed or neglected to attend a meeting or meetings of the Board of Directors.

ARTICLE FOUR

Officers

Section 4.1 Officers of the Association. The principal officers of the Saddlebrook Association shall be the President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Board of Directors. The Directors may appoint an Assistant Treasurer and an Assistant Secretary and such other officers as in their judgment may be necessary. Any two or more offices may be held by the same person, except that the duties of the President and Secretary shall not be performed by the same person. Every officer will serve for a term of one (1) year except an officer filling the vacancy created by resignation, death or removal of his successor in which case, the officer shall serve for the unexpired term of his successor.

Section 4.2 Election of Officers. The officers of the Saddlebrook Association shall be elected annually by the Board at the initial meeting of each new Board. Upon an affirmative vote of a two-thirds (2/3) majority of all members of the Board, any officer may be removed either with or without cause and the officer's successor elected at any regular meeting of the Board or at any special meeting of the Board called for such purpose.

Section 4.3 The President. The President shall be elected from among the Directors and shall be the chief executive officer of the Saddlebrook Association. The President shall preside at all meetings of the Saddlebrook Association and of the Board of Directors, shall have and discharge all the general powers and duties usually vested in the office of the 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 among the Saddlebrook Lot Owners as he may deem necessary to assist in the affairs of the Saddlebrook Association and to perform such other duties as the Board of Directors may from time to time prescribe.

Section 4.4 The Vice President. The Vice President shall be elected from among the Directors and shall perform all duties incumbent upon the President during the absence or disability of the President. The Vice President shall also perform such other duties as these Bylaws may prescribe or as shall, from time to time, be imposed upon him by the Board or by the President.

Section 4.5 The Secretary. The Secretary shall be elected from among the Board of Directors. The Secretary shall attend all meetings of the Saddlebrook Association and of the Board of Directors and shall keep or cause to be kept a true and complete record of proceedings of such meetings, 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 Saddlebrook Association or the Board are duly given, mailed or delivered, in accordance with the provision of these Bylaws.

Section 4.6 The Treasurer. The Board shall elect from among the Directors a Treasurer who shall maintain a correct and complete record of account showing accurately at all times the financial condition of the Saddlebrook Association and such other duties incident to the office of Treasurer. The Treasurer shall be the legal custodian of all monies, notes, securities and other valuables which may from time to time come into possession of the Saddlebrook Association, and shall immediately deposit all funds of the Saddlebrook Association in some reliable bank or other depository and shall keep such bank account in the name of the Saddlebrook Association.

Section 4.7 Assistant Officers. The Board of Directors may from time to time designate and elect from among the Saddlebrook Lot Owners an Assistant Secretary and Assistant Treasurer, who shall have such powers and duties as the officers whom they are elected to assist shall delegate to them and such other powers and duties as these Bylaws or the Board of Directors may prescribe.

Section 4.8 Compensation. No officer shall receive compensation from the Saddlebrook Association for acting as such.

ARTICLE FIVE

Rules and Regulations

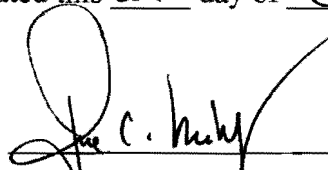
The Board of Directors may promulgate such additional rules and regulations regarding the operation of Saddlebrook Real Estate, including but not limited to the use of the Saddlebrook Common Areas, as it may deem necessary from time to time and such rules as are adopted may be amended by a vote of a majority of the Board, and the Board shall cause copies of such rules to be delivered or mailed promptly to all Saddlebrook Lot Owners at least fifteen (15) days prior to the effective date thereof. Any rule or regulation promulgated by the Board of Directors may be enforced by the Board of Directors.

ARTICLE SIX

Amendment to Bylaws

These Bylaws may be amended by a vote of not less than sixty-six and two-thirds percent (66 2/3%) of the vote of the Saddlebrook Lot Owners in a duly constituted meeting called for such purpose.

Certified to be the Amended and Restated Bylaws adopted by consent of the Directors of the Saddlebrook Association of Co-Owners, Inc., dated this 26th day of OCTOBER, 2011.



Its: Joe C. Neely / Board Member

This instrument prepared by: Megan Lewis, **Lewis Law LLC**, 1205 North Walnut Street, Bloomington, Indiana 47404-3565; (812) 336-6989.