

CODE OF BY-LAWS
OF
FRANKLIN TRACE PROPERTY OWNERS' ASSOCIATION, INC.

ARTICLE I

Definitions

Section 1.01. The term "Association" shall mean Franklin Trace Property Owners' Association, Inc.

Section 1.02. The term "Act" shall mean The Indiana General Not For Profit Corporation Act, of 1935, as amended from time to time.

Section 1.03. The term "Articles of Incorporation" shall mean the Articles of Incorporation of the Association, as amended from time to time.

Section 1.04. The term "Code of By-Laws" shall mean the Code of By-Laws of the Association, as amended from time to time.

Section 1.05. The term "Project" shall mean the subdivision known as Franklin Trace which is situated in Marion County, Indiana.

ARTICLE II

Identification

Section 2.01 - Name The name of the Association is Franklin Trace Property Owners' Association, Inc.

Section 2.02 - Principal Office and Resident Agent The location of the principal office of the Association and the designation of the resident agent of the Association shall be as specified in the Articles of Incorporation, unless, after the adoption of the Articles of Incorporation, such location or such designation or both shall be changed in accordance with the requirements of the Act, in which case the notice of the change that is required by the Act (and the more or most recent of such notices, if two or more shall have been filed)

shall be conclusive as to the matters covered by such notice.

Section 2.03 - Fiscal Year The fiscal year of the Association shall begin on the first day of January in each year and end on the last day of December in the same calendar year.

ARTICLE III

Membership

Section 3.01 - Qualification for Membership Membership in Franklin Trace Property Owners' Association, Inc. is limited to the owners of lots in Sections 5,8,9,10 and 11 of Franklin Parke Estates Subdivision. However, any person who holds a membership in the Association at the time of the adoption of these By-Laws will be entitled to retain such membership regardless of his place of residence.

Section 3.02 - Evidence of Membership The Board of Directors of the Association shall have the power (but not the duty) to cause the issuance of evidences of membership and association membership in the Association to the members thereof in such form as the Board of Directors shall prescribe. As of the date of the adoption of this Code of By-Laws, the Board of Directors has taken no action (except the adoption of this By-Law).

Section 3.03 - Privileges of Membership The members of the Association (and any person who both belongs to the family of a member and has the same residence as the member to whose family he belongs, and any person who is a guest of a member of the Association) shall have the privilege of using the areas designated parks, commons, blocks or rights-of-way in the plat of the Project, and any other recreational facilities within the Project that are owned by the Association, in accordance with the restrictive covenants of the Project, the Articles of Incorporation, and any such other rules for the use of such facilities adopted from time to time by resolutions of the Board of Directors of the Association.

ARTICLE IV

Meetings of Members

Section 4.01 - Place of Meetings Any meetings of the members of the Association may be held at any place within Marion County, Indiana. The place at which a particular meeting of the members is to be held shall be stated in the notice of that meeting.

Section 4.02 - Annual Meeting The annual meeting of the members of the Association for the election of Directors whose terms have expired and for the transaction of such other business as may properly come before the meeting, shall be held on the 1st Monday in June of each year, upon notice given to the members as herein provided. Failure to hold the annual meeting at the designated time shall not work any forfeiture of the charter, or dissolution of the Association.

Section 4.03 - Special Meetings A special meeting of the members of the Association may be called by the President, by a majority of the Board of Directors, or by a written petition signed by a person who has, or persons who have, the right to cast one-half (1/2) of the votes on any questions upon which the vote of the membership of the Association shall be required or desirable.

Section 4.04 - Notice of Meetings A written or printed notice stating the place, day and hour of the meeting, and in the case of a special meeting (or when required by any provision of the Act or the Articles of Incorporation, or by any other provision of the Code of By-Laws), the purpose for which such meeting shall have been called, shall be delivered or mailed by the Secretary to each person (or group or persons constituting a tenancy by the entireties, a joint tenancy, or a tenancy in common) owning a numbered lot in the Project at least ten (10) days before the date of the meeting. Unless the Secretary shall have been otherwise notified in writing, adequate notice of a meeting shall be deemed to have been given to any member if said notice is mailed to the address of the member supplied by such member to the Association for the purpose of notice. Notice of any meeting of members may be waived in writing filed with the Secretary of the Association before the time of the meeting, at the time of the meeting, or after the time of the meeting, or by attendance in person.

Section 4.05 - Voting at Meetings

Clause 4.051 - Voting Rights The voting rights of the members of the Association shall be as prescribed in the Articles of Incorporation.

Clause 4.052 - Method of Voting A vote attributable to a numbered lot in the Project shall be cast as follows:

- a) If the lot is owned by one person, the vote shall be cast by that one person.
- b) If the lot is owned by more than one person, either as tenants in common, as joint tenants, or as tenants by the entireties, the

vote attributable thereto shall be deemed properly cast if cast by any one of the tenants in the absence of any objection, or contrary vote, by any other of them.

- c) If a lot is owned by more than one person, either as tenants in common, as joint tenants, or as tenants by the entireties, and if two or more of them desire that vote attributable to that lot be cast in different ways, or one of them desires that it not be cast, then the vote attributable thereto shall be deemed properly cast if cast by not less than a majority in number of the tenants.

Clause 4.053 - Proxies Any person who is entitled to vote (as the Sole owner of a numbered lot in the Project or as one of a group of tenants by the entireties, joint tenants, or tenants in common owning such a lot) at any meeting of the members of the Association may vote in person or by proxy executed in writing of by a duly authorized attorney-in-fact. No proxy shall be valid after eleven (11) months from the date of its execution, unless a longer time is expressly provided for upon the face of the proxy instrument.

Clause 4.054 - Quorum Quorum shall be deemed to be present at any meeting of the members of the Association, if at such meeting, the owners of not less than five (5) of the numbered lots in the Project are present. A quorum shall be deemed to be present at any special meeting of the members of the Association, if, at such meeting the owners of not less than ten (10) of the numbered lots in the Project are present. For the purpose of this Clause 4.054, the owner of a lot shall be deemed to be present at a meeting if any owner of that lot is present in person or by proxy or by attorney-in-fact, whether the tenant so present is a sole owner, a tenant in common, a joint tenant, or a tenant by the entireties.

ARTICLE V

The Board of Directors

Section 5.01 - Qualifications and Elections The affairs of the Association shall be managed by a Board of three ~~(3)~~ ⁵ Directors, (each of whom shall be a member of the

Association). Each member of the first Board of Directors designated in the Articles of Incorporation shall serve for a term of three (3) years. Thereafter, an entire Board of Directors shall be elected by the members of the Association, voting in accordance with the Articles of Incorporation and the Code of By-Laws, at each annual meeting of the members, and each of the three (3) Directors so elected shall serve for a term of one (1) year, but shall hold his office until his successor shall have been chosen and qualified.

Section 5.02 - Vacancies Any vacancy, that shall occur in the Board of Directors by death, resignation, or otherwise shall be filled by a majority vote of the remaining Directors, and the Director so chosen shall serve the unexpired portion of the term for which the person who he is replacing shall have been elected or chosen.

Section 5.03 - Annual Meeting The Board of Directors shall hold an annual meeting immediately after the annual meeting of the members of the Association, for the purposes of organization, election of officers, and the consideration of any other business that properly may be brought before the meeting. The failure to hold any annual meeting at the designated time shall not work any forfeiture of the charter, or dissolution of the Association.

Section 5.04 - Special Meetings Special meetings of the Board of Directors may be called at any time by the President and shall be called on the written request of any two (2) Directors.

Section 5.05 - Notice of Meetings A written or printed notice stating the place, day, and hour of the annual or a special meeting shall be delivered or mailed by the Secretary to each Director at least three (3) days before the date of the meeting. Notice of any meeting of Directors may be waived by any Director in a writing filed with the Secretary before the time of the meeting, at the time of the meeting, or after the time of the meeting, or by attendance in person.

Section 5.06 - Place All meetings of the Board of Directors of the Association shall be held at such place as may be specified in the respective notices, or waivers of notice, thereof.

Section 5.07 - Quorum A majority of the whole Board of Directors shall be necessary to constitute a quorum thereof, except for the filling of vacancies, which shall require a majority of the existing Directors for a quorum. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 5.08 - Powers and Duties of Directors

Clause 5.081 - Powers The powers of the Board of Directors shall include (but not be limited to)--

- a) the power to adopt and publish rules and regulations governing the use of those parts of the Project that are or will be owned by, or are otherwise under the control of the Association; and
- b) the power to exercise for the Association all the powers and duties of the Association whose exercise is not reserved or committed to the membership of the Association by the Code of By-Laws or the Articles of Incorporation.

Clause 5.082 - Duties The duties of the Board of Directors shall include (but not be limited to) the duty to fix prior to the 1st day of April in each year, the amount of the annual charge that is to be made against each member of the Association pursuant to the provisions for such a charge that are contained in the Articles of Incorporation and in the subdivision plats of the Project.

Section 5.09 - Adoption of Rules and Regulations The Board of Directors shall adopt rules and regulations relating to the use and enjoyment of the streets, parks, easements, pool, retention and/or detention ponds, lakes, landscape easements and any other recreational facilities or land or easements within the Project that are owned or controlled by the Association.

Section 5.10 - Committees The Board of Directors may create such temporary and standing committees as it shall deem necessary, and shall assign to each committee so created such duties as the Board of Directors shall consider proper for assignment to such committee. The Board of Directors shall choose committee members from the membership of the Association, and each such committee member shall serve at the pleasure of the Board of Directors.

ARTICLE VI

The Officers of the Association

Section 6.01 - Number The officers of the Association shall be a President, a Vice-

President, a Secretary, a Treasurer, and in addition, the Directors may choose an Assistant Secretary and/or an Assistant Treasurer. Any person may hold two (2) offices at the same time except the offices of President and Secretary. No officer, except the President, need be a Director.

Section 6.02 - Election and Term of Office The officers shall be chosen annually by the Board of Directors at the annual meeting of the Board of Directors. Each officer shall hold his office until his successor shall have been chosen and qualified, or until his death, resignation, or removal.

Section 6.03 - Removal Any officer may be removed, with or without cause, at any time, by a vote of not less than two (2) Directors, at a special meeting of the Board of Directors called for the purpose of considering the removal.

Section 6.04 - Vacancies Any vacancy in any office because of death, resignation, or removal, or otherwise caused, shall be filled for the unexpired portion of the term by a person chosen by the Board of Directors.

Section 6.05 - The President The President, who shall be chosen from the Directors, shall have active executive management of the operations of the Association, subject, however, to the control of the Board of Directors. He shall, in general, perform all duties incident to the office of President and such other duties as, from time to time, may be assigned to him by the Board of Directors.

Section 6.06 - A Vice President A Vice President shall have such powers and perform such duties as the Board of Directors may prescribe or as the President may delegate to him. In the case of absence or inability to act of the President, the Vice President shall temporarily act in his place.

Section 6.07 - The Secretary The Secretary shall keep, or cause to be kept, in books that shall be provided for the purpose and shall remain in the Secretary's custody, the minutes of the meetings of the members of the Association and of the Board of Directors; shall at all times keep at the principal office of the Association a complete and accurate list of the names and addresses of all members of the Association; shall attend to the giving of all notices in accordance with the provisions of this Code of By-Laws and as required by law; shall be the custodian of the records (except the financial records) of the Association and of any die or other instrument usable in affixing the seal of the Association to paper; shall affix the seal of the Association (by means of a die or by hand) to every document whose execution on behalf of the Association under its seal shall have been properly authorized; and shall, in general, perform all duties incident to the office of

Secretary and such other duties as, from time to time, may be assigned to him by the Board of Directors or the President.

Section 6.08 - An Assistant Secretary An Assistant Secretary shall have such powers and perform such duties as the Board of Directors may prescribe or as the President may delegate to him.

Section 6.09 - The Treasurer The Treasurer shall be the financial officer of the Association; shall keep, or cause to be kept, in books that shall be provided for the purpose and shall remain in the Treasurer's custody, complete books and records showing the financial condition of the Association and shall keep a separate financial account of each member of the Association; shall have charge and custody of, and be responsible for, all funds of the Association and shall deposit all such funds in the name of the Association in such banks, trust companies, or other depositories as shall be selected by the Board of Directors; shall receive, and give receipts for, moneys due and payable to the Association in accordance with the instructions of the Board of Directors of the Association; shall render to the President, on request, an account of all his transactions as Treasurer and of the financial condition of the Association; and shall, in general, perform all the duties incident to the office of Treasurer and such other duties as, from time to time, may be assigned to him by the Board of Directors or the President.

Section 6.10 - An Assistant Treasurer An Assistant Treasurer shall have such powers and perform such duties as the Board of Directors may prescribe or as the President may delegate to him.

ARTICLE VII

Corporation Books and Records

Section 7.01 - Place of Keeping, In General Except as otherwise provided by the laws of the State of Indiana or this Code of By-Laws, the books and records of the Association may be kept at such place or places as the custodian thereof may select, but all of such books and records shall be open for inspection by any member of the Association for proper purposes at any reasonable time.

ARTICLE VIII

Execution of Checks and Contracts

Section 8.01 - Execution of Checks Every check for the payment of money of the Association, and every promissory note of the Association, shall, unless otherwise ordered by the Board of Directors or required by law, be signed by two (2) officers of the Association, one of whom will be the Treasurer or Assistant Treasurer.

Section 8.02 - Execution of Contracts Every contract (in addition to those mentioned above, in this code of By-Laws) to which the Association shall be a party, shall be executed in its name by its President or a Vice President and attested by the Secretary or an Assistant Secretary, and the Secretary or an Assistant Secretary shall, when doing so shall be appropriate, affix the seal of the Association to such contract.

ARTICLE IX

Amendments

Section 9.01 - Procedure A copy of any proposed change in the By-Laws shall be submitted in writing to each member of the Board of Directors at least 14 days prior to the meeting of which it is to be considered by the Directors. If a majority of the directors present at such meeting approve the change, then a copy of the proposed amendment shall be mailed to the entire membership together with a ballot indicating a yes or no vote, and with an appropriate envelope for the return of the ballot to the Secretary, and setting a time of not less than 10 days nor more than 20 days for its return. Not later than 30 days after the mailing of the ballot to the membership of the Board of Directors, the Board of Directors shall meet for the purpose of counting the votes and determining if the amended was adopted.