

CODE OF BY-LAWS
OF
WOOD CREEK HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

Identification

Section 1.01. Name. The name of the Corporation is Wood Creek Homeowners Association, Inc. (hereinafter referred to as the "Corporation").

Section 1.02. Principal Office and Resident Agent. The address of the principal office of the Corporation is 5208 Westwood Drive, Carmel, Indiana 46032; the name and address of its Resident Agent in charge of such office is Wendy Adams. The location of the principal office of the Corporation or the designation of its Resident Agent, or both, may be changed at any time, or from time to time, when authorized by the Board of Directors by filing with the Secretary of State, on or before the day any such change is to take effect, or as soon as possible after the death of its Resident Agent, or other unforeseen termination of its agent.

Section 1.03. Fiscal Year. The fiscal year of the Corporation shall begin on the first day of September of each year and end on the last day of August next succeeding.

ARTICLE II

Membership

Section 2.01. Classes. The classes of Members are as follows:

Class A. Class A members shall be all Owners with the exception of Declarant and shall be entitled to one vote for each Lot owned. When more than one person holds such interest or interests in any Lot, all such persons shall be members and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Lot.

Class B. Class B member(s) shall be the Declarant, its officers, directors and nominees which shall be entitled to three votes for each Lot in which it holds the interest required for membership by this Article; provided, however, that the Class B membership shall be cancelled and converted to Class A membership on the happening of either of the following events:

(i) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or

(ii) on December 31, 1987.

Section 2.02. Rights, Preferences, Limitations and Restrictions of Classes. All Members of each Class shall have the same rights, privileges, duties, liabilities, limitations and restrictions as the other Members of such Class. All Members shall abide by the Articles of Incorporation, the Code of By-Laws, and the rules and regulations adopted by the Board of Directors.

Section 2.03. Membership Certificate. Each member of the Corporation shall be entitled to a membership certificate

signed by the President and attested by the Secretary stating that he is a Member of the Corporation and designating the class of membership and containing such other information as may be required by law. The form of membership certificate shall be prescribed by resolution of the Board of Directors. Membership certificates shall not be transferable except as herein provided.

Section 2.04. Transfer of Membership. Holders of a Class A membership shall have the right as the result of the sale of their Dwelling Unit, to transfer membership to the purchaser of their home.

Any successor to the interest of Ryan Homes, Inc. in the development of Wood Creek shall automatically have membership in the Corporation as a Class A Member with all the rights, privileges, duties, liabilities, limitations and restrictions applicable to a Class A Member.

ARTICLE III

Meetings of Corporation

Section 3.01. Purpose of Meetings. At least annually and at such other times as may be necessary, the meetings of the Corporation shall be held for the purpose of electing the Board of Directors, and for such other purposes as may be required by the Articles of these By-Laws.

Section 3.02. Annual Meetings. The annual meeting of the Members of the Corporation shall be held on the first Tuesday of August in each calendar year. At the annual meeting the

Members shall elect the Board of Directors of the Corporation in accordance with the provisions of these By-Laws and transact such other business as may properly come before the meeting.

Section 3.03. Special Meetings. A special meeting of the Members of the Corporation may be called by resolution of the Board of Directors or upon a written petition of the Members who have not less than a majority of the Vote. The resolution or petition shall be presented to the President or Secretary of the Corporation and shall state the purpose for which the meeting is to be called. Upon proper receipt of such petition for a special meeting, in accordance with the requirements herein, such special meeting shall be set by the Board of Directors, within sixty (60) days of the petition. No business shall be transacted at a special meeting except as stated in the petition or resolution.

Section 3.04. Notice and Place of Meetings. All meetings of the Members of the Corporation shall be held at any suitable place in Hamilton County, Indiana, as may be designated by the Board of Directors. Written notice stating the date, time and place of any meeting and in the case of a special meeting or when otherwise required by law the purpose or purposes for which the meeting is called shall be delivered or mailed by the Secretary of the Corporation to each Member of record at such address as appears on the records of the Corporation, and such notice shall be given at least ten (10) days prior to the date of the special meeting.

Section 3.05. Waiver of Notice. Notice of any meeting may be waived in writing by any Member if the waiver sets forth in reasonable detail the time and place of the meeting and the purposes thereof. Attendance at any meeting in person, or by proxy, shall constitute a waiver of notice of such meeting.

Section 3.06. Voting by Proxy. A Member may vote either in person or by his duly authorized and designated attorney-in-fact. Where voting is by proxy the Member shall duly designate his attorney-in-fact in writing delivered to the Secretary of the Corporation prior to commencement of the meeting.

Section 3.07. Quorum. Except where otherwise expressly provided in the Articles or these By-Laws, at any meeting of the Members representation of a majority of the total votes in person or by proxy shall constitute a quorum.

Section 3.08. Conduct of Meeting. The Chairman of the meeting shall be the President of the Corporation. He 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 read 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 Corporation and answer relevant questions of the Members concerning the expenses and financial report for the prior year and the proposed budget for the current year.

(c) Election of Board of Directors. Nomination for the Board of Directors may be made by any Class A or Class B Member from those persons eligible to serve. Such nomination shall be in writing and presented to the Secretary of the Corporation at least ten (10) days prior to the date of the annual meeting. Notwithstanding the above, if any vacancies to the slate of Directors exist for the total number of Board of Director positions to be filled and voted upon in accordance with this subsection, nominees for the vacant positions may be submitted from the floor of the meeting by Class A or Class B members prior to the time of voting, and such nominees may be voted upon with the entire slate of Directors. Voting for the Board of Directors shall be by paper ballot. Ballots shall contain the name of each person nominated to serve as a Board member. Each Member may cast the vote or votes to which he is entitled for as many nominees as are to be elected; however, he shall not be entitled to cumulate his votes. Those persons receiving the highest number of votes shall be elected. Each voting Member shall sign his ballot.

(d) Other Business. Other business may be brought before the meeting only upon a written request submitted to the Secretary of the Corporation at least ten (10) days prior to the date of the meeting; provided, however, such written request may be waived at the meeting if agreed by a majority vote.

ARTICLE IV

Board of Directors

Section 4.01. Number. The number of Directors of the Corporation shall be seven (7). Of the seven Directors three (3) shall reside in Section II, Woodcreek, three (3) shall reside in Section III, Woodcreek, and one (1) shall be a member-at-large. Notwithstanding these residence requirements, if there are not enough Director nominees from a certain section of Woodcreek willing to serve on the Board (i.e., less than 3), then such requirement may be waived, and the vacancy or position may be filled by a resident of another section of Woodcreek.

Section 4.02. Initial Board of Directors. The initial Board of Directors shall hold office until the first annual meeting of the Members to be held in April, 1980.

Section 4.03. Qualification and Election of Directors. All Directors shall be Members of the Corporation at the time of their election to office and during their term of office as Directors. The Directors other than the initial Board of Directors shall be elected at each annual meeting of the Corporation by the Class A and Class B Members and shall hold office for the term of one year or until their successors have been duly elected and qualified. Any vacancy or vacancies occurring on the Board of Directors during their term shall be filled by vote of a majority of the remaining Directors or by vote of the Class A and Class B Members if a Director has been removed in accordance with Section 4.04 of these By-Laws. Any

Director elected to fill such vacancy shall serve for the unexpired term of the Director whose vacancy is thus filled.

Section 4.04. Removal of Director. A Director or Directors other than the initial Board of Directors may be removed with or without cause by vote of a majority of the voting Members at a special meeting of the Members duly called and constituted. In such case, the successor shall be elected at the same meeting from eligible Members nominated at the meeting. The Director so elected shall serve until the next annual meeting of the Members or until his successor is duly elected and qualified.

Section 4.05. Duties of the Board of Directors. The business and affairs of the Corporation shall be managed by the Board of Directors. The Board of Directors shall provide for the administration and operation of the recreational facilities and the collection and disbursement of the expenses therefor. These duties include, but are not limited to:

- (a) Administering, operating and maintaining the recreational facilities;
- (b) Establishing appropriate assessments to be paid by the Members;
- (c) Collection of assessments from the Members;
- (d) Preparation and adoption of an annual budget, a copy of which will be mailed or delivered to each Member at the same time as the notice of annual meeting is mailed or delivered;

(e) Preparing and delivering annually to the Members a full accounting of all receipts and expenses incurred in the prior year; such accounting shall be delivered to each Member simultaneously with delivery of the annual budget;

(f) Keeping a current, accurate and detailed record of receipts and expenditures affecting the Common Properties owned by the Corporation. All records and vouchers shall be available for examination by a Member at any time during normal business hours.

(g) Informing the Members of any single proposed non-budget expenditure in excess of \$1,500.00 to be approved by a majority vote of the membership at a special meeting called by the Board of Directors for that purpose.

Section 4.06. Powers of the Board of Directors. The Board of Directors shall have such powers as are reasonable and necessary to accomplish the performance of its duties. These powers include, but are not limited to, the power:

(a) To employ a managing agent hereinafter referred to as "Managing Agent" to assist the Board in performing its duties;

(b) To purchase for the benefit of the Members such equipment, materials, labor and services as may be necessary in the judgment of the Board of Directors;

(c) To procure for the benefit of the Members such insurance as in the opinion of the Board of Directors is necessary;

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

(e) To include the costs of all of the above and foregoing as expenses of the Corporation;

(f) To open and maintain a bank account or accounts in the name of the Corporation;

(g) To adopt, revise, amend and alter from time to time reasonable rules and regulations with respect to use, operation and enjoyment of the recreational facilities and to fix and impose penalties for the violation of such rules and regulations;

(h) To constitute, appoint and establish such committees as the Board deems necessary to aid it in operating and managing the Corporation.

(i) Notwithstanding Subsection (h) of Section 4.05, the Board of Directors shall not need the approval of the Membership to make single non-budget expenditures in excess of \$1,500.00 in the event of an emergency. An "emergency" shall be defined as a sudden or unforeseen condition, circumstance or combination of circumstances creating the necessity for action, for which the lack thereof would constitute unreasonableness, imprudence, or irresponsibility on the part of the Directors.

Section 4.07. Compensation. No Director shall receive any compensation for his services as such except to such extent as may be expressly authorized by a majority of the Members.

Section 4.08. Annual Meeting. The annual meeting of the Board of Directors shall be held immediately following the annual meeting of the Members at the place where such meeting of the Members was held. This meeting shall be held for the purpose of electing or re-electing officers of the Corporation and consideration of any other business that may be brought before the meeting. No notice shall be necessary for the holding of this annual meeting.

Section 4.09. Regular 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 the Directors, provided, however, the Board of Directors shall meet at least quarterly. The Secretary shall give notice of the regular meetings of the Board to each Director personally or by United States mail at least five (5) days prior to the date of such meeting.

Section 4.10. Special Meetings. Special meetings of the Board may be called by the President or any two (2) members of the Board. Persons calling such meeting shall give written notice thereof to the Secretary who shall either personally or by mail at least three (3) days prior to the date of such special meeting, give notice to the Board members. Notice of the meeting shall contain a statement of the purpose for which the meeting was called. Such meeting shall be held at such place and at such time in Hamilton County, Indiana, as shall be designated in the notice.

Section 4.11. Waiver of Notice. Before any meeting of the Board, 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 waiver of notice of the time, place and purpose thereof. If all Directors are present at any meeting of the Board no notice shall be required and any business may be transacted at such meeting.

Section 4.12. Quorum. A majority of the entire Board of Directors shall be necessary to constitute a quorum for the transaction of any business and the action of a majority of the Directors present at any meeting at which a quorum is present shall be the decision of the Board of Directors unless the decision of a greater number is required by law, the Declaration, the Articles of Incorporation or these By-Laws.

Section 4.13. Executive Committee. The Board of Directors may by resolution adopted by majority of the whole Board designate two or more members of the Corporation to constitute an executive committee which committee to the extent provided in such resolution shall have and exercise all the authority of the Board of Directors in the management of the Corporation, but the designation of a committee and delegation of authority to it shall not operate to relieve the Board of Directors or any Member from any responsibility imposed upon it or him.

Section 4.14. Bond. The Board of Directors may require the Treasurer and such other officers as the Board deems necessary to give bond, indemnifying the Corporation against

larceny, theft, embezzlement, forgery, misappropriation, wrongful abstraction, willful misapplication, and other acts of fraud or dishonesty, in such sums and with such sureties as deemed appropriate by the Board of Directors.

ARTICLE V

Officers

Section 5.01. Officers of the Corporation. The principal officers of the Corporation shall be the President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Board. 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.

Section 5.02. Election of Officers. The officers of the Corporation shall be elected annually by the Board at the initial meeting of each new Board. Upon an affirmative vote of a majority of all members of the Board, any officer may be removed either with or without cause and his successor elected at any regular meeting of the Board or at any special meeting of the Board called for such purpose.

Section 5.03. The President. The President shall be elected from among the Directors and shall be the chief executive officer of the Corporation. He shall preside at all meetings of the Corporation and of the Board, and shall have

and discharge all the general powers and duties usually vested in the office of president or chief executive officer of an association or a stock corporation organized under the laws of Indiana, including but not limited to the power to appoint committees from among the Members as he may deem necessary to assist in the affairs of the Corporation and to perform such other duties as the Board may from time to time prescribe.

Section 5.04. 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 By-Laws may prescribe or as shall, from time to time, be imposed upon him by the Board or by the President.

Section 5.05. The Secretary. The Secretary shall be elected from among the Directors. The Secretary shall attend all meetings of the Corporation and of the Board and shall keep or cause to be kept a true and complete record of the 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 Corporation or the Board are duly given, mailed or delivered, in accordance with the provisions of these By-Laws.

Section 5.06. 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 Corporation and such other duties incident to the office of Treasurer. He shall be the legal custodian of all monies, notes, securities and other valuables which may from time to time come into possession of the Corporation. He shall immediately deposit all funds of the Corporation coming into his hands in some reliable bank or other depository to be designated by the Board and shall keep such bank account in the name of the Corporation.

Section 5.07. Assistant Officers. The Board of Directors may, from time to time, designate and elect from among the Members 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 By-Laws or the Board of Directors may prescribe.

Section 5.08. Delegation of Authority. In the case of the absence of any officer of the Corporation, or for any other reason that the Board may deem sufficient, the Board may delegate the powers or duties of such officer to any other officer or to any Director, for the time being, provided a majority of the entire Board concurs therein.

ARTICLE VI

Dues and Assessments

Section 6.01. Dues and Assessments.

(a) Annual Accounting. Annually after the close of each calendar year and prior to the date of the annual meeting

of the Corporation, the Board of Directors shall cause to be prepared and furnished each Member a financial statement showing receipts and expenditures incurred and paid during the preceding calendar year.

(b) Annual Budget and Assessments. Annually before the date of the annual meeting of the Corporation, the Board of Directors shall cause to be prepared a budget for the ensuing calendar year, estimating the total amount of the expenses for the ensuing year and furnishing a copy of such budget to each Member. The Board of Directors shall, based upon such budget, and subject to the recorded Declaration of Covenants and Restrictions determine the annual assessment to be paid by each Member for the ensuing calendar year. Payment of such assessment shall be made to the Board of Directors or such other person as directed by the Board of Directors. Such annual assessment shall be payable at such time or times as the Board determines.

All assessments mentioned herein are exclusive of any taxes imposed by the federal, state or other governmental bodies and agencies.

(c) Special Assessments. The Board of Directors shall have the power to levy special assessments in accordance with the terms of the recorded Declaration of Covenants and Restrictions.

ARTICLE VII

Contracts, Checks, Notes, Etc.

Section 7.01. All contracts and agreements entered into by the Corporation and all checks, drafts, and bills of exchange, and orders for the payment of money shall, in the conduct of the ordinary course of business of the Corporation, unless otherwise required by law, be signed by the President, or in his absence, the Treasurer. Any one of the documents heretofore mentioned in this Section for use outside the ordinary course of the business of the Corporation, or any notes or bonds of the Corporation shall be executed by and require the signature of both the President and Secretary.

ARTICLE VIII

Amendments

Section 8.01. The power to make, alter, amend or repeal these By-Laws is vested in the Board of Directors of the Corporation, but such action shall be taken only at a meeting of such Board specifically called for such purpose. The affirmative vote of the majority of all the Directors shall be necessary to effect any such changes in these By-Laws with the exception of changes to Article III, Section 3.03, and Article IV, Section 4.04, unless otherwise provided in the Articles or these By-Laws. Changes or amendments to Article III, Section 3.03 and Article IV, Section 4.04 shall only be changed by an affirmative vote of a majority of the Members.