

**CODE OF BY-LAWS
OF
ANSON GOVERNING ASSOCIATION, INC.**

**ARTICLE 1
Definitions**

The definitions and terms as defined and used in the Master Declaration of Covenants and Restrictions of Anson and the Articles of Incorporation shall have the same meaning in these By-Laws and reference is specifically made to Article 9 of said Articles and Exhibit A of said Declaration containing definition of terms.

**ARTICLE 2
Board of Directors**

Section 2.01. Functions. The business, property and affairs of the Corporation shall be managed and controlled by a Board of Directors as from time to time constituted (herein collectively called “Board” or “Directors” and individually called “Director”).

Section 2.02. Eligibility. No person shall be a Director who is not a designee of Declarant or, in accordance with Section 2.04(a), of a Supplemental Association. Any Director designated by Declarant is not required to be an Owner. Any Director designated by a Supplemental Association shall be an Owner and a member of such Supplemental Association.

Section 2.03. Number. The number of Directors comprising the Board shall be three (3), which number may from time to time be increased by resolution adopted by not less than a majority of the Board of Directors. In no event shall the number of Directors be less than three (3) nor more than seven (7) and no reduction in the number of Directors shall have the effect of removing a Director from office prior to the expiration of his term.

Section 2.04. Appointment. The members of the Board shall be appointed by the Declarant acting in its sole discretion and shall serve at the pleasure of the Declarant, subject to the following:

(a) At such time as a majority of the members of a Supplemental Association’s board are elected by its members pursuant to its by-laws, or whenever the Declarant earlier determines with respect to such Supplemental Association, one director appointed by the Declarant shall resign and such Supplemental Association shall be entitled to appoint one member of the Corporation’s Board, who shall serve at the discretion of such Supplemental Association. Directors appointed to the Corporation’s Board by a Supplemental Association shall be appointed in such manner and for such terms as may be determined by the Board of Directors of such Supplemental Association in accordance with its constituent and governing documents.

(b) Notwithstanding anything herein to the contrary, prior to the Applicable Date, Declarant shall be entitled to appoint a majority of the Directors.

(c) Subsequent to the Applicable Date, each member of the Board of Directors shall be appointed by a Supplemental Association.

Section 2.05. Term. Each Director, other than a Director appointed by Declarant, shall serve for a term of one (1) year or until his successor is elected and qualified or until he has resigned or been removed. Incumbent Directors shall be eligible for re-election and the number of years a person may serve as a Director is not limited. A Director appointed by Declarant, including the initial Directors identified in Section 5.02 of the Articles, shall serve until such Director dies, resigns or is removed by Declarant.

Section 2.06. Resignation. Any Director may resign at any time by giving written notice of such resignation to the President or the Secretary of the Corporation. Such resignation shall take effect when the notice is effective unless the notice specifies a later effective date. The acceptance of a resignation shall not be necessary to make it effective.

Section 2.07. Removal. Subsequent to the Applicable Date, any Director may be removed, with or without cause, in accordance with the provisions of the Act. Prior to the Applicable Date, any Director may be removed by Declarant for any reason.

Section 2.08. Vacancies. Any vacancy occurring on the Board of Directors caused by death, resignation, removal or otherwise, shall be filled by Declarant or by the Supplemental Association appointing the vacating Director. A Director elected to fill a vacancy shall hold office until the expiration of the term of the Director causing the vacancy or until his successor has been elected and qualified.

Section 2.09. Meetings. The Board of Directors shall meet each year either at the registered office of the Corporation in the State of Indiana, or at such other place within or without the State of Indiana as may be designated by the Board of Directors and specified in the respective notices or waivers of notice thereof. The annual meeting shall be for the purpose of organization, election of directors and officers and consideration of any other business that may properly be brought before the meeting and shall be held within six (6) months after the close of the fiscal year of the Corporation as designated by the Board of Directors and specified in the respective notices or waivers of notice thereof. If such meeting is not held as above provided, the election of officers may be held at any subsequent meeting of the Board of Directors specifically called in the manner set forth herein. The Board of Directors may provide by resolution the time and place, either within or without the State of Indiana, for the holding of additional regular meetings of the Board without other notice than such resolution. Special meetings of the Board of Directors may be called by the President, and shall be called by order thereof upon the written request of at least two Directors, which request shall set forth the business to be conducted at such meeting.

Section 2.10. Notice of Meetings. Notice of all meetings of the Board of Directors, except as herein otherwise provided, shall be given by mailing, telephoning, telegraphing or delivering personally the same at least two (2) days before the meeting to the usual business or residence address of the Director as shown upon the records of the Corporation. Notice of any meeting of the Board may be waived in a document filed with the Secretary by any Director if the waiver sets forth in reasonable detail the purpose or purposes for which the meeting is called

and the time and place of the meeting. Attendance at any meeting of the Board shall constitute a waiver of notice of that meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Any meeting of the Board may adjourn from time to time to reconvene at the same place or some other place. No notice need be given of any such adjourned meeting.

Section 2.11. Quorum. A quorum of the Board of Directors at any annual or special meeting of the Board shall be a majority of the duly qualified members of the Board then occupying office, but in no event less than two (2) Directors, except that, subsequent to the Applicable Date, in filling vacancies a majority of the remaining Directors (but not less than two (2) Directors) shall constitute a quorum. The act of a majority of the Directors present at a meeting, who constitute a quorum, shall be the act of the Board unless otherwise provided by the Act, the Declaration, Supplemental Declaration, the Articles, or these By-Laws. In the absence of a quorum, the Directors present may, by majority vote, adjourn the meeting from time to time until a quorum is present. At any such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting for which notice was originally given.

Section 2.12. Action Without a Meeting. Any action required or permitted to be taken at any meeting of the Board of Directors or any committee thereof may be taken without a meeting if the action is taken by all members of the Board of Directors or such committee. The action must be evidenced by at least one (1) written consent describing the action taken signed by each member of the Board of Directors or of such committee, and included in the minutes or filed with the corporate records reflecting the action taken.

Section 2.13. Meeting by Telephone, etc. Any or all of the members of the Board or of any committee designated by the Board may participate in a meeting by or through the use of any means of communication by which all persons participating may simultaneously hear each other during the meeting. Participation in a meeting using these means constitutes presence in person at the meeting.

Section 2.14. Committees. The Board of Directors, by resolution adopted by a majority of the Board, may designate one or more committees, each of which shall consist of two (2) or more Directors, which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board in the management of the Corporation. Other committees not having and exercising the authority of the Board in the management of the Corporation may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. The designation of any such committee and the delegation thereto of authority shall not operate to relieve the Board, or any individual Director, of any responsibility imposed upon it or him by law.

Section 2.15. Powers. All of the corporate powers, except as otherwise provided herein or by law, shall be vested in and shall be exercised by the Board of Directors. Said powers shall include, but not be limited to:

- (a) The power to adopt, publish, and enforce rules and regulations governing the use of the General Community Area;

(b) The power to lease or purchase for the benefit of the Owners such property, equipment, materials, labor and services as may be necessary in the judgment of the Board;

(c) The power to exercise the powers and perform the duties of the Corporation granted, imposed, authorized or permitted by the Declaration, any Supplemental Declaration, Plat or other Development Instrument;

(d) The power to make and collect Assessments to be levied by the Corporation under the Declaration or any Supplemental Declaration, Plat or other Development Instrument and establish and collect membership dues, and levy and collect fines for the violation of rules and regulations governing the use of the General Community Area;

(e) The power to employ legal counsel, architects, contractors, accountants, consultants, managers, independent contractors and others as in the judgment of the Board of Directors may be necessary or desirable in connection with the maintenance, repair, replacement, restoration, and operation of the General Community Area and the business and affairs of the Corporation.

Section 2.16. Duties. It shall be the duty of the Board of Directors to:

(a) cause the General Community Area to be maintained in good, clean, attractive and sanitary condition, order and repair;

(b) adopt and publish rules and regulations, including fees, if any, governing the use of the General Community Area, and the personal conduct of the Owners, their tenants and guests;

(c) cause to be kept a complete record of all its corporate affairs, making such records available for inspection by any Owner or his authorized agent;

(d) supervise all officers, agents and employees of the Corporation and see that their duties are properly performed;

(e) issue upon demand by any Owner a certificate setting forth whether or not any Assessment has been paid and giving evidence thereof for which a reasonable charge may be made;

(f) designate depositories for the funds of the Corporation, designate those officers, agents and/or employees who shall have authority to withdraw funds from such accounts on behalf of the Corporation, and cause such persons to be bonded, as it may deem appropriate;

(g) approve the annual budget;

(h) fix annual General Assessments at amounts sufficient to meet the obligations imposed upon the Corporation by the Declaration;

(i) annually set the date(s) General Assessments are due and decide what, if any, interest rate is to be applied to General Assessments which remain unpaid thirty (30) days after they become due;

(j) send written notice of each Assessment to every Owner subject thereto at least thirty (30) days in advance of the due date of the Assessment or first installment thereof;

(k) cause the lien against any property for which Assessments are not paid within thirty (30) days after due date to be foreclosed or cause an action at law to be brought against the Owner personally obligated to pay the same;

(l) procure and maintain adequate insurance to protect the Corporation, its employees and its personal and real properties;

(m) enter into mortgage agreements and obtain capital debt financing subject to the provisions of the Declaration;

(n) faithfully observe and perform each duty imposed on the Corporation by the terms of the Declaration or any Supplemental Declaration, Plat or other Development Instrument and exercise such discretion granted to the Board thereunder in the best interests of the Owners; and

(o) exercise their powers and duties in good faith, with a view to the interests of the Corporation.

Section 2.17. Non-Liability of Directors. No Director shall be liable to any Person for any error or mistake of judgment exercised in carrying out his duties and responsibilities as a Director, unless (a) the Director has breached or failed to perform the duties of his office in compliance with the Act and (b) the breach or failure to perform constitutes willful misconduct or recklessness. The Corporation shall indemnify and hold harmless each of the Directors against any and all liability to any Person arising out of contracts made by the Board on behalf of the Corporation, unless any such contract shall have been made in bad faith or is contrary to the provisions of the Act, the Articles or these By-Laws. It is intended that the Directors shall have no personal liability with respect to any contract made by them on behalf of the Corporation as its agent.

Section 2.18. Indemnity of Officers and Directors. To the extent not inconsistent with the laws of the State of Indiana, every Person (and the heirs, assigns and legal representatives of such Person) who is or was a Director or an officer of the Corporation shall be indemnified by the Corporation as provided in the Act. To the extent the assets of the Corporation are insufficient to satisfy its indemnification obligations hereunder, the Board of Directors may levy a Special Assessment in the manner specified in the Declaration to obtain such funds as may be required to satisfy such obligation.

Section 2.19. Transactions Involving Affiliates. No contract or other transaction between the Corporation and one or more of its Directors, or between the Corporation and any Person (including the Declarant) in which one or more of the Directors are directors, officers,

partners, or employees or are pecuniarily or otherwise interested, shall be void or voidable because such Director or Directors are present at the meeting of the Board or any committee thereof which authorizes, approves or ratifies the contract or transaction, or because his or their votes are counted for such purpose if:

- (a) the fact of the relationship or interest is disclosed or known to the Board or committee, and the Board or committee authorizes, approves, or ratifies such contract or transaction by a vote or consent sufficient for the purpose without counting the vote or consents of the interested Director(s); or
- (b) the fact of the relationship or interest is disclosed or known to the Owners, and they authorize, approve or ratify the contract or transaction by a vote or written consent; or
- (c) the contract or transaction is fair and reasonable to the Corporation.

Affiliated or interested Directors may be counted in determining the presence of a quorum of any meeting of the Board or committee thereof which authorizes, approves or ratifies any contract or transaction.

Section 2.20. Insurance. The Board of Directors, or its duly authorized agent, shall have the authority to and shall obtain insurance for all of the structures located in the General Community Area, whether owned or leased by the Corporation, against loss or damage by fire or other hazards commonly insured against in similar properties in an amount sufficient to cover the full replacement cost of any repair or reconstruction work in the event of damage or destruction from any insured hazard, and shall also obtain a broad form public liability policy covering all damage or injury caused by the negligence of the Corporation or any of its agents. All such insurance policies shall contain a provision that all Owners shall, in appropriate circumstances, be able to recover damages as claimants under such insurance. Premiums for all such insurance shall be included in the General Assessment.

Section 2.21. Insured Loss, Damage or Destruction. In the event of loss, damage or destruction by fire or other peril, the Board of Directors shall (unless otherwise agreed by two-thirds (2/3) of the Directors then serving), upon receipt of the insurance proceeds, contract to rebuild or repair damaged or destroyed portions of the insured property to its condition before such damage. All such insurance proceeds (if the amount of such proceeds exceeds \$5,000.00) shall be deposited in a bank or other financial institution, the accounts of which are insured by a federal governmental agency, with the provision agreed to by said bank or institution that such funds may be withdrawn only by signatures of at least one-third (1/3) of the members of the Board of Directors, or by their duly authorized agent. In such event, the Board of Directors shall advertise for sealed bids with any licensed contractors, and then may negotiate with any contractor, who may be required to provide a full performance and payment bond for the repair, reconstruction or rebuilding of such destroyed structure or structures. In the event that the insurance proceeds are insufficient to pay all the costs of repairing and/or rebuilding to the same condition as previously existed, the Board of Directors may levy a Special Assessment in the manner specified in the Declaration to make up any deficiency. Excess insurance proceeds, if any, shall become a part of the Corporation's reserve for replacements.

Section 2.22. Uninsured Loss, Damage or Destruction. In the event of loss, damage or destruction to the Property caused by perils not covered by standard insurance described in Section 2.04(d) of the Articles, the Board of Directors may levy a Special Assessment in the manner specified in the Declaration to make up any deficiency created by such uninsured loss.

Section 2.23. Compensation. No Director shall receive any compensation for any service he may render to the Corporation. He may, however, be reimbursed for his actual expenses incurred in the performance of his duties.

ARTICLE 3 **The Officers of the Corporation**

Section 3.01. Officers and Agents. The officers of the Corporation shall consist of a President, one or more Vice Presidents, a Secretary, a Treasurer, and such other officers as the Board of Directors may, by resolution, designate from time to time. Any two or more offices may be held by the same person. The Board of Directors may, by resolution, create, appoint and define the duties and fix the compensation of such officers and/or agents as, in its discretion, is deemed necessary, convenient or expedient for carrying out the purposes for which the Corporation is formed; but such officers and agents shall be compensated only for actual services performed on behalf of the Corporation.

Section 3.02. Election, Term of Office and Qualifications. The officers shall be chosen annually by the Board of Directors. Each officer shall hold office (unless he resigns, is removed or dies) until the next annual meeting of the Board of Directors or until his successor is chosen and qualified.

Section 3.03. Vacancies. In the event an office of the Corporation becomes vacant by death, resignation, retirement, disqualification or any other cause, the Board of Directors shall elect a person to fill such vacancy, and the person so elected shall hold office and serve (unless he resigns, is removed or dies) until the next annual meeting of the Board or until the election and qualification of his successor.

Section 3.04. President. The President, who shall be chosen from among the membership of the Board of Directors, shall preside at all meetings of the Board, if present; shall appoint the chairman and members of all standing and temporary committees, subject to the review of the Board of Directors; shall be the executive officer of the Corporation; shall have and exercise general charge and supervision of the affairs of the Corporation; and shall do and perform such other duties as these By-Laws provide or as may be assigned to him by the Board of Directors.

Section 3.05. Vice President. The Vice Presidents, in the order designated by the President or the Board, shall exercise and perform powers of, and perform all duties incumbent upon, the President during the absence or disability of the President and shall perform other duties as these By-Laws may require or as may be assigned to him by the President or the Board of Directors.

Section 3.06. Secretary. The Secretary shall have the custody and care of the corporate records and the minute book of the Corporation. He shall attend all of the meetings of the Board

of Directors, and shall keep, or cause to be kept in a book provided for the purpose, a true and complete record of the proceedings of such meetings, and shall perform a like duty for all standing committees of the Board of Directors when required. He shall attend to the giving and serving of all notices of the Corporation, shall file and take care of all papers and documents belonging to the Corporation, shall authenticate records of the Corporation, as necessary, and shall perform such other duties as may be required by these By-Laws or as may be prescribed by the Board of Directors or the President.

Section 3.07. Treasurer. The Treasurer shall keep correct and complete records of account, showing accurately at all times the financial condition of the Corporation. He shall be the legal custodian of all monies, notes, securities and other valuables which may from time to time come into the possession of the Corporation. He shall immediately deposit all funds of the Corporation coming into his hands in some reliable bank or other depository to be designated by the Board of Directors, and shall keep such bank account in the name of the Corporation. He shall furnish at meetings of the Board of Directors, or whenever requested, a statement of the financial condition of the Corporation and shall perform such other duties as may be required by these By-Laws or as may be prescribed by the Board of Directors or the President.

Section 3.08. Assistant Officers. The Board of Directors may from time to time designate assistant officers who shall exercise and perform such powers and duties as the officers whom they are elected to assist shall specify and delegate to them, and such other powers and duties as may be prescribed by the Code of By-Laws, the Board of Directors or the President.

Section 3.09. Removal. Any officer of the Corporation may be removed from office, with or without cause, by the affirmative vote of two-thirds (2/3) of all the Directors at any regular or special meeting of the Board of Directors called for the purpose. Any officer whose removal is proposed shall be entitled to at least ten (10) days' notice in writing by mail of the meeting of the Board of Directors at which such removal is to be voted upon and shall be entitled to appear before and be heard by the Board of Directors at such meeting.

Section 3.10. Resignation. Any officer or member of a committee may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, and, if no time be specified, at the time of its receipt by the President or Secretary of the Corporation. The acceptance of a resignation shall not be necessary to make it effective.

ARTICLE 4 **Loans to Officers and Directors**

The Corporation shall not lend money to or guarantee the obligations of any officer or Director of the Corporation.

ARTICLE 5 **Corporate Books**

The Corporation shall maintain all records required by the Act and shall permit Owners to inspect and copy (at such Owner's expense) such records, during normal business hours and subject to such reasonable conditions as the Board of Directors may specify.

ARTICLE 6
Financial Affairs

Section 6.01. Contracts. The Board of Directors may authorize any officer or agent to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to a specific instance; and unless so authorized by the Board of Directors, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement, or to pledge its credit or render it liable pecuniarily for any purpose or to any amount.

Section 6.02. Checks, Etc. All checks, drafts, notes, bonds, bills of exchange, and orders for the payment of money and other evidence of indebtedness in excess of One Thousand Dollars (\$1,000.00), shall, unless otherwise directed by the Board of Directors or required by law, be signed by any two of the following officers, who are different persons: President, a Vice President, Secretary or Treasurer. Any such obligation equal to or less than One Thousand Dollars (\$1,000.00) may be signed by any one (1) of such preceding officers. The Board of Directors may, however, designate officers or employees of the Corporation, other than those named above, who may, in the name of the Corporation, execute drafts, checks and orders for the payment of money on its behalf.

Section 6.03. Investments. The Corporation shall have the right to retain all or any part of any securities or property acquired by it in whatever manner, and to invest and reinvest any funds held by it, according to the judgment of the Board of Directors.

Section 6.04. Reserve for Replacements. The Board of Directors shall establish and maintain a reserve fund for replacements by the allocation and payment to such reserve fund of an amount determined annually by the Board to be sufficient to meet the cost of periodic maintenance, repairs, renewal and replacement of the Corporation Property. In determining the amount, the Board shall take into consideration the expected useful life of the Corporation Property, projected increases in the cost of materials and labor, interest to be earned by such fund and the advice of the Declarant, managing agent or any consultants the Board may employ. Such fund shall be deposited in a special account with a lending institution the accounts of which are insured by an agency of the United States of America or may, in the discretion of the Board, be invested in obligations of, or fully guaranteed as to principal by, the United States of America.

Section 6.05. Fiscal Year. The fiscal year of the Corporation shall be commence on January 1 in each year.

Section 6.06. Assessment Year. The assessment year of the Corporation shall be the same as the fiscal year established in Section 6.05.

ARTICLE 7
Amendments

Subject to the provisions of Section 7.04 of the Articles, the power to make, alter, amend or repeal the By-Laws is vested in the Board of Directors, which power shall be exercised by affirmative vote of a majority of the Directors present at any meeting of the Board. Any proposed amendment shall be included in the notice of such meeting. If notice of a proposed

amendment to the By-Laws is included in the notice of any meeting of the Board, it shall be in order to consider and adopt at that meeting any amendment to the By-Laws dealing with the subject matter with which the proposed amendment is concerned.

ARTICLE 8
Power of Declarant to Disapprove Actions

Section 8.01. Prior to the Applicable Date, and for so long thereafter as the Declarant owns any portion of the Property, the Declarant shall have a right to disapprove any action, policy or program of the Corporation, the Board and any committee appointed by the Board which, in the sole judgment of the Declarant, would tend to impair rights of the Declarant or of non-residential Owners under the Declaration or these By-Laws, or to interfere with development, construction, marketing or sale of any portion of the Property.

(a) The Declarant shall be given written notice of all meetings and proposed actions approved at meetings (or by written consent in lieu of a meeting) of the Corporation, the Board, or any committee. Such notice shall be given by certified mail, return receipt requested, or by personal delivery at the address it has registered with the Secretary of the Corporation, which notice complies as to the Board meetings with Section 2.10 of these By-Laws and which notice shall, except in the case of the regular meetings held pursuant to the By-Laws, set forth in reasonable particularity the agenda to be followed at said meeting.

(b) The Declarant shall be given the opportunity at any such meeting to join in or to have its representatives or agents join in discussion from the floor of any prospective action, policy, or program which would be subject to the right of disapproval set forth herein.

(c) No action, policy or program subject to the right of disapproval set forth herein shall become effective or be implemented until and unless the requirements of subsections (a) and (b) above have been met.

(d) The Declarant, its representatives or agents shall make its concerns, thoughts, and suggestions known to the Board and/or the members of the subject committee. The Declarant, acting through any officer, director, agent or authorized representative, may exercise its right to disapprove at any time within 10 days following the meeting at which such action was proposed or, in the case of any action taken by written consent in lieu of a meeting, within 10 days following receipt of written notice of the proposed action. This right to disapprove shall not include a right to require any action or counteraction on behalf of the Corporation, the Board or any committee, except to the extent necessary to reverse the disapproved action.