

**CODE OF BY-LAWS OF
GATEWOOD HOMEOWNERS' ASSOCIATION, INC.**

COMES NOW the Gatewood Homeowners' Association, Inc. (hereinafter "Association"), by its Board of Directors, and states as follows:

WITNESSETH THAT:

WHEREAS, the residential community in Fishers, Hamilton County, Indiana commonly known as Gatewood was established upon the recording of Plats with the Office of the Recorder for Hamilton County, Indiana; and

WHEREAS, the Plats for Gatewood were originally subject to a Declaration of Covenants, Conditions and Restrictions for Gatewood filed with the Office of the Recorder of Hamilton County, Indiana on February 20, 1990; and

WHEREAS, the Association's Board of Directors (while under the developer's control) never adopted a Code of By-Laws for the Association and the homeowners within Gatewood; and

WHEREAS, it is deemed desirable for the Association to adopt a Code of By-Laws for the benefit of the current and future homeowners as well as the current and future Boards of Directors of the Association.

WHEREFORE, the following Code of By-Laws for Gatewood Homeowners' Association, Inc. is hereby approved and adopted by the Board of Directors of the Association, after being approved by the homeowner members present in person and by proxy at a special meeting held on _____, 2014, and are effective as of the date of adoption.

CODE OF BY-LAWS OF
GATEWOOD HOMEOWNERS' ASSOCIATION, INC.

ARTICLE 1

NAME

Section 1.1. Name. The name of this Association is Gatewood Homeowners' Association, Inc. (hereinafter referred to as "Association"). The Association is an Indiana nonprofit corporation.

ARTICLE 2

IDENTIFICATION & APPLICABILITY

Section 2.1. Identification and Adoption. The provisions of these By-Laws shall apply to the Gatewood Subdivision and the administration and conduct of the affairs of the Association. These By-Laws shall also constitute the By-Laws of the Association.

Section 2.2. Individual Application. Each of the Owners within the Gatewood subdivision shall automatically and mandatorily be Members in the Association and be entitled to all of the privileges and subject to all of the obligations thereof. All Owners, by their acceptance of their respective deeds to their Lots, covenant and agree to be bound by the conditions, restrictions, and obligations contained in the Declaration of Covenants, Conditions & Restrictions for Gatewood, said Declaration being recorded in the Hamilton County Recorder's Office on February 20, 1990, as Instrument No. 9003882 (hereafter, "Declaration"), as well as the Plat Covenants that are contained within the Plats, together with all amendments or supplements thereto, the rules and regulations of the Association and of the provisions hereof. All of the Owners, future Owners, tenants, future tenants, their guests and invitees, or any other person who might now or hereafter use or occupy a Lot or any part of the common areas shall be subject to the rules, restrictions, terms, and conditions set forth in the Declaration, the Plat Covenants and these By-Laws, all as the same may be amended from time to time, and to any rules and regulations adopted by the Board of Directors as herein provided. The Declaration is incorporated herein by reference. All of the covenants, rights, restrictions, and liabilities contained in the Declaration shall apply to and govern the interpretation of these By-Laws. The definitions and terms, as defined and used in the Declaration, shall have the same meaning in these By-Laws, and reference is specifically made to Paragraph 1 of the Declaration containing definitions for terms, unless otherwise indicated herein. As used herein, "Member" has the same meaning as "Owner" as used in the Declaration.

ARTICLE 3

MEETINGS OF ASSOCIATION

Section 3.1. Purpose of Meetings. At least annually, and at such other times as may be necessary or appropriate, a meeting of the Members shall be held for the purpose of electing the Board of Directors, approving the annual budget, and for such other purposes as may be required by the Declaration or these By-Laws.

Section 3.2. Annual Meeting. The annual meeting for the Members of the Association shall be held in the month of October of each year, with the specific date, time and place to be determined by the Board of Directors. At each annual meeting, the Members shall approve the next year's budget, elect the Board of Directors and transact such other business as may properly come before the meeting.

Section 3.3. Special Meetings. A special meeting of the Members of the Association may be called by the President, by resolution of the Board of Directors or upon a written petition of the Owners of not less than ten percent (10%) of the Lots. The 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 3.4. Notice and Place of Meetings. All meetings of the Members of the Association shall be held at any suitable place in the Fishers area, 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 the purpose or purposes for which the meeting is called, shall be delivered or mailed by the Secretary or another member of the Board of Directors of the Association to each Member entitled to vote thereat not less than fourteen (14) days prior to the date of such meeting. Any written notice delivered to the Members as part of a newsletter or other publication regularly sent to the Members constitutes a written notice. If an annual or special meeting of Members is adjourned to a different date, time or place, written notice is not required to be given of the new date, time or place so long as the new date, time and place is announced at the meeting before adjournment.

In lieu of written notices from the Association sent pursuant to the above paragraph, an Owner may elect to receive notices from the Association by electronic means such as email. Any Owner choosing electronic means shall be deemed to have waived the right to receive notices from the Association by U.S. Mail or personal delivery. However, any such Owner shall have the right at any time to withdraw his or her election to receive notice by electronic means, and shall thereafter be sent notices by the Association pursuant to the above paragraph.

Section 3.5. Voting.

(a) Number of Votes. Each Member shall be entitled to cast one (1) vote for each Lot of which such Member is the Owner. In voting for Directors, each Owner (or his or her representative) shall be entitled to cast one (1) vote for each directorship being filled at that meeting, and the candidate(s) receiving the highest number of votes shall fill the available directorship(s); provided that no Owner shall be allowed to accumulate his or her votes. Plurality voting shall be permitted such that at a meeting, if a quorum exists, action on a matter is approved if the votes cast in favor of the action exceed the votes opposing the action.

If a Member is not in good standing with the Association by being delinquent on the payment of any assessments owed to the Association, the Board of Directors shall have the right to suspend such Member's right to vote for so long as the delinquency is unpaid.

(b) Multiple Owners. When more than one (1) person or entity constitutes the Owner of a particular Lot, all such persons or entities shall be Members of the Association, but all of such persons or entities shall have only one (1) vote for such Lot, which vote shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any such Lot.

(c) Voting by Corporation or Trust. Where a corporation or trust is an Owner or is 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. The secretary of such corporation or a trustee of such trust so entitled to vote shall deliver or cause to be delivered prior to the commencement of the meeting a certificate signed by such person to the Secretary of the Association stating who is authorized to vote on behalf of said corporation or trust.

(d) Proxy. An Owner may vote either in person or by his or her duly authorized and designated attorney-in-fact. Where voting is by proxy, the Owner shall duly designate his attorney-in-fact in writing, delivered to the Secretary or some other member of the Board of Directors of the Association prior to the commencement of the meeting.

(e) Quorum. Except where otherwise expressly provided in the Declaration or these By-Laws, the presence of Owners or their duly authorized representatives owning at least ten (10) Lots shall constitute a quorum at all meetings. Unless otherwise required herein or by the Act, the Owners at a meeting at which a quorum is initially present may continue to do business until adjournment, notwithstanding the withdrawal of enough Owners to leave less than a quorum. As used elsewhere in these By-Laws, the term "**Majority of Owners**" shall mean, unless otherwise expressly indicated, more than fifty percent (50%) of the total number of Lots, and the term "**Majority of the Vote**" shall mean a majority of the votes of the Owners present or represented at a meeting at which a quorum is present.

Section 3.6. Conduct of Annual Meeting. The Chairman of the annual meeting shall be the President of the Association. The President shall call the meeting to order at the duly designated time, and business will be conducted in the following order:

(1) Reading of Minutes. The Secretary shall read the minutes of the last annual meeting and the minutes of any regular or special meeting of the Members held subsequent thereto, unless such reading is waived by a Majority of the Vote as defined in Section 3.5(e) hereof.

(2) 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 year to date and the proposed budget for the next calendar year.

(3) Budget. The proposed budget for the following calendar year shall be presented to the Members for approval or amendment, as more fully described in the Declaration.

(4) Election of Board of Directors. Nominations for the Board of Directors may be made by a Member from those persons eligible to serve. Nominations for the Board of Directors can be made before or during the annual meeting. Voting for the Board of Directors will be by voice vote, unless a majority of those in attendance choose to vote by paper ballot. The ballot shall contain the name of each person nominated to serve as a Board member. Each Member may cast the total number of votes to which he or she is entitled for as many nominees as are to be elected; however, no Member shall be entitled to accumulate his or her votes. Those persons receiving the highest number of votes shall be elected.

(5) Other Business. Other business may be brought before the meeting.

(6) Committee Reports. Reports of committees designated to supervise and advise on the respective segments of maintenance and operations prescribed in the Declaration or assigned by the Board of Directors shall be presented.

(7) 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 Owners for the upcoming year.

Section 3.7. Conduct of Special Meeting. The President of the Association shall act as Chairman of any special meetings of the Association. The Chairman shall call the meeting to order at the duly designated time and the only business to be considered at such meeting shall be in consideration of the matters for which such meeting was called, as set forth in the notice of such special meeting.

Section 3.8. Written Ballots. In lieu of any annual or special meeting of the Members, written ballots, including by electronic means, may be utilized in the manner prescribed in the Indiana Nonprofit Corporations Act.

ARTICLE 4

BOARD OF DIRECTORS

Section 4.1. Board of Directors. The affairs of the Association shall be governed and managed by the Board of Directors (herein sometimes collectively called “Board” and individually called “Directors”). The Board of Directors shall be composed of three (3) or five (5) persons who each own at least one (1) Lot, with the exact number to be decided by vote of the Owners at each annual meeting. In no event shall the number of Directors be less than three (3) nor more than five (5).

Section 4.2. Additional Qualifications. Where an Owner consists of more than one person or is a partnership, corporation, trust or other legal entity, then one of the persons constituting the multiple Owner, or a partner or an officer or trustee shall be eligible to serve on the Board of Directors, except that no single Lot may be represented on the Board of Directors by more than one person at a time.

Section 4.3. Term of Office and Vacancy. All members of the Board of Directors shall be elected at each annual meeting of the Association. Each Director shall serve a term of one (1) year. Any vacancy or vacancies occurring in the Board caused by a death, resignation, or otherwise other than a vacancy created by removal, shall be filled until the next annual meeting of the Members through a vote of a majority of the remaining Directors. Despite the expiration of a Director’s term, the Director continues to serve until a successor is appointed or elected and qualified.

Section 4.4. Removal of Directors. A Director or Directors elected by the Owners, or elected by the Directors to fill a vacancy, may be removed by the Owners with or without cause if the number of votes cast to remove would be sufficient to elect the Director(s) at a meeting to elect Directors. A Director or Directors may be so removed by the Owners only at a meeting called for the purpose of removing the Director(s). The meeting notice must state that the purpose of the meeting is for voting upon the removal of the Director(s). In such case, his or their successor(s) shall be elected at the same meeting from eligible Owners nominated at the meeting to serve for the remainder of the term(s) of the removed Director(s).

Section 4.5. Duties of the Board of Directors. The Board of Directors shall perform or cause to be performed, when and to the extent deemed necessary or appropriate in the Board’s business judgment, the following:

- (a) Protection, repair and replacement of the common areas, unless the same are otherwise the responsibility or duty of the Owners;
- (b) Procuring of utilities and the removal of garbage and waste if not provided by the municipality pertaining to the common areas;
- (c) Assessment and collection from the Owners of the Owners’ pro-rata share of the Common Expenses;

- (d) Preparation of the proposed annual budget, a copy of which will be mailed or delivered to each Owner at the same time the notice of annual meeting is mailed or delivered;
- (e) Preparing annually a full accounting of all revenue and expenses incurred during each year, which accounting shall be delivered to any Owner upon request;
- (f) Keeping a current, accurate, and detailed record of receipts and expenditures affecting the common areas, specifying and itemizing the Common Expenses; all records and vouchers shall be available for examination by an Owner at any time during normal business hours;
- (g) Procuring and maintaining in force all insurance coverage required by the Declaration;
- (h) Performing such other duties as may be reasonably inferred from the provisions of the Declaration or the Plat Covenants.

Section 4.6. 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 its duties. These powers include, but are not limited to, the power:

- (a) To employ a reputable and recognized professional managing agent or real estate management company (either being hereinafter referred to as “Managing Agent”) to assist the Board in performing its duties; provided, however, any management agreement shall be terminable with or without cause upon thirty (30) days written notice, and any such agreement may not exceed three (3) years, renewable by agreement of the parties for successive one (1) year periods;
- (b) 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;
- (c) To procure for the benefit of the Owners fire and extended coverage insurance covering the common areas to the full insurable value thereof, to procure public liability and property damage insurance and worker’s compensation insurance, if necessary, and to procure all such other insurance as is required or permitted under the Declaration, for the benefit of the Owners, and the Association;
- (d) To employ legal counsel, architects, engineers, 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 Association;
- (e) To employ, designate, discharge and remove such personnel as in the judgment of the Board of Directors may be necessary for the maintenance, upkeep, repair and replacement of the Common Areas;

(f) To include the costs of all of the above and foregoing as Common Expenses of the Association and to pay all of such costs therefrom;

(g) To open and maintain a bank account or accounts in the name of the Association and to designate the signatories thereto;

(h) To adopt, revise, amend, and alter from time to time reasonable rules and regulations with respect to use, occupancy, operation, and enjoyment of the Gatewood Subdivision provided that the Board shall give advance written notice to the Owners of such rules and any revision, amendment, or alteration thereof;

(i) To determine the due date of assessments.

Section 4.7. Compensation. No Director or Officer shall receive any compensation for his or her services as such.

Section 4.8. Meetings and Notice. 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. No written or verbal notice need be given to Directors for regularly scheduled Board meetings of which the Directors are already aware. Special meetings of the Board may be called by the President or any other member of the Board. The person or persons calling such meeting shall give written notice thereof to the Secretary, who shall either personally or by mail and at least three (3) days prior to the date of such special meeting, give notice to the Board members. 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 shall be designated in the notice. A Director may conduct or participate in a regular or special meeting of the Board of Directors through the use of conference telephone or any means of communication by which all Directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting by this means is considered to be present in person at the meeting.

In lieu of written notices from the Association sent pursuant to the above paragraph, a Director may elect to receive notices of Board meetings by electronic means such as email. Any Director choosing electronic means shall be deemed to have waived the right to receive notices from the Association by U.S. Mail or personal delivery. However, any such Director shall have the right at any time to withdraw his or her election to receive notice by electronic means, and shall thereafter be sent notices by the Association pursuant to the above paragraph.

Section 4.9. Waiver of Notice. Before or after 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 a 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 4.10. 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 4.11. Bond. The Board of Directors may require the Managing Agent, Treasurer and such other officers as the Board deems necessary to provide surety bonds, indemnifying the Association 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 may be approved by the Board of Directors and any such bond shall specifically include protection for any insurance proceeds received for any reason by the Board. The expense of any such bond shall be a Common Expense.

Section 4.12. Informal Action by Directors. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting, if prior to such action a written consent to such action is signed by all members of the Board and such written consent is filed with the minutes of proceedings of the Board or committee.

Section 4.13. Standards of Conduct and Liability of Directors and Officers. The standard and duty of conduct for and the standard or requirements for liability of the Directors and Officers of the Association shall be the same as set forth for directors and officers of corporations established under the Indiana Nonprofit Corporations Act.

ARTICLE 5

OFFICERS

Section 5.1. Officers of the Corporation. The principal officers of the Association shall be the 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.

Section 5.2. Election of Officers. The officers of the Association shall be elected annually by the Board at the first meeting of the Board following each election thereof. Each officer shall hold office for one (1) year or until his successor shall have been duly elected and qualified, unless earlier removed by the Board of Directors. Upon recommendation of a majority of all members of the Board or upon an affirmative vote of a Majority of Owners (as defined in Section 3.5(e) hereof), any officer may be removed either with or without cause and his or her successor elected at any regular meeting of the Board or at any special meeting of the Board called for such purpose.

Section 5.3. 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, shall have and discharge all the general powers and duties usually vested in the office of the president or chief executive officer of a nonprofit corporation organized under the laws of Indiana, including, but not limited to, the power to appoint committees from among the Owners as he or she may deem necessary to assist in the affairs of the Association and to perform such other duties as the Board may from time to time prescribe.

Section 5.4. The Secretary. The Secretary shall be elected from among the Directors. The Secretary shall attend all meetings of the Association and of the Board and shall keep or cause to be kept a true and complete record of proceedings of such meetings, shall authenticate the Association's records, 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 given, mailed or delivered, in accordance with the provisions of these By-Laws.

Section 5.5. 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 Association and such other duties incident to the office of Treasurer. The Treasurer shall be legal custodian of all monies, notes, securities, and other valuables which may from time to time come into possession of the Association. He or she shall immediately deposit all funds of the Association coming into his or her hands in some reliable bank or other depository to be designated by the Board and shall keep such bank account in the name and for the exclusive benefit of the Association. The Treasurer may permit the Managing Agent, if any, to handle and account for monies and other assets of the Association to the extent appropriate as part of its duties.

Section 5.6. Assistant Officers. The Board of Directors may from time to time designate and elect from among the Owners a Vice President, an Assistant Secretary and an Assistant Treasurer, who shall have such powers and duties as the Officers whom they are elected to assist and shall delegate to them such other powers and duties as these By-Laws or the Board of Directors may prescribe.

ARTICLE 6

INDEMNIFICATION

Section 6.1. Indemnification of Directors and Officers. Every person (and the heirs and personal representatives of such person) who is or was a director or officer of the Association shall be indemnified by the Association to the same and fullest extent that directors and officers of Indiana nonprofit corporations are indemnified under the Indiana Nonprofit Corporation Act of 1991, as it now exists or as hereinafter amended.

ARTICLE 7

MISCELLANEOUS

Section 7.1. Fiscal Year. The fiscal year of the Association shall be the calendar year.

Section 7.2. Personal Interests. Except as permitted under Section 4.8 hereof, no Member of the Association shall have or receive any earnings from the Association; provided, however, that a Member who is an officer, director, employee, or agent of the Association may be reimbursed for expenses incurred on the Association's behalf.

ARTICLE 8

AMENDMENT TO BY-LAWS

Section 8.1. Amendment. These By-Laws may be amended by a Majority of the Vote as defined in Section 3.5(e) hereof in a duly constituted meeting called for such purpose, except as prohibited by any provision of the Declaration or the Plat Covenants, as they may be amended from time to time.

This instrument prepared by P. Thomas Murray, Jr., Attorney at Law, Eads Murray & Pugh, P.C., 9515 E. 59th Street, Suite B, Indianapolis, IN 46216. (317) 536-2565.