

AMENDED AND RESTATED CODE OF BY-LAWS OF
WINSTON ISLAND WOODS OWNERS ASSOCIATION, INC.

An Indiana Nonprofit Corporation

THIS AMENDMENT & RESTATEMENT OF THE CODE OF BY-LAWS OF
WINSTON ISLAND WOODS OWNERS ASSOCIATION, INC. was made on this
15th day of November, 1995.

W I T N E S S E T H:

WHEREAS, the Winston Island Woods Horizontal Property Regime in Marion County, Indiana was established by a certain Condominium Declaration which was recorded on July 11, 1989, as Instrument No. 89-66028 in the Office of the Recorder of Marion County, Indiana, said Declaration together with all amendments and/or supplements thereto being hereafter referred to as the "Declaration"; and

WHEREAS, the Declaration created an expandable horizontal property regime subject to the provisions of the Indiana Horizontal Property Act; and

WHEREAS, pursuant to the Declaration and the Indiana Horizontal Property Act, the original Declarant expanded the Winston Island Woods horizontal property regime by adding or annexing additional real estate to the same through the recording of Amendments to the Declaration with the Office of the Recorder of Marion County, Indiana; and

WHEREAS, the Declaration is incorporated herein by reference; and

WHEREAS, the definitions and terms, as defined and used in the Declaration, shall have the same meaning in these Amended & Restated By-Laws, and reference is specifically made to Section 10.8 of the Declaration containing definitions for terms; and

WHEREAS, Winston Island Woods Owners Association, Inc. ("Association" or "Corporation") was incorporated as a not-for-profit corporation under the Indiana Not-For-Profit Corporation Act of 1971 by the filing of Articles of Incorporation with the Indiana Secretary of State's Office on August 11, 1989; and

WHEREAS, the Association's By-Laws were attached to and made a part of the Declaration; and

WHEREAS, Article VIII, Section 8.01 of the By-Laws of the Association states that the By-Laws may be amended by a vote of at least sixty-seven percent (67%) of the Percentage Vote of the Unit Owners voting in person or by proxy at a duly constituted meeting called for such purpose, or at an annual meeting; and

1995-0164793

WHEREAS, a Special Meeting of the Owners was held on October 9, 1995; and

WHEREAS, one of the purposes of the Special Meeting as stated in the Notice for the meeting was for the Association's members to vote upon the approval of the following Amendment and Restatement of the Code of By-Laws of the Association; and

WHEREAS, at said Special Meeting held on October 9, 1995, the Owners of sixty-one (61) Units were represented in person or by proxy; and

WHEREAS, at the Special Meeting, Owners of fifty-nine (59) Units voted in favor of amending and restating the By-Laws of the Association pursuant to the terms below; and

WHEREAS, the Owners of the fifty-nine (59) Units who voted in favor of amending and restating the By-Laws pursuant to the terms and conditions below constitute more than sixty-seven percent (67%) of the total Percentage Vote; and

WHEREAS, the Owners of said Units desire to amend and restate the By-Laws of the Association pursuant to the terms and conditions below upon the authority set forth in foregoing recitals;

NOW, THEREFORE, the Code of By-Laws for the Winston Island Woods Owners Association, Inc. which is applicable to all Owners and residents within Winston Island Woods is hereby amended and restated as follows:

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AMENDED AND RESTATED CODE OF BY-LAWS OF
WINSTON ISLAND WOODS OWNERS ASSOCIATION, INC.

An Indiana Nonprofit Corporation

ARTICLE I

NAME

Section 1.1. Name. The name of this corporation is Winston Island Woods Owners Association, Inc. (hereinafter referred to as "Association").

ARTICLE II

IDENTIFICATION & APPLICABILITY

Section 2.1. Identification and Adoption. The provisions of these By-Laws shall apply to the Condominium Property and the administration and conduct of the affairs of the Association. These By-Laws shall also constitute the By-Laws of the Association.

Section 2.2. Individual Application. Each of the Owners within the Winston Island Woods horizontal property regime shall automatically and mandatorily be Members in the Association and be entitled to all of the privileges and subject to all of the obligations thereof. All Owners, by their acceptance of their respective deeds to their Units, covenant and agree to be bound by the conditions, restrictions, and obligations contained in the Condominium Declaration of the Winston Island Woods Condominium, said Declaration being recorded in the Marion County Recorder's Office on the 11th day of July, 1989, as Instrument No. 89-66028 together with all amendments or supplements thereto, the Articles of Incorporation, the rules and regulations of the Association and of the provisions hereof. All of the Owners, future Owners, tenants, future tenants, their guests and invitees, or any other person who might now or hereafter use or occupy a Unit or any part of the Common Areas and Facilities shall be subject to the rules, restrictions, terms, and conditions set forth in the Declaration, the Articles of Incorporation, these By-Laws, the Indiana Horizontal Property Act and the Indiana Nonprofit Corporation Act of 1991, all as the same may be amended from time to time, and to any rules and regulations adopted by the Board of Managers as herein provided. The Declaration is incorporated herein by reference. All of the covenants, rights, restrictions, and liabilities contained in the Declaration shall apply to and govern the interpretation of the Amended and Restated Articles of

Incorporation and these Code of By-Laws. The definitions and terms, as defined and used in the Declaration, shall have the same meaning in the Amended and Restated Articles of Incorporation and these Code of By-Laws, and reference is specifically made to Section 10.8 of the Declaration containing definitions for terms, unless otherwise indicated herein.

ARTICLE III

MEETINGS OF ASSOCIATION

Section 3.1. Purpose of Meetings. At least annually, and at such other times as may be necessary or appropriate, a meeting of the Owners shall be held for the purpose of electing the Board of Managers, approving the annual budget, and for such other purposes as may be required by the Declaration, these By-Laws, the Articles, or the Act.

Section 3.2. Annual Meeting. The Annual Meeting for the Members of the Association shall be held on the third Monday in February in each calendar year or as soon thereafter as is practicable. The Board of Managers may change the date for the Annual Meeting, but it shall give written notice to the Owners of any change in the date of the Annual Meeting. At the Annual Meeting, the Owners shall elect the Board of Managers of the Association in accordance with the provisions of these By-Laws, shall consider and act upon the annual budget, and transact such other business as may properly come before the meeting.

Section 3.3. Conduct of Annual Meeting. The Chairman of the Annual Meeting shall be the President of the Association. The President shall call the meeting to order at the duly designated time, and business will be conducted in the following order:

(1) Reading of Minutes. The Secretary shall read the minutes of the General Meeting held in the preceding October and the minutes of any Special Meeting of the Members held subsequent thereto, unless such reading is waived by a Majority of the Vote as defined in Section 3.7(e) hereof.

(2) Treasurer's Report. The Treasurer shall report to the Owners concerning the financial condition of the Association and answer relevant questions of the Owners concerning the Common Expenses and financial report for the prior year and the proposed budget for the current year.

(3) Budget. The proposed annual budget for the current fiscal year shall be presented to the Owners

for approval or amendment, as necessary, as more fully described in Section 11.2 hereof.

(4) Election of Board of Managers. Nominations for the Board of Managers may be made by an Owner from those persons eligible to serve. Such nominations must be in writing and presented to the Secretary of the Association at least ten (10) days prior to the Annual Meeting. Nominations shall not be accepted from the floor. Voting for the Board of Managers will be by paper ballot unless a Majority of the Vote (as defined in Section 3.7(e) hereof) waive voting by paper ballot and approve another form of voting. The ballot shall contain the name of each person nominated to serve as a Board member. Each Owner may cast the total number of votes to which he or she is entitled for as many nominees as are to be elected; however, no Owner shall be entitled to accumulate his or her votes. Those persons receiving the highest number of votes shall be elected.

(5) Committee Reports. Reports of currently standing committees designated to supervise and advise on the respective segments of maintenance and operations prescribed in the Declaration or assigned by the Board of Managers shall be presented.

(6) Other Business. Other business may be brought before the meeting only upon a written request submitted to the Secretary of the Association at least ten (10) days prior to the date of the meeting; provided, however, that such written request may be waived at the meeting if agreed by a Majority of the Vote as defined in Section 3.7(e) hereof.

(7) Community Concerns & Issues. The residents shall be given the opportunity to express community concerns and issues.

(8) Adjournment. Upon completion of all business before the Association, the President, upon the motion of any Owner, may adjourn the Annual Meeting; provided, however, that no Annual Meeting shall be adjourned until a budget is approved for the current year.

Section 3.4. General Meeting. A General Meeting for the Members shall be held on the third Monday in October of each year. The Board of Managers may change the date for the General Meeting, but it shall give written notice to the Owners of any change in the date of the General Meeting. The agenda of the General Meeting shall be determined by the Board of Managers and

as recommended by the Owners, but shall include at a minimum the following:

(1) Reading of Minutes. The Secretary shall read the minutes of the Annual Meeting held in the preceding February and the minutes of any Special Meeting of the Members held subsequent thereto, unless such reading is waived by a Majority of the Vote as defined in Section 3.7(e) hereof.

(2) Treasurer's Report. The Treasurer shall report to the Owners concerning the financial condition of the Association and present the year-to-date actual expenses compared to the budgeted expenses for the current year.

(3) Community Concerns & Issues. The residents shall be given the opportunity to express community concerns and issues.

Section 3.5. Special Meetings. A Special Meeting of the Members of the Association may be called by the President, by resolution of the Board of Managers or upon a written petition of the Owners of not less than ten percent (10%) of the total Percentage Vote which is equal to ten percent (10%) of the total number of Units. The resolution or petition shall be presented to the President or Secretary of the Association and shall state the purpose for which the meeting is to be called. No business shall be transacted at a Special Meeting except as stated in the petition or resolution.

Section 3.6. Notice and Place of Meetings. All meetings of the members of the Association shall be held at any suitable place in Marion County, Indiana, as designated by the Board of Managers. Written notice stating the time, place of any meeting, and in the case of a special meeting the purpose or purposes for which the meeting is called, shall be delivered or mailed by the Secretary of the Association to each member entitled to vote thereat not less than fourteen (14) days prior to the date of such meeting. Any written notice delivered to the Owners as part of a newsletter or other publication regularly sent to the Owners constitutes a written notice. If at any meeting an amendment to the Declaration, the Articles of Incorporation, or these By-Laws is to be considered, the notice of such meeting shall describe the nature of such proposed amendment. All notices shall be mailed by first-class U.S. Mail, postage prepaid, or delivered to the Owners at their respective addresses as the same shall appear upon the records of the Association. If an annual or special meeting of Members is adjourned to a different date, time or place, written notice is not required to be given of the new date, time or place so long as the new date, time and place is announced at the meeting pursuant to the Act before adjournment.

Attendance at any meeting by a Unit Owner or their authorized representative, in person or by proxy, shall constitute a waiver of notice of such meeting.

Section 3.7. Voting.

(a) Number of Votes. To facilitate the orderly conduct of the meeting, each Owner shall be entitled to cast one vote for each Unit of which such Member is the Owner on each matter coming before the meeting since the Percentage Interest of each Unit Owner will always be equal. The total number of votes for or against any matter shall then be divided by the total Percentage Vote which shall equal the total number of Units then in Winston Island Woods to determine the respective proportions of Owners supporting or opposing such matter, or by the number of Units the Owners of which are present or represented at such meeting, to determine the respective proportions of Owners present or represented at such meeting supporting or opposing such matter. In voting for Managers, each Owner (or his or her representative) shall be entitled to cast one (1) vote for each manager's position being filled at that meeting, and the candidate(s) receiving the highest number of votes shall fill the available position(s); provided that no Owner shall be allowed to accumulate his or her votes. To the extent provided in the Act, and except as otherwise provided in the Declaration, the Articles of Incorporation or these By-Laws, plurality voting shall be permitted such that at a meeting, if a quorum exists, action on a matter is approved if the votes cast in favor of the action exceed the votes opposing the action.

(b) Multiple Owners. When more than one (1) person or entity constitutes the Owner of a particular Unit, all such persons or entities shall be Members of the Association, but all of such persons or entities shall have only one (1) vote for such Unit, which vote shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any such Unit.

(c) Voting by Corporation or Trust. Where a corporation or trust is an Owner or is otherwise entitled to vote, the trustees may cast the vote on behalf of the trust, and the agent or other representative of the corporation duly empowered by the board of directors of such corporation shall cast the vote to which the corporation is entitled. The secretary of such corporation or a trustee of such trust so entitled to vote shall deliver or cause to be

delivered prior to the commencement of the meeting a certificate signed by such person to the Secretary of the Association stating who is authorized to vote on behalf of said corporation or trust.

(d) Proxy. An Owner may vote either in person or by his duly authorized and designated attorney-in-fact. Where voting is by proxy, the Owner shall duly designate his attorney-in-fact in writing, delivered to the Secretary of the Association prior to the commencement of the meeting. No such proxy shall remain valid for longer than eleven (11) months from the date of its execution, unless a longer term is specified in the proxy.

(e) Quorum. Except where otherwise expressly provided in the Indiana Horizontal Property Act, the Declaration, these By-Laws, or the Articles or the Indiana Nonprofit Corporation Act of 1991, the presence of Owners or their duly authorized representatives owning at least twenty percent (20%) of the total Percentage Vote (which is equal to twenty percent (20%) of the total number of Units) shall constitute a quorum at all meetings. Unless otherwise required herein or by the Act, the Owners at a meeting at which a quorum is initially present may continue to do business until adjournment, notwithstanding the withdrawal of enough Owners to leave less than a quorum. As used elsewhere in these By-Laws, the term "Majority of Owners" shall mean, unless otherwise expressly indicated, more than fifty percent (50%) of the total number of Units as determined by the applicable provisions set forth in the Declaration, and the term "Majority of the Vote" shall mean a majority of the Owners or votes present or represented at such meeting at which a quorum is present.

Section 3.8. Conduct of Special Meeting. The President of the Association shall act as Chairman of any Special Meetings of the Association if he or she is present. The Chairman shall call the meeting to order at the duly designated time and the only business to be considered at such meeting shall be in consideration of the matters for which such meeting was called, as set forth in the notice of such Special Meeting.

Section 3.9. Written Ballots. In lieu of any Annual, General or Special Meeting of the Owners, written ballots may be utilized in the manner prescribed in the Act.

ARTICLE IV

BOARD OF MANAGERS

Section 4.1. Board of Managers. The affairs of the Association shall be governed and managed by the Board of Managers (herein sometimes collectively called "Board" and individually called "Managers"). The Board of Managers shall be composed of five (5) persons who each own at least one (1) Unit. The number of Managers comprising the Board may be increased by resolution adopted by not less than a majority of the Board of Managers, but said number shall not exceed nine (9). If the number of Managers is ever greater than five (5), said number may be decreased by resolution adopted by not less than a majority of the Board. In no event shall the number of Managers be less than five (5) nor more than nine (9) and no reduction in the number of Managers shall have the effect of removing a Manager from office prior to the expiration of his or her term. In the event the number of Managers is increased as provided herein, the election of the additional Manager or Managers shall be by a vote of the Members according to a procedure established by the Board by resolution.

Section 4.2. Additional Qualifications. Where an Owner consists of more than one person or is a partnership, corporation, trust or other legal entity, then one of the persons constituting the multiple Owner, or a partner or an officer or trustee shall be eligible to serve on the Board of Managers, except that no single Unit may be represented on the Board of Managers by more than one person at a time. Also, any Owner who is thirty (30) days or more in arrears in his Annual or Special Assessments will not be eligible to serve or continue to serve as a Manager.

Section 4.3. Term of Office and Vacancy. Members of the Board of Managers shall be elected at each Annual Meeting of the Association. Each Manager shall serve a term of three (3) years. One-third (1/3) of the persons on the Board of Managers shall be elected at each Annual Meeting of the Association. In the event the number of persons on the Board is not divisible by three, the number of Managers' positions available for election at the annual meetings shall be such number as to as closely approximate as possible the one-third requirement. For example, with a Board consisting of five (5) persons, two positions shall be elected at the Annual Meeting, two shall be elected at the following Annual Meeting, and one shall be elected at the next Annual Meeting. Any vacancy or vacancies occurring in the Board caused by a death, resignation, or otherwise other than a vacancy created by removal or an increase in the number of Managers, shall be filled until the next Annual Meeting of the Members through a vote of a majority of the remaining Managers. At the first Annual Meeting of the Members following any such vacancy, a Manager shall be

elected by the Owners to serve for the balance of the term of the Manager in respect to whom there has been a vacancy. Each Manager shall hold office throughout the term of his or her election until his or her successor is elected and qualified.

Section 4.4. Removal of Managers. A Manager or Managers elected by the Owners or elected by the Managers to fill a vacancy, may be removed by the Owners with or without cause if the number of votes cast to remove would be sufficient to elect the Manager(s) at a meeting to elect Managers. A Manager or Managers may be so removed by the Owners only at a meeting called for the purpose of removing the Manager(s). The meeting notice must state that the purpose of the meeting is for voting upon the removal of the Manager(s). In such case, his or their successor(s) shall be elected at the same meeting from eligible Owners nominated at the meeting to serve for the remainder of the term(s) of the removed Manager(s).

Section 4.5. Duties of the Board of Managers. The Board of Managers shall perform or cause to be performed, when and to the extent deemed necessary or appropriate in the Board's business judgment, the following:

- (a) Protection, repair and replacement of the Common Areas; provided, however, that this duty shall not include or be deemed or interpreted as a requirement that the Association, the Board or any Managing Agent must provide any on-site or roving guards, security service or security system for protection or surveillance, and the same need not be furnished;
- (b) Procuring of utilities used in connection with the Condominium, removal of garbage and waste if not provided by the municipality, and snow removal from the Common Areas;
- (c) Landscaping, painting, decorating, and furnishing of the Common Areas;
- (d) Surfacing, paving, and maintaining streets, parking areas, and sidewalks;
- (e) Assessment and collection from the Owners of the Owners' pro-rata share of the Common Expenses;
- (f) Preparation of the proposed annual budget, a copy of which will be made available to all Owners attending the Annual Meeting, or upon request;
- (g) As soon as possible after the end of each fiscal year, preparing annually a full accounting prepared by a certified public accountant of all receipts and

expenses incurred during each year, which accounting shall be made available to each Owner upon request;

(h) Keeping a current, accurate, and detailed record of receipts and expenditures affecting the Condominium Property, specifying and itemizing the Common Expenses; all records and vouchers shall be available for examination by an Owner at any time during normal business hours;

(i) Procuring and maintaining fire and extended coverage insurance covering the Buildings and the Condominium Property to the full replacement value thereof and to procure public liability and property damage insurance and workers' compensation insurance, if necessary, for the benefit of the Owners and the Association;

(j) Performing such other duties as may be reasonably inferred from the provisions of the Declaration or the Indiana Horizontal Property Act.

Section 4.6. Powers of the Board of Managers. The Board of Managers shall have such powers as are reasonably necessary or appropriate to accomplish the performance of its duties. These powers include, but are not limited to, the power:

(a) To employ a reputable and recognized professional managing agent or real estate management company (either being hereinafter referred to as "Managing Agent") to assist the Board in performing its duties; provided, however, any management agreement shall be terminable for cause upon thirty (30) days written notice and terminable without cause upon sixty (60) days written notice, and any such agreement may not exceed one (1) year, renewable by agreement of the parties for successive one (1) year periods.

(b) To purchase for the benefit of the Owners such equipment, materials, labor, and services as may be necessary in the judgment of the Board of Managers;

(c) To employ legal counsel, architects, engineers, contractors, accountants, and others as in the judgment of the Board of Managers may be necessary or desirable in connection with the business and affairs of the Association;

(d) To employ, designate, discharge and remove such personnel as in the judgment of the Board of Managers may be necessary for the maintenance, upkeep, repair and replacement of the Common Areas;

(e) To include the costs of all of the above and foregoing as Common Expenses of the Association and to pay all of such costs therefrom;

(f) To open and maintain a bank account or accounts in the name of the Association and to designate the signatories thereto;

(g) To adopt, revise, amend, and alter from time to time reasonable rules and regulations with respect to use, occupancy, operation, and enjoyment of the Condominium Property provided that the Board shall give advance written notice to the Owners of such rules and any revision, amendment, or alteration thereof;

(h) To own, convey, encumber, lease and otherwise deal with the Condominium Property and property of and for the Association;

(i) To grant easements, rights-of-way, and other rights over the Common Areas; and

(j) To do such other acts and things as are in the best interest of a majority of Unit Owners and which are not contrary to law, or to the Declaration or By-Laws.

Section 4.7. Limitations on Board Action. The authority of the Board of Managers to enter into contract shall be limited to contracts involving a total expenditure of less than Five Thousand Dollars (\$5,000.00), unless the prior approval of a Majority of Owners (as defined in Section 3.7(e) hereof) is obtained, except in the following cases:

(a) Supervision and management of the replacement or restoration of any portion of the Common Areas or Limited Common Areas damaged or destroyed by fire or other casualty, where the cost thereof is payable out of insurance proceeds actually received; and,

(b) Proposed contracts and proposed expenditures expressly set forth in the proposed annual budget as presented to the Owners at the annual meeting and approved by the Owners at such annual meeting; However, specific items within the budget need not be approved separately by the Owners at the annual meeting. The Board may also reallocate funds to items in the budget so long as the total budgeted funds are not exceeded and by doing so, the total budget will not be increased; and

(c) Expenditures necessary to deal with emergency conditions in which the Board of Managers reasonably believes there is insufficient time to call a meeting of the Owners.

The said Five Thousand Dollar (\$5,000.00) maximum shall automatically be adjusted every five (5) years from the date of recording of these By-Laws to reflect changes in the purchasing power of the dollar, as determined by the most recently published annual GNP Implicit Price deflator or any comparable index.

Section 4.8. Compensation. No Manager or Officer shall receive any compensation for his or her services as such except to such extent as may be expressly authorized by a Majority of Owners as defined in Section 3.7(e) hereof. The Managing Agent shall be entitled to reasonable compensation for its services, the cost of which shall be a Common Expense.

Section 4.9. Meetings and Notice. Regular meetings of the Board of Managers may be held at such time and place as shall be determined from time to time by a majority of Managers. No written or verbal notice need be given to Managers for regularly scheduled Board meetings of which the Managers are already aware. For all other board meetings, the Secretary shall give notice of such meetings of the Board to each Manager personally or by United States mail at least five (5) days prior to the date of such meetings. Special meetings of the Board may be called by the President or any two (2) members of the Board. The person or persons calling such meeting shall give written notice thereof to the Secretary, who shall either personally or by mail and at least three (3) days prior to the date of such special meeting, give notice to the Board members. The notice of the meeting shall contain a statement of the purpose for which the meeting is called. Such meeting shall be held at such place as shall be designated in the notice. To the extent provided in the Act, a Manager may conduct or participate in a regular or special meeting of the Board of Managers through the use of conference telephone or any means of communication by which all Managers participating may simultaneously hear each other during the meeting. A Manager participating in a meeting by this means is considered to be present in person at the meeting.

Section 4.10. Waiver of Notice. Before or after any meeting of the Board, any Manager may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. The presence of any Manager at a meeting shall, as to such Manager, constitute a waiver of notice of the time, place, and purpose thereof. If all Managers are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 4.11. Quorum. At all meetings of the Board, unless the Act or these By-Laws provide otherwise, a majority of the Managers shall constitute a quorum for the transaction of business and the votes of the majority of the Managers present at a meeting at which a quorum is present shall be the decision of the Board.

Section 4.12. Bond. The Board of Managers may require the Managing Agent, Treasurer and such other officers as the Board deems necessary to provide surety bonds, indemnifying the Association against larceny, theft, embezzlement, forgery, misappropriation, wrongful abstraction, willful misapplication, and other acts of fraud or dishonesty, in such sums and with such sureties as may be approved by the Board of Managers and any such bond shall specifically include protection for any insurance proceeds received for any reason by the Board. The expense of any such bond shall be a Common Expense.

Section 4.13. Informal Action by Managers. Any action required or permitted to be taken at any meeting of the Board of Managers may be taken without a meeting, if prior to such action a written consent to such action is signed by all members of the Board and such written consent is filed with the minutes of proceedings of the Board or committee.

Section 4.14. Standards of Conduct and Liability of Managers and Officers. The standard and duty of conduct for and the standard or requirements for liability of the Managers and Officers of the Association shall be as set forth in the Act, as the same may be amended from time to time.

Section 4.15. Books and Records. The Board of Managers shall itself, or through the Managing Agent, make available to Unit Owners and lenders, and to holders, insurers or guarantors of any first mortgage, current copies of the Declaration, By-Laws, other rules concerning the Condominium, and the books, records, and financial statement of the Association. "Available" shall mean available for inspection, upon request, during normal business hours or under other reasonable circumstances.

ARTICLE V

OFFICERS

Section 5.1. Officers of the Association. The principal officers of the Association shall be the President, Vice-President, Secretary and Treasurer, all of whom shall be elected by the Board. The Managers may appoint an Assistant Treasurer and an Assistant Secretary and such other officers as in their judgment may be necessary. Any two or more offices may be held by the same person, except that the duties of the President and Secretary shall not be performed by the same person.

Section 5.2. Election of Officers. The officers of the association shall be elected annually by the Board at the first meeting of the Board following each election thereof. Each officer shall hold office for one (1) year or until his successor shall have been duly elected and qualified, unless earlier removed by the Board of Managers. Upon recommendation of a majority of all members of the Board or upon an affirmative vote of a Majority of Owners (as defined in Section 3.5(e) hereof), any officer may be removed either with or without cause and his or her successor elected at any regular meeting of the Board or at any special meeting of the Board called for such purpose.

Section 5.3. The President. The President shall be elected from among the Managers and shall be the chief executive officer of the Association. The President shall preside at all meetings of the Association and of the Board, shall have and discharge all the general powers and duties usually vested in the office of the president or chief executive officer of a nonprofit corporation organized under the laws of Indiana, including, but not limited to, the power to appoint committees from among the Owners as he or she may deem necessary to assist in the affairs of the Association and to perform such other duties as the Board may from time to time prescribe.

Section 5.4. The Vice-President. The Vice-President shall be elected from among the Managers and shall perform all duties incumbent upon the President during the absence or disability of the President. The Vice-President shall also perform such other duties as these By-Laws may prescribe or as shall, from time to time, be imposed upon him or her by the Board or by the President.

Section 5.5. The Secretary. The Secretary shall be elected from among the Owners or Managers. The Secretary shall attend all meetings of the Association and of the Board and shall keep or cause to be kept a true and complete record of proceedings of such meetings, shall authenticate the Association's records, shall perform all other duties incident to the office of the Secretary, and such other duties as from time to time may be prescribed by the Board. The Secretary shall specifically see that all notices of the Association or the Board are duly given, mailed or delivered, in accordance with the provisions of these By-Laws.

Section 5.6. The Treasurer. The Board shall elect from among the Owners or Managers a Treasurer who shall maintain a correct and complete record of account showing accurately at all times the financial condition of the Association and such other duties incident to the office of Treasurer. The Treasurer shall be legal custodian of all monies, notes, securities, and other valuables which may from time to time come into possession of the Association. He or she shall immediately deposit all funds of

the Association coming into his or her hands in some reliable bank or other depository to be designated by the Board and shall keep such bank account in the name and for the exclusive benefit of the Association. The Treasurer may permit the Managing Agent, if any, to handle and account for monies and other assets of the Association to the extent appropriate as part of its duties.

Section 5.7. Assistant Officers. The Board of Managers may from time to time designate and elect from among the Owners an Assistant Secretary and Assistant Treasurer, who shall have such powers and duties as the Officers whom they are elected to assist shall delegate to them and such other powers and duties as these By-Laws or the Board of Managers may prescribe.

ARTICLE VI

ADDITIONAL RIGHTS AND DUTIES OF BOARD

Section 6.1. Right of Entry. An Owner or occupant of a Unit shall be deemed to have granted the right of entry to his Unit to the Board, the Managing Agent, or any person authorized by the Board in case of any emergency, in order to remedy any circumstance threatening his or her Unit, the Building located therein, or any other property or person, whether the Owner is present at the time or not. Any Owner shall permit persons authorized by the Board to perform any work, when required, to enter his Unit for the purpose of inspection or performing installations, alterations, repairs and improvements to any Common Areas or Limited Common Areas. The Association shall attempt to see that requests for entry are made in advance and that such entry is at a time convenient to the Owner. In case of emergencies, such right or entry shall be immediate and without notice.

Section 6.2. Right of Board to Adopt Rules and Regulations. The Board may promulgate such reasonable rules and regulations regarding the operation of the Condominium Property as the Board may deem desirable, including but not limited to the use of the Common Areas, Limited Common Areas, and Units. Such rules as are adopted may be repealed or amended by a vote of a majority of the Board. The Board shall cause copies of all such rules and regulations, including any amendments or repeals thereof, to be delivered or mailed promptly to all Owners at least fifteen (15) days prior to the effective date thereof. Any rule or regulation promulgated by the Board shall be properly and consistently enforced by the Board.

ARTICLE VII

INDEMNIFICATION

Section 7.1. Indemnification of Managers. To the extent not inconsistent with the laws of the State of Indiana, every person (and the heirs and personal representatives of such person) who is or was a Manager of the Association shall be indemnified by the Association as provided in the Indiana Nonprofit Corporation Act of 1991, as it now exists or as hereinafter amended. (As used in these By-Laws, the Declaration, and the Articles of Incorporation, the term "Manager" has the same meaning as the term "Director" as used in the Nonprofit Corporation Act of 1991.)

Section 7.2. Indemnification of Officers. To the extent not inconsistent with the laws of the State of Indiana, every person (and the heirs and personal representatives of such person) who is or was an officer of the Association shall be indemnified by the Association as provided in the Indiana Nonprofit Corporation Act of 1991, as it now exists or as hereinafter amended. In addition, every person (and the heirs and personal representatives of such person) who is or was an officer of the Association shall be indemnified by the Association to the same and fullest extent that Managers are indemnified by the Association as provided for in the Indiana Nonprofit Corporation Act of 1991, as it now exists or is hereinafter amended.

ARTICLE VIII

NOTICES AND MORTGAGES

Section 8.1. Notice to Association. Any Owner who places a first mortgage lien upon his or her Unit may notify the Secretary of the Association and provide the name and address of the Mortgagee or the Mortgagee may do so. A record of such Mortgagee and name and address shall be maintained by the Secretary or the Managing Agent and any notice required to be given to the Mortgagee pursuant to the terms of the Declaration or these By-Laws shall be deemed effectively given if mailed to such Mortgagee at the address shown in such record in the time provided. Unless notification of any such mortgages and the name and address of the Mortgagee are furnished to the Secretary, either by Owner or by the Mortgagee, no notice to any Mortgagee as may be otherwise required by the Declaration or these By-Laws shall be required, and no Mortgagee shall be entitled to vote on any matter on which he otherwise may be entitled to vote by virtue of the Declaration or By-Laws or proxy granted to such Mortgagee in connection with the mortgage.

Section 8.2. Notices of Mortgagees. The Association shall promptly provide to any Mortgagee of whom the Association has been provided notice under Section 8.1 of these By-Laws of any of the following:

(a) Any condemnation or casualty loss that affects either a material portion of the Condominium or the Units securing its mortgage;

(b) Any delinquency in the payment of Assessments owed by the Owner of any Unit on which said holder, insurer, or guarantor holds a mortgage, if said delinquency continues for more than sixty (60) days;

(c) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and,

(d) Any proposed action that requires the consent of a specified percentage of eligible mortgage holders.

ARTICLE IX

MISCELLANEOUS

Section 9.1. Personal Interests. Except as permitted under Section 4.8 hereof, no Member of the Association shall have or receive any earnings from the Association; provided, however, that a Member who is an officer, manager, employee, or agent of the Association may be reimbursed for expenses incurred on the Association's behalf.

Section 9.2. Contracts, Checks, Notes, Etc. All contracts and agreements entered into by the Association and all checks, drafts and bills of exchange and orders for the payment of money shall, in the conduct of the ordinary course of business of the Association, unless otherwise directed by the Board of Managers, or unless otherwise required by law, be signed by the Treasurer, and at least one other officer of the Association.

ARTICLE X

AMENDMENT TO BY-LAWS

Section 10.1. Amendment. These By-Laws may be amended by a vote of not less than sixty-seven percent (67%) of the total Percentage Vote of the Unit Owners voting in person or by proxy at a duly constituted meeting called for such purpose, or at an Annual or General Meeting, except as prohibited by any provision of the Declaration, the Indiana Horizontal Property Act, or these By-Laws, as the same may be amended from time to time. In lieu of conducting a meeting for the purpose of approving such an

amendment, written ballots may be used in the manner as prescribed in the Indiana Nonprofit Corporations Act of 1991, as amended.

ARTICLE XI

ASSESSMENTS

Section 11.1 Annual Accounting. Annually, as soon as practicable after the close of each fiscal year, the Board of Managers shall cause to be prepared and made available to any Owner upon request a financial statement prepared by a certified public accountant or firm of certified public accountants then serving the Association, which statement shall show all receipts and expenses received, incurred and paid during the preceding year. The Association shall also furnish such financial statement for the preceding fiscal year free of charge to any holder, insurer or guarantor of a first mortgage that is secured by a Unit who shall so request in writing.

Section 11.2. Proposed Annual Budget. Annually, on or before the date of the Annual Meeting of the Association, the Board of Managers shall cause to be prepared a proposed annual budget for the current fiscal year, estimating the total amount of the Common Expenses for such fiscal year. A copy of the proposed budget will be made available to all Owners attending the Annual Meeting, or upon request.

In preparing the annual budget, the Annual Assessment applicable to each Unit may be increased by the Board of Managers each year by not more than five percent (5%) above the Annual Assessment for the previous year without a vote of the membership. The Annual Assessment may be increased above five percent (5%) by a Majority of the Vote as defined in Section 3.7(e) hereof. The annual budget shall be the basis for the Annual Assessments for the current year. In no event shall the Annual Meeting of the Owners be adjourned until an annual budget is approved at such meeting, either the proposed annual budget or the proposed annual budget as amended.

The annual budget, the Annual Assessment and all sums assessed by the Association shall be established by using generally accepted accounting principles applied on a consistent basis. The annual budget and the Annual Assessment shall provide for the establishment and maintenance of an adequate replacement reserve fund for capital expenditures and replacement and repair of the Common Area, which replacement reserve fund shall be used for those purposes and not for usual and ordinary repair expenses. Such replacement reserve fund for capital expenditures and replacement and repair of the Common Area shall be maintained by the Association in a separate interest bearing account or accounts with one or more banks or savings and loan associations

authorized to conduct business in Marion County, Indiana, selected from time to time by the Board. The failure or delay of the Board of Managers to prepare a budget and furnish a copy thereof to the Owners shall not constitute a waiver or release in any manner of such Owner's obligation to pay the Common Expenses as herein provided, whenever determined, and in the absence of an annual budget, the Owner shall continue to pay the then existing monthly assessment until such new annual budget and monthly assessment is established.

Section 11.3. Annual and Special Assessments. Common Expenses shall be assessed to the Unit Owners, except as otherwise provided with respect to the Declarant in Section 4.5 of the Declaration, either as an Annual Assessment, or as a Special Assessment, proportionately in accordance with their respective Percentage Interest in the Common Areas or as otherwise provided herein, all as set forth below:

(a) An Annual Assessment shall be made for each Fiscal Year for all anticipated ongoing operating expenses of the Condominium, including reserves. The Annual Assessment shall be paid in twelve (12) equal monthly installments which shall be due and payable in advance on the first day of each calendar month. The amount of the aggregate Annual Assessments shall be equal to the total amount of expenses provided for in the Annual Budget, including reserve items.

(b) Special Assessments may be made for any unusual and/or extraordinary items, including capital expenditures, and for any unanticipated items, or if the Annual Assessments prove to be insufficient. Special Assessments shall be payable in such amounts and at such times as may be provided in the resolution or other formal proposal setting forth the terms of such Special Assessments.

(c) A Special Assessment may also be made by the Board of Managers against certain Units and Owners for any charges or expenses incurred by the Association which result from actions or omissions of a Unit Owner which violate any provisions of these By-Laws, the Declaration, or any Rules and Regulations adopted by the Board of Managers.

(d) The Annual Assessment and any Special Assessments, together with interest, late fees, costs, reasonable attorney's fees, and any other obligation which may be charged to an Owner pursuant to these By-Laws or the Declaration, shall be a continuing lien on the property upon which such assessment or charge is made as each installment thereof becomes payable. Each such assessment or charge, together with interest, late fees, costs and reasonable attorney's fees, shall also be the personal obligation of

the person who was the Owner of such property at the time when the assessment fell due.

Section 11.4. Fiscal Year. The fiscal year of the Association shall be the calendar year.

Section 11.5. Vote for Special Assessments. Except for Special Assessments imposed under Section 11.3(c) above, no Special Assessment shall be adopted unless approved by sixty-seven percent (67%) of the Owners at a meeting called for this purpose at which a quorum of at least forty percent (40%) of the Owners are represented in person or by proxy. However, Special Assessments required because of an insufficiency of insurance shall not be subject to any vote by the Owners. In lieu of conducting a meeting for the purpose of approving such a Special Assessment, written ballots may be used in the manner as prescribed in the Indiana Nonprofit Corporations Act of 1991, as amended.

Section 11.6. Notice of Meetings for Assessments. Written notice of any meeting called for the purpose of approving the Annual Budget and Annual Assessment or a Special Assessment, shall be given or sent to all members and such notice shall state that the Annual Budget and/or a Special Assessment will be considered at such meeting.

Section 11.7. Commencement of Assessments. The first monthly payment of each Annual Assessment shall be due on the first day of the first month following the Annual Meeting. The Owners shall continue to pay such monthly payments until after the next Annual Meeting.

Section 11.8. Failure of Owner to Pay Assessments. No Owner may exempt himself or herself from paying Annual or Special Assessments, or from contributing toward the Common Expenses or toward any other expense lawfully agreed upon, by waiver of the use or enjoyment of the Common Area, or by abandonment of the Unit belonging to such Owner. Each Owner shall be personally liable for the payment of all Annual and Special Assessments. Where the Owner constitutes more than one person, the liability of such persons shall be joint and several. If any Owner shall fail, refuse or neglect to make any payment of any Annual or Special Assessments when due, the lien for such assessment on the Owner's Unit may be foreclosed by the Board for and on behalf of the Association as provided by law. Upon the failure of an Owner to make payments of any Annual or Special Assessments within ten (10) days after such are due, the Board, in its discretion, may:

- (1) impose a late charge, which will be considered an addition to the assessment, in an amount to be determined by the Board of up to twenty-five percent (25%) of the amount of the Assessment;

(2) accelerate the entire balance of the unpaid Assessments for the remainder of the fiscal year and declare the same immediately due and payable, notwithstanding any other provisions hereof to the contrary;

(3) suspend such Owner's right to use the recreational facilities within Winston Island Woods and any other part of the Common Area as provided in the Indiana Nonprofit Corporation Act of 1991, as amended; and

(4) suspend such Owner's right to vote as provided in the Indiana Nonprofit Corporation Act of 1991, as amended.

In any action to foreclose the lien for any Assessments, the Owner and any occupant of the Unit shall be jointly and severally liable for the payment to the Association of reasonable rental for such Unit, and the Board shall be entitled to the appointment of a receiver for the purpose of preserving the Unit and to collect the rentals and other profits therefrom for the benefit of the Association to be applied to the unpaid Annual or Special Assessments. The Board may, at its option, bring a suit to recover a money judgment for any unpaid Annual or Special Assessments without foreclosing or waiving the lien securing the same. In any action to recover an Annual or Special Assessment, whether by foreclosure or otherwise, the Board, for and on behalf of the Association, shall be entitled to recover costs and expenses of such action incurred, including but not limited to reasonable attorney's fees, from the Owner of the respective.

Section 11.9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage now or hereafter placed upon the property subject to assessment as well as tax liens on the Unit in favor of any assessing unit or special district. Notwithstanding anything contained in this section or elsewhere in the Declaration or these By-Laws, any sale or transfer of a Unit to a mortgagee pursuant to a foreclosure on its mortgage or conveyance in lieu thereof, or a conveyance to any person at a public sale in the manner provide by law with respect to mortgage foreclosures, shall extinguish the lien of any unpaid installment of any Annual or Special Assessment as to such installments which became due prior to such sale, transfer or conveyance; provided, however, that the extinguishment of such lien shall not relieve the prior Owner from personal liability therefor. No such sale, transfer or conveyance shall relieve the Unit or the purchaser at such foreclosure sale, or grantee in the event of conveyance in lieu thereof, from liability for any installments of Annual or Special Assessments thereafter becoming due or from the lien therefor. Such unpaid share of any Annual Assessments or Special Assessments, the lien for which has been divested as aforesaid, shall be deemed to be a Common Expense collectible from all

Owners (including the party acquiring the subject Unit from which it arose).

Section 11.10. Liability of Grantee. In a voluntary conveyance of a Unit other than a deed in lieu of foreclosure, the grantee as successor Owner of the Unit shall be jointly and severally liable with the grantor for all unpaid assessments by the Association prior to the time of the grant or conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. Upon the request of any Unit Owner, the Secretary or other authorized representative of the Association or the Managing Agent shall provide within seven (7) days of the written request, a statement of the amount of current and delinquent assessments by the Association against a particular Unit. The Association may require the Unit Owner to confirm that the person requesting the statement is a Mortgagee or purchaser or grantee of the Unit Owner. Once having been furnished with such a statement, such person shall not be liable for, nor shall the Unit conveyed be subject to a lien for, any unpaid assessments made by the Association against the grantor in excess of the amount therein set forth, plus costs of collection of such sums, if applicable.

ARTICLE XII

DEFINITIONS

Section 12.1. Definitions. All terms used herein shall have the same meaning as defined in the Declaration. A "Manager" as used herein is any member of the Board of Managers, and the term "Board" refers to the Board of Managers. The term "Annual Budget" shall mean the budget adopted, or in context proposed for adoption, pursuant to these By-Laws. The masculine pronoun shall be construed to include and/or mean the feminine and neuter gender as the case may be and the singular shall where applicable include the plural. The term "Member" means a Unit Owner in his capacity as a member of the Association, and sometimes the term "Unit Owner" is used to describe such person in his capacity as a member of the Association.

IN WITNESS WHEREOF, I, the undersigned, do hereby execute this Amended and Restated Code of By-Laws and certify the truth of the facts herein stated, this 15th day of November, 1995.

Charles D. Reeder
Signature

CHARLES D. REEDER
Printed

PRESIDENT
Title

STATE OF INDIANA)
)
COUNTY OF MARION)

Before me a Notary Public in and for said County and State, personally appeared CHARLES REEDER, the PRESIDENT of Winston Island Woods Owners Association, Inc., who acknowledged execution of the foregoing Amended & Restated Code of By-Laws for and on behalf of said corporation and who, having been duly sworn, stated that the representations contained herein are true.

Witness my hand and Notarial Seal this 15th day of November, 1995.

Sue T. Reeder
Notary Public

SUE T. REEDER
Printed

My Commission Expires:

8-8-99

Residence County: Marion

This instrument prepared by and should be returned to: P. Thomas Murray, Jr., Attorney at Law, P.O. Box 501040, Indianapolis, Indiana 46250. (317) 842-8550.