

BY-LAWS OF
**DONNYBROOK WOODS NEIGHBORHOOD
ASSOCIATION, INCORPORATED**

Article I

Section 1 Name

The Name of this Corporation shall be: Donnybrook Woods Neighborhood Association, Incorporated

Article II

Section 1 The principal office.

The post office address of the principal office of the Corporation and the resident agent in charge thereof shall be as provided in the Articles of Incorporation of the Corporation as they may be amended from time to time.

Section 2 Seal

The seal of the Corporation shall be circular in form and mounted upon a metal die suitable for impressing the same upon paper. About the top periphery of the seal shall appear the name of the Corporation and about the lower periphery thereof, the word 'Indiana'; in the center of the seal shall appear the word 'Seal'.

Section 3 Accounting

The Corporation shall adopt an annual calendar year which shall end on 12/31 and begin 1/1.

Article III
Meetings and Membership

Section 1 Place of Meetings

Meetings of the Members of the Corporation shall be held at the principal office of the Corporation or at such place, within or outside of the State of Indiana, as may be specified in the respective notices or waivers of notice thereof.

Section 2 Annual Meetings. The annual meeting of the members of the Corporation shall be held on the date of the Annual Picnic of the Association, or on the ____ day of the week of the ____ Month of each year, as determined by the board of directors.

Section 3 Regular Meetings The regular meetings of the members of the Corporation shall be held on the ____ day, of the Month of _____, and the time and place for such meeting shall be the (1st, 2nd, etc.) (day of the week) of (Month) of (each, every-other, etc.) Month.

Section 4 Special Meetings.

- (a) Special meetings of the members may be called at any time by a majority of the Board of Directors, or by the President upon his own motion, or upon a written petition signed by not less than one-tenth (1/10) of all of the members authorized to vote by the Articles of Incorporation and/or By-Laws of this Corporation
- (b) At special meetings of the members, no business other than that for which the meeting is called shall be transacted unless the notice stipulates that if all the members are represented at such meeting, or shall waive notice of the meeting, that other business may be brought before the meeting. In such event any business which is proper to come before a meeting of members may be brought up by the members and acted upon.

Section 5 Notice of Meeting. A written or printed notice, stating the place, day and hour of the meeting, and in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered or mailed to each member of the Corporation by the Secretary or President. Said notice must be mailed or delivered seven (7) days prior to the meeting. Attendance at any meeting shall constitute waiver of notice.

Article IV **Homeowner's Association**

Section 1. Corporation. The Donnybrook Neighborhood Association, Inc. has been formed for the purposes of promoting the health, safety and welfare of the Addition, and to assess and collect periodic dues from the Owners for purposes permitted by the covenants, and as determined by the board of directors.

Section 2. Membership Incorporation. Each Owner of a Lot shall automatically, upon becoming an Owner, be and become a Member of the Corporation and shall remain a Member until such time as ownership of the Lot ceases, but membership shall terminate when such Owner ceases to be an Owner and will be transferred to the new Owner of the Lot, provided, however, that any person who holds the interest of an owner in a Lot merely as security for the performance of an obligation shall not be a Member until and unless such entity realizes upon its security, at which time the secured party shall automatically be and become an owner and Member of the Corporation.

Section 3. Voting Rights. Each Lot Owner shall be entitled to one vote for each lot of which such Member is the owner, with respect to matters submitted to a vote of Members, shall be passed, upon majority votes cast by eligible members either present at such meeting, or by absentee ballots. When more than one person constitutes the Owner of a particular lot, all such persons shall be Members of the Corporation, but all of such persons shall have only one vote for such Lot, which vote shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Lot.

Section 4. Members. There shall be one class of members: resident members. The resident members are those persons living on Ralston Avenue, constituting lot owners in the subdivision known as 'Donnybrook Addition', as platted on 12/30/1961, along with those lot owners living on Donnybrook Drive, constituting lot owners in the subdivision known as 'Donnybrook Woods Addition', as platted on 07/16/1968. A family unit may hold a single membership wherein all members of the unit will be deemed members, but only one (1) collective vote may be cast for (1) resident membership.

Section 5. Dues. Dues of all members shall be established by the entire membership at an annual, regular, or special meeting. Dues are payable on an annual basis within thirty (30) days of the annual meeting.

Section 6. Voting List. The Secretary of the Corporation shall, at all times, keep at the principal office of the Corporation a complete and accurate list of all members entitled by the Articles of Incorporation to vote, which list may be inspected by any member for any proper purpose at any reasonable time.

Article V **Officers of the Corporation**

Section 1. Officers of the corporation shall consist of a President, Vice-President, Secretary and Treasurer. One Person can serve as both Secretary & Treasurer.

Section 2. Election and Term. Officers of the Corporation shall be elected by the members of the Corporation at the annual meeting of the members and shall be qualified and installed at said meeting. Such officers shall hold office until the next annual meeting of the Members and until their respective successors shall be elected and qualified unless sooner displaced by the board.

Section 3. Vacancies. Whenever any vacancy shall occur in any office, by death, resignation, or otherwise, the same shall be filled by the board of directors, and the officer so elected shall hold office until his successor is chosen and qualified at the next annual meeting of the members.

Section 4. Removal. The board of Directors, may, by two-thirds (2/3) majority of the Board members, remove any officer.

Section 5. The President. The president shall preside at all meetings of the members and the Board of Directors. The President shall exercise a general control and supervision over the affairs of the Corporation and over the Officers, agents and employees of the Corporation. The President shall have the power to suspend any officer elected by the Board of Directors, to which meeting the President shall report the actions and the reasons therefor, and, in the event of any such suspension, or the death, absence, or inability to act of any such officer, the President may act for or may appoint some person to fill such office, until the next meeting of the Board of Directors, from time to time. The President or Vice-President, acting as President during the disability or absence of the President (except as otherwise required by law), shall, in the Corporation's name, sign all deeds, leases, mortgages., contracts, notes and other instruments that may be ordered or executed by the Board of Directors, or which may be necessary or advisable to carry on the business of the Corporation. The President also shall be responsible for all property of the Corporation.

Section 6. Vice President. Except as otherwise provided by resolution of the Board of Directors, from time to time, the Vice President shall perform all duties incumbent upon the President, during his absence, death or disability, and shall perform such other duties as the President, or the Board of Directors may, from time-to-time, prescribe.

Section 7. Secretary. Except as otherwise provided by resolution of the Board of Directors, from time to time, the Secretary shall perform all the duties customary to that office. The Secretary shall have the care and custody of the books, papers, archives and records of the Corporation, and its Corporate Seal. The Secretary shall prepare and enter in the minute book of

the Corporation the minutes of all the meetings of the Directors and the members, and shall normally perform the function of Secretary in attesting to the signature and capacity of the corporate officers in signing and executing instruments and any other documents and correspondence concerning the business of the Corporation, and shall issue notice of all meetings.

Section 8. Treasurer. The Treasurer shall supervise the handling of all money, accounts and securities belonging to the Corporation. The Treasurer shall keep and have the custody of such books of accounts and records as may be required to show the operating and financial condition of the Corporation, and which otherwise may be required for the business purposes of the Corporation. At the direction of the Board of Directors, the Treasurer will, annually, prepare an annual proposed budget and an annual report of expenditures, to be presented to the members at the annual meeting.

Section 9. Delegation of Authority. In case of the absence of any officer of the Corporation or for any other reason that the Board may deem sufficient, a majority of the whole Board may transfer or delegate the powers or duties of such officer to any other officer or officers on a temporary basis.

Article VI **Board of Directors**

Section 1. Management. The business and affairs of the Corporation shall be governed and managed by the Board of Directors. No person shall be eligible to serve as a Member of the Board of Directors unless he is, or is deemed in accordance with this declaration to be, an owner in good standing.

Section 2. Number. There shall be five (5) Directors of the Corporation. There shall always be an odd number. If the number of directors serving shall be an even number, then the President shall appoint an additional Director.

Section 3. Term of Office and Vacancies. Directors shall serve for two (2) year terms, with staggered terms so that three directors are elected during odd years, and two directors are elected during even years. Each director shall hold office throughout the term of his election and until his successor is elected and qualified. The President of the Corporation shall appoint a new Director to fill a vacancy created for any reason. The succeeding new Director shall serve until the next regular election.

Section 4. Removal. A Director may be removed without cause, by vote of a majority of the votes entitled to be cast at a special meeting of the Owners, duly called and constituted for such purpose. In such case the Director's successor shall be elected at the same meeting from eligible owners nominated at the meeting. A Director so elected shall serve until the next annual meeting of the Owners and until his successor is duly elected and qualified.

Section 5. Quorum. A majority of the number of Directors shall be necessary to constitute a quorum for the transaction of any business. However, business may never be transacted by less than three (3) members of the board.

Section 6. Meetings. Meetings of the Board of Directors may be called at any time by the President, who shall serve as Chairman of the Board, or upon written request of one-third (1/3) of the Board of Directors

Section 7. Duties of the Board. The Board of Directors shall be the governing body of the Corporation, representing all of the Owners and being responsible for the functions and duties of the Corporation including, but not limited to, providing for the administration of the real estate, its management, maintenance, repair, upkeep, and replacement where necessary, and the collection of dues and disbursement of expenses.

Section 8. Powers of the Board of directors. The Board of Directors shall have such powers as are reasonable and necessary to accomplish the performance of their duties. These powers include but are not limited to the power to:

- (a) Employ a managing agent to assist the Board in Performing its duties
- (b) Purchase, lease or otherwise obtain for the Corporation to enable it to perform its functions and duties such equipment, materials, labor and services as may be necessary in the judgment of the Board of Directors
- (c) Employ legal counsel, architects, contractors, accountants and others as in the judgment of the Board of Directors may be necessary or desirable in connection with the business affairs of the Corporation.
- (d) Include the cost of performing all of its functions, duties and obligations as Corporation expenses and to pay all of such costs from the Corporation's account.
- (e) Open and maintain a bank account in the name of the corporation and
- (f) Promulgate, adopt, revise, amend and alter from time-to-time, such changes in the Covenants and/or the By-Laws of the corporation, as the board, in its discretion deems necessary or advisable, provided however, that such changes be presented to all members, and subsequently voted upon in special or annual meetings.

Section 9. Limitation on Board Action. The authority of the Board of Directors to enter into contracts shall be limited to contracts involving a total expenditure of less than \$1,000.00 without obtaining the prior approval of a majority of the cumulative vote of Owners, except that in the following cases, such approval shall not be necessary:

- (a) Proposed contracts and proposed expenditures expressly set forth in the proposed annual budget, as approved by the Owners at the annual meeting; and
- (b) Expenditures necessary to deal with emergency conditions in which the Board of Directors reasonable believes that there is insufficient time to call a meeting of the Owners.

Section 10. Compensation. No Director shall receive any compensation for his services as such, except as may be expressly authorized by a majority vote of the owners.

Section 11. Non-Liability of Directors and Officers. The Directors and Officers of the Corporation shall not be liable to the Owners or any other person for any error or mistake of judgment exercised in carrying out their duties and responsibilities as Directors and Officers except for their own individual willful misconduct, bad faith or gross negligence. The Corporation shall indemnify and hold harmless and defend each of the Directors and Officers against any and all liability to any person, firm or Corporation arising out of contracts made by the Board on behalf of the Corporation, unless such contract shall have been made in bad faith.

It is intended that the Directors and Officers shall have no personal liability with respect to any contract made by them on behalf of the Corporation.

Section 12. Additional Indemnity of directors and Officers. The Corporation shall indemnify, hold harmless and defend any person, his heirs, assigns and legal representatives made a party to any action, suit, or proceeding by reason of the fact that he is or was a Director or Officer of the Corporation against the reasonable expenses including attorney's fees actually and necessarily incurred by him in connection with the defense of such action, suit or proceeding or in connection with any appeal therein except as otherwise specifically provided in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such Director or Officer is liable for gross negligence or willful misconduct in performance of his duties. The Corporation shall also reimburse to any such Director or Officer the reasonable costs of settlement of or judgment rendered in any action, suit or proceeding if it shall be found by a majority vote of the Owners that such Director or Officer was not guilty of gross negligence or willful misconduct. In making such finding and notwithstanding the adjudication in any action, suit or proceeding against a Director or Officer, no Director or Officer shall be considered or deemed to be guilty of or liable for negligence or misconduct in the performance of his duties where acting in good faith such Director or Officer relied upon the books and records of the Corporation or statements or advice made by or prepared by any accountant, attorney or other person, firm, or Corporation employed by the Corporation to render advice or service unless such Director or Officer had actual knowledge of the falsity or incorrectness thereof; nor shall a Director or Officer be deemed guilty of or liable for negligence or misconduct by virtue of the fact that he failed or neglected to attend a meeting or meetings of the Board of Directors.

Article VII **Assessment**

Section 1. Annual Accounting. At least once annually during each fiscal year of the corporation, the board shall cause to be prepared a financial statement prepared on behalf of The Board of Directors, which statement shall show all receipts and expenditures incurred during the prior fiscal year. Such financial statement as is prepared shall then be distributed to the various lot owners prior to the annual meeting, one report to each lot owner.

Section 2. Proposed Annual Budget. At least once annually, prior to the annual meeting of the corporation, the board of directors shall cause to be prepared a proposed annual budget for the next ensuing fiscal year. This budget shall estimate the total amount of expenses for such ensuing fiscal year and enumerate the various expenses categories for such proposed spending. The proposed budget shall then be proposed at the annual corporation meeting, be presented to the various lot-owners then in attendance, and be voted upon at that time. At such annual meeting of the lot-owners, the budget may be approved in whole or in part, or may be amended in whole or in part, by a majority vote of the lot-owners in attendance. In no event shall such meeting of the lot-owners adjourn until an annual budget is approved, and adopted. The failure or delay of the board of directors to prepare a proposed annual budget, and to furnish a copy thereof to the lot-owners shall not constitute a waiver or release in any manner of the obligations of the lot-owners to pay the expenses as herein provided for the current fiscal year; the lot owners shall continue to pay regular assessments based upon the last approved budget, as a temporary budget.

Section 3. Regular Assessments. The annual budget utilized by the board of directors shall be based upon the estimated cash requirement for the expenses of the association, as estimated by the board of directors, and shall be limited to each fiscal year's activity. The annual funding of the budget will be assessed to each lot owner, individually, on a pro-rata, share and share alike,

basis. Each lot owner shall be given a regular assessment in the form of an annual dues statement. The regular assessment against each lot shall be paid in full, in advance, by a date specified by the Board, which date shall not be earlier than 15 days after the written notice of such regular assessment is given to the lot owners.

Section 4. Assessment Lien. The regular assessment for each fiscal year of the corporation shall become a lien on each separate Lot as of the first day of each fiscal year of the Corporation, even though the final determination of the amount of such regular assessment may not have been made by that date.

Section 5. Failure of owner to Pay Assessments.

- a. No lot owner may exempt himself from paying regular assessments or from contributing toward the expenses of administration and maintenance as determined by the Board of Directors by the abandonment of the lot belonging to him. Each owner shall be personally liable for the payment of all regular assessments against his lot. Where the owner constitutes or consists of more than one person, the liability of such persons shall be joint and several. If an owner shall fail, refuse or neglect to make any payment of any regular assessment when due, the lien for such assessment on the Owners Lot and dwelling unit may be filed and foreclosed by the Board for and on behalf of the Corporation as a mortgage on real property or as otherwise provided or permitted by law.
- b. The Board may, at its option, bring a suit to recover a money judgment for any unpaid regular assessment without foreclosing (and without thereby being deemed to have waived) the lien securing the same. In any action to recover a regular assessment or any other debts, dues, or charges owed the Corporation, whether by foreclosure or otherwise, the Board, for and on behalf of the Corporation, shall be entitled to recover from the Owner all of the costs and expenses of such action incurred, including but not limited to, reasonable attorney's fees and interest from the date such assessments or charges were due, until paid at a rate equal to the prime interest rate then in effect as publicly quoted or published by a national banking institution maintaining an office in Indianapolis, IN.
- c. Notwithstanding anything contained in this section or elsewhere in this declaration, the articles or the by-laws or any sale or transfer of a Lot and dwelling unit to a mortgagee pursuant to a foreclosure on its mortgage or conveyance in lieu thereof or a conveyance to any person at a public sale in the manner provided by law with respect to mortgage foreclosures shall extinguish the lien of any unpaid installment of any regular assessment or other charges as to such installments which become due prior to such sale, transfer or conveyance provided, however, that the extinguishment of such lien shall not relieve the prior Owner from personal liability therefor. No such sale, transfer or conveyance shall relieve the Lot and dwelling unit or the purchaser at such foreclosure sale or guarantee in the event of conveyance in lieu thereof from liability for any installments of regular assessments or other charges thereafter becoming due or from the lien therefor. Such unpaid share of any regular assessment or other charges, the lien for which has been divested as aforesaid, shall if not collected from the party personally liable therefor, shall be forfeited.

Article VIII
Casualty Insurance

The Corporation shall purchase general liability insurance insuring the Corporation for its premises and operations, its Director's and Officer's errors & omissions liability, and in such amounts and for such risk as the Board of Directors determines to be necessary.

Article IX
Adoption of Covenants and Restrictions

The Members, Board of Directors, and Officers of the Corporation, hereby adopt as part of these By-Laws, the covenants and restriction contained in Instruments previously executed by Handy Homes, Inc., also known as Donnybrook Addition, and contained in the original plat thereof, along with and including those contained in Instruments previously executed by Paul E. & Carol L. Estridge, also known as Donnybrook Woods Addition, and contained in the original plat thereof, both plats having been duly recorded by the original developers. Copies of both documents, along with amendments which were recorded in 2006 & 2007, are attached hereto, and made a part hereof.

Article X
Amendments

These By-Laws may be rescinded, changed or amended upon the majority vote of the Board of Directors, which revisions shall then be represented at two (2) succeeding annual, regular, or special meetings of the members, said meeting not to be held sooner than (1) one week apart, and then approved by a vote of members at the second (2nd) said meeting of the members, upon a majority vote of eligible members present at said second (2nd) meeting, as well as by absentee ballots cast by eligible members.

(Revised & Corrected. 9/14/2007)

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