

## BY-LAWS

### STONEGATE TOWNHOME MAINTENANCE ASSOCIATION, INC.

#### ARTICLE I

##### NAME AND PRINCIPAL OFFICE

**Section 1.** The name of the corporation is Stonegate Townhome Maintenance Association, Inc. (hereinafter referred to as the "Corporation").

**Section 2.** The principal office of the Corporation shall be located at the address set forth in the Articles of Incorporation of the Corporation, until and unless changed in accordance with applicable law by the Board of Directors (hereinafter referred to as the "Directors" or "Board of Directors").

#### ARTICLE II

##### DEFINITIONS

**Section 1.** "Declaration" shall mean and refer to the Neighborhood Declaration for the Townhomes Neighborhood of Stonegate Subdivision recorded in the Office of the Recorder of Boone County, Indiana, on or about January 17, 2007, as Instrument No. 00000622, and all subsequent supplements or amendments thereto.

**Section 2.** "Corporation" shall mean and refer to this corporation, which is also referred to as the "Corporation" in the Declaration and the "Corporation" in the Articles of Incorporation of this Corporation.

**Section 3.** Terms as defined and used in the Declaration shall have the same meaning when used in these By-Laws, and for definition purposes, reference is specifically made to the Declaration.

## ARTICLE III

### MEMBERSHIP AND VOTING RIGHTS

**Section 1.** Membership, Transfer, Voting Rights. Reference is hereby made to the Declaration, which sets forth terms, provisions and conditions governing and relating to membership in the Corporation, transfer of membership and voting rights of classes of Members, all of which terms, provisions and conditions are incorporated herein by reference.

**Section 2.** Quorum. Written or E-Mail notice of any meeting called for the purpose of taking any action authorized under this Article shall be sent to all Members not less than seven (7) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast fifty-one percent (51 %) of all the votes of each class of the membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

**Section 3.** Proxies. Votes may be cast in person or by proxy. Cumulative voting shall not be permitted.

**Section 4.** Majority Required. A majority of the votes of Members present (in person or by proxy) at a meeting at which a quorum is present shall be sufficient for the transaction of all business of the Corporation except on matters where a greater vote is required by the Declaration, the Articles of Incorporation, the By-Laws or by applicable law.

**Section 5.** Meetings. Meetings of the Members of the Corporation shall be in accordance with the following provisions:

- A. Place. Meetings of the Members shall be held at such place in Boone County, Indiana, as may be designated by the Board of Directors.
  
- B. Annual Meetings. The first annual meeting of the Members shall be held within six (6) months after the formation of the Corporation, the exact date to be decided by the Board of Directors. At such first annual meeting of the Members, the Members may designate a regular day or date for successive annual meetings. If the Members fail to designate such a regular day or date, the Board of Directors may continue to designate the day or date of the next annual meeting until such a designation is made by the Members. If any

designated day or date falls upon a legal holiday, the actual date of the meeting shall be the next business day succeeding such designated day or date.

- C. **Special Meetings.** Special meetings of the Members shall be called by the President (as hereinafter defined) of the Corporation by resolution of the Board of Directors of the Corporation or upon a written petition signed by Members of the Corporation who are entitled to vote twenty percent (20%) of all votes of the membership. Notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless at least one-third (1/3) of the voting power is present in person or by proxy.
- D. **Notice of Meetings.** Written notice of any meeting called for the purpose of taking any action authorized under this Article shall be sent to all Members not less than seven (7) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast ten percent (10%) of all the votes of each class of the membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

## ARTICLE IV

### NOMINATION AND ELECTION OF DIRECTORS

**Section 1.** **Nomination.** The initial Board elected in the 2017 townhome board election shall serve as the Board of Directors of the Corporation. A Nominating Committee shall be appointed by the Board of Directors ninety (90) days before the end of each year. The Nominating Committee shall make as many nominations to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made only from among Members, or persons deemed to be Members eligible to serve as Directors thereof or otherwise eligible to serve on the Board of Directors in accordance with the Declaration and the Articles of Incorporation of the Corporation.

**Section 2.** **Election.** An election conducted by the Members or their proxies shall be conducted to fill each vacancy. The persons receiving the largest number of votes shall be elected to fill the vacancies. Cumulative voting is not permitted.

**ARTICLE V**  
**BOARD OF DIRECTORS**

**Section 1.** Number and Qualification. The affairs of the Corporation shall be governed by a Board of Directors composed of at least three (3) persons. All Directors shall be selected from the Owners within the Townhome Neighborhood within the Stonegate Neighborhood.

**Section 2.** Duties. The Board of Directors shall have the following duties:

- A. To cause to be kept a complete record of all its acts and corporate
- B. To supervise all officers, agents and employees of the Corporation;
- C. To establish the Annual Assessments for each assessment year and fix the amount of the Annual Assessments against each Member for each Lot owned, all in accordance with the terms of the Declaration and these By-Laws;
- D. To fix the amount of any Special Assessment against each Member for each Lot owned, all in accordance with the terms of the Declaration and these By- Laws;
- E. To send written notice of each Assessment to each Owner in accordance with the Declaration;
- F. To foreclose the Corporation 's lien for Assessments against any Lot for which assessments are not paid within thirty (30) days after the due date thereof or to bring an action at law against the Owner or other person personally obligated to pay the same;
- G. To issue, or to cause an appropriate officer to issue, upon demand by any person or entity, a certificate setting forth whether or not any Assessment has been paid;
- H. To procure and maintain insurance coverages as the Board of Directors, in its sole discretion, deems necessary or advisable;
- I. To cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and,
- J. To perform the Corporation's responsibilities as provided in the Declaration; and

K. To adopt such regulations as may from time to time be necessary in connection with the rights of Members to use and enjoy the Community Area, facilities, or Private Streets.

**Section 3.** Vacancies. Any vacancy in the Board of Directors shall be filled by vote of the majority of remaining Directors, even though they may constitute less than a quorum. Each person so elected shall be a Director for the unexpired term of his predecessor, or until his successor is elected.

**Section 4.** Compensation. None of the Directors shall receive compensation for any service rendered to the Association as a Director. However, the Directors may each be reimbursed for actual expenses incurred in the performance of his or her duties, and any person who is one of the Directors may be paid and compensated for services to the Corporation in a capacity other than as a Director.

**Section 5.** Removal of Directors. Any member of the Board of Directors may be removed, with or without cause, at a meeting of the Members called for such purpose by the affirmative vote of a majority of all the votes allocated to Members.

**Section 6.** Regular Meetings. Regular meetings of the Board of Directors shall be held at such regular intervals, without notice, at such place and hour as may be determined from time to time by resolution of the Board of Directors. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

**Section 7.** Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days' notice to each Director, given personally, by mail, telephone or e-mail, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called and notice sent by the President or Secretary or on the written request of at least twenty percent (20%) of the Directors.

**Section 8.** Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing or e-mail, waive notice of such meeting and such waiver shall be deemed equivalent of the giving of such notice. Attendance by a Director at any meeting of the Board of Directors shall be deemed a waiver of Notice by him of the time and place hereof. If all the Directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

**Section 9.** Quorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which quorum is present shall be the acts of the Board of

Directors except as otherwise provided in or required by the Declaration, Articles of Incorporation, these By-Laws or statute. If, at any meeting of the Board of Directors, there shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

**Section 10.** Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

## ARTICLE VI

### OFFICERS AND THEIR DUTIES

**Section 1.** Enumeration of Offices. The offices of the Corporation shall consist of a president, a vice president/secretary, and a treasurer (hereinafter referred to as "President ", "Vice President/Secretary" and "Treasurer," respectively) and such other officers as the Board of Directors may from time to time by resolution create.

**Section 2.** Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members of the Corporation.

**Section 3.** Term. Section The officers of the Corporation shall be elected annually by the Board of Directors and each shall hold office for three years (3) on a rolling basis of position election to allow for continuous overlap in transition of governance or until his successor is elected and qualified, or until (if sooner) resignation, removal or other disqualification from service. As established herein through incorporation of this entity in fall of 2017, the first position to be eligible for re-election and/or replacement by vote shall be the treasurer (Fall 2018); followed by Vice President (Fall 2019); and President (Fall 2020); each to be elected for a 3-year period thereof going forward or until (if sooner) resignation, removal or other disqualification from service.

**Section 4.** Vacancies. A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the terms of the officer he replaces.

## ARTICLE VII

### BOOKS OF ACCOUNT AND FISCAL YEAR

**Section 1.** Books of Account. The Corporation shall keep detailed books of account showing all expenditures and receipt of administration which shall specify the maintenance and repair expenses of the Common Areas any other expenses incurred by or on behalf of the Corporation and the Members. Such accounts, books, records, financial statements, and other papers shall be open for inspection by the Members and other persons having an interest in any Lot, including any Owner, any lender and any holder, insurer or guarantor of the first mortgage on any Lot, during reasonable business hours or under other reasonable circumstances. Current copies of the Declaration, the Articles of Incorporation, and the By-Laws of the Corporation, and other rules concerning the Development, shall be available for inspection by any Owner and lender, and to holders, insurers or guarantors of any first mortgage at the principal office of the Corporation during normal business hours or under other reasonable circumstances, where copies of the same and of audits may be purchased at reasonable costs.

**Section 2.** Fiscal Year. The fiscal year of the Corporation shall commence January 1, and end the following December 31 each year; provided, however, that the fiscal year for purposes of Assessments may be different than the general fiscal year of the Corporation.

## ARTICLE IX

### AMENDMENTS

**Section 1.** These By-Laws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of Members present in person or by proxy;

**Section 2.** In the case of any conflict between Articles of Incorporation and these By-Laws, the Articles of Incorporation shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.