

9

**BYLAWS OF
THE VILLA GLEN AT BRIGHTON POINT HOMEOWNERS' ASSOCIATION, INC.
AN INDIANA NONPROFIT CORPORATION**

ARTICLE ONE

Identification and Applicability

Section 1.1 Identification and Adoption. The Amended and Restated Declaration of Covenants, Conditions and Restrictions for The Villa Glen at Brighton Point (hereinafter referred to as 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 Property and to the administration and conduct of the affairs of the Association. All capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Amended Declaration.

Section 1.2 Individual Application. All of the Owners, tenants, their guests and invitees, or any other person who might now or hereafter use or occupy any Lot or any part of the Real Estate, including any additional Real Estate hereafter made subject to the Amended Declaration 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. After the application date, at least annually and at such other times as may be necessary or appropriate, a meeting of the Owners shall be held for the purpose of electing the Board of Directors, approving the annual budget, providing for the collection of Easement Expenses and Assessments, and for such other purposes as may be required by the Amended Declaration and these Bylaws.

Section 2.2 Annual Meetings. After the Application Date, annual meetings shall be held during the fourth quarter in each calendar year. At each annual meeting, the Owners shall elect the Board of Directors of the Association in accordance with the provisions of these Bylaws and transact such other business as may properly come before the meeting.

Section 2.3 Special Meetings. A special meeting of the Members may be called by resolution of the Board of Directors or upon a written petition of the Owners who have not less than twenty-five percent (25%) of the Members. Any resolution or petition shall be presented to the President or Secretary of the Association and shall state the purpose for which the meeting is to be called. No business shall be transacted at a special meeting except as stated in the petition or resolution.

Section 2.4 Notice and Place of Meetings. A meeting of the Members of the Association shall be held at any suitable place in Monroe County, Indiana, as may be designated by the Board of Directors. 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 communicated by the Secretary of the Association to each Member not less than ten (10) days prior to the date of such meeting. The notice shall be communicated to the Owners at their address as it appears upon the records of the Association. Attendance at any meeting in person or by proxy shall constitute a waiver of notice of such meeting.

Section 2.5 Substitute Annual Meeting. If the annual meeting shall not be held on the day 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. Voting rights shall be determined in accordance with the Amended Declaration as follows:

2.6.1. Members. All persons holding an ownership interest in any Lot shall be Members provided, however, each Lot represented shall have only one vote as the Owners of such Lot may determine.

2.6.2. Multiple Owners. Where the Owner of a Lot constitutes more than one person, or is a partnership, there shall be only one voting representative entitled to the vote allocable to that Lot. Such appointed voting representative may grant a proxy to another to vote in his place at a particular meeting(s) pursuant to paragraph 2.6.4 of this Section 2.6, which shall constitute relinquishment of his right to act as voting representative for the Lot.

2.6.3. Voting by Corporation or Trust. Where a corporation or trust is an 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.

2.6.4. 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 before the appointed time of each meeting. Every proxy shall be revocable and shall automatically cease upon adjournment of the meeting for which such proxy was granted. A form of proxy or written ballot may provide an opportunity to specify approval or disapproval with respect to any proposal.

2.6.5. Quorum. Except where otherwise expressly provided in the Amended Declaration or these Bylaws, the Owners representing fifty percent (50%) of membership shall constitute a quorum at all meetings. The term majority of Owners or majority of vote, as used in these Bylaws, shall mean the 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.

2.6.6. Conduct of Meeting. The Chairman of the meeting shall be the President of the Association or his designee. The President shall call the meeting to order at the duly designated time, and business will be conducted in the following order:

- a. Reading of Minutes. The Secretary shall distribute a copy of the minutes of the last annual meeting and the minutes of any special meeting held subsequent thereto.
- b. Treasurer's Report. The Treasurer shall report to the Members concerning the financial condition of the Association and answer relevant questions of the Members concerning the common expenses and financial report for the prior year and the proposed budget for the next calendar year.
- c. Budget. The proposed budget for the next calendar year shall be presented to the Members for approval.

2.6.7. Election of Board of Directors. Nominations for the Board of Directors may be made by any Member from those persons who are eligible to serve. Such nominations must be in writing and presented to the Secretary of the Association at least fourteen (14) days prior to the annual meeting. Each Member 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.

2.6.8. Other Business. Other business may be brought before the meeting only upon a written request submitted to the Secretary of the Association at least fourteen (14) days prior to the date of the meeting; provided, however, that such written requests may be waived at the meeting if all Members present at the meeting consent.

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

ARTICLE THREE

Board of Directors

Section 3.1 Board of Directors.

3.1.1. This paragraph governs Directors elected after the term of the initial Board of Directors has expired. Directors shall be elected at the annual meeting of the Association and those persons who receive the highest number of votes shall be deemed to have been elected. After the applicable date, the Board of Directors shall be comprised of not less than three (3) nor more than five (5) persons and 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, that the Board of Directors will ensure that the staggered terms will be maintained. Each Director shall be one of the 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 an 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.

3.1.2. Vacancies in the Board shall be filled by majority vote of the remaining Members thereof. Any Director so elected 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 Easement 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.

3.1.3. Meetings of the Board may be called, held and conducted in accordance with such regulations as the Board may adopt. All meetings of the Board shall be open to attendance by any 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 Association, and matters of similar sensitivity. Any action taken by the Board in executive session shall be recorded in the minutes.

3.1.4. Any action required or permitted to be taken at any meeting of the Board may be taken without a meeting, if consent to such action is provided by all Directors and such consent is filed with the minutes of proceedings of the Board.

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 as 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 fire and extended coverage insurance covering all Villas, to the full replacement value thereof and to procure public liability and property damage insurance, directors and officers liability insurance, worker's compensation insurance, and such other insurance as the Board of Directors may determine is necessary for the benefit of the Owners and the Association;

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 Association;

3.2.5. To include the costs of all of the above and foregoing as Easement Expenses and Assessments and to pay all of such costs therefrom;

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 rules and regulations with respect to use, occupancy, operation and enjoyment of the Real Estate or the Easement Areas;

3.2.8. To open and maintain a bank account or accounts in the name of the 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 Twenty Thousand Dollars (\$20,000.00) without obtaining the prior approval of a majority of Owners, except in the following cases:

3.3.1. Contracts for replacing or restoring portions of the Easement 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 Owners at the annual meeting; or

3.3.3. 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 3.4 Compensation. No Directors shall receive any compensation for any service to the 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 communicate each regular meeting of the Board to each Director 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 notice thereof to the Secretary, who shall at least three (3) days prior to the date of such special meeting, send 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, 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 (51%) 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 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 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 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 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 personal liability thereunder.

Section 3.9 Additional Indemnity of Directors. The 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 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 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 Association or statements or advice made by or prepared by the Managing Agent of the Association 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 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.

Section 3.10 Bond. The Board of Directors shall require any or all officers and employees of the Association handling or responsible for Association funds to be covered by an adequate bond. The premiums on such bonds shall constitute an Easement Expense.

Section 3.11 Informal Action of Directors. Action taken by a majority of the Directors without a meeting is nevertheless Board action if written consent to the action in question is given by all of the Directors and filed with the minutes of the proceedings of the Board, whether done before or after the action is taken.

ARTICLE FOUR

Officers

Section 4.1 Officers of the Association. The principal officers of the Association shall be the President, Secretary and Treasurer, all of whom shall be elected by the Board of Directors. The Directors may elect 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 Association shall be elected annually by the Board at the initial meeting of each new Board. Upon an affirmation vote of a two-thirds (2/3) majority of all Directors, 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 Association. The President shall preside at all meetings of the 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 Owners as he may deem necessary to assist in the affairs of the Association and to perform such other duties as the Board of Directors may from time to time prescribe.

Section 4.4 The Secretary. The Secretary shall be elected from among the Board of Directors. The Secretary shall attend all meetings of the 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 Association or the Board are duly communicated to all members, in accordance with the provisions of these Bylaws.

Section 4.5 The Treasurer. The Board shall elect from among the Directors a Treasurer who shall maintain or oversee a correct and complete record of account showing accurately at all times the financial condition of the Association and such other duties incident to the office of Treasurer. The Treasurer shall be the legal custodian of all monies, notes, securities and other valuables which may from time to time come into possession of the Association; and the Treasurer or a Managing Agent, if one has been engaged, shall immediately deposit all funds of the Association 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.

Section 4.6 Compensation. No officer shall receive compensation from the Association for acting as such.

ARTICLE FIVE

Control

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

ARTICLE SIX

Rules and Regulations

The Board of Directors may promulgate such additional rules and regulations regarding the operation of the Real Estate, including but not limited to the use of the Easement Areas, as it may deem necessary from time to time. 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 sent promptly to all Owners. Any rule or regulation promulgated by the Board of Directors may be enforced by the Board of Directors; however, if there is any dispute regarding the interpretation or enforcement of any rule or regulation, the provisions of Article 9, Alternative Dispute Resolution, shall apply.

ARTICLE SEVEN

Amendment to Bylaws

Prior to the Applicable Date, these Bylaws may be amended by a majority vote or by written consent of all initial directors. After the Applicable Date, 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 Owners in a duly constituted meeting called for such purpose.

ARTICLE EIGHT

Notices

Section 8.1 Notice of Unpaid Assessments. The Association shall, upon request of a purchaser who has a contractual right to purchase a Lot, furnish to such purchaser a statement setting forth the amount of the unpaid Regular Assessments or Special Assessments against the Lot, which statement shall be binding upon the Association and the Owners, and grantee of the Lot shall not be liable for, nor shall the Lot conveyed be subject to, a lien for any unpaid assessments in excess of the amount set forth in such statement.

Section 8.2 Notice and Representative. Any change to an Owner's permanent address, email or telephone number should be submitted to the Secretary within 10 days of the change.

Section 8.3 Communications. Acceptable means of communication between the Board of Directors and members of the Association include personal delivery, mail, and email.

ARTICLE NINE

Alternative Dispute Resolution

Section 9.1 Disputes Subject to this Article. Owners' disputes shall be resolved in accordance with the provisions of this Article Nine if the dispute concerns any of the following: (a) the interpretation of the Amended Declaration, the Association's Articles of Incorporation or the Association's Bylaws; (b) the Developer's construction of the Property, the Developer's administration of the Association or the Developer's duties to the Owners; (c) the promulgation, application or enforcement of the Association's rules or regulations; (d) any dispute with an officer, director or Managing Agent of the Association regarding the performance of their respective duties; or, (e) any other matter with respect to the Property voluntarily submitted to the Association by all parties for resolution.

Section 9.2. Binding Effect. Each Owner, by accepting a deeded Lot, on behalf of the Owner and the Owner's family, invitees and contract purchasers, agrees to be bound by the provisions of this Article.

Section 9.3. Description of Alternative Dispute Resolution Procedures. Any dispute that is subject to this Article must be submitted by the Owner to the Association in writing on a form provided by the Association.

9.3.1 Mediation. Mediation is a process by which a neutral third party, called a mediator, acts to encourage and assist in the resolution of a dispute between two (2) or more parties. Mediation is an informal and non-adversarial process and its objective is to help the disputing parties reach a mutually acceptable agreement between or among themselves on all or any part of the issues in dispute. Decision making authority rests with the parties, not the mediator. The mediator assists the parties in identifying issues, fostering joint problem-solving, exploring settlement alternatives, and acting in other ways consistent with these activities.

9.3.2 Arbitration. Arbitration is a process in which a neutral third person or a panel, called an arbitrator or an arbitration panel, considers the facts and arguments of the parties to the dispute and the arbitrator or arbitration panel renders a decision. Arbitration decisions rendered under this Article shall be binding on the Association, all Owners and all other parties.

Section 9.4 Procedure for Invoking Alternative Dispute Resolution Procedure. Within thirty (30) days after the Board or Managing Agent's receipt of the disputing party's written request for Dispute Resolution, the Board or the Managing Agent, if one is acting, will provide the disputing parties with a list of mediators trained in civil mediation and certified as mediators by the Indiana Commission for Continuing Legal Education. In the event a mediator is not selected by agreement of the disputing parties, the disputant who filed the request will strike a mediator from the list first, and each other party to the dispute will then, in turn, strike a mediator from the list. The mediator remaining after the striking process will be deemed the selected mediator. A person selected to serve as mediator may decline or refuse to serve as mediator for any reason, and no mediator can have an interest in the outcome of the mediation. If the selected mediator chooses not to serve or the disputants mutually agree to replace the

mediator, then the selection process will be repeated.

9.4.1 Mediation Procedure. The mediator selected as provided in this Article shall conduct the mediation in accordance with the Alternative Dispute Resolution Rule 2 of the Indiana Rules of Court, or any subsequent replacement or successor provisions. The Board or the Managing Agent will maintain copies of the applicable Rules at the Association's office and will supply copies of the Rules upon the written request of *any* disputant. Following the mediation session, the mediator must report to the Board or Managing Agent whether or not the mediation has been successful. If the dispute is resolved, written acknowledgment of resolution, signed by the parties, will serve as the mediator's report. If the mediation does not resolve the dispute, the mediator must report which issues are not resolved, in writing, and the mediator's report shall be submitted to an arbitrator for a decision. If any disputant refuses or fails to meet at the time set for the mediation, the mediation will be deemed to have failed and the dispute will be submitted for arbitration.

9.4.2 Binding Arbitration. If the mediation fails, the parties to the dispute shall promptly submit the dispute to an arbitrator or arbitration panel for resolution.

An arbitrator or arbitration panel shall be selected, and the arbitration proceedings shall be conducted in accordance with the Alternative Dispute Resolution Rule 3 of the Indiana Rules of Court, or any subsequent replacement or successor provisions. The mediator's report shall be submitted to the arbitrator or arbitration panel. The Managing Agent or Board will maintain copies of the applicable arbitration rules at the Association office and, upon written request, the Board or Managing Agent will provide the Owner with copies of the applicable Rules. The decision of the arbitrator or the arbitration panel, as the case may be, shall be binding on all parties and may be enforced by a court of competent jurisdiction.

9.4.3 Costs and Expenses. The costs and expenses of the mediator, the arbitrators, the prevailing party's reasonable attorney fees and the Managing Agent's costs and expenses shall all be borne by the non-prevailing party unless the mediator or the arbitrator determine that the costs and expenses should be borne equally by all of the parties. An Owner who initiates the dispute resolution procedure set forth in this Section 9.4, shall deposit with the Association the sum of Two Thousand Dollars (\$2,000.00) as security for any obligation of the Owner to pay costs, expenses and/or attorney fees in accordance with this Section 9.4. An additional sum of One Thousand Dollars (\$1,000.00) shall be deposited by the Owner with the Association if the mediation fails and the dispute resolution proceeds to arbitration in accordance with Section 9.4.2.

Section 9.5 Amendment or Repeal of Alternative Dispute Resolution Procedure. The provisions of this Article 9 may only be amended or repealed: (1) at a special meeting of the Owners called for that purpose; and, (2) by the affirmative vote of seventy-five percent (75%) of all Members.

{The remainder of this page was intentionally left blank. Signatures on following page.}

Certified to be the Bylaws adopted by consent of the Directors of The Villa Glen at Brighton Point Homeowners' Association, Inc., dated this 17th Day of August, 2015.

**VILLA GLEN AT BRIGHTON POINT
HOMEOWNERS' ASSOCIATION, INC.**

By: Charles M. Reigeluth

Print Name: Charles M. Reigeluth

Its: Secretary

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