



REVISED AND RESTATED

CODE OF BYLAWS

for

CSL COMMUNITY ASSOCIATION, INC.

1
2
3
4
5
6
7
8 COMES NOW the CSL Community Association, Inc., by its Board of Directors, on this 17th day of
9 FEBRUARY, 2011, and states as follows:

WITNESSETH THAT:

10
11
12
13 **WHEREAS**, the residential community in Jennings County, Indiana commonly known as
14 Country Squire Lakes ("CSL") was established upon the recording of certain Plats and other documents
15 with the Office of the Recorder for Jennings County, Indiana; and

16
17 **WHEREAS**, the CSL subdivision is subject to Plat Covenants and Deed Restrictions,
18 Conditions, Covenants and Agreements ("Covenants") which run with the land as recorded on each of the
19 foregoing Plats and/or on each individual property deed. These Covenants state that by taking a deed to
20 any property or lot within CSL each owner becomes a mandatory member of the CSL Community
21 Association, Inc., an Indiana nonprofit corporation ("Association"), and agrees to be subject to the
22 Covenants as well as the Articles of Incorporation and Code of Bylaws for the Association; and

23
24 **WHEREAS**, the Association was incorporated pursuant to the above listed Declaration as a non-
25 profit corporation pursuant to Articles of Incorporation ("Articles") filed with, and approved by, the
26 Indiana Secretary of State on July 9, 1973; and

27
28 **WHEREAS**, the Association's Initial Board of Director(s) adopted a Code of Bylaws ("Bylaws")
29 for the Association and the homeowners within CSL, which has been subsequently amended from time to
30 time; and

31
32 **WHEREAS**, the Articles of Incorporation, Article IX, Section B, states that "The power to make,
33 alter, amend or repeal the Bylaws and rules and regulations for the conduct of affairs of the Corporation,
34 including the power to establish officers of the Corporation and to elect such officers for such terms, in
35 such manner and to perform such duties as it may determine in its sole discretion, shall be vested in the
36 Board of Directors of the Corporation; and

37
38 **WHEREAS**, pursuant to the authority granted to the Board of Directors by the Articles, the
39 Board of Director(s) desires to repeal the current Code of Bylaws and adopt a Revised and Restated Code
40 of Bylaws for the Association;

41
42 **WHEREFORE**, the following Revised and Restated Code of Bylaws are hereby approved and
43 adopted by a majority vote of the Board of Directors of the CSL Community Association, Inc. The
44 provisions of this Revised and Restated Code of Bylaws do not conflict in any manner with any provision
45 contained in the Declaration or the Articles of Incorporation, and it is the intention of the Association that
46 this Revised and Restated Code of Bylaws shall replace all formerly adopted Bylaws and Amendments
47 thereto.

48
49 [End of Recitals]

50 REVISED AND RESTATED

51 CODE OF BY-LAWS

52 for

53 CSL COMMUNITY ASSOCIATION, INC.

54
55
56
57
58
59 ARTICLE I

60 Identification and Applicability

61
62 **Section 1. Name.** The name of the corporation is "CSL Community Association, Inc."
63 (hereinafter referred to as "Corporation" or "Association").
64

65
66 **Section 2. Principal Office and Resident Agent.** The name and post office address of the
67 registered office of the Association is: CSL Community Association, Inc., 3342 Country Manor East,
68 North Vernon, IN 47265, or as updated from time to time with the Indiana Secretary of State's Office.
69 The current registered agent of the Association is: Elite Property Management, 5162 Stop 11 Road, Suite
70 4, Indianapolis, IN 46237, but may be updated from time to time pursuant to the most recent annual
71 business entity report filed with the Indiana Secretary of State's office. Until the Board of Directors
72 otherwise determines, the registered office of the Association shall be the registered place of business of
73 the Association, but such registered office may be changed from time to time by the Board of Directors in
74 the manner provided by law and need not be identical to the registered place of business of the
75 Association.
76

77 **Section 3. Individual Application.** All of the Lot Owners, future Owners, mortgagees, tenants,
78 or their guests and invitees, and any other person who may use or occupy a lot or any common areas in
79 the subdivision, shall be subject to the terms and conditions of all documents affecting such lot and the
80 common areas, as well as by the Articles of Incorporation of the Association, these Bylaws, and any
81 Rules and Regulations adopted by the Association.
82

83 **Section 4. Effect of Becoming an Owner.** The Owner of any lot in CSL, by acceptance of a
84 deed conveying title thereto, or the execution of a contract for the purchase thereof, whether from
85 Developer or a subsequent Owner of such lot, shall accept such deed and execute such contract subject to
86 the provisions contained in the Declaration, the Articles and these Bylaws. By acceptance of such deed or
87 execution of such contract the Owner acknowledges the rights and powers of Developer with respect to
88 the Declaration, Articles and these Bylaws, and also, for themselves, their heirs, personal representatives,
89 successors and assigns, such Owner covenants and agrees and consents to and with Developer and to and
90 with the Owner and subsequent Owners of each of the lots affected by the Declaration, Articles and these
91 Bylaws to keep, observe, and comply with the terms and conditions of the Declaration, Articles and these
92 Bylaws.
93
94
95
96
97
98
99

100
101
102
103
104
105
106
107
108
109
110
111
112
113
114
115
116
117
118
119
120
121
122
123
124
125
126
127
128
129
130
131
132
133
134
135
136
137
138
139
140
141
142
143
144
145
146
147
148
149
150

ARTICLE II

Definitions

Section 1. “Act” means the Indiana Nonprofit Corporations Act of 1991 and any subsequent amendments thereto.

Section 2. “Articles of Incorporation” or “Articles” means the Articles of Incorporation of the Corporation filed with the Office of the Secretary of State of Indiana, as the same are or hereafter may be amended from time to time.

Section 3. “Assessment” means any annual, special or other charge against a Lot imposed pursuant to the provisions of the Deed Covenants or these Bylaws;

Section 4. “Association” or “Corporation” shall mean and refer to CSL Community Association, Inc.

Section 5. “Board of Directors” means the Board of Directors of the Corporation.

Section 6. “Bylaws” means the Code of Bylaws adopted by the Association.

Section 7. “Common Area” means those areas and all improvements located thereon that are so identified on the Plats of Country Squire Lakes, and those areas on the Plats of Country Squire Lakes that fall outside the marked Common Areas, but are not a part of any individual Lot, and which are for the use, benefit and enjoyment of all Owners. On the Plats of Country Squire Lakes, Common Areas may be designated as “Reserved” or given an “R” numeral. In addition, any individual lots owned by the Association shall be considered common area parcels during the period of time they are owned by the Association;

Section 8. “Common Expenses” means the actual and estimated expenses for the administration of the Association; the expenses for the maintenance, management, operation, repair, improvement and replacement of the Common Areas; enforcement of the provisions in the Plat and Deed Covenants, Articles, Bylaws and any adopted Rules and Regulations of the community; and any other cost or expense for materials or services incurred by the Association for the benefit of the Association and/or its Members.

Section 9. “Contract Purchaser” shall mean and refer to any person(s) who are purchasing any lot or parcel of property within CSL from the titled Owner of the lot or parcel under the terms of a duly executed purchase contract or agreement. To be recognized as a contract purchaser under the terms of these Bylaws, the purchase contract must be on file with the Association. Contract Purchasers are bound by the Covenants and these Bylaws the same as a titled Owner of the lot or parcel. Under the terms of the Covenants, a contract purchaser(s) shall have joint and several liability with the titled owner of the lot being purchased on contract for the payment of annual dues, assessments and other amounts owed to the Association.

Section 10. “Covenants” means the real property covenants contained on the individually recorded Plats for each developed Section of the Country Squire Lakes subdivision, plus the Deed Restrictions, Conditions, Covenants and Agreements on each individual property deed, and any subsequent amendments, revisions or replacements thereto.

151 **Section 11.** "Declarant" or "Developer" shall mean Hidden Valley Lake, Inc., and Indiana
152 corporation, and any successors and assigns of it whom it designates in one or more written recorded
153 instruments to have the rights of Developer under the Covenants, including, without limitation, any
154 mortgagee acquiring title to any portion of the Property (as such term is defined in the Covenants and/or
155 these Bylaws) pursuant to the exercise of rights under, or foreclosure of, a mortgage executed by
156 Developer.

157
158 **Section 12.** "Development" or "Subdivision" means the all of the Real Estate within Country
159 Squire Lakes that are subject to the Covenants and these Bylaws and described on either the individual
160 Plats or property deeds, together with such additions to the real property as may hereafter be made thereto
161 as provided in the Covenants.

162
163 **Section 13.** "Director" means a member of the Board of Directors, elected or appointed in
164 accordance with these Bylaws.

165
166 **Section 14.** "Dues" means the annual seventy-five dollar (\$75.00) dues charge for each lot (as
167 defined in these Bylaws) either titled in his name or being purchased on contract as set forth in the Deed
168 Restrictions. Unless the Covenant is amended by the owners, this seventy-five dollar (\$75.00) shall not
169 change or increase from year to year;

170
171 **Section 15.** "Lot" means any individually designated parcel(s) of the Real Estate (excluding
172 the Common Areas) as set forth on the Plats of Country Squire Lakes, except in cases where multiple
173 parcels of land were sold to a single Owner under the terms of a "multi-lot agreement", in which case
174 all individual parcels which are part of the multi-lot agreement shall constitute one (1) Lot for voting
175 and assessment purposes. The term Lot shall be deemed to include any residence, if any, located
176 thereon. The term "lot" shall not include any lots or parcels owned by the Association, since these lots
177 are considered common area parcels during the period of time they are owned by the Association

178
179 **Section 16.** "Lot Owner" shall mean and refer to the record Owner, whether one or more
180 persons, of the fee simple title to any Lot which is part of the Real Estate and which is subject to the
181 Covenants. Under the terms of the Covenants, the term may also refer to a contract purchaser if the
182 purchase contract has been filed with the Association. A titled owner shall have joint and several liability
183 with any contract purchaser of the Lot. The Association shall not be considered a "lot owner" for any lots
184 it may own, since these lots or parcels are considered common areas during the period of time they are
185 owned by the Association;

186
187 **Section 17.** "Multi-Lot Agreement" means an agreement for the sale of up to five (5)
188 individual parcels of property in CSL to one (1) purchaser. Generally, multi-lot agreements were
189 used by the Developer in transferring more than one (1) adjacent lot to a single owner to be used as a
190 single homestead. Each multi-lot agreement has specific terms regarding the sale, use and transfer of
191 the lot subject to the agreement.

192
193 **Section 18.** "Plats" also called "Plans", shall mean and refer to any and all drawings of the
194 individually recorded Plats for each developed Section of the Country Squire Lakes subdivision, and any
195 subsequent corrections, amendments or revisions thereto recorded in the Office of the Recorder of
196 Jennings County, Indiana.

197
198 **Section 19.** "Primary Owner" shall mean the titled owner or contract purchaser who is
199 designated as the owner primarily responsible for paying the assessments and charges for the lot. The
200 primary owner shall also be the designated voting owner for the lot.

202 Section 20. “Property”, “Properties”, “Real Estate”, “Development” and “Tract” shall mean and
203 refer to all of the Real Estate contained in the Plats for each developed Section of the Country Squire
204 Lakes subdivision, including both common areas and individually owned lots, and any property
205 subsequently annexed thereto.
206

207 Section 21. “Purchase Contract” shall mean and refer to any contract or agreement between the
208 titled Owner of the lot or parcel and another person(s) or corporate entity (“contract purchaser”) in which
209 the contract purchaser shall ultimately purchase and be conveyed fee simple title to the lot being
210 purchased upon the completion of certain terms as outlined in the purchase contract.
211

212 Section 22. “Renter” shall mean and refer to any person(s) or corporate entity which is renting
213 or leasing any lot or parcel of property within CSL from the titled owner of the lot or parcel under the
214 terms of a duly executed rental or lease agreement. If a purchase contract is not recorded or filed with the
215 Association, then the contract purchaser shall not be recognized as a lot owner member, but shall be
216 considered a renter under these Bylaws.
217

218 Section 23. “Secondary Owner” shall mean the titled owners or contract purchasers of a lot
219 who are not designated as the primary owner of the lot. Secondary owners are not primarily responsible
220 for paying the assessments and other charges for the lot; however, they do remain jointly and severally
221 liable for the assessments and other charges against the lot should the primary owner fail to pay them.
222 Secondary owners of a lot shall not have the right to vote in Association matters.
223

224 Section 24. “Titled Owner” shall mean and refer to the record Owner (i.e. the name on the
225 property deed), whether one or more persons, of the fee simple title to any Lot which is part of the Real
226 Estate and which is subject to the Covenants.
227

228 Section 25. “User Fee”, also referred to as an “Activity Fee”, shall mean the fee charged by the
229 Association to owners and members for the use of the common areas and facilities.
230

231 Section 26. “Voting Owners” shall mean and refer to the collective group of lot owners who
232 hold primary voting rights to the lots in CSL.
233

234 Section 27. All other terms used in these Bylaws not set forth herein are to be interpreted as
235 defined and used in the Covenants or given their generally accepted meaning.
236
237
238

ARTICLE III

Membership

239
240
241
242 Section 1. Membership: There shall be four (4) classes of membership in the Association:
243
244

A. Lot Owner.

- 245
246
247 1. Titled Owner. The titled owner is the record owner (i.e. the name on the property deed),
248 whether one or more persons or a corporate entity, of the fee simple title to any Lot which
249 is part of the Real Estate and which is subject to the Covenants. Titled owners may
250 include the Developer, the Association, or other corporate entities as well as individuals.

251 A titled owner is determined by the address of the owner. Hence, a husband and wife
252 living at the lot address are considered as one (1) owner. If a lot is owned by multiple

253 persons living at different addresses, each owner having a different address is considered
254 a separate owner. For example, if Joe Smith, Suzy Johnson, Mike Johnson, and Richard
255 Adams are all titled owners of a lot, and Suzy and Mike Johnson are living at the same
256 address, then this particular lot would be considered to have three (3) titled owners,
257 namely Joe Smith, Richard Adams and the Johnsons. This same rule applies for contract
258 purchasers as well.

259 If a titled owner is a corporation, the corporation must designate the person who will
260 be the primary owner for the corporation. To prevent a situation whereby a corporation
261 with hundreds or thousands of shareholders attempts to gain access to the common
262 facilities of CSL, the Association has determined a shareholder must hold at least twenty-
263 five percent (25%) of the outstanding corporate stock in order to qualify for secondary
264 ownership privileges. This same rule applies for contract purchasers as well.
265

- 266
- 267 a. **Primary Owner.** Whenever there is more than one (1) titled owner of a lot, one
268 (1) owner must be designated as the primary titled owner of the lot for voting and
269 assessment purposes. The owner designated as the primary owner will hold the
270 voting rights for the lot and will be the owner primarily responsible for paying
271 the annual dues and assessments for the lot. All official notices, whenever
272 possible, will be sent to the primary owner.

273 If the collective titled owners for a lot do not designate to the Association a
274 primary owner for a lot, then the Association will consider the first name listed
275 on the deed to be the primary owner of the lot.
276

- 277 b. **Secondary Owner.** All titled owners of a lot who are not the primary owner will
278 be considered secondary titled owners of the lot. Secondary owners do not have
279 voting authority for the lot. Secondary owners will not be primarily responsible
280 for the annual dues and assessments for the lot. However, secondary owners
281 must pay any applicable user fees for access to the common facilities. In
282 addition, secondary owners remain jointly and severally liable for the annual
283 dues and assessments along with all other titled owners of the lot. Therefore, if
284 the primary owner who is primarily responsible for paying the annual dues and
285 assessments does not pay those dues and assessments, all titled owners may be
286 held jointly and severally responsible for the delinquency and legal action, as
287 authorized by the Declaration, may be taken against all owners to collect the
288 delinquency.
289

- 290 2. **Contract Purchaser.** The contract purchaser is any person(s) or corporate entity which
291 is purchasing any lot or parcel of property within CSL from the titled owner of the lot or
292 parcel under the terms of a duly executed purchase contract or agreement. To be
293 recognized as a contract purchaser lot owner under the terms of these Bylaws, the
294 purchase contract must be on file with the Association. Contract purchasers are bound by
295 the Covenants and these Bylaws the same as a titled owner of the lot or parcel. Under the
296 terms of the Covenants, a contract purchaser(s) shall have joint and several liability for
297 the payment of annual dues, assessments and other amounts owed to the Association with
298 the titled owner of the lot being purchased on contract.

299 If a purchase contract is not filed with the Association, then the contract purchaser
300 shall not be recognized as a lot owner member, but shall be considered a renter member
301 under these Bylaws, and shall have the same membership privileges as a renter member.
302

303
304
305
306
307
308
309
310
311
312
313
314
315
316
317
318
319
320
321
322
323
324
325
326
327
328
329
330
331
332
333
334
335
336
337
338
339
340
341
342
343
344
345
346
347
348
349
350
351
352

- a. **Primary Contract Purchaser.** Whenever there is more than one (1) contract purchaser of a lot, the titled owner may elect to designate only one (1) contract purchaser as the primary owner of the lot for voting and assessment purposes. The contract purchaser designated as the primary owner will hold the voting rights for the lot and will be the owner primarily responsible for paying the annual dues and assessments for the lot. All official notices, whenever possible, will be sent to the primary owner.

- b. **Secondary Contract Purchaser.** If there are multiple persons purchasing a lot on contract, all contract purchasers of a lot who are not designated as the primary owner will be considered secondary owners of the lot. Secondary owners do not have voting authority for the lot. Secondary owners will not be primarily responsible for the annual dues and assessments for the lot. However, secondary owners must pay any applicable user fees for access to the common facilities. In addition, secondary owners remain jointly and severally liable for the annual dues and assessments along with all other titled owners of the lot. Therefore, if the primary owner who is primarily responsible for paying the annual dues and assessments does not pay those dues and assessments, all contract purchasers, along with all titled owners of the lot, may be held jointly and severally responsible for the delinquency and legal action, as authorized by the Declaration, may be taken against all owners to collect the delinquency.

B. **Associate.** An associate member of the Association shall include the spouse, children, family members and relatives, guests, or significant others of a lot owner living on any lot at the same time or with the lot owner.

Associate members do not have the right to vote or to hold an elected or appointed seat on the Association's Board of Directors. However, an associate member may, upon appointment, participate on any active committee established by the Board and shall have the right and privilege to use the common facilities located in CSL. Associate members are bound by the Covenants and these Bylaws the same as the titled owner of a lot or parcel.

C. **Renter.** A renter member is any person(s) or corporate entity which is renting or leasing any lot or parcel of property within CSL from the titled owner of the lot or parcel under the terms of a duly executed rental or lease agreement. To be recognized as a renter member under the terms of these Bylaws, the rental or lease agreement must be on file with the Association. In addition, the renter member must pay the annual dues (\$75) and any other charges deemed appropriate by the Board. Under terms approved by the Board, renter members shall include the spouse, children, family members and relatives, guests, or significant others of a renter member living on any lot at the same time or with the renter member.

Renter members do not have the right to vote or to hold an elected or appointed seat on the Association's Board of Directors. However, a renter member may, upon appointment, participate on any active committee established by the Board and shall have the right and privilege to use the common facilities located in CSL. A renter who does not elect to become a renter member shall not be allowed to use the common facilities in CSL or participate in any fashion on any Association committee. In addition, the Board is not required or obligated to renew or re-issue membership privileges to any renter who has previously had their renter membership suspended or terminated.

Regardless of whether a renter is a member or not, all renter(s) are bound by the Covenants and these Bylaws the same as the titled owner of a lot or parcel.

353
354
355
356
357
358
359
360
361
362
363
364
365
366
367
368
369
370
371
372
373
374
375
376
377
378
379
380
381
382
383
384
385
386
387
388
389
390
391
392
393
394
395
396
397
398
399
400
401
402
403

D. **Association.** The Association is a member in regards to any lots or parcels for which it holds title in CSL. However, by definition, the Association is not considered a lot owner, does not have any voting rights for any lots or parcels it owns, and does not have any obligation or liability to pay dues, assessments and other charges assessed against individually owned lots.

Section 2. Suspension and Termination of Membership:

A. **Suspension of Membership.** The various privileges of Association membership, such as voting or using the common facilities, may be suspended as follows:

1. **Lot Owners and Associates.** The membership privileges of a lot owner or associate member may be suspended for the failure to pay any annual dues, assessments or other amounts owed to the Association. Privileges may also be suspended for failing to abide by the rules or requirements for using the common facilities as set or adopted by the Board.
2. **Renters.** The membership privileges of any renter member may be suspended for the failure to pay any annual dues, user fees or other amounts owed to the Association. Privileges may also be suspended for failing to abide by the rules or requirements for using the common facilities as set or adopted by the Board.

B. **Termination of Membership.** The membership of the various classes of members may be terminated as follows:

1. **Titled Owners.** The membership of any titled owner shall terminate only when the owner no longer holds title to any lot in CSL.
2. **Contract Purchaser.** The membership of any contract purchaser shall terminate upon the expiration of the purchase contract or agreement.
3. **Associate.** The membership of any associate member shall terminate at the same time as the membership of the lot owner with whom their associate membership was affiliated.
4. **Renter.** The membership of any renter member shall be automatically terminated when the rental agreement is terminated or the renter ceases to use the lot. The membership of any renter member may also be terminated at any time by the Board for the failure to pay any annual dues or other amounts owed to the Association. Renter membership may also be terminated for failing to abide by the rules or requirements for using the common facilities as set or adopted by the Board.

Section 3. Membership Identification: The Board may adopt a membership identification card or certificate to be issued to members. Any such membership identification card or certificate, if issued, shall be signed by the President and attested by the Secretary of the Association. The identification card or certificate may contain the class of membership and any other information deemed appropriate by the Board. Membership identification cards or certificates are not transferrable.

404 ARTICLE IV

405 Voting Rights

406 **Section 1. Voting Rights.** Voting rights in CSL are based upon "Lot Owners", not upon
407 "Lots". As a result, each primary owner of the Association in good standing shall have the following
408 voting rights, unless otherwise suspended or provided for in these Bylaws:
409

- 410
- 411 A. **Titled Owner.** Except for lots owned by the Association, each titled owner shall have one
412 (1) vote for his cumulative lots, excluding any lots being sold on purchase contract. In other
413 words, each titled owner gets one (1) vote for all of the lots he holds deed title, regardless of
414 whether that number of lots is one (1) or one hundred (100) or more.
415

416 The titled owner shall be the primary owner on all of his lots, unless he is selling any of
417 his lots on purchase contract, in which case, the titled owner may appoint the contract
418 purchaser as the primary owner. To appoint the contract purchaser as the primary owner, the
419 titled owner must file the purchase contract with the Association. Upon filing the purchase
420 contract with the Association, the titled owner ceases to be the primary owner for that
421 particular lot(s) and the contract purchaser becomes the primary owner for the lot(s) being
422 purchased under the purchase contract. This transfer of voting rights from the titled owner to
423 the contract purchaser does NOT occur until the purchase contract has been filed with the
424 Association.

425 Once the primary voting rights for a lot(s) have been transferred from the titled owner to
426 a contract purchaser, the titled owner shall not have any voting rights for those particular
427 lot(s). Because he is no longer the primary owner for those particular lot(s), the titled owner
428 shall not have his primary voting rights for other lot(s) the titled owner may hold in CSL
429 suspended for any unpaid amounts or violations involving lot(s) in which he is not the
430 primary voting member.

431 Upon the expiration or termination of the membership of a contract purchaser, the
432 primary voting rights for the lot(s) involved in the purchase contract shall automatically
433 revert to the titled owner of the lot(s).
434

- 435 B. **Contract Purchaser.** Each contract purchaser appointed as the primary owner shall have
436 one (1) vote for his cumulative lots being purchased on contract. In other words, each
437 contract purchaser appointed as primary owner gets one (1) vote for all of the lots he is
438 purchasing on contract, regardless of whether that number of lots is one (1) or one hundred
439 (100) or more, and regardless of whether the lot(s) being purchased are being purchased
440 under the same or separate purchase contracts.

- 441 C. **Association.** The Association shall have no voting rights for any lot(s) it may hold in its
442 name.
443

444

445

446 **EXAMPLES**

- 447
- 448 1) Titled Owner owns five (5) lots = one (1) vote
- 449
- 450 2) Titled Owner owns five (5) lots
- 451 - Titled Owner lives on one (1) lot
- 452 - Titled Owner selling four (4) lots on Contract
- 453 • Contract Purchasers are designated as Primary Owner
- 454 - Titled Owner gets one (1) vote

- 455 - Each Contract Purchaser gets one (1) vote
456 - If any Contract Purchaser has their voting rights suspended, it does NOT suspend the
457 voting right of the Titled Owner
458
459 3) Titled Owner owns five (5) lots
460 - Titled owner lives on one (1) lot
461 - Titled owner selling four (4) lots on Contract
462 • Contract Purchasers are NOT designated as Primary Owner
463 - Titled owner gets one (1) vote
464 - If any of the unregistered contract purchasers fail to pay dues or assessments, the
465 Titled Owner's voting rights will be suspended.
466
467
468
469
470

471 **Section 2. Multiple or Corporate Owners.** In the event any lot(s) is owned or being purchased
472 by more than one (1) person, only one (1) person with respect to such lot(s) shall be entitled to vote at a
473 meeting of the members. In the event any lot(s) is owned by a corporation or trust, the corporation's
474 designated representative or agent, or the trust's trustee, shall be entitled to vote at a meeting of the
475 members.

476 **Section 3. Proxies.** A primary owner may vote either in person or by his duly authorized and
477 designated proxy. Where an owner's attendance is by proxy, the primary owner shall duly designate his
478 proxy in writing and deliver it to the Secretary of the Corporation or any other officer or agent of the
479 Association authorized to tabulate votes. The proxy is effective once it is received by the Association;
480 however, a proxy must be received by the Association before a vote is cast on a particular issue in order
481 to be effective.

482 A proxy may be revoked in writing by the owner prior to being exercised or by the owner's
483 personal attendance at the meeting where the vote is to be taken. If an owner signs more than one proxy
484 appointment, the latest in time, if possible to determine, is considered to be valid. However, if an owner
485 signs more than one proxy appointment and it is not possible to determine which proxy is the valid
486 appointment, the Board may reject all proxies submitted on behalf of that owner.

487 A proxy must contain the owner's printed name, address or lot number, the owner's signature,
488 and the date the proxy is executed (signed). A proxy is only valid for eleven (11) months from the date of
489 its execution unless a longer or shorter period of validity is stated on the proxy.
490

491 **Section 4. Majority Required.** Except as otherwise provided in the Declaration, Articles, these
492 Bylaws, or Indiana law, each question or action being voted upon by the owners shall be deemed passed if
493 approved by a simple majority of the eligible votes cast by the owners present, in person or by ballot, at a
494 meeting at which a quorum is present.
495

496 **Section 5. Suspension of Voting Rights.** No primary owner shown on the books or
497 management accounts of the Association to be more than thirty (30) days delinquent in any payment due
498 to the Association as of the record date of the annual meeting or any special meeting of owners for any
499 lot(s) in which the owner holds primary voting rights shall be eligible to vote, either in person, by proxy
500 or by ballot, at that meeting or to be elected to the Board of Directors.

501 For example, if an owner holds primary voting rights for (30) lots, and has paid the assessments
502 current on (29) lots, but remains delinquent on (1) lot as of the record date, then that owner's voting rights
503 shall be suspended for the next scheduled meeting, and shall remain suspended until the owner's accounts
504 for ALL lots which he is the primary voting member are paid current.

505 For purposes of this provision, the thirty (30) day period begins on the first day of the fiscal year
506 or the due date of the assessment as set by the Board of Directors pursuant to its authority as set forth in
507 the Declaration, whichever is later in time, and "payment" shall mean payment of the full assessment
508 amount due, which shall include any collection fees, interest, late fees, attorney fees and court costs that
509 are due and owing to the Association pursuant to the Declaration, Articles or these Bylaws.

510 If any primary owner arranges payment of an assessment amount through a payment option
511 offered by the Association, and that payment arrangement does not pay the entire assessment amount
512 within thirty (30) days of the assessment becoming due, then that owner's voting rights shall remain
513 suspended as set forth under this provision until the entire assessment amount is paid in full.

514 In addition, payment of delinquent accounts after the record date for a meeting where a vote will
515 be held does not cease any suspension under this provision for that meeting. To be clear, it is the primary
516 owner's status as of the record date, not the date of the meeting, which determines whether the owner is
517 entitled to vote.

518
519 **Section 6. Voting by Written Ballot.** Any action required or permitted to be taken at any
520 meeting of the Members may be taken by written ballot with or without a meeting if the Association
521 delivers a written ballot to every owner entitled to vote on the matter. To be valid, the ballot must
522 contain:

- 523 a) the printed name of the primary owner;
- 524 b) the signature of the primary owner;
- 525 c) the lot(s) owned or being purchased by the primary owner; and
- 526 d) the date the ballot is being signed.

527
528 The written ballot must set forth each proposed action and provide an opportunity for the primary owner
529 to vote for or against each proposed action. Approval by written ballot is only valid if:

- 530 a) the number of votes cast in person and/or by ballot equals or exceeds the quorum required to
531 be present at a meeting authoring such action; and
- 532 b) the number of approvals equals or exceeds the number of votes required to approve the matter
533 at a meeting.

534
535 A solicitation, or request, for votes by written ballot must indicate:

- 536 a) the number of responses needed to meet the quorum requirements;
- 537 b) the percentage of approvals necessary to approve each matter, except for the election of
538 directors; and
- 539 c) specify the time by which a ballot must be received by the Association to be counted.

540
541 Ballots may be mailed or personally delivered to the Association's business office prior to the
542 meeting date; however, ballots cast by primary owners not attending the meeting must be RECEIVED at
543 the Association's business office by the end of business at least three (3) business days prior to the
544 meeting in order to be counted. Any ballots received less than three (3) days prior to the meeting date
545 shall not be counted unless cast in person by the primary owner, or his proxy, at the meeting. The Board
546 of Directors may adopt additional voting procedures for submitting and processing ballots.

547 If a primary owner signs or submits more than one ballot, the latest in time, if possible to
548 determine, is considered to be valid. However, if a primary owner signs or submits more than one ballot,
549 and it is not possible to determine which ballot is to be used, the Board may reject all ballots submitted by
550 that primary owner.

551 In addition, voting and meeting participation may be held or performed in any manner set forth in
552 the Act or deemed acceptable by the Courts as a practical way to collect votes and allow members to
553 participate in Association actions.

605 **Section 4. Notice of Meetings:** Written or printed notices stating the place, day and hour of a
606 meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called shall be
607 delivered or mailed by the Secretary of the Corporation to each member of record of the Corporation
608 entitled to vote at the meeting, at such last known address of the primary voting owner as it appears upon
609 the records of the Corporation, at least ten (10) days and no more than thirty (30) days before the date of
610 the meeting.

611 Notices of any meeting may be mailed by first class U.S. Mail. Notices of meetings may also be
612 published in a newspaper of general circulation in Jennings County, Indiana. If the owner consents to
613 electronic service, then notice of meetings may be provided to owners by email or postings on the
614 Association's website, if one.

615 Notice of any meeting of the Members may be waived in writing by any Member if the waiver
616 sets forth in reasonable detail the purpose or purposes for which the meeting is called and the time and
617 place thereof. An Owner's attendance at any meeting in person or by proxy shall constitute a waiver of
618 notice of such meeting.

619
620 **Section 5. Quorum and Adjournments:** Quorum shall be based upon the total number of
621 eligible voting "owners", not upon the total number of lots. The total number of eligible voting owners
622 may be impacted by several situations, such as owners who own several lots (remember...an owner who
623 owns 400 lots still has only one vote), suspended owners, or lots owned by the Association. Therefore,
624 for each meeting it will be important to establish the number of eligible voting owners on the record date.

625
626 **EXAMPLE**

627
628 4,000 Total Lots
629 (2,300 single lots owned by individual owners)
630 (1,700 lots owned by 278 individual owners)
631
632 2,578 Total Lot Owners
633 - 1 (CSL cannot vote)
634 - 1,150 (Owners with suspended voting rights)
635 1,427 Total Eligible Voting Owners
636
637 1,427 * 3% = 43 (Quorum)
638

639
640 At any meeting of the members except as set forth herein or as may be otherwise set forth in the
641 Covenants, the Articles or these Bylaws, the presence of owners, in person, by ballot or by proxy, entitled
642 to cast three percent (3%) of the total number of eligible voting owner votes shall constitute a quorum.

643 For meetings at which: a) a special assessment is to be voted upon; b) where the removal of one
644 or more directors is to be voted upon; or c) where a vote regarding the legal structure of the Association is
645 to be voted upon, the presence of owners, in person, by ballot or by proxy, entitled to cast fifteen percent
646 (15%) of the total number of eligible voting owner votes shall constitute a quorum.

647 For purposes of this section, the term "eligible" means any primary owner whose privileges are
648 not suspended for any reason as set forth in the Covenants, Articles or these Bylaws. If an owner has had
649 his voting rights suspended pursuant to the Covenants, Articles or these Bylaws, that vote is not
650 considered a valid or eligible vote toward calculating quorum requirements. After an owner's vote is
651 represented, either in person, by ballot or by proxy, for any purpose at a meeting, the owner will be
652 considered present for quorum purposes for the remainder of the meeting and for any adjournment of that
653 meeting. In the event a quorum is not present at any meeting called under authority of these Bylaws, that
654 meeting may be adjourned to a date not more than sixty (60) days later without further notice other than
655 announcement at the meeting even though less than a quorum is present.

656
657
658
659
660
661
662
663
664
665
666
667
668
669
670
671
672
673
674
675
676
677
678
679
680
681
682
683
684
685
686
687
688
689
690
691
692
693
694
695
696
697
698
699
700
701
702
703
704
705
706

Section 6. Order of Business: The order of business at all meetings of the members shall, to the extent applicable, be as follows:

1. Call to Order.
2. Reading of minutes of preceding meeting.
3. Reports of officers.
4. Reports of committees.
5. Treasurer's Report and presentation of Annual Budget (if an annual meeting).
6. Election of director(s) (if an annual meeting).
7. Unfinished business.
8. New business.
9. Adjournment.

ARTICLE VI

Nomination and Election of Directors

Section 1. Nominations. Nominations for the Board of Directors may be made by any Owner from those persons eligible to serve. Such nominations must be made in writing and presented to the Secretary of the Association by the deadline date for submitting written nominations. The Board has the authority to set a specific deadline date for submitting written nominations prior to the annual meeting, but under no circumstances shall the deadline date for submitting nominations be less than thirty (30) or more than sixty (60) days prior to the annual meeting. If the Board does not set a specific deadline date for submitting written nominations, the deadline date shall be thirty (30) days prior to the annual meeting.

If a sufficient number of written nominations to fill all open board positions up for election are received by the deadline date or thirty (30) days prior to the annual meeting date, whichever occurs first, then the Board shall mail or provide by hand delivery to each eligible voting owner a written ballot containing the names of each person nominated to serve. No write-in candidates will be accepted on any ballot, regardless of the number of votes cast in favor of the write-in candidate.

If an insufficient number of written nominations to fill all open board positions up for election are received by the deadline date or thirty (30) days prior to the annual meeting date, whichever occurs first, then a written ballot shall not be sent to the membership prior to the annual meeting, and the presiding officer at the annual meeting shall accept oral nominations from the floor prior to voting on any open Directorship position.

Section 2. Election. At the annual meeting, voting on each open position for the Board of Directors shall be by written ballot containing the signature, printed name and address of the Owner casting said ballot. If nominations for the Board of Directors are taken from the floor, written balloting may be waived by proper motion at the annual meeting and voting conducted by a voice vote or show of hands in circumstances where the number of nominees does not exceed the number of open Board positions (i.e. 2 nominees for 2 open directorships).

Each owner, or their proxy, may cast the total number of votes to which he is entitled to cast for as many nominees as are to be elected; however, cumulative voting shall not be allowed. Those persons receiving the highest number of votes shall be elected.

At any Director election where the terms of those Directors being elected are to be staggered, the highest vote recipient shall be elected to the longest term, the second highest vote recipient shall be elected to the second longest term, and so on until all Director positions being elected are filled. If there is a tie for directorship positions of differing term lengths (i.e. two (2) persons both receive fifteen (15)

707 votes, but one (1) is to serve a two (2) year term and one (1) is to serve a one (1) year term), the Directors
708 may agree to which term each will serve without the need for a new run-off vote. If the Directors cannot
709 resolve the term dispute by agreement, then the presiding officer shall have the sole discretion to decide
710 the issue by either 1) conducting a run-off ballot vote by the Members; 2) drawing names from a hat; or 3)
711 flipping a coin.

712 In the event no quorum is present at an annual meeting of the Association, or if a sufficient
713 number of candidates cannot be found to fill all open Board vacancies at the annual meeting, whether by
714 slating, written petition or oral nomination, then the remaining members of the Board of Directors may
715 fill any directorship positions open for election at the annual meeting in the same fashion as they would
716 fill a vacancy under the terms of these Bylaws.

717
718 **Section 3. Re-Counts.** A re-count request may be made in writing by any voting owner. The re-
719 count request shall be filed in the business office of the Association within fifteen (15) days following the
720 date of the election. The re-count shall be completed within thirty (30) days after the filing of the re-
721 count request. The Board of Directors, or other appropriate committee, shall conduct the re-count, and
722 any candidate(s) affected by the re-count shall have the right to be present during the re-count. No
723 person(s) other than candidate(s), Board members and appointed committee members, may be present at
724 the re-count.

725
726 **Section 4. Destruction of Ballots.** The Association shall keep ballots for a period of ninety (90)
727 days following the meeting date where an election or vote was held. Upon the expiration of this ninety
728 (90) day period, any vote taken at the meeting will be presumed valid and accepted by the membership
729 and the ballots shall be destroyed by the Board or their designated agent.

730 731 732 733 734 735 736 737 738 739 740 741 742 743 744 745 746 747 748 749 750 751 752 753 754 755 756 757

ARTICLE VII

Board of Directors

Section 1. Number, Qualifications and Term of Office.

(a). **Number.** The affairs of the Association shall be governed and managed by the Board of
Directors (herein collectively called the "Board" or "Directors" and individually called "Director"). The
Board of Directors shall be composed of seven (7) persons, with the minimum number of Directors being
three (3) and the maximum number being nine (9). The exact number of Directors may be increased or
decreased, as permitted by law, by resolution of the Board of Directors. If the number of directors
currently serving changes due to the resignation or removal of directors, the Board shall continue to
function with the remaining number of directors until those vacancies are filled so long as there are at
least three (3) directors serving.

(b). **Qualifications.** A director must maintain their primary place of residence in the CSL
community and not have their membership or voting rights in the Association suspended for any reason
as set forth in the Covenants, Articles or these Bylaws.

No lot(s) may be represented by more than one (1) person or representative on the Board of
Directors at the same time.

(c). **Term of Office.** The Board of Directors shall serve their terms on a staggered basis as
provided by law, with approximately one-third (1/3) of the Board being open for election each year.
Based upon the scheduled term rotation of the current Board of Directors, two (2) directors will be elected
at the annual meeting held in April 2011; two (2) directors will be elected at the annual meeting to be

758 held in April 2012; and three (3) directors will be elected at the annual meeting to be held in April 2013.
759 All directors shall be elected to serve a three (3) year term of office. All directors shall serve their full
760 term and/or until their respective successors are properly elected and qualified.

761 In the event that the number of Directors is increased or decreased by resolution of the Board, the
762 election terms, or rotation, of said Directors shall be determined by the Board at the time the increase or
763 decrease is approved, so long as the election of Directors continues to be staggered and approximately
764 one-third (1/3) of the Board is open for election each year. If multiple directors are being appointed by
765 the Board to fill staggered Board vacancies, then the Board shall determine which appointee shall serve
766 each respective staggered term.

767 In the event no quorum is present at the annual meeting of the Association, then the remaining
768 Board of Directors may fill any directorship positions open for election at the annual meeting in the same
769 fashion as they would fill a vacancy under the terms of these Bylaws. Any Director so appointed to fill an
770 open position on the Board of Directors shall serve the same term of office as if elected by the members at
771 the annual meeting.

772 A Director may only serve two (2) consecutive three (3) year terms. A Director that completes
773 two (2) consecutive three (3) year terms may run for the Board of Directors again after sitting off the
774 Board for at least a full three (3) year term.

775 776 777 **Section 2. Vacancies and Removal.**

778
779 **(a). Vacancies.** Any vacancy occurring on the Board of Directors caused by a death,
780 resignation or otherwise, shall be filled by a majority vote of the remaining members of the Board; unless
781 the vacancy is caused by a Director being removed from the Board by a vote of the Membership at a
782 special meeting called for that purpose, in which case a majority of the members in attendance at that
783 meeting shall select a successor(s) to fill the vacant term(s) of any removed Director(s). Any Director
784 appointed to fill a vacancy on the Board shall serve the unexpired portion of his predecessor.
785

786 **(b). Removal.** A Director may be removed from the Board of Directors "for cause" by a
787 majority vote of the members of the Association at a meeting of the members called expressly for that
788 purpose. Pursuant to Indiana Code 23-17-12-10, as may be amended or re-codified from time to time, the
789 Board of Directors also has the right to remove a Director from the Board "for cause" by a majority vote
790 of the Board.

791 For purposes of this provision, an act that constitutes "for cause" includes, but is not limited to: a)
792 failing to attend three (3) or more consecutive meetings of the Board of Directors; b) becoming ineligible
793 to serve on the Board pursuant to any terms set forth in the Covenants, Articles or these Bylaws; c) acts of
794 fraud, theft, deception, or criminal behavior while acting on behalf of the Association; d) breach or
795 disclosure of confidential Board information or discussions to person(s) not on the Board; or e) any other
796 actions not authorized by the Board which hinder or bypass the authority of the Board to act as a whole.

797 Determination of whether "for cause" has been sufficiently established to justify removal of a
798 Director is left to the sole discretion of the members if the Director is being removed by the members or
799 to the Board if the Director is being removed by the Board. The vacancy of a Director removed by the
800 members at a special meeting or by the Board shall be filled pursuant to the vacancy provisions within
801 these Bylaws.
802

803 **Section 3. Duties of the Board of Directors.** The Board of Directors shall be the governing
804 body of the Association representing all of the Owners and being responsible for the functions and duties
805 of the Association, including but not limited to, providing for the administration of the Real Estate, the
806 management, maintenance, repair, upkeep and replacement of the Common Area (unless the same are
807 otherwise the responsibility or duty of Owners), and the collection and disbursement of the Common
808 Expenses.

809 The Board shall fulfill these duties in good faith, with the care an ordinarily prudent person in a
810 like position would exercise under similar conditions, and in a manner the Board believes to be in the best
811 interest of the Association. The availability of funds, the unforeseen or unexpected nature of expenses
812 caused by natural, administrative, or regulatory reasons, or any other factor or factors which may hinder
813 or prevent the Board from taking action to fulfill any of these duties shall be considered in determining
814 the reasonableness of the Board's actions or failure to provide certain services or maintenance as provided
815 herein.

816 The Board may employ a managing agent upon such terms as the Board shall find, in its
817 discretion, reasonable and customary. The managing agent, if any, shall assist the Board in carrying out
818 its duties, which include, but are not limited to:

- 819 (a) maintenance, repair and replacement of the Common Areas, unless the same are
820 otherwise the responsibility or duty of owners of Lots; provided, however, that this duty
821 shall not include or be deemed or interpreted as a requirement that the Association, the
822 Board or any managing agent must provide any on-site or roving guards, security service
823 or security system for protection or surveillance, and the same need not be furnished;
- 824 (b) landscaping, painting, decoration, furnishing, and maintenance and upkeep of, the
825 Common Areas;
- 826 (c) assessment and collection from the primary owners of the owners' respective shares of
827 the Common Expenses;
- 828 (d) collection of user fees for the common facilities from the secondary owners and non-
829 voting members;
- 830 (e) preparation of the annual budget, a copy of which will be made available to each member
831 upon their request;
- 832 (f) preparing annually a full accounting, or financial statement, of all income and expenses
833 of the Association for the prior fiscal year, itemized when possible, and making the
834 annual accounting available to each voting member upon their request;
- 835 (g) procuring and maintaining for the benefit of the Association, the owners, any managing
836 agent and the Board the insurance coverage required under the Declaration and such
837 other insurance coverage as the Board, in its sole discretion, may deem necessary or
838 advisable;
- 839 (h) paying taxes and assessments assessed against and payable with respect to the Common
840 Areas and paying any other necessary expenses and costs in connection with the
841 Common Areas;
- 842 (i) enforcing the covenants, restrictions, bylaws and rules and regulations in the Declaration,
843 Articles, Bylaws or adopted by the Board;
- 844 (j) all other duties and obligations that may be imposed upon the Association or the Board
845 under the Declaration, Articles, Bylaws or the Act.

846
847 **Section 4. Powers of the Board of Directors.** The Board of Directors shall have such powers
848 as are reasonable and necessary to accomplish the performance of their duties. These powers include, but
849 are not limited to, the power to:

- 850 (a) employ a managing agent to assist the Board in performing its duties;
- 851 (b) purchase, lease or otherwise obtain for the Association, to enable it to perform its
852 functions and duties, such equipment, materials, labor and services as may be necessary
853 in the judgment of the Board of Directors;
- 854 (c) employ legal counsel, architects, contractors, accountants and others as in the judgment
855 of the Board of Directors may be necessary or desirable in connection with the business
856 and affairs of the Association;
- 857 (d) employ, designate, discharge and remove such personnel as in the judgment of the Board
858 of Directors may be necessary for the maintenance, upkeep, repair and replacement of the

- 859 Common Areas, and to perform all other maintenance, upkeep, repair and replacement
860 duties of the Association and the Board;
- 861 (e) include the costs of performing all of its functions, duties and obligations as Common
862 Expenses and to pay all such costs there from;
 - 863 (f) open and maintain a bank account or accounts in the name of the Association;
 - 864 (g) adopt, revise, amend and alter from time to time such additional rules and regulations
865 with respect to use, occupancy, operation, enjoyment and architectural additions or
866 modifications of all areas within the CSL development, including the individual lots,
867 streets (whether public or private), and the Common Areas, said rules and regulations
868 being in addition to the rules and restrictions set forth in the Covenants, as the Board, in
869 its discretion, deems necessary or advisable; provided, however, that copies of any such
870 additional rules and regulations so adopted by the Board shall be promptly delivered to
871 all Owners or duly recorded in the Office of the Jennings County Recorder;
 - 872 (h) take any and all appropriate action, including legal action, if necessary, to enforce or gain
873 compliance by all Owners of the provisions, restrictions or requirements within
874 Covenants, Articles, Bylaws, or rules and regulations of the Association;
 - 875 (i) grant to such public or private companies, entities or bodies as the Board may approve,
876 such easements as may be necessary to provide the Lots and Common Areas with
877 facilities for utility and similar services, including but not limited to cable television
878 facilities and service; provided that such easements are located within or are co-extensive
879 with any one or more utility easements, maintenance and access easements, landscape
880 and maintenance easements, or Common Areas shown upon, and identified as such on, or
881 provided for in, any subdivision plat of the Real Estate, whether such plat is heretofore or
882 hereafter recorded.

883
884
885 **Section 5. Annual Meeting.** Unless otherwise agreed upon, the Board of Directors shall have its
886 annual meeting at the next regularly scheduled meeting of the Board of Directors following the annual
887 meeting of members, for the purpose of organizing, electing officers and considering any other business
888 that may be brought before the meeting.

889
890 **Section 6. Regular Meetings.** Regular meetings of the Board of Directors shall be held at such
891 regular intervals, without notice, at such place and hour as may be determined from time to time by
892 resolution of the Board of Directors. Should said meeting fall upon a legal holiday, then that meeting
893 shall be held at the same time on the next day which is not a legal holiday. If a regular meeting of the
894 Board is to be held on a date other than a regularly scheduled meeting date previously set by the board,
895 then notice of the meeting must be provided to each director at least forty-eight (48) hours prior to the
896 meeting.

897
898 **Section 7. Special Meetings.** Special meetings of the Board of Directors may be called by the
899 President or by a majority of the members of the Board of Directors, at any place within or without the
900 State of Indiana, upon twenty-four (24) hours notice, specifying the time, place and general purposes of
901 the meeting, given to each Director personally, by telephone or email. If notice is given by U.S. Mail,
902 notice must be sent, via first class, postage pre-paid, mail at least three (3) days before the special
903 meeting.

904
905 **Section 8. Waiver of Meeting Notice.** A Director waives formal meeting notice requirements
906 by attending the meeting or by voting in writing or email on any issue addressed at a meeting of the
907 Board.
908

909 **Section 9. Quorum.** A majority of the entire Board of Directors then filled, qualified and acting
910 shall constitute a quorum and be sufficient for transaction of any business, except for filling vacancies in
911 the Board of Directors, which shall require action by a majority of the remaining Directors. Any act of
912 the majority of the Directors present at a meeting at which a quorum shall be present shall be the act of
913 the Board unless otherwise provided for by law or by these Bylaws. A majority of the Directors present
914 may adjourn any meeting from time to time. Notice of an adjourned meeting need not be given other than
915 by announcement at the time of adjournment.

916
917 **Section 10. Attendance at Board Meeting.** Any Board member may participate in a Board
918 meeting telephonically, such as a conference call, or electronically, such as internet video transmission,
919 by which all Directors participating may hear each other during the meeting.

920
921 **Section 11. Action Taken Without a Meeting.** Any action required or permitted to be taken at
922 a meeting of the Board of Directors or any committee may be taken without a meeting if the action is
923 approved by a majority of the entire Board in writing or via email, and so long as evidence of the written
924 or email approval is made a part of the corporate Board minutes or records.

925
926 **Section 12. Compensation.** No Director shall receive compensation for any service he may
927 render to the Association as a Director. However, any Director may be reimbursed for his actual
928 expenses incurred in the performance of his duties, and any Director may be paid and compensated for
929 services to the Association in a capacity other than as a director.

930
931 **Section 13. Non-Liability of Directors.** The Directors shall not be liable to the Owners or any
932 other persons for any error or mistake of judgment exercised in carrying out their duties and
933 responsibilities as Directors, except for their own individual willful misconduct, bad faith or gross
934 negligence. The Association shall indemnify and hold harmless and defend each of the Directors against
935 any and all liability to any person, firm or corporation arising out of contracts made by the Board on
936 behalf of the Association, unless any such contract shall have been made in bad faith or without proper
937 Board approval or ratification.

938
939 **Section 14. Additional Indemnity of Directors.** The Association shall indemnify, hold
940 harmless and defend any person, his heirs, assigns and legal representatives, made a party to any action,
941 suit or proceeding by reason of the fact that he is or was a Director of the Association, against the
942 reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection
943 with the defense of such action, suit or proceeding, or in connection with any appeal therein, except as
944 otherwise specifically provided herein in relation to matters as to which it shall be adjudged in such
945 action, suit or proceeding that such Director is liable for gross negligence or misconduct in the
946 performance of his duties. The Association shall also reimburse to any such Director the reasonable costs
947 of settlement of or judgment rendered in any action, suit or proceeding, if it shall be found by a majority
948 vote of the Owners that such Director was not guilty of gross negligence or misconduct. In making such
949 findings and notwithstanding the adjudication in any action, suit or proceeding against a Director, no
950 Director shall be considered or deemed to be guilty of or liable for negligence or misconduct in the
951 performance of his duties where, acting in good faith, such Director relied on the books and records of the
952 Association or statements or advice made by or prepared by the managing agent or any officer or
953 employee thereof, or any accountant, attorney or other person, firm or corporation employed by the
954 Association to render advice or service unless such Director had actual knowledge of the falsity or
955 incorrectness thereof; nor shall a Director be deemed guilty of or liable for negligence or misconduct by
956 virtue of the fact that he failed or neglected to attend a meeting or meetings of the Board of Directors.

1009 **Section 6. Secretary.** The Secretary shall attend all meetings of the Board and of the Members
1010 and shall act as Secretary of such meetings; shall give or cause to be given all notices provided for in
1011 these Bylaws or required by law; shall record all votes and minutes of all proceedings of the meetings of
1012 Members and the Board in a book or books to be kept for that purpose; shall be custodian of the records
1013 of the Association; shall have charge of the list of Members; and in general shall exercise all powers an
1014 perform all duties as may be from time to time assigned to him or her by the Board or by the President.
1015 The Secretary, or Board in the Secretary's absence, shall have the authority to appoint someone to serve
1016 as the Secretary's assistant for note/minute taking purposes at a meeting.

1017
1018 **Section 7. Treasurer.** The Treasurer shall keep correct and complete records of account
1019 showing accurately at all times the financial condition of the Association; shall be the custodian of the
1020 corporate funds and securities; shall immediately deposit, in the name and to the credit of the Association,
1021 all moneys and other valuable effects of the Association in such depositories as may be designate by the
1022 Board of Directors; shall disburse the funds of the Association as may be ordered by the Board or by the
1023 President; and in general, shall exercise all powers and perform all duties customarily incident to such
1024 office and such other powers and duties as may from time to time be assigned to him or her by the Board
1025 or the President.

1026
1027 **Section 8. Special Appointments.** The Board of Directors may appoint such other officers
1028 and/or assistant officers as the affairs of the Association may require, each of whom shall hold office for
1029 such period, have such authority, and perform such duties as the Board of Directors may, from time to
1030 time, determine.

1031
1032
1033 **ARTICLE IX**

1034
1035 **Committees**

1036
1037 **Section 1. In General.** The Board of Directors, by resolution adopted by a majority of the
1038 Board of Directors, may create or appoint one (1) or more various committees to assist the Board in
1039 carrying out the purposes of the Association. Members of committees may, but need not, be members of
1040 the Board of Directors. Each committee, to the extent provided in such resolution or as authorized
1041 pursuant to the Act, Articles, Declaration, or these Bylaws, shall have and may exercise such authority of
1042 the Board of Directors as shall be expressly delegated by the Board from time to time; except that no such
1043 committee shall have the authority of the Board of Directors in reference to:

- 1044
1045 a. Adopt, amend or repeal the Articles of Incorporation;
1046 b. Approve or recommend a plan of merger or consolidation of the corporation not requiring
1047 Member approval;
1048 c. Approve or recommend to the Members the sale, pledge, lease, transfer or exchange of all or
1049 substantially all of the assets of the Corporation;
1050 d. Approve or recommend to the Members the dissolution of the Corporation or a revocation
1051 thereof;
1052 e. Adopt, amend, or repeal the Bylaws of the Corporation;
1053 f. Fill vacancies on the Board of Directors or committees;
1054 g. Elect, appoint or remove Directors or members of committees;
1055 h. Fix the compensation of any member of such committee; or
1056 i. Alter or repeal any resolution of the Board of Directors that by its terms provides that it shall
1057 not be so amendable or repealable.
1058

1059 A majority of all members of any such committee may determine its action and fix the time and
1060 place of its meetings, unless the Board of Directors shall otherwise provide. The Board of Directors shall
1061 have power at any time to change the number and members of any such committee, to fill vacancies and
1062 to discharge any such committee. The designation of such committee and the delegation thereto of
1063 authority shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility
1064 imposed upon it or him by the Indiana Nonprofit Corporation Act of 1991, as amended.
1065

1066 ARTICLE X

1067 Rules and Regulations; Enforcement

1068
1069
1070
1071 **Section 1. Rules and Regulations.** The Board shall have the authority to promulgate, adopt,
1072 revise, amend, and alter from time to time such additional rules, regulations, and guidelines governing the
1073 use, occupancy, operation, enjoyment and architectural additions or modifications of all areas within the
1074 CSL development, including the individual lots, streets (public or private), common areas, and any other
1075 portion of the Real Estate, including the personal conduct of the members and guests thereon, as in the
1076 sole discretion of the Board are deemed necessary or advisable. These rules and regulations, and any
1077 amendments thereto, shall be furnished by the Association to all members prior to the effective date. All
1078 rules and regulations shall be binding and enforceable upon each and every lot and Lot Owner, including
1079 all occupants, guests and invitees of any lot, in the Development the same as if it were expressly set
1080 forth in the Declaration itself. Any rule or regulation adopted by the Board may be specifically overruled,
1081 cancelled, or modified by the Board or at a duly called and constituted regular or special meeting of the
1082 members by a majority vote of all eligible members of the Association.
1083

1084 **Section 2. Enforcement In General.** Any party to whose benefit the Covenants or these Bylaws
1085 inures, including the Association, any Committee, or any individual homeowner, may proceed at law or in
1086 equity to prevent the occurrence or continuation of any violation of the Covenants or these Bylaws, or any
1087 rule, regulation and/or guideline adopted thereto, but neither the Association or any Committee shall be
1088 liable for damages of any kind, including legal fees and costs, to any person for failing to enforce or carry
1089 out any of the provisions of the Covenants or these Bylaws.
1090

1091 **Section 3. Costs and Attorney Fees.** In the event the Association is required to retain attorneys or
1092 engage in civil proceedings in order to enforce the terms and provisions of the Declaration, Articles,
1093 Bylaws, or the rules, regulations, policies, procedures and guidelines adopted pursuant thereto, as each
1094 may be amended from time to time, the Association shall be entitled to recover its costs and reasonable
1095 attorneys' fees incurred in connection with such action, proceeding or litigation without the necessity of
1096 proving any actual damages to the Association or its members, obtaining a court order of injunctive relief,
1097 including those cases when the alleged violation is corrected by the owner following the filing of a
1098 lawsuit but before judgment is entered on the matter, or securing compliance by any other method of due
1099 process for any structure, improvement, act or omission that is not in compliance with the covenants,
1100 bylaw, or the rules, regulations, policies, procedures and guidelines. The Association, or owner, bringing
1101 an action is also entitled to reimbursement for any legal expenses incurred in gaining an owner's
1102 compliance with any provision in the Declaration, Articles, Bylaws, or the rules, regulations, policies,
1103 procedures and guidelines of the Association, regardless of whether an actual lawsuit is ultimately filed
1104 against the owner. (For example, and not by way of limitation, the Association is entitled to recover any
1105 legal expenses incurred to have a violation letter sent to an owner to compel compliance, even if the
1106 violation is subsequently corrected and a lawsuit is not filed.) Damages or expenses incurred by the
1107 Association relating to the prosecution of a violation of the Declaration, Articles, Bylaws or the rules,
1108 regulations, policies, procedures and guidelines of the Association shall be a personal obligation of the
1109 owner determined to be in violation of any of the covenants, bylaws, rules, regulations, policies,

1110 procedures or guidelines, and an owner cannot avoid liability to the Association for reimbursement of
1111 these damages and expenses by subsequently selling his interest in the property before a factual or final
1112 determination regarding the validity of the violation is made by any court of competent jurisdiction. Any
1113 costs and/or expenses incurred by the Association as the result of a proceeding against a owner for
1114 violation of the covenants, bylaws, rules, regulations, policies, procedures or guidelines that is not
1115 recovered from the owner may be absorbed as a common expense by the Association in its next fiscal
1116 budget. The provisions of this Section shall be in addition to any remedies that may be provided in any
1117 specific sections of the Declaration.

1118
1119
1120
1121 **ARTICLE XI**

1122 **Dues, Assessments, User Fees and Accounting**

1123 **Section 1. Fiscal Year.** The fiscal year of the Association shall begin at the beginning of the
1124 first day of March in each calendar year and end at the close of the last day of February of the next
1125 calendar year. The current fiscal year is determined by the calendar year in which the fiscal period ends.
1126 For example, fiscal year 2001 begins on March 1, 2000, and ends on February 28, 2001.

1127
1128
1129 **Section 2. Annual Accounting.** Annually, after the close of each fiscal year of the Association
1130 and prior to the date of the annual meeting following the end of the fiscal year, the Board shall furnish
1131 each Owner with a financial statement prepared in form and substance acceptable to the Board. This
1132 financial statement shall show all income, both collected and outstanding receivables, and expenses
1133 incurred and/or paid during the preceding fiscal year by the Association.

1134
1135 **Section 3. Liability for Assessments.** Except as provided for herein, each lot owner in CSL, by
1136 acceptance of a deed for any property in CSL, whether or not it shall be so expressed in such deed, is
1137 deemed to covenant and agree to pay to the Association: (1) annual dues charge; (2) annual assessments
1138 or charges for routine maintenance, insurance, taxes and other costs and expenses incurred by the
1139 Association during the fiscal year; and, (3) special assessments or dedicated assessments for capital
1140 improvements, including loans for capital improvements, special improvements or repairs to the common
1141 areas (i.e. dam or road repairs) and unanticipated operating deficits. Such assessments are mandatory;
1142 shall be distributed or charged on an equal, or pro-rata, basis against each lot as defined in these Bylaws.
1143 The annual dues, assessments and special assessments, together with interest, late fees, costs, and
1144 reasonable attorneys' fees, shall be a charge on the lot and shall be a continuing lien upon the property
1145 against which each such assessments is made. Each such assessment, together with interest, late fees,
1146 costs, and reasonable attorneys' fees, shall also be the personal obligation of the person(s) who was the
1147 titled owner and the contract purchaser of the lot at the time when the assessment was due. If more than
1148 one person owned the property when the assessment became due, such as husband and wife or titled
1149 owner and contract purchaser, then the co-owners shall be joint and severally liable for the personal
1150 obligation for unpaid assessments. The personal obligation for delinquent assessments shall not pass to
1151 the owner's successors in title unless expressly assumed by them.

1152
1153 **Section 4. Purpose of Assessments.** The assessments levied by the Association shall be used
1154 exclusively to promote the health, safety, and welfare of the residents in CSL; to insure compliance with
1155 and the enforcement of the covenants, restrictions, rules and regulations set forth in or adopted pursuant to
1156 the Covenants, Articles or Bylaws; for the management, maintenance, repair, and replacement of the
1157 common areas; and for any other reason deemed proper or appropriate by the Board.

1160 **Section 5. Annual Dues Charge.** As set forth in the Covenants, each lot owner (as defined in
1161 these Bylaws, is responsible for paying an annual seventy-five dollar (\$75.00) dues charge for each lot (as
1162 defined in these Bylaws) either titled in his name or being purchased on contract. Unless the Covenant is
1163 amended by the owners, this seventy-five dollar (\$75.00) shall not change or increase from year to year.

1164
1165 **Section 6. Annual Assessment.** As set forth in the Covenants, each lot owner (as defined in
1166 these Bylaws) is responsible for paying an annual assessment for each lot (as defined in these Bylaws)
1167 either titled in his name or being purchased on contract. The Board of Directors of the Association shall
1168 adopt an annual budget for each fiscal year which sets forth the amount of the annual assessment
1169 sufficient to cover all anticipated expenses for the coming fiscal year (with appropriate allocations for
1170 expenses attributed to any shared facilities), together with a reasonable allowance for contingencies and
1171 reserves for periodic repair and replacement of the common areas and other common expenses as
1172 designated in the Covenants, these Bylaws, or state or local law. The Board shall give a copy of the
1173 annual budget to the members before or at the annual meeting.

1174
1175 **Section 7. Special Assessment.** In addition to the dues and annual assessment authorized
1176 above, the Board of Directors may also levy a special assessment (which may also be called a dedicated
1177 assessment) for the purpose of defraying, in whole, or in part, any unanticipated Common Expense not
1178 provided for in the annual budget or by the annual assessment. In addition, a special assessment may be
1179 used for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair
1180 or replacement of any capital improvement, including, but not limited to, the private roads or Lake Dam,
1181 which the Association may from time to time incur.

1182 Notwithstanding the foregoing provisions of this Section, the Board of Directors may approve any
1183 special assessment set forth herein without the approval of the members, so long as the amount of the
1184 special assessment does not: a) exceed fifty percent (50%) of the amount of the annual assessment for the
1185 year in which the special assessment is approved (i.e. if the annual assessment is \$400/lot, a special
1186 assessment up to \$200/lot may be approved by the Board without member approval); and b) does not
1187 involve an amount that is to be assessed against each Lot beyond the current fiscal year (i.e. a special
1188 assessment of \$3,000/Lot to be paid @ \$500/year for 6 years). The Board may only approve one (1) such
1189 special assessment in any fiscal year without the approval of the members.

1190 If the Board determines that a special assessment a) larger than fifty percent (50%) of the current
1191 annual assessment is required; b) that extends beyond the current fiscal year is desired by the residents or
1192 is necessary in order to obtain a loan or special financing on a capital improvement, construction,
1193 reconstruction, repair or replacement project; or c) more than one special assessment is needed in one (1)
1194 fiscal year, then the Board shall call a special meeting of the Association to consider imposing such
1195 special assessment. A special assessment which is a) larger than fifty percent (50%) of the current annual
1196 assessment; b) that extends beyond the current fiscal year; or c) is the second or more special assessment
1197 in the same fiscal year, shall be imposed only with the approval of a majority of all eligible Owners of the
1198 Association voting in person or by proxy at a duly constituted special meeting called for the purpose of
1199 voting on said special assessment.

1200 A special assessment shall be due and payable on the dates(s) determined by the Board of
1201 Directors. A special assessment may be approved by the Members that provides for the special
1202 assessment to be levied against the Lots over a fixed period of time.

1203
1204 **Section 8. User Fees.** User fees, also sometimes referred to as an "activity fee" may be charged
1205 by the Association for the use of the common areas and facilities, such as the pool, lakes, campground,
1206 etc. within CSL. User fees are not part of the annual dues or annual assessments. The amount of the user
1207 fee is set by the Board of the Association and may be the same amount as the annual assessment if
1208 deemed appropriate by the Board. User fees are not transferrable to other owners.

1209

1210 **Section 9. Reserves.** The annual assessment shall include reasonable amounts, as determined by
1211 the Board of Directors, collected as reserves for the future periodic maintenance, repair, and replacement
1212 of the Common Areas and other common expenses, such as sidewalks, as designated in the Plat
1213 Covenants, these Bylaws, local ordinance or any rule adopted by the Board. All amounts collected as
1214 reserves, whether pursuant to this Section or otherwise, shall be deposited in a separate, interest bearing
1215 bank account to be held in trust for the purposes for which they were collected and are to be segregated
1216 from and not commingled with any other funds of the Association. Assessments collected as reserves
1217 shall not be considered to be advance payments of annual or special assessments.

1218 Every five (5) years the Board shall cause a comprehensive reserve study of the common areas to
1219 be performed or updated by a reputable and qualified reserve study specialist or engineering company.
1220 This reserve study shall be used to determine the amount of reserves that should be paid by each lot
1221 owner on an annual or special basis to provide for the long-term maintenance, repair and replacement
1222 of the common areas.

1223 **Section 10. Date of Commencement; Due Dates.** The liability of an Owner for dues and
1224 assessments shall commence as of the date such Owner acquires his interest in a Lot. The annual dues and
1225 assessment for a fiscal year shall become due and payable commencing on the first day of March of each
1226 calendar year. Annual assessments shall be due and payable in full as of the above date, except that the
1227 Association may from time to time by resolution authorize the payment of such assessments in
1228 installments.

1230 **Section 11. Liability for Dues and Assessments under Multi-Lot Agreements.** Certain lots in
1231 CSL were conveyed subject to a Multi-Lot Agreement. A Multi-Lot Agreement may encompass two to
1232 five (2-5) lots, with five (5) lots being the maximum number of lots to be held under such an agreement.
1233 While the terms of these agreements may vary, in essence each agreement provided that the lot owner is
1234 only obligated to pay one (1) annual dues charge and, in some agreements, only one (1) annual
1235 assessment for the entire set of lots sold to the owner under the Multi-Lot Agreement. Hence, a lot owner
1236 who purchased five (5) lots under a Multi-Lot Agreement is only obligated to pay one (1) dues charge and
1237 one (1) annual assessment for all five (5) of his lots under the agreement.

1238 Therefore, each lot owner who holds lots under the terms of a Multi-Lot Agreement shall only be
1239 liable for paying one (1) annual dues charge and one (1) annual assessment charge for the total lots held
1240 under the agreement.

1241 However, the Multi-Lot Agreements do not exempt lot owners from paying special assessments;
1242 hence, each lot owner who holds lots under the terms of a Multi-Lot Agreement shall be liable for paying
1243 any levied special assessments or charges against each lot held under the agreement.

1244 In addition, if at any time a Multi-Lot Agreement expires or is terminated under the terms of the
1245 agreement, then the agreement may not be renewed and the lot owner under the agreement shall
1246 immediately become responsible for paying annual dues and assessments for each lot previously held
1247 under such an agreement.

1248 The Association wishes to honor any Multi-Lot Agreements that currently exist and hereby
1249 Grandfathers such agreements under these Bylaws. However, no further Multi-Lot Agreements shall be
1250 allowed, made, negotiated or recognized for assessment purposes after the date these Revised and
1251 Restated Bylaws are adopted.

1252 **Section 12. Association Liability for Dues and Assessments.** The Association shall not be
1253 liable for any dues charges, assessments, special assessments or other charges on any common areas
1254 owned or held by the Association. Because any lots or parcels owned by the Association are considered
1255 to be common areas during the period of time they are owned by the Association, these lots or parcels
1256 shall not be considered assessable lots.
1257
1258
1259

1260
1261
1262
1263
1264
1265
1266
1267
1268
1269
1270
1271
1272
1273
1274
1275
1276
1277
1278
1279
1280
1281
1282
1283
1284
1285
1286
1287
1288
1289
1290
1291
1292
1293
1294
1295
1296
1297
1298
1299
1300
1301
1302
1303
1304
1305
1306
1307
1308
1309
1310

Section 13. Calculating Pro-Rata Share. To properly determine the pro-rata share of the assessments to be paid by each lot owner, it is necessary to calculate the number of lots subject to assessment. Exempt or excluded lots, such as those subject to multi-lot agreements or those lots owned by the Association, should not be factored into any budget for assessment purposes.

EXAMPLE

| | |
|-------|---|
| 4,000 | Total Lots |
| | (3,200 lots individually owned) |
| | (800 lots owned by 200 owners who each hold a multi-lot agreement) |
| 3,200 | Individually Owned Lots |
| + 200 | Multi-Lot Owners |
| 3,400 | Lots for Budget / Assessment Purposes |

Section 14. Primary Responsibility for Dues and Assessments. A titled owner of each lot shall be considered the primary owner responsible for paying all annual dues, assessments, special assessments and other charges against each lot unless the titled owner has properly transferred primary owner status to a contract purchaser.

However, the Association recognizes that under the Covenants in a contract purchase situation, the titled owner and contract purchaser are jointly and severally liable for paying any levied dues and assessments. For practical purposes, the Assqciation does not want to invoice both the titled owner and contract purchaser for dues and assessments at the same time in order to avoid a possible double payment situation.

As a result, in contract purchase situations properly filed with the Association, the Association will consider the contract purchaser to be primarily responsible for the dues and assessments and will initially invoice the contract purchaser. If the contract purchaser fails to pay the dues, assessments or other charges against the lot(s) within thirty (30) days of the charges becoming due, the contract purchaser will be considered delinquent and the Association will then notify the titled owner that he is now responsible for paying any outstanding dues, assessments or other charges. The titled owner will be given thirty (30) days from the date of the invoice sent to the titled owner to pay any outstanding balances. If the titled owner does not pay the outstanding balances within thirty (30) days of being invoiced, then the titled owner will also be considered delinquent. At that time, the Association may pursue collection remedies as set forth in Section 16 against both the titled owner and the contract purchaser.

Section 15. Installment Payments. Owners may pay any dues or assessments owed to the Association in mutually agreed upon installments or payments. The terms or number of installments shall be subject to Association approval, and any default on a payment installment shall immediately void the payment agreement and shall make all amounts owed under the terms of the payment agreement immediately due and payable. The Association may require that any installment or payment arrangement be assessed an additional processing administrative service charge.

Section 16. Failure of Owner to Pay Assessments. If any annual dues charge, annual assessment, special assessment or other appropriately levied charge against a lot is not paid on the date when due, then the entire unpaid amount shall become delinquent and shall become, together with such interest thereon, late fees and other costs of collection thereof as hereinafter provided, a continuing lien on the lot, binding upon the then Lot Owner, his heirs, devisees, successors, and assigns. The personal obligation of the then Lot Owner to pay such assessments, however, shall remain his personal obligation and shall not pass to his successors in title unless expressly assumed by them. No Lot Owner may waive

1311 or otherwise escape liability for the assessments provided for herein by abandonment of his Lot or by
1312 waiving or not using the common areas.

1313 If the assessment is not paid within thirty (30) days after the assessment falls due, the assessment
1314 shall bear interest from the date of delinquency at the rate of eighteen percent (18%) per annum (1.5 %
1315 per month) or the maximum lawful rate, whichever is less. In addition, the Association may impose
1316 reasonable late fees on all delinquencies. The Board shall have the right to determine the amount of the
1317 late fee, the time period before the late fee is imposed, the rate of the late fee (i.e. annually, monthly, etc.)
1318 and to make any other provisions for late fees and interest charges on late payments as the Board, in its
1319 sole discretion, deems appropriate. The Association may bring an action at law against the owner
1320 personally obligated to pay the same or to foreclose the lien against the property, or both, and there shall
1321 be added to the amount of such assessment the costs of preparing the collection notices and letters,
1322 preparing and filing the complaint in such action, interest and late fees on the assessment as above
1323 provided, and reasonable attorneys' fees, together with the costs of the action.

1324 However, the Association need not file an action before it is entitled to recover any dues,
1325 assessments, late fees, interest, expenses, or collection or attorney fees incurred as a result of delinquency
1326 collection efforts, and such costs may be added to the Owner's account prior to the filing of a lawsuit.
1327

1328 **Section 17. Deposits and Internal Review.** All funds assessed by the Association, including
1329 annual assessments, special assessments and reserve funds, shall be maintained in interest bearing
1330 accounts, if possible, with a financial institution authorized to conduct business in Jennings County,
1331 Indiana, or an adjacent county and shall be FDIC insured.

1332 In addition, the Association shall engage the services of a licensed, independent Certified
1333 Public Accountant (CPA) to perform an internal control review of the Association's internal financial
1334 transactions at least once every three (3) years.
1335

1336 **Section 18. Subordination of Association's Assessment Lien to Mortgage.** Notwithstanding
1337 anything contained in the Covenants, Articles or these Bylaws, any sale or transfer of a lot to a mortgagee
1338 pursuant to a foreclosure on its mortgage or conveyance in lieu thereof, or a conveyance to any person at
1339 a public sale in the manner provided by law with respect to mortgage foreclosures, shall extinguish the
1340 lien of any unpaid installment of any annual dues, annual assessment or special assessment as to such
1341 installments which become due prior to such sale, transfer or conveyance; provided, however, that the
1342 extinguishment of such lien shall not relieve the prior owner from personal liability therefore. No such
1343 sale, transfer or conveyance shall relieve the lot or the purchaser thereof at such foreclosure sale, or
1344 grantee in the event of conveyance in lieu thereof, from liability for any installments the annual dues,
1345 annual assessments or special assessments thereafter becoming due or from the lien therefore. Such
1346 unpaid share of any annual dues, annual assessments or special assessments, the lien for which has been
1347 divested as aforesaid, shall be deemed to be a common expense collectible from all Owners (including the
1348 subject Lot from which it arose).
1349

1350
1351

ARTICLE XII

1352
1353
1354

Records of the Association

1355 **Section 1. In General.** Current copies of the Restrictive Covenants, the Articles, the Bylaws,
1356 rules and regulations, other corporate documents concerning the Real Estate or the Association and its
1357 operation required to be kept and made available for inspection shall be available for inspection by any
1358 Member or other properly designated party at the principal office of the Association during reasonable
1359 business hours or under other reasonable circumstances, where copies of the same may be purchased at
1360 reasonable cost.

1361 The Association shall keep detailed books of account showing all expenses for the maintenance
1362 and repair of the Common Areas, all easements, and any other expenses incurred by or on behalf of the
1363 Association and the Members. The accounts, books, records, financial statements, and other papers of the
1364 Association shall be open for inspection by any Member upon written request submitted to the Board at
1365 least five (5) days in advance of the inspection date, and said inspection is to be made during reasonable
1366 business hours or under other reasonable circumstances. Any holder, insurer, or guarantor of a first
1367 mortgage on a Lot shall be entitled upon written request to receive a financial statement for the
1368 immediately preceding fiscal year. The Association reserves the right to require any Member to request
1369 inspection of the accounts, books, records, financial statements, and other papers of the Association
1370 according to the requirements set forth under the Indiana Nonprofit Corporation Act of 1991, specifically
1371 Indiana Code 23-17-27 et seq., and any amendments or re-codification subsequently adopted thereto, and
1372 reserves the right to deny any such request which the Association determines: a) was not made in good
1373 faith or for a proper purpose; b) the Member fails to describes with reasonable particularity the purpose
1374 and the records the Member desires to inspect; or c) the records requested are not directly connected to
1375 the stated purpose for the request.
1376
1377

1378 ARTICLE XIII

1379 Filing of Purchase Contracts and Rental Agreements

1380 **Section 1. Purchase Contracts.** Every purchase contract must be filed with the Association at
1381 the Association's business office within one (1) week of the execution of the purchase contract. The titled
1382 owner of a lot being sold under a purchase contract remains the primary voting owner and the primary
1383 party responsible for paying dues, assessments and other charges related to the lot until the purchase
1384 contract is properly filed with the Association.
1385

1386 Because invoicing for the March 1st assessments begins in January of each calendar year,
1387 purchase contracts must be filed with the Association no later than December 1st of each calendar year to
1388 be effective for the next assessment cycle and fiscal year. If the purchase contract is filed with the
1389 Association by December 1st, the Association will be able to update its records and invoice the contract
1390 purchaser in January for the March 1st dues and assessments.
1391

1392 The titled owner of any purchase contracts filed after December 1st and before March 1st of the
1393 next calendar year will be primarily responsible for dues and assessments on the lot(s) subject to the
1394 contract until the next assessment cycle. For example, if a purchase contract is filed in January 2011, the
1395 titled owner will be primarily responsible for the dues and assessments due on March 1, 2011, for the
1396 subject lot. Under this scenario, the contract purchaser will not become primarily responsible for the
1397 lot(s) dues and assessments until March 1, 2012.
1398

1399 **Section 2. Rental Agreements.** Every rental agreement, whether executed or entered into
1400 before or after these Bylaws are adopted, must be filed with the Association at the Association's business
1401 office within one (1) week of the execution of the rental agreement. If a rental agreement is not filed with
1402 the Association, the renter shall not be allowed to use the common facilities in CSL or participate in any
1403 fashion on any Association committee.

1404 To be recognized as a renter member under the terms of these Bylaws, the rental or lease
1405 agreement must be on file with the Association. In addition, the renter member must pay the annual dues
1406 (\$75.00) and any other charges deemed appropriate by the Board. A renter member shall have the right
1407 and privilege to use the common facilities located in CSL.

1408 Regardless of whether a renter is a member or not, all renter(s) are bound by the Covenants and
1409 these Bylaws the same as a titled owner of the lot or parcel. In addition, the titled owner of a lot being
1410 rented remains the primary voting owner and the primary party responsible for paying dues, assessments
1411 and other charges related to the lot.

1412
1413
1414
1415
1416
1417
1418
1419
1420
1421
1422
1423
1424
1425
1426
1427
1428
1429
1430
1431
1432
1433
1434
1435
1436
1437
1438
1439
1440
1441
1442
1443
1444
1445
1446
1447
1448
1449
1450
1451
1452
1453
1454
1455
1456
1457
1458
1459
1460
1461
1462

For safety and security reasons, the Association has the right to demand a copy of the rental agreement (with amounts redacted) from the lot owner if one is not filed with the Association. If a lot owner fails or refuses to provide the Association with a copy of a rental agreement within five (5) days of written demand by the Association, the Association may bring suit and shall be entitled to a court order for the lot owner to produce a copy of the rental agreement for the Association's records. If such action is taken, the Association shall be entitled to recover from the lot owner all costs, expenses and reasonable attorneys' fees incurred as a result of the action.

ARTICLE XIV

Execution of Instruments

Section 1. Checks, Draft, etc. All checks, drafts, bills of exchange or other orders for the payment of money, obligations, notes or other evidences of indebtedness of the Association shall be signed or endorsed by such officer or officers, employee or employees of the Association as shall from time to time be designated by the Board of Directors.

Section 2. Contracts. All contracts, agreements, deeds, conveyances, mortgages and similar instruments authorized by the Board of Directors shall be signed, unless otherwise directed by the Board of Directors or required by law, by the President, and attested by the Secretary.

ARTICLE XV

Miscellaneous

Section 1. Changing the Legal Structure of the Association. In the event that any action is proposed which would change the legal structure of the Association through dissolution of the Association, voluntary bankruptcy of the Association, or municipal incorporation of the Country Squire Lakes Development, in whole or in part, such action shall not be legally valid or binding until such time as it is specifically approved and/or ratified by a two-thirds (2/3) vote of all eligible members or the percentage required by law, whichever is less.

Section 2. Dissolution. Upon dissolution of the CSL Community Association, any assets remaining after payment of its debts shall be transferred to a corporation organized for purposes substantially the same as the Association or to a governmental unit. Upon dissolution, no assets of the Association shall be distributed to any incorporator, donor, officer, member or employee of CSL.

ARTICLE XVI

Amendments

Section 1. Amendments. The Board of Directors of the Association shall have power to make, alter, amend or repeal the Code of Bylaws of the Association, without the assent or approval of the Members, by an affirmative vote of the majority of the members of the Board of Directors of the Association, except as otherwise provided in the Covenants or Indiana law.

1463
1464
1465
1466
1467
1468
1469
1470
1471
1472
1473
1474
1475
1476
1477
1478
1479
1480
1481
1482
1483
1484
1485

Section 2. Recording Amendments. All amendments or changes to this Revised and Restated Code of Bylaws must be executed by the President and Secretary of the Board and recorded in the Office of the Jennings County Recorder before becoming effective.

Section 3. Document Conflicts. In the case of any conflict between the Declaration and the Articles, the Declaration will control. In the case of any conflict between the Declaration and these Bylaws, the Declaration will control. In the case of any conflict between the Articles and these Bylaws, the Articles will control.

ARTICLE XVII

The Indiana Nonprofit Corporation Act of 1991

The provisions of the Indiana Nonprofit Corporation Act of 1991, as amended, applicable to any of the matters not herein specifically covered by these Bylaws, are hereby incorporated by reference in and made a part of these Bylaws.

[End of Bylaws]

1486

1487 The undersigned hereby certifies that this Revised and Restated Code of Bylaws of CSL Community
1488 Association, Inc. was duly moved and passed by a majority vote of the Board of Directors of said
1489 Association.

1490 CSL COMMUNITY ASSOCIATION, INC.

1491
1492
1493
1494
1495
1496
1497
1498
1499
1500
1501
1502
1503
1504
1505
1506
1507
1508
1509
1510
1511
1512
1513
1514

Clifton Ross
President

3-10-11
Date

Clifton Ross
Printed Name of Director

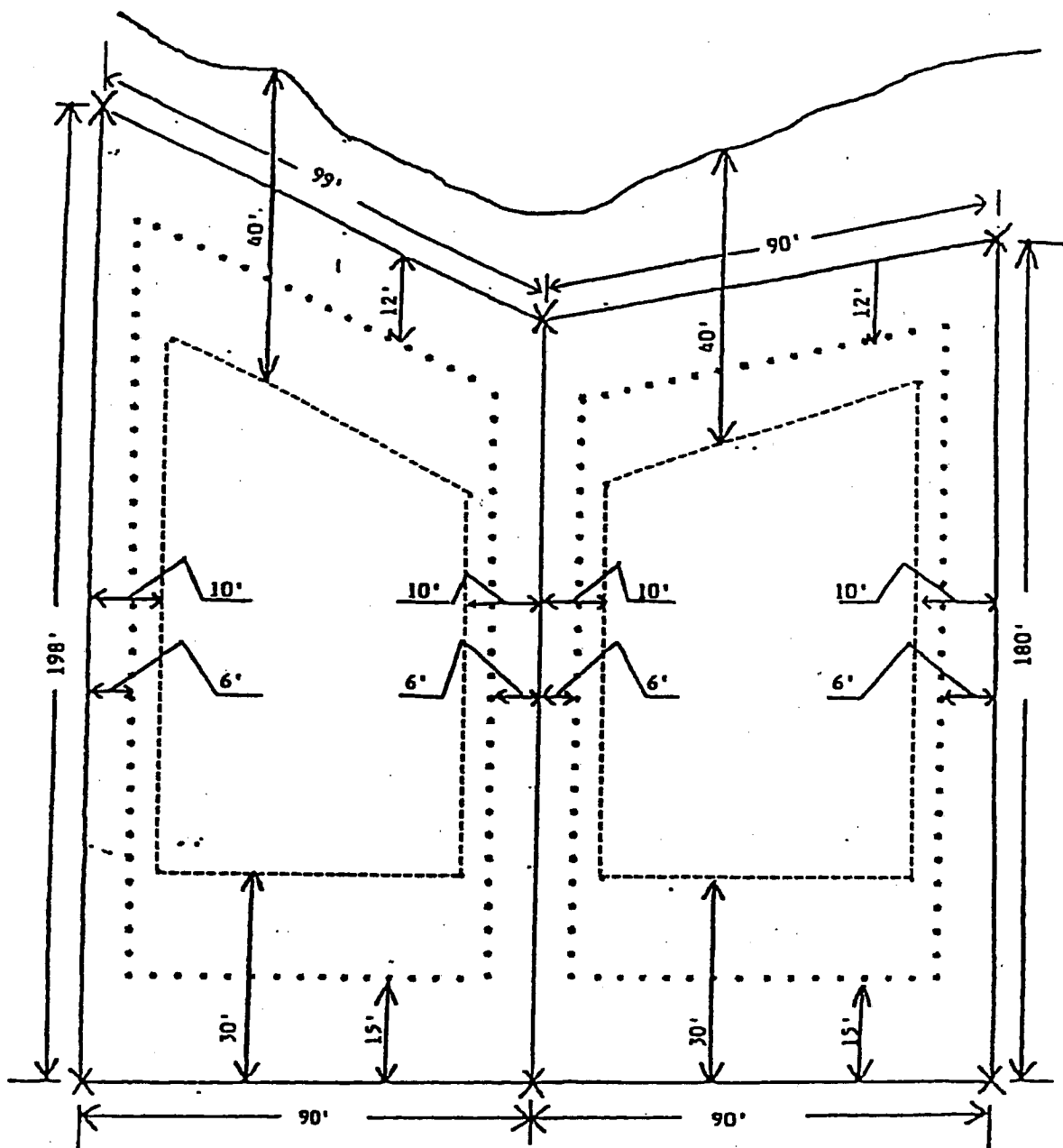
ATTEST:

Kathleen J. Moore
Secretary

3/10/11
Date

Kathleen J. Moore
Printed Name of Director

EXHIBIT "A" TYPICAL WATERFRONT LOT



LEGEND

X

Lot Pin Location

—————

Lot Line or Property Line

Easements — Within each and every lot.

Fifteen (15) feet from front property line where bounded by a road

Twelve (12) feet from back property line.

Six (6) feet from side property line.

—————

Building restriction where structures may be located.

Thirty (30) feet from front property line where bounded by a road.

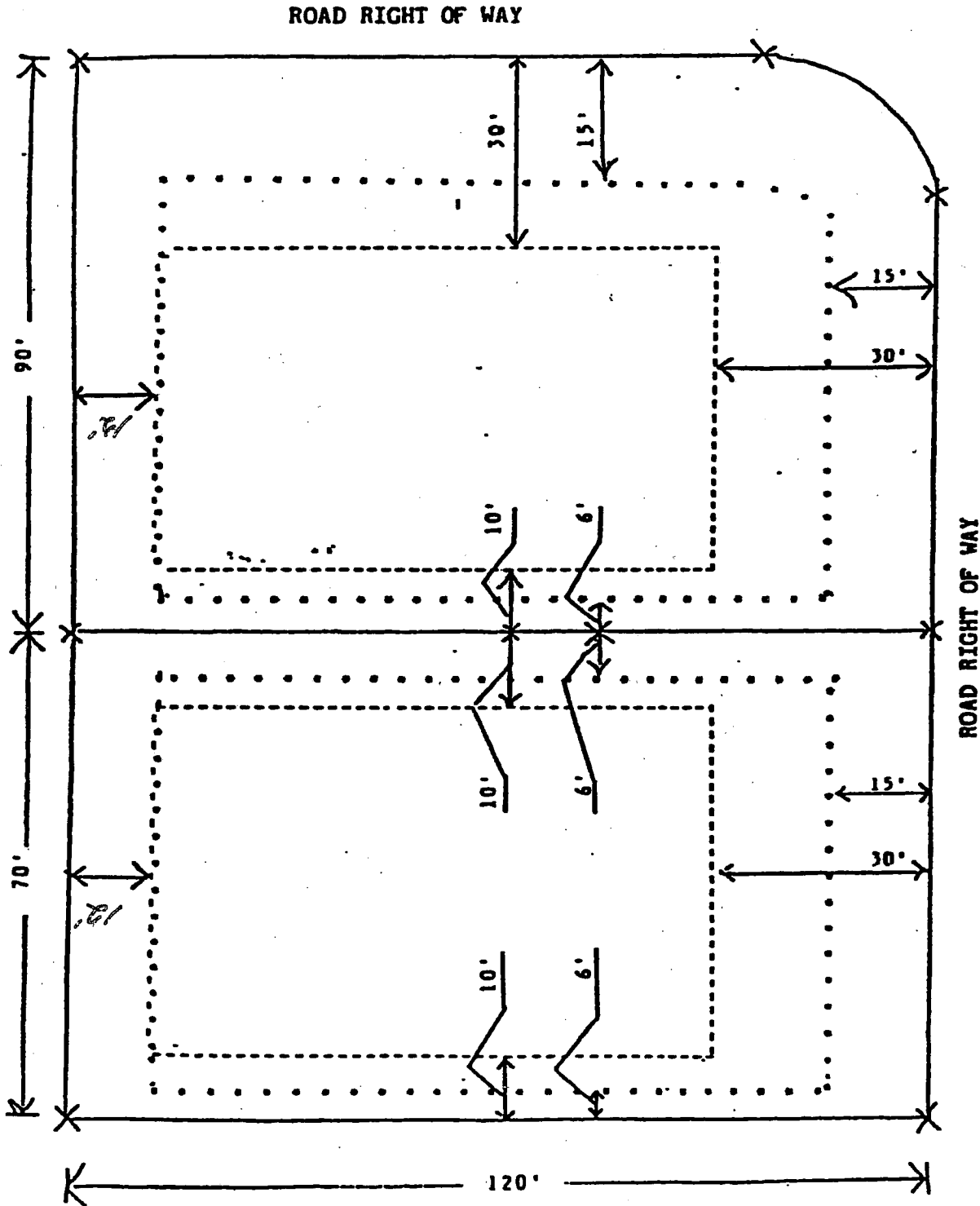
Ten (10) feet from side property line.

Twelve (12) feet from back property line.

Or

Forty (40) feet from normal water line of lake.

EXHIBIT "B" TYPICAL LOT



Lot PIR1/Location

Easements---Within each and every lot. Fifteen (15) feet from front property line where bounded by a road. Twelve (12) feet from back property line. Six (6) feet from side property line.

Building Restriction where structures may be located. Thirty (30) feet from front property line where bounded by a road. Ten (10) feet from side property line. Twelve (12) feet from back property line.