

**LAKESHORE RESORT PROPERTY OWNERS
ASSOCIATION, INC.**

BY-LAWS

Adopted by a Majority of Members Voting: September 27,
2014

Amended by Majority of Members
Voting:

Lake Shore Resort Property Owners Association, Inc., being Incorporated under a **corporate** charter, dated October 25, 1982, and duly **filed and** approved with the Secretary of State for the State of Indiana, **as** a not-for-**profit** corporation, located in Franklin County, State of Indiana, is **a** voluntary association of persons who are legally entitled **to** the benefits of property rights owned by said Association in the Lake Shore Resort Subdivision. Said Association shall be the legal and exclusive owner **of** various areas reserved for the use of the members **of** the Association including all land, streets, parks, recreational facilities, or other amenities **to** be deeded in the future to the Lake Shore Resort Property Owners Association, **Inc.**, by Lakeland Developers, Inc., to be deeded and conveyed as **set forth** in the Declaration, Covenants, Conditions, and Restrictions **of** Lake Shore Resort Subdivision **recorded** in the land records of Franklin County, State of Indiana, hereinafter referred to **as** the Association. In accordance **with the** restrictive covenants running **with** the land and all restrictive covenants **of** record and binding upon the purchasers, their heirs, executors, **successors, administrators,** and assigns at Lake Shore Resort Subdivision, said Association under paragraph 7B of said covenants, shall have the right to promulgate all rules and regulations for the use of the above-mentioned areas.

Therefore, we the members in good standing of the **Lake** Shore Resort Property Owners Association, Inc., do adopt **the** following by-laws **for the** government **of** this Association, as **20** promulgated this day **of**

ARTICLE 1 – MEMBERSHIP

Section 1 _ Qualifications: The Association shall be composed of all persons holding a legal title to or purchasing a lot or lots, including the purchasing of a lot or lots on contract as having been recorded and on file by Franklin County, Indiana, and the Lake Shore Resort office. No corporation, partnership, joint venture, trust, estate, or any other legal entity except a single individual (including a husband and wife) shall be eligible for membership in the Association. Only one owner of a jointly owned property may be a member of the Association.

Section 2 - Association Rights and Privileges:

A. Property Rights: **Only** members in good standing, their immediate family, **or** invited guests shall be entitled to the use of the various areas, including, but not **limited** to, the access areas and picnic **and recreation facilities**, as well as the roadways owned by the Association; except, the property owners, who are not members in **good** standing of the Association, shall not be denied the use of **the** roadways to gain access only to their properties.

B. Voting Rights: Only members in good standing shall be entitled to vote either **in** person or by mail at annual or called business meetings of the Association. Each member in good standing **shall** be entitled to one vote on each matter submitted to the vote of the members. In the **case** of joint membership, **only** one member shall be entitled to one vote.

Section 3 - Membership Responsibilities: It shall be the responsibility of **every** member of the Association, family, or their guest to honor and abide by the property RESTRICTIONS with **their** property and **any** amendments **thereto**, **in Lake Shore Resort Subdivision; and** to honor and abide by the BY-LAWS, COVENANTS, and the RULES AND REGULATIONS, **of** the Association currently in **effect or** to be amended **by** the Association in the future. **This** responsibility includes:

A. Timely payment of any and all dues, assessments, and fees to **the Association**

B. Participation in the democratic process **by** which **the** Association is governed

C. Cooperation with the enforcement of **all** RULES AND REGULATIONS adopted by

the Board of Directors **for** the peace, safety, security, **and** maintenance of the Association, **its** various **areas**, and **facilities**.

It shall be, be **the** responsibility of every **member of** the **Association** to **cause** the members **of** his/her family and

guests **to** honor and abide by the same. Every member of the Association shall be responsible and answerable for the conduct of each and every guest to the resort, either by himself/herself or a member of his/her family, **while** using the various areas and facilities **of** the Association.

Section 4 - Membership Eligibility: Property owners or persons who are legally entitled to the benefits of property **rights** within **Lake** Shore Resort Subdivision are included as a member in the Association. Application for Membership shall be made on **a** form provided by the Association, as approved by the Board of Directors, and **shall** include current **dues and** any delinquent as well as **current** annual charges, **if any, which shall be** considered **part of** the application. No property owner shall be considered for membership unless and until his/her property is free and clear of any and all indebtedness **to** the **Association**, including **any** liens which the Association may have filed against it, **or** subject to any punitive action taken by the Board.

Application for **Membership** shall be filed **with** the office of **the Association**, which shall immediately acknowledge receipt of the same in writing. The Office shall be authorized to issue the Applicant a Guest Permit. An Applicant shall be considered a guest of the Association **and entitled** to the **use** of the various areas and facilities of the Association until action is taken **by** the Board of Directors upon his/her application for Membership. All fees paid shall be held in escrow, pending action by the Board of Directors. Membership is subject to all sections of Article I. If membership is denied for a legally sufficient reason, **all** fees shall immediately be returned to the applicant.

ARTICLE II - MEETINGS

Section 1 - Annual Meeting: An annual business meeting of members shall be held **for** the purpose of electing directors and **for** the transaction of **such** other **business as may** come before the meeting provided, however, elections may be conducted by mail, in person, or electronically as hereinafter provided for in the By-Laws.

A. Time and Place: The Annual business meeting shall be held at a time and place to be determined each year by the Board of Directors, provided, however, **that said** meeting shall be held no later than the 30th day of September each year.

B. Notice: Written **or** printed notice, sent by regular United States mail or by electronic mail **with** a delivery receipt, stating the day, hour, and location of **the** annual business meeting shall be delivered **to** each member **entitled** to vote, **not** less than **(10)** nor more than thirty (30) days prior to the date of the meeting, by the Secretary of the Association. The notice of the meeting shall be deemed to have been delivered when deposited in the United States **mail**, postage thereon prepaid, or **by** electronic mail **with** a valid delivery receipt addressed to **the** member **at** his/her address (physical / email) as it appears on the current records of the Association preceding the election.

C. Voting by Mail: Thirty (30) days prior to the annual meeting, a ballot listing the **items** of business to be voted upon at the annual business meeting; **including** the names of the candidates nominated to serve upon the Board of Directors, **as** prepared by the **Nominating** Committee, and **also** leaving blank

spaces for write-in candidates **will** be mailed via USPS to the **owner**. Instructions for the **use of** the ballot, together **with an envelope addressed to the Inspector of Election**, c/o Lake Shore Resort Property Owners Association, **Inc.**, (business office address), shall **also** accompany the notice of the meeting. Ballots must be returned **in** the envelope provided, **on or** before the business day preceding the day set **for** the annual business meeting, and shall be counted in the tally.

Section 2 - Special Meetings: Special meetings of the members may **be** called by the President, or a majority of the Board of Directors, or upon written petition to the Board of Directors and delivered **to** same, **signed** by not **less** than **one-tenth (1/10)** of the members in good standing with the Association. The Petition shall state with specificity the purpose for which the **meeting is being called**. A **written or printed** notice stating the place, day, and hour of a special meeting, and the specific purpose for which the meeting **is** called, shall be mailed by regular United States mail, or sent by electronic mail **with** a delivery receipt, by the Secretary, or by the officer or person **calling** the meeting, to each member entitled **to** vote at the **meeting**, by the Articles **of** Incorporation, at the address which appears on the records of the corporation, **at least ten (10) days before** the date of the meeting. Notice of any meeting of members **may** be waived **in** writing filed **with** the Secretary or by attendance **in** person: provided, however, **that in** all cases where the total number of members in good standing of the Association shall exceed one thousand (1,000), a notice **of** the place, day and hour of all annual and special meetings **and, in** the case of special meetings, also the purpose **for** which the meeting **is** called, may be given by one **(1)** publication in a newspaper of general circulation, printed in **English** in the county in which the corporation has its principal office, along with a notice in the official Lakeshore website account. Such publication must be made not less than ten (10) nor more than thirty (30) days prior to the date of the annual **or** special meeting.

Section 3 - Quorum: Because of the provisions for voting by mail, at any meeting of the **members entitled to vote, after** due notice has **been given**, as specified above, a quorum for the transacting of business at any meeting shall be **not less than forty (40)** members in good standing with the Association, provided that opportunity has been made for voting by mail upon the issue. If no provision has been made for voting by mail, a quorum shall be not less than one-fifth (1/5) **of** the members in good standing with the Association.

Section 4 - Authorization by Members: After any special meeting of members

called and held in accordance with the terms of these By-Laws, if said meeting results in a proposed **corporate transaction**, such proposal **shall** be **set** down in **writing**, then such proposal shall be submitted by ballot in writing to a vote of the members in good **standing** of the Association, which said ballot shall be signed by each member who so votes, and shall thereafter be authorized upon receiving the **affirmative** votes of a majority of the members **in good standing of the Association**.

Section 5 - Suspension of Membership: The Board of Directors shall have the right to suspend the membership of any member of the Association **for just cause**. Grounds for **suspension** may **include**, but are not limited to, **the** following:

- A. The failure of any member to pay **dues**, assessments, fines, or fees **to** the Association within ninety (**90**) days after billing the due date. Annual dues are to be paid by April 1st. If annual dues are not paid by July 1st in the fiscal year legal actions will be taken.

- B. The failure of **any** member to honor and abide by the **property RESTRICTIONS, or the By-Laws** or RULES AND REGULATIONS of the Association.

- C. The failure of **any** member to cause the members **of** his/her immediate family or any guests to honor and **abide** by the RULES AND REGULATIONS of the **Association**.

No member **of** the Association shall be suspended without due and sufficient notice in writing, and be a good faith attempt to serve notice on the member by certified mail at least ten (**10**) days **prior to** the effective date of the member's suspension of membership. Every member subject to suspension shall have the **right** to a closed hearing, upon request of the member, with the benefit of counsel **if** desired, before the **Board** of Directors.

Suspension of membership shall be for a period of time to be determined by the Board of Directors at the time of the suspension unless otherwise specified in the **By-Laws**. During the period of suspension, all rights to the use of the various areas and facilities of the Association shall be **denied to** the member, except the right to use the roadways only to gain access to his/her **own** property. However, the suspension does not relieve the member of any of his/her responsibilities and obligations to the Association, including the obligation to pay any dues, assessments, fines, or other charges owed **prior to or**

during the **period of suspension**.

Section 6 - Termination of Membership: membership in the Association may be terminated at any time in any one or more of the following **ways**:

A

Disqualification: Any member who relinquishes his/her legal rights, whether voluntarily or otherwise, to property or to the benefit rights of interest in property in **Lake Shore Resort**, either by **selling**, transferring, **or** assigning his/**her property**, shall automatically and immediately disqualify himself/herself **from** further membership in the Association. However, such disqualification **shall** not relieve the member **of** the obligation **to** pay any dues, assessments, fees, **or** other charges heretofore accrued and **unpaid**. In the event that a **member sells his/her property** on contract, the contract buyer shall be entitled to membership as set **forth in** Article 1 section 4 / Membership Eligibility of the By-Laws. The contract seller shall forfeit his/her right to membership in the Association.

B. Expulsion: The Board of Directors shall **have** the right to expel any member **from** membership in the Association for just cause. **Grounds** for expulsion **may** be, but are not limited to, **the** following **causes**:

1. The failure of any suspended member to be reinstated after a period of at least two (2) years.

2. Contempt of the Association: Any member who willfully, flagrantly, or **maliciously** disregards **or** violates the property RESTRICTIONS running **with** his/her own land, or the By-Laws or RULES AND REGULATIONS lawfully

promulgated by the Association **or** its Board of Directors; or encourages others to do the same, may be held in contempt of the Association.

3 Prolonged Delinquency: **Any** member whose dues, assessments, fees, **or** any other charges owed to the Association are in arrears for a period of at least six (6) months and who, during **this** period of time, has made no effort **to** meet **or** settle his/her financial obligation to the Association, may be judged by the Board of Directors, upon recommendation of the

Finance Committee as a "Prolonged Delinquent". After **all** reasonable efforts have been made to **settle** such obligations, the **Board of Directors**, upon due and sufficient notice, may move to expel such **members from** the Association. However, expulsion for prolonged delinquency shall not relieve the expelled member from his/her financial obligations to the Association therefore accrued and unpaid.

Expelled members shall retain no rights, other than the right **to use** the **Association's** roadways only to gain access to their own property. However, the **expulsion** shall not relieve the **member so expelled of the obligation to pay any dues, assessments, fees, or** other charges heretofore accrued and unpaid.

C. Members who may be expelled **from** membership shall receive written notice at least thirty (30) days before the **effective** date of the proposed expulsion. The Board shall **make** a good faith attempt to provide notice **to** the member by certified mail of the proposed expulsion.

D. Hearing: No member shall be expelled without the opportunity for a closed hearing **before an arbitration** board as hereinafter **provided. Such opportunity shall** be waived **if** such member fails to reasonably **comply with the procedures set out in the remaining portion of this paragraph. In selecting the arbitration** board, **the** member and the Board of Directors **shall** each have the right to select two **(2)** members in good standing with the Association and shall mutually agree upon one (1) additional member in good standing, five **(5)** in all, to hear the case and render a decision. **The** member and the Board of Directors shall each be entitled to legal counsel, at their own **expense.** The decision of such a hearing shall be final.

Section 7 - Forfeiture of Rights: Immediately upon disqualification **or expulsion from** membership, all claims to the rights and privileges of membership shall be negated and such **persons found using** the various **areas and facilities of** the Association, other than the roadways to gain access to **their** own property, shall be considered trespassers under the **laws** of the State of Indiana and legal trespass order will be issued.

Section 8 - Transfer of Membership: Membership in the Association shall be neither transferable nor **assignable.**

ARTICLE III - ELECTIONS

Section 1 - Nominating Committee: The President **of** the Association, subject **to** the approval of the Board of Directors, shall appoint a Nominating Committee **of** not less than three (3) nor more than seven (7) members **in** good standing with the Association, at least one hundred and twenty (**120**) days prior to the day **set** by the Board of Directors for **the annual** business meeting of the Association. Personnel for the Nominating Committee shall be selected with due regard **to** both resident and nonresident members as well as to the various geographical areas of the subdivision **so that** the committee shall be as widely representative as possible. When appointed, the members **of** the committee shall select their own chairman and secretary from among their own committee members. It shall be the purpose of the Nominating Committee to solicit members in good standing with the Association to become candidates for membership upon **the** Board of Directors. It shall be the duty of the Nominating Committee to prepare ballots **with** the names and biographical data of the various candidates who have agreed to stand for election to the Board of Directors. The President shall instruct the Nominating Committee as **to** the number **of** vacancies to be filled and it shall be the responsibility of the Committee to place in nomination at least two (2) or more nominees for each vacancy. The Chairman of the **Nominating** Committee **shall** report its **list** of nominees to the Board of Directors at least forty-five (45) days prior to the day of the annual business meeting only for the purpose of verifying the standing of each nominee with the Association.

Section 2 - Election Committee: The President shall appoint **an** Election Committee, prior to the annual business meeting, subject to the approval of the Board **of** Directors. The Election Committee shall be composed **of** an inspector of Election and **two** (2) tellers, whose duty it shall be, to the best of their skill and ability, to receive and canvass the votes cast and to otherwise conduct the election, and to thereafter certify **the results** of the election to the Nominating Committee. **The** Chairman of **the** Nominating Committee shall thereafter notify each successful candidate elected and request that the President **of** the Association call a special **meeting of** the Board of Directors so that the newly elected directors may take an oath and assume their respective duties.

Section 3 - Filling of Vacancies: Between elections of the Association, the Board of Directors shall have the right **to** fill **any** vacancies on the board, with the

understanding that any **directors so** named shall fill the term of the **director** the person **is** replacing.

Section 4 - Duration of Term and Succession: The Board of Directors shall **consist** of nine (9) members. Commencing **with** the 2014 election, Members shall serve a three (3) year term on the Board of Directors. In 2014, three (3) Directors shall stand for election and shall be elected to a three (3) year term. In 2015, three (**3**) Directors shall be elected and shall serve a three (3) year term. In 2016, three (3) Directors **shall** be elected and **shall** serve a three (3) **year** term. Thereafter, The **Directors** shall serve **on** staggered terms where each year three (3) Directors are elected. A Director shall be entitled to serve two (**2**) consecutive terms before having to sit out **one** (1) year. If a Member is appointed to fill a term due to the death or **resignation** of a Director, or any other reason a Director fails to fulfill a term, that Member shall serve the full remainder of the term of the Director the Member is replacing before having to stand for election. The period a Member may serve as Director before being required to sit out for a period **of one (1) year is six (6) years**. Therefore, **for** example, if a Member replaces a Director after the first year of a Director's term and fills two (2) years of the Director's term, and is then elected to his/her **own** term, thereby serving a period of five (5) **years, the Member** would need to sit out for one (1) year before seeking to be re-elected to the Board again.

Section 5 - Election of Officers: The Officers **of** the Association, as provided elsewhere **in** the By-Laws, shall be **nominated and elected** by and from the Board of Directors. Officers shall be elected at the **called** special meeting **of the** Board of Directors following the annual business meeting of the Association, and the Directors take an oath and **assume** their respective duties. Officers shall be elected for one (**1**) year terms and may be reelected only **for so long as the** remaining members of the Board, **but** the Board shall choose their Officers each year.

ARTICLE IV - BOARD OF DIRECTORS

Section 1 - General Powers: The members in **good** standing **with** the Association constitute the highest **authority** and power of this **corporation**. Between business meetings of the membership, **all of** the affairs of the corporation shall be managed according to the provisions of these By-Laws by a Board of Directors, which shall have and hold all authority and **powers provided by these** By-Laws on behalf **of**

the members of the Association, including the authority to promulgate rules and regulations for **the** control and government of the various areas and facilities owned by the corporation **for the** exclusive benefit of the members of the Association and the power to enforce them by any legal or appropriate action it deems advisable, including, but not limited to, levying fines, but excluding the authority or power to revoke, alter or amend either the CHARTER **or this** corporation or these By-Laws, which authority and power is expressly vested **only** with the members **in** good standing **with** the **Association**.

Section 2 - Number, Tenure, and Qualifications: There shall be **nine** (9) Directors of the Association. Only Members **in** good standing **with the** Lake Shore Resort Property Owners Association (POA) may be elected to the Board of Directors. Any vacancy must be filled by a Member in good standing with the POA listed above.

Section 3 - Vacancies: A vacancy shall be declared upon the Board of Directors under any one of the following conditions:

A. Resignation: If a member of the Board of Directors resigns in writing **to** the Board, **for** any reason, his/her office shall be declared vacant.

B. Disqualification: If a member of the Board of Directors terminates his/her membership

with the Association under any **of** the provisions of Article I, II, or III, he/she shall automatically forfeit his/her seat upon the Board and his/her office shall be declared **vacant**.

C. **Expulsion:** If a member **of the Board** of Directors fails to fulfill his/**her** office without good and sufficient **reason fails** to attend three (3) consecutive, regularly scheduled meetings **of** the Board without an excused **absence or** shows no interest in discharging his/her responsibilities to the Association through continued service upon the Board, the Board of Directors by at least a majority plus one (1) affirmative vote of those Directors present may expel such member **from** the Board of Directors and declare his/her office vacant.

Section 4 - Regular Meetings: A regular, stated monthly meeting of the Board of Directors, open to **all** members in good standing **with** the Association, shall be held at such time and place mutually agreed upon during the called special meeting of the Board following the annual business meeting **of** the Association. Regularly scheduled meetings **of** the Board of Directors may be announced **in** each **issue** of the Association's official publication.

Section 5 - Executive and Special Meetings: Executive closed, **or** special meetings of the Board of Directors may be called **by or** at the **request of the President** or **any two (2)** Directors at any **time** or place, either within or without the State of Indiana. Executive meetings shall be limited to the elected Directors only. Special meetings may be **either** open or closed at the discretion of the Board.

Section 6 - Notice: Notice of any executive or **special** meeting **of the** Board of Directors shall be given by the Secretary or his/her delegate, at least two (2) days prior thereto, either by telephone or written **notice or** by electronic **mail** with a delivery receipt **sent to** each Director at his/**her address** of residence **as** shown on the records **of** the Association as **of** January 1 **except** notice shall not be required if any such meeting is called at the conclusion of any regular monthly meeting of the Board.

Section 7 - Quorum: A majority of the Board of Directors shall constitute a **quorum** for the transaction of business at any meeting of the Board, except **adjournment**. The **quorum** necessary to fill vacancies shall be a majority of **the** existing Directors.

Section 8 - Manner of Acting: The act **of** a majority of the **Directors present** at a meeting at which a **quorum** is present shall be the act of the Board of Directors unless the act of a **greater number** is required by law or specified in these By-Laws. The **President or** presiding officer shall vote **only** in the event of a tie. Unless otherwise specified, Robert's Rules of Order shall prevail.

Section 9 - Participation: Members **of** the Board of Directors may participate in executive **or** special meetings, regular monthly meetings **of** the Board of Directors, **or meetings of the membership of the association** by teleconference or by electronic or videoconference **if** the Directors so consent, **and if the** technology to do so is available. Such means shall not be permitted for the Annual Meeting of the membership of the Association.

Section 10 - Compensation: Directors as such shall not receive salaries for their services, but by resolution of the Board of Directors a fixed sum and expenses of attendance, **if** desired, may be **allowed for attendance at** regular or special **meetings of the** Board. **Nothing herein contained** shall be **construed** to **preclude** any Director **from serving** the Association in any other capacity **and** receiving compensation for it.

ARTICLE V- OFFICERS

Section 1 - Officers: The Officers of the **Association** shall be the President, one or more Vice-Presidents (the number to be determined by the Board of Directors), a Secretary, and a Treasurer. The Board of **Directors** may elect or appoint such **officers**, including one or **more** assistant **secretaries** and one or **more** assistant **Treasurers**, **as it shall deem** desirable, and **shall** have the authority **to** perform duties prescribed by the Board of Directors. Any two or more offices may be held by the same person, except the office of the President. Officers shall be elected annually in the manner prescribed in Article III., Section **5** of the By-laws.

Section 2 - Removal: Any Officer elected or appointed by the Board of Directors may be removed by the Directors by a majority, plus one (1) affirmative vote whenever in its judgment the best interests of the Association would be best **served thereby**. However, such removal shall be without prejudice to the membership **rights**, **if any**, of the Officer **so** removed.

Section 3 - Vacancies: A vacancy in any office, **for** any reason, may **be filled** by **the** Board of Directors for the unexpired portion of the term.

Section 4 - Duties of Officers:

A. President:

1. Chief Executive officer of the Association and shall in general supervise and control all of the business and all other affairs of the corporation.
2. He/she shall preside over all meetings as a member of the Association and of the **Board of Directors** and shall **serve as chairman of the Executive Committee**.
3. He/she may sign, **with any other proper officer** of the corporation **authorized** by these By-laws **or** the **Board** of directors, any deeds,

mortgages, bonds, contracts, or other **instruments**, which the Board of Directors shall have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by statute to some other agent of the Corporation.

4. He/she shall perform all duties incident to the **office** of President and **such** other duties as **may** be prescribed by the Board of Directors **from** time to time.

5. In order to promote a smooth transition of board presidents, the past immediate board president will be invited to be an ex- office member of the executive committee not to exceed one year.

B. Vice President

1. In **the** absence of the **President** or in the event of his/her **inability or refusal** to act and with the approval of the Board, the Vice **President** (or in the event, there be more than one Vice President, **the** Vice President in order of their election) **shall perform** the duties of the President, and when **so** acting, shall have all the **powers** of and be subject **to** all the restrictions upon the President.

2. The **first** vice President shall serve as **chairman** of the Rules, Regulations, and Legal Committee and **with** any other Vice President shall perform such other **duties as from time to time** may be **assigned by the president** or **by** the Board of **Directors**.

3. In order to promote a smooth transition of board vice presidents, the past immediate board president will be invited to be an ex- officio member of the executive committee not to exceed one year.

C. Secretary:

1. The Secretary of the Association **shall be responsible** for **all of** the **membership** records of the corporation, including the names, addresses, and membership status of every current member, **and** shall serve on the **membership committee**.

2. He/she shall keep **or** cause to be kept a permanent **record** of every person elected into membership from the beginning **of** the Association, together **with the** dates **of** election and termination **of membership** and including the circumstances of termination (**i.e.** resignation,

disqualification, **or** expulsion).

3. **The** Secretary shall have at all times a listing of the members in good standing, eligible to **vote** and shall see that all notices of business meetings of the membership, with any attachments thereto, are properly delivered as prescribed **in** Article II., **1.B.** and C., and Section 2.

4. The Secretary shall **keep** the minutes of **all** meetings **of** the members and of the Board **of Directors** in one or more books provided for that purpose. **The** minutes and financial reports shall be posted in the public area of the parkland and updated monthly. The **minutes and** financial information **may** be emailed to owners who have provided an email address **to** the park.

5. Develop and maintain a variety of methods of communication that include, but are not limited to, **social** media, email, and park websites that **notify** owners **of key** notices and encourage a sense of **community**.

6. The Secretary shall be the custodian of the Charter **and** By-Laws of the **corporation and of** the corporate Seal **and** see that the Seal of the Association is properly affixed to all documents, the execution of which on behalf of the Association is **duly** authorized by these By-Laws, the Board of Directors or the statutes **of** the State of Indiana **or** any regulatory agency thereof.

7. Secretary shall be **responsible for all correspondence of the Association**, including the processing **of all** Applications for Membership according **to** the provisions of Article 1., section 4., and in general shall perform or cause to be performed all **duties** incident to **the** office of **Secretary** and **such** other duties as from time to time may be assigned to him/her by the President or by the Board of Directors.

8. The secretary is responsible for mailing and record keeping of fine letters and or any other documents at the discretion of the executive boards.

9. In order to promote a smooth transition of board secretary, the past immediate board president will be invited to be an ex- officio member of the

executive committee not to exceed one year.

D.

Treasurer:

1. The Treasurer of the Association **shall be** responsible **for all of the** financial records of the corporation, including all accounts receivable **for** all of the financial records of the corporation, including all accounts receivable from members and former members of the Association and any other sources whatsoever, and all accounts payable to any and all creditors of the Association.

2. He/she shall have charge and custody of and be responsible for **all** funds and securities of **the** corporation and **shall** give bond for the faithful discharge of his / her duties in **such** sum and **with** such **surety or** sureties, fidelity **or** fidelities, as the Board of Directors shall determine and at the expense of the Association.

3. He/she shall receive and give receipts for **all** monies due **and** payable to **the** Association from any **source** whatsoever, and deposit all such monies, in the name of the corporation, **in** such banks, trust companies, or other depositories as shall be selected by the Board of Directors or cause the same to be done **on** his/ her behalf by a bonded employee of the corporation if approved by the Board of Directors.

4. He/she shall disburse, or cause to be disbursed **by a** bonded employee or the corporation approved by the Board of Directors on **his**/her behalf, funds of the **corporation** in **payment of any and** all just debts as authorized or approved by the **Board of Directors**.

5. He/she **shall** prepare, or **cause** to be prepared, a monthly balance sheet of receipts and disbursements, together with a check register in support thereof, and a quarterly statement of conditions reflecting the fiscal status of the budget of revenue and expenditures and report the same in writing to the Board.

6. He/she shall serve as chairman of **the Finance** Committee.

7. In general, he/she shall perform or cause to be performed all **duties** incident to the Office of **the** treasurer and **such** other duties as **from** time to time may be **assigned** to him/her by the President or by the Board of **Directors**.

8. 5. In order to promote a smooth transition of board Treasurer, the past immediate board president will be invited to be an ex- officio member of the executive committee not to exceed one year.

E. Other

Officers:

1. If elected or appointed by the **Board** of Directors, any other officers, in **general, shall** perform such duties as shall be assigned to them by the **President**, any other officer who they are named to **assist**, or by the Board of **Directors**.

2. Any assistant Treasurer(s) shall give bond in the same manner as the Treasurer of the Association.

ARTICLE VI - ADMINISTRATION

Section 1 - Offices: The principal business and administrative office of the Association shall be located in the Lake Shore subdivision, **Franklin** county, Indiana. The Association may have such other **offices** as the Board of Directors from time to time may determine and as the affairs of the corporation may require.

Section 2 - Management: The board of directors shall have **the** right to employ both full-time and part-time personnel to assist **with** the management **of** the affairs of the **corporation**. All such employees shall **be** responsible and accountable either **directly** or indirectly to the Board of Directors. All full-time employees shall, and any part-time employees may be employed **under written contract with** the Board of Directors.

A. Park Manager: If the Board of Directors acts by a two-thirds (3) majority vote to employ a Manager, either full-time or part-time, he/she shall be under written contract and directly responsible and accountable to the board of directors. The Board of directors may discharge such a Manager by a two-thirds (%) majority vote. He/she **shall** serve as chiefs of staff to any and all other employees **of** the Association **and shall** be **fully** responsible for them with respect to their **service** to the Association.

1.

Duties:

a. Under direct supervision of the Executive **Committee, the Manager shall** administer those duties delegated to him/her by **the** aforesaid committee, including, but not limited to, the keeping of both the membership and financial records of the Secretary **and** Treasurer, **respectively**.

b. He/she shall attend all meetings of the membership and of the Board of Directors, except Executive Meetings, **but** shall be **ex-officio** and without power to **vote**.

c. He/she shall maintain and manage **the** business and administrative office of the Association and shall have the authority, **subject to the** approval of the Board of Directors, to employ additional personnel to assist him/her **with** his/her duties.

d. He/she shall make a **monthly** report of his/her **activities to** the board of **directors**.

2. Responsibilities:

A. The Manager, if caused to perform duties for which the **Treasurer** of the Association is responsible, shall give a bond, **at the expense of the** Association, for the faithful discharge **of** those **duties, in** such sum and **with** such surety or sureties, fidelity or fidelities, as the Board of **directors** shall determine. However,

under no circumstances shall the Manager act in any fiscal matter **without** the advice and consent **of** the **Treasurer**, **who** shall be required **to** counter-sign **any** and all **checks, drafts, or** orders for payment of money, notes, or other evidence of indebtedness **issued** in the **name of the** Association.

b. He/she shall be responsible for hiring all additional personnel for whom **money is** allocated in the operating budget and shall **directly supervise their work**.

c. He/she shall also have the authority, subject to the approval **of** the Board of directors, to employ contract **labor for specific work** or projects. However, **it** shall be completely understood that the **Manager shall have** no authority to obligate the Association under any contract **whatsoever**, without the express and prior approval of the Board of Directors.

d. At the direction of the board, he/she shall **advertise** for and **receive** bids but the authority to award contracts shall be vested exclusively **in** the board of Directors.

3.

Tenure

a. The Manager shall be employed for an indefinite period which period is subject to termination upon **thirty (30)** days' notice by **or** to the board of Directors; however, the Board of Directors **may** terminate the Manager immediately for malfeasance **or** misfeasance and, **in** such event, the Association may pay to the Manager **one** month's regular salary as severance **pay**.

b. The terms of compensation and other benefits shall be specified in the contract and subject to annual review by the Board **of** Directors.

B. Other
Employees:

1. The board of directors may retain **or** delegate to the Manager the responsibility for employing other personnel on a full or part-time basis. In either event, all personnel employed shall be directly accountable to the Manager and therefore, shall be employed subject **to his/her approval**.
2. It shall be the responsibility **of** the Manager to report **to the** Board of **Directors** any and **all** personnel needs of the Association and the Board of Directors shall retain the right **to fill** those needs within **the financial ability of the Association**.

C. Professional help:

1. The Board of directors shall have the right to retain under contract professional help on a consultative **or advisory basis when such** help is deemed to **serve the best interest** of the **Association**.
2. **Such** contracts shall be drawn on **an** annual basis **or for** longer periods of time. However, they shall be for a definitely stated period of time and subject to review by an appropriate committee for the Board, which shall report **its** recommendations to the board of Directors before the Board acts to renew **any such** contract.

D. Agencies and Commissions:

1. The Board of Directors shall have **the** right to create and **fund** agencies and commissions as it may deem appropriate, to further the program of the Association.
2. Such agencies **or commissions** shall not be **autonomous** and **shall be subject to the advice** and consent **of** the Board of directors and the Board of Directors shall **reserve** the right to dissolve them at **any time** by resolution of the Board.

Section 3

Committees of the Board: The Board of Directors **may** designate committees of

the Board, which, to the extent **provided** in these By-Laws or **by** resolution of the Board, **shall** have **and** exercise the authority of the Board **of Directors in the** management of the business **and** affairs **of** the Association, but the designation of such committees **and** the delegation **of** authority thereto shall not operate to relieve the Board of Directors **as a** whole, or any individual director, of any responsibility imposed upon it or him/her by law. Each committee of the board shall be chaired by a member of the Board of Directors.

A. Committee of **Officers**: **The** Officers of the Association shall **comprise the** membership

of each **of the following** committees:

1. Executive Committee: The Executive Committee shall consist **of three (3)** Directors **of** the Association, who shall **serve until** the next **annual election** of Officers. The President **of** the **Association shall serve as** chairman **of** the **Executive Committee**.

The **Executive** Committee shall:

a. Be responsible for the administration of the affairs of the Association between meetings **of** the Board of Directors.

b. Serve as the Personnel Committee in **developing** job descriptions, employment policies, and contracts, and shall recommend personnel for employment, all subject to the approval of the Board of Directors.

c. Give oversight and supervision to the office **of** the Manager and when that office is vacant, shall perform the duties **of** that office as outlined **in** Section 2., A **of** this Article.

d. Be responsible for long-range planning of the **affairs** of the Association and present its recommendations to the Board of Directors for approval. e. Shall seek **to** encourage and **give guidance** and counsel to all other committees of the Board **so** as to coordinate the total program of the Association.

2. Rules, Regulations, and Legal Committee: The Rules, Regulations,

and Legal Committee shall consist of three (3) Directors of the Association, who shall serve until the next annual election of officers. The First Vice President of the Association shall serve as chairman of this committee. It shall be responsible for:

a. Promulgation of all RULES AND REGULATIONS, including the By-Laws and a codified set of RULES AND REGULATIONS consistent with the laws and statutes of the United States of America and the State of Indiana, as well as the restrictive covenants running with the land in Lake Shore Subdivision, satisfactory to the regulatory officials of Franklin County.

b. The control and government of the use of the various areas and facilities at Lake Shore are owned by the Association.

c. The promulgation of all RULES AND REGULATIONS, except for the By-Laws, shall be in accordance with the provisions of Article X, of these By-Laws.

d. The Review of the RULES AND REGULATIONS from time to time and in consultation with or upon the recommendation of other committees of the Board, of the Board of Directors as a whole, or members in good standing with the Association, recommend to the Board of Directors any changes, additions or deletions thereto.

e. Publishing a set of codified RULES AND REGULATIONS, for distribution periodically to every member in good standing with the Association.

f. Authorize the Security Committee, subject to the approval of the Board of Directors, to enforce such RULES AND REGULATIONS by any legal and appropriate action it deems advisable.

The chairman of the RULES, REGULATIONS AND LEGAL Committee or a member of the committee in his absence shall preside over any and all hearings with regard to infractions of the RULES AND REGULATIONS cited by the Security Committee or any agency or agent of the Board of Directors authorized to enforce same and shall have the authority to impose fines or restrict the privileges of any member of the Association

found **to** be in violation of the RULES AND REGULATIONS. Hearings with regard to infractions of the RULES **AND** REGULATIONS:

a. May be called by **this** committee upon receiving the knowledge of the alleged infraction.

b. The hearing shall **be** set down at a specified **date**, time, and place, and violation or violations alleged, **a** request **that** the alleged violator is present to confront those making the allegations, and a statement **of** the possible actions to be taken by this committee, shall be given in writing to the alleged violator by hand delivery, by USPS **mail at least** ten (10) calendar days prior to the scheduled hearing.

c. At the **scheduled hearing, the Committee**, in attendance **by** at least two (2) Directors serving heron, shall first read aloud the alleged violations, shall then hear the testimony from those making **the** accusations of **the** violation **or** violations, then shall hear the testimony of the alleged violator and **those** testifying in behalf **of** the **alleged** violator, **and shall, after** hearing all **testimony aforesaid, briefly consult** among or between **themselves and, on the night of the hearing, advise on** their decision **of** whether the violation or violations did in fact occur and, if so occurring, the fine and/or **restrictions** applicable for such violation or violations.

d. The Committee shall promptly **inform** the President of the Board of its actions regarding the result of the hearing and advise the violator **if** one thereby, **that** he or she may request in writing that the Board at its next scheduled meeting review **the** imposition and severity of the fine only, but in no event **will the facts be reviewed.**

e. The Committee shall have the authority **to** recommend the retaining of an attorney-at-law for the Association, **subject** to the **approval** of the Board **of** Directors, **and** in general, shall be responsible for the management of all of the legal affairs of the corporation.

f. This Committee or **any** member thereof **is** specifically **relieved** of any liability for performing its duties.

3. Finance Committee: The Finance Committee shall consist of three (3) Directors of the Association which shall **include** the Treasurer of the Association, all of who shall **serve** until the next annual election of officers. The Treasurer shall serve as chairman of this Committee. The Finance Committee shall:

a. **Be** responsible for the management of all of the fiscal affairs of the **corporation**, subject to the **approval** of the Board of Directors.

b. Review the fiscal **position** of the **Association monthly and annually and** recommend ways and means **of** generating revenue consistent with the **financial needs** of the **Association**.

c. Recommend an annual budget of revenue and expenditures to the Board of Directors for **approval**, and when approved shall supervise **the** administration of the budget.

d. Meet prior **to** each regular monthly meeting of **the Board** to examine **the Treasurer's Report, including the monthly balance sheet** and quarterly statement of **conditions; as well as to review all bills** and **statements of** indebtedness payable by the Association, and formulate its recommendations **to** the Board for action.

e. Recommend the retaining of an accountant **for** the Association, subject to the approval of the Board, and shall arrange for **an** annual audit of the books and **records** of the Association, **if** required by the Board.

f. Recommend depositories for the funds of the Association, as well as the investment of **any** reserve funds or undivided surplus. The Committee shall be responsible for **the** recommendation of fiscal policy to the Board and in general, shall oversee the fiscal operation of the Association.

B. Standing Committees of the Board:

1. Environmental Committee: In general, the Environmental Committee shall be responsible for all of the **affairs** of the Association **with** regard to the **use**, maintenance, and improvement of the **streets**, parks, recreational facilities, or other amenities. The Environmental Committee shall be responsible for all of the affairs of the Association **with** regard to the development of the residential **character** of **Lake** Shore Subdivision and **from time to time shall** recommend to the Board of Directors its suggestions for improvements to the safety, convenience, and appearance **of** the area. The responsibilities of the Environmental Committee include, but **are not** limited to:

a. Custody over **all** of the streets, **parks**, recreational facilities, **or** other amenities to be deeded **in** the future by the said Developer.

b. Supervise the maintenance and improvement of these facilities on behalf of the Board of Directors **and** subject **to** its approval.

c. Recommend policies for the maintenance and use **of** the roadways, including weight and **speed limits**, to the Board of Directors, which when approved shall be incorporated by the Rules, Regulations, and Legal Committee in the RULES AND REGULATIONS.

d. Consultate with the **Manager or** with the Executive Committee in the event **there** is no Manager, **concerning** scheduled maintenance and improvement **of** the roadways, buildings, and equipment **controlled** by the **Association**.

e. Approve the purchase of all equipment, authorized by the Board of Directors, to facilitate **its** work, advertise for and receive bids upon any and all construction **beyond** the capability **of the** Association's maintenance crew, subject to the approval of the Board of Directors, which alone **retains** the right to enter into

contracts and **award** bids.

f. Approve all building plans, including sanitation plans, for the construction of houses and any appurtenant structures, **prior** to the beginning of construction by any property owner **in Lake Shore Subdivision**, including the **Association**.

g. Develop a building code consistent **with** the provisions of the restrictive covenants running **with** the land in **Lake Shore Subdivision** and any amendments, thereto, and shall issue **or cause** to be issued a Building Permit for any and all construction prior to the commencement **of** work.

h. Halt construction for which no Building Permit has been issued or which is at variance in any way with the building code, by any legal and appropriate action it deems advisable.

i. Consult with the Manager **or** the Executive Committee in the event there is not a Manager, concerning the inspection and testing of all aerobic and other types of septic systems installed in Lake Shore Subdivision, which may be delegated to a **qualified** employee or contractor of the Association, who shall cause the results of such test to be reported to the Franklin County Department of Health as the case may be, and who shall keep the Environmental Committee **informed** and advised **of all** communications with the property owner and the County Board of Health. In the event a health hazard is determined by the County **or** State Board of **Health**, **the Environmental** Committee **or** the Board **of Directors is** specifically authorized and directed to **take all** steps necessary to correct the **such** hazard, including, but not limited **to**, notifying all public **utilities** servicing such area affected **to** discontinue service thereto.

j. Specifically relieved of any **liability** in **the** performance **of** its above-described **duties**.

2. Security Committee: The Security Committee shall be responsible for the **enforcement** of all RULES AND REGULATIONS adopted by the Board

of Directors **for the** control and government of **the** various areas and **facilities** belonging to the Association. In the event the Board of Directors creates **or** employs an agent or **agency** to enforce the RULES AND REGULATIONS, that agent or agency shall be directly responsible to the Security Committee which shall supervise its work. The responsibilities of **the** Security Committee include, but are not **limited to**:

a. Recommend **policies for the maintenance and improvement of security and safety to** the Board of Directors, which, when approved, shall be incorporated by the Rules, Regulations, and Legal Committee in the RULES AND REGULATIONS if appropriate.

b. Approve the purchase of **all** equipment, authorized by the Board of **Directors to facilitate its work.**

c. **Consult with** the Manager **or with** the Executive Committee in the event there **is** no Manager, **concerning** the full operation of its program, including the employment of personnel.

d. Responsible for all **of the affairs of** the Association with regard to security.

3. Membership Committee: **The Membership Committee shall** be responsible **for** the maintenance and improvement of public relations between the members **of** the Association and the public relations between **the** Association and the general community, as well as for the **interviewing and** recommending of Applicants for Membership according to the **provisions** of Article 1. Section 4 of the Membership Eligibility. The Secretary **of** the Association **shall** serve as **a** member of the Membership Committee. The responsibilities of the Membership Committee include, but are not limited to:

a. Arbitrate all grievances between members of the Association and the Board of Directors.

b. Recommend policies to the Board **of** Directors for the

maintenance and improvement of good relations between members and the Association as well **as** the Association and the general public.

c. Concerned for the general image of the Association and **work** to build *esprit de corps* among the members of the Association.

d. Responsible for all affairs **of** the Association with **regard** to public relations.

e. Track parcel transfers by contacting the Franklin County Treasurer and reviewing Sales Disclosure Forms.

f. Provide information to new **owners** on their responsibility to notify the **office** of property transfer.

4. Recreation **and** Entertainment Committee: The Recreation **and** Entertainment The committee shall be responsible for the maintenance and improvement of a program **of** social activities **for** the benefit **of** the members **of** the Association. The responsibilities of the Recreation and Entertainment **Committee** include, but **are** not **limited to**:

a. Recommend policies for the use **of** property, facilities, and equipment **reserved** for recreation and entertainment.

b. Encourage the formation of clubs and interest **groups** limited to **the** members **of the Association** and **their immediate** families.

c. Attempt to provide the widest variety of recreational opportunities and social activities for all age levels, restricted to the

members of the **Association**, their immediate families, and invited guests.

d. Responsible for all the affairs of the Association with regard to recreation **and** entertainment.

5. Other Standing Committees: The Board of Directors, by resolutions adopted **by** a majority of the **Directors**, may designate other standing committees, which shall exercise **the** authority of the **Board** of Directors, **in** the management of the business and **affairs of** the Association to the extent provided by the resolution **and** consistent with the provisions of Section 3, of this **Article**.

Section 4 - Other Committees: Other Committees, not having and exercising the authority of the Board of Directors, in the management of the Association, may be designated by a resolution adopted by **a** majority of **the** Directors. Except as otherwise provided in such resolution, members of such committees shall be members in good standing **with** the Association. Their term of office, chairman, and **rules** shall be as **specified** in **such** resolution, provided, however, that they **do** not conflict with the provisions of these By-Laws.

ARTICLE VII - BUSINESS AFFAIRS

Section 1 - Fiscal Year: The **fiscal** year of **the** Association shall begin on the first day of January **and** end on the last day of December **in** each year.

Section 2 - Charges, Dues, Assessments, Fees, Etc.:

A. Annual Dues: The Annual Charges shall be as prescribed in paragraph 7C.1. Of

the Declaration of **Covenants**, Conditions, and Restrictions of **Lake** Shore Resort Subdivision, and shall be due and payable to **Lake** Shore Resort Property Owners Association, Inc. annually on the first day of April (April 1) and shall be **considered delinquent** thirty (30) days thereafter which is the first day of May (May 1).

B. Special Assessments: The Board of Directors, subject to the

affirmative vote of a majority of **the** members in good standing at any business meeting of members, may levy special assessments upon the members of the Association for any specific purpose providing that all monies received through such special assessments are reserved exclusively for the **purpose** specified.

C. **Payment:** Annual assessments, **and** fees, **are** not transferable or refundable. D. Liens: **When a property owner fails to pay the annual** charge to the Association as provided for **in** paragraph 7C.1 of the restrictive covenants affecting the **property** situation in Lake Shore Resort Subdivision, a lien may be filed in accordance **with** the laws **of the State of** Indiana, **against** the property of said **property owner**.

Section 3 - Debt Limit: The aggregate amount of indebtedness that the Association may have at **any** given time **shall** not exceed the total anticipated **revenue** from the annual membership dues for the year plus the total of the emergency fund at any given time, without the expressed approval of the members in good standing **with** the Association by an affirmative vote **of a** majority of such members at any business meeting of members of the Association.

Section 4 - Notes, Bonds, Mortgages, Etc.: The Board of Directors may borrow funds up to the **limitation** of indebtedness specified in Section 3, of this Article VII, and shall have the authority to execute notes or other evidence of indebtedness, **issue** bonds **or** make mortgages upon Association property **and** in the name of the Association as **it sees** fit and deems **necessary** to **prudently** manage the **business affairs of** the Corporation and advance the purposes of the Association. All notes, bonds, **mortgages**, or other evidence of indebtedness issued in the name **of** the Association shall be signed by the Treasurer and countersigned by one other Officer of the **Association** and in such **manner, as shall from time to time be** determined by resolution of the Board of Directors. No indebtedness in any **form** whatsoever shall be incurred by the Board of Directors without the advice and consent of the Finance Committee, which shall evaluate the fiscal position of the Association and make its recommendations to the **Board**. A majority plus one (1) affirmative vote of the Directors shall be required before the Board shall incur any indebtedness. All indebtedness shall be written against the Corporation and neither **the** Officers nor the Directors shall be held personally liable for any such indebtedness.

Section 5 - Investments: The Board of Directors may determine **from time to time** the best investment of any and all emergency funds so as to realize the best

possible earnings on such **funds**. The Board of Directors shall have the right to invest such **reserves** in **Certificate** of Deposit, US Treasury Notes, real estate, first mortgages, or any other **forms** of investment calculated to generate revenue for the Corporation. The Board of Directors shall not have the right to purchase **real** property or any other capital asset **in excess** of Five Thousand Dollars (\$5,000.00) without **first** obtaining the advice and consent of the Finance Committee. Any purchase of real property or capital asset **in excess of** Fifty Thousand Dollars (\$50,000.00) shall be put **out** to a vote **of the** members, in good standing, of the Association for their approval. Any **borrowing** of money, whether in the form of a mortgage or the pledge of bonds, shall be put to a vote of the members in good standing of **the** Association. The Board of Directors **shall** be authorized to buy lots in Lake Shore Resort Subdivision at **tax** sales for resale to property owners or **prospective** property **owners** at fair market value, taking into consideration the Association's investment, legal fees, back dues, liens, water **bills**, property **taxes** and a reasonable rate of interest **on** funds invested in such purchases. No investment of **the** emergency fund of the Association in **any** form whatsoever shall be made by the Board of **Directors** without **the advice and** consent of the **Finance Committee, or** in the **event that** the investment portfolio becomes too burdensome **to the** Finance Committee, without the advice and consent of an Investment Committee which may be created by resolution of the Board of Directors **as a** Standing Committee of the Board. The Board of Directors, if it deems appropriate, may create or employ by resolution an agent or agency to manage its investment portfolio, with the terms and **conditions** specified in such resolution. At least twenty-**five** percent (**25%**) of the emergency fund of the Association shall be held in such liquidity as to be available **to** the Association upon Ninety (90) **days'** notice. All **investments** shall be made **in** the name of the Corporation or in the name of any agency created or employed by the resolution of the Board of Directors. A majority plus one (1) affirmative vote of the Directors shall be required before the Board shall invest any of the Association's reserves. Neither the Officers **nor** the **Directors** shall be held personally liable for any loss of funds as a result of **such** investments and any profits **on** such investments shall inure solely to the benefit **of the Association's emergency fund**, the Association's investment portfolio or to the Association, provided however, that **such** profits **shall** not be distributed to the members of the Association **as** dividends **in any** form.

Section 6 - Contracts: The Board of **Directors** by resolution **may authorize** **the** Executive Committee or any other Committee of the Board, the Manager, **or** any **agent or** agency of the Association, to enter into any contract or execute and deliver any instrument in the name and on behalf of the **corporation**, and such authority may be general or confined to specific instances.

Section 7 - Administration of

Funds:

A. **Deposits:** All funds payable to the other of the Association shall be deposited to the credit of the Association in such bank, trust companies, or other depositories as the Board of Directors may select, either by the Treasurer or by his/her designated representative who shall keep a careful record of all deposits and report regularly to the Treasurer.

B. **Withdrawals:** All checks, drafts, or orders for payment of money shall be signed by the Treasurer or by his/her designated representative and countersigned by an Officer of the Association as shall from time to time be determined by resolution of the Board of Directors.

Section 8 - Books and Records: The Secretary and the Treasurer on behalf of the Association, shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of the members of the Association, Board of Directors, and any committees of the Board, and shall keep at the principal business and administrative office or at another registered office, approved by the Board of Directors, a record, giving the names and addresses of the members entitled to vote. All books and records of the Association may be inspected by any member, or his/her agent or attorney for any proper purpose at any reasonable time, after at least twenty-four (24) hours written notice is received by the Board of Directors stating reasons for such action.

Section 9 - Gifts: The Board of Directors may accept on behalf of the Association any contribution, gift, bequest, or devise for general purposes or for any special purpose of the Association.

ARTICLE VIII - GUESTS

Section 1 - Definition: Members in good standing with the Association shall be eligible to entertain members of their immediate families and invited guests in the various areas and facilities reserved for the benefit of members only. Immediate family shall be limited by the definition of dependent parents and children, including adopted or foster children for whom a member is legally responsible. All others shall be considered guests, upon invitation, and shall be required to hold guest permits.

Section 2 - Guest Privileges: Members in good standing shall not be limited as

to **the** number, duration, **or frequency** of their **invited guests**, **except** that no guest shall be admitted past the gate without the expressed consent of **a** member. Members expecting more than five (5) guests at any one time shall inform Security of the names and number of guests and arrange for the issuance of their guest permits. Guests shall be entitled to full use of the various areas and facilities of the Association.

Section 3 - Limitations: Persons residing in a dwelling other than the dwelling occupied by a member in good standing **with** the Association shall not be considered as guests **of** such members. **The** annual charge on property rented, leased, or loaned shall be the responsibility **of** the legal owner or owners of such property.

ARTICLE IX - RULES AND REGULATIONS

Section 1 - Code: As prescribed in **Covenant B.**, **of** restrictions **running with** the land in Lake Shore Subdivision and as provided for in Article IV., 1, **of** these **By-Laws**, the Board of Directors, on behalf of the Association, shall promulgate **RULES AND REGULATIONS** to govern and control **the** use of the **various** areas and facilities owned by the Association and reserved for the benefit of **its** members. It **is** expressly set out that all **RULES AND REGULATIONS** heretofore promulgated, not rescinded by the Board of Directors, are in full force and **effect**. All future **RULES AND REGULATIONS** shall be **formulated** by the Rules and **Regulations** and Legal Committee **of** the Board of Directors as provided for in **ARTICLE VI., A., (2).**, of these **By-Laws** and when approved by the Board of Directors shall be incorporated **into** a codified set of **RULES AND REGULATIONS** which, **in addition to these By-Laws**, **shall** be binding upon the members of the Association.

Section 2 - Procedure: The formulation of all **RULES AND REGULATIONS** shall **be** the responsibility of the Rules, Regulations, and Legal Committee of the Board of Directors. Any member in good standing with the Association, any committee created by resolution of the Board of Directors, any committee of the Board, **any** recognized **club**, or the Board of Directors **itself**, may suggest a rule or regulation, which in its best judgment **would** benefit the well being of the Association or the peace, safety, and security of its members. **The** Rules, Regulation **and** Legal Committee shall first give serious consideration to all such suggestions and shall draft a rule or regulation upon those suggestions that it deems to be in the best interests of the members of the Association. The Committee shall consult with the **Association's Attorney** concerning the legality and language **of** the rule or regulation and its consistency with the restriction, **By-Laws**, **RULES, AND REGULATIONS** as well as with **the** laws **of** the State of Indiana.

When properly formulated, the Committee shall recommend the proposed rule or regulation to the Board of Directors in writing for a first reading. If approved by an affirmative vote of the majority of the Directors present, the proposed rule or regulation shall be published in the Association's official publication. It shall be given a second reading at the next regular monthly meeting of the Board of Directors, at which the Board shall hear any discussion **or** reaction to it either verbally or submitted **in** writing by members in good standing **with** the Association. Following the debate, the Board of Directors shall give the rule or regulation a **third** and final reading and, if unchanged, shall immediately act upon it. A majority plus one **(1)** affirmative vote of the Board of Directors shall be required to adopt any rule **or** regulation. If significantly changed or amended following debate, **the** rule or regulation in its amended form shall again be published in the Association's official publication and shall not be acted upon until the following regular monthly meeting of the Board. In the **case** of emergency rules or regulations are subject to revision **or** rescission following additional readings and publication in the Association's Official Publication. When duly adopted, the Rules, Regulation and Legal Committee shall codify the rule **or** regulation and incorporate it into the Rules and Regulations.

Section 3 - Rescission: The Board of Directors, subject to the advice of the Rules, Regulations, and Legal Committee, by a majority plus one **(1) affirmative** vote **of** the Directors, may rescind **any** rule **or** regulation in its code whenever so promulgated; provided, however, that the **Board** shall publish **its intention** to do so **in** two **(2)** consecutive **issues** of the Association's official publication prior to the taking **of** such action and shall provide an opportunity **for a hearing of the** Association members in good standing at a regular monthly **meeting of the** Board.

These By-Laws may be altered, amended, or repealed and new By-Laws may be adopted by a majority vote of members in good standing at any meeting **of** members pursuant to Article II., if such members are given notice sent by regular **United** States mail, or by electronic mail **with** a delivery receipt pursuant to the laws of the State of Indiana. For purposes of amending the By-Laws, **members in** good standing shall have at least **thirty (30)** days notice of **any** proposed amendments prior **to** the vote on any such amendment. Adopted

ARTICLE X - AMENDMENTS

