

**BYLAWS**  
**VERACRUZ HOMEOWNERS ASSOCIATION, INC.,**  
**A NONPROFIT CORPORATION DESIGNED TO FACILITATE**  
**THE MANAGEMENT OF MAINTENANCE, ACTIVITIES AND**  
**USE OF COMMON AREAS OF VERACRUZ, A SUBDIVISION IN**  
**ALLEN COUNTY, INDIANA**

ARTICLE I  
Name and Address

Section 1. The name of the Corporation shall be Veracruz Homeowners Association, Inc. (hereinafter referred to as the "Association").

Section 2. The post office address of the Association is 1020 East Dupont Road, Fort Wayne, Indiana 46825.

ARTICLE II  
Purposes and Powers

The purposes and powers of the Association and the limitations thereon shall be those expressed in Article II of the Articles of Incorporation.

ARTICLE III  
Membership

Section 1. Members. The members of the Association shall be the owners of Lots within all current sections of Veracruz, and any additional sections of Veracruz developed by the Developer in the future. (All current sections of Veracruz and any additional sections thereof developed by the Developer shall be referred to hereinafter as "Veracruz.")

Section 2. Class of Membership. The Association shall have two (2) classes of voting membership:

Class A. Class A members shall be all the members with the exception of Oakmont Development Co. LLC, an Indiana limited liability company (hereinafter for purposes of these Bylaws, the "Declarant" or the "Developer"). Class A members shall be entitled to one (1) vote for each Lot in which they hold interest required for membership. When more than one (1) person shall hold such interest in any Lot, all such persons shall be members, and the vote for such Lot 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 Lot.

Class B. The Class B member(s) shall be the Declarant. Class B member(s), at all times when the total number of Lots owned by the Class B member(s) is greater than one-

third (1/3) of the total number of Lots owned by Class A members, shall be entitled to three (3) votes for each Lot in which it holds the interest required for membership. When the total number of Lots owned by the Class A members equals or exceeds three (3) times the total number of Lots owned by the Class B member(s), the Class B member(s) shall, during the time such equality or excess continues, be entitled to only one (1) vote for every Lot owned by it.

Section 3. Annual Meeting. The annual meeting of the members of the Association shall be held at the principal office of the Association on the first Thursday in March of each year at 7:00 p.m., local time, or at such place (within Allen County, Indiana, reasonably convenient for members to attend) and time as may be fixed by the Board of Directors and designated in the Notice or Waiver of Notice of such meeting. At the annual meeting, the Directors for the ensuing year shall be elected, the officers of the Association shall present their annual reports, the annual budget for the Association shall be adopted, and all such other business shall be transacted as may properly come before the meeting. The Secretary of the Association shall cause notice of the annual meeting to be given to each member of record of the Association entitled to vote by depositing the same in the United States mail, postage prepaid, in an envelope addressed to the latest address of such member as the same appears upon the records of the Association, such notice to be mailed at least ten (10) days before the date of such meeting.

Section 4. Special Meetings. Special meetings of the members may be held at the principal office of the Association, or at such other place within Allen County, Indiana, reasonably convenient for members to attend, as may be designated in the Notice or Waiver of Notice of such meeting. Special meetings may be called in writing by the President, by a majority of the Board of Directors, or by written petition signed by the holders of not less than ten percent (10%) of the memberships entitled to vote. The Secretary of the Association shall cause notice of the holding of any such special meeting to be given to each member of record of the Association entitled to vote upon the business to be transacted at the meeting by depositing in the United States mail, postage prepaid, in an envelope addressed to the latest address of such member as the same appears upon the books of the Association, such notice to be mailed at least ten (10) days before the date of such meeting.

Section 5. Addresses of Members. The address of each member appearing upon the records of the Association shall be deemed to be the latest address which has been furnished in writing to the Association by such member.

Section 6. Waiver of Notice. Notice of any meeting of members may be waived in writing by any member if the waiver sets forth in reasonable detail the purpose or purposes for which the meeting is called and the time and place thereof. Attendance at any meeting in person, or by proxy, when the instrument of proxy sets forth in reasonable detail the purpose or purposes for which the meeting is called, shall constitute a waiver of notice of such meeting. Each member who has, in the manner provided above, waived notice of a members meeting, or who personally attends a members meeting or is represented thereat by a proxy to appear by an instrument of proxy complying with the requirements set forth above, shall be conclusively presumed to have been given due notice of such meeting. When all members shall meet in person, such meeting shall be valid for all purposes and at such meeting any corporate action may be taken.



Section 7. Quorum. At any meeting of the members, the holders of a majority of the votes entitled to cast who are present in person or represented by proxy shall constitute a quorum for the transaction of business. If the holders of the number of votes necessary to constitute a quorum shall fail to attend in person or by proxy at the time and place fixed for such meeting, the holders of a majority of the votes present in person or by proxy may adjourn from time to time, without notice other than announcement at the meeting, until the holders of the number of votes requisite to constitute a quorum shall attend. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally called.

Section 8. Voting. No membership shall be voted at any time when any assessment with respect to the Lot for which such membership is held is past due and unpaid. Such member shall vote either in person or by proxy appointed in writing and subscribed by such member or his/her duly authorized attorney-in-fact, or appointed by telegram sent by such member or attorney-in-fact and delivered to the Secretary of the Association at or before the time of the holding of such meeting. No such proxy shall be valid after eleven (11) months from the date of its execution unless a longer time is expressly provided therein. Memberships held by fiduciaries may be voted by the fiduciary in such manner as the instrument or order appointing such fiduciary may direct.

Section 9. Voting List. The Secretary of the Association shall keep at all times a complete and accurate list of the members entitled by the Articles of Incorporation to vote at such election, arranged in alphabetical order, with the address and number of the memberships so entitled to vote held by each, which list shall be on file at the principal office of the Association and subject to inspection by any member. Such list may be inspected by any member for any proper purpose at any reasonable time.

Section 11. Member Action by Consent in Lieu of Meeting. Any action required or permitted to be taken at any meeting of members may be taken without a meeting, if prior to such action a consent in writing setting forth the action to be taken is signed by all members entitled to vote and such written consent is filed with the minutes of the proceedings of the members.

#### ARTICLE IV Directors

Section 1. Number. The present number of Directors of the Association is two (2). The number of Directors of the Association may be increased or decreased to any number not less than two (2) nor more than eight (8) by amendment of this Section, which amendment shall state the new number of Directors, but no decrease shall shorten the term of an incumbent Director. Directors need not be members of the Association. Directors shall be elected at the annual meeting of the members or at a special meeting called for that purpose. Subject to termination and removal as permitted by law, each Director elected at an annual meeting shall be elected to serve for one (1) year and until his/her successor shall be elected and qualified and

each Director elected at a special meeting shall be elected for the period ending with the next annual meeting and until his/her successor shall be elected and qualified.

Section 2. Vacancies. Any Director may resign his/her office at any time by delivering his/her resignation in writing to the Association, and the acceptance of such resignation, unless required by the terms thereof, shall not be necessary to make such resignation effective. Any vacancy occurring in the Board of Directors caused by resignation, death, or other incapacity, or increase in the number of Directors, shall be filled by a majority vote of the remaining members of the Board until the next annual meeting of the members or, in the discretion of the Board, such vacancy may be filled by the vote of the members at a special meeting called for that purpose.

Section 3. Removal of Directors. A Director may be removed with or without cause by the vote of the majority of all votes entitled to cast at a special meeting of members called for that purpose.

Section 4. Regular Meetings. A regular meeting of the Board of Directors shall be held at the place and immediately following the annual meeting of the members. Other regular meetings may be held at the principal office of the Association or any other place reasonably convenient for Directors to attend at such times and places as the Board of Directors may fix from time to time.

Section 5. Special Meetings. Special meetings of the Board of Directors shall be held at the principal office of the Association or at any other place within Allen County, Indiana, reasonably convenient for Directors to attend whenever called by the President or the Secretary of the Association or by any member of the Board. At least seventy-two (72) hours' notice of such meeting specifying the time, place and purpose shall be given to each Director either personally, by written notice deposited in the United States mail, postage prepaid, in an envelope to such Director or by telephone or telegram. Notice of the time, place and purpose of the holding of any such special meeting may be waived in writing 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 thereof. Attendance at any meeting in person by any Director shall constitute a waiver of the notice of such meeting. Whenever all of the Directors shall meet, such meeting shall be valid for all purposes and at such meeting any corporate action may be taken.

Section 6. Quorum and Voting. A majority of the actual number of Directors elected and qualified from time to time shall be necessary to constitute a quorum for the transaction of any business (excepting the filling of vacancies, in which case a quorum shall be a majority of the remaining Directors) and 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 the Indiana Nonprofit Corporation Act of 1991, as amended from time to time, the Articles of Incorporation, or other provisions of these Bylaws.

Section 7. Directors' or Committee Action by Consent in Lieu of 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 prior to such action a written consent to



such action is signed by all of the members of the Board of Directors or of such committee and such written consent is filed with the minutes of the proceedings of the Board of Directors or committee.

ARTICLE V  
Officers

Section 1. Officers. The officers of the Association shall consist of a President, a Treasurer and a Secretary, and if desired by the Board of Directors, one or more Vice Presidents, and one or more Assistant Secretaries and Assistant Treasurers, all of whom shall be elected by the Board of Directors of the Association at the first meeting thereof immediately following the annual meeting of the members; and they shall hold office, subject to the removal as provided by law, until their successors are elected and qualified. One person may hold more than one (1) office, except that the offices of the President and Secretary shall not be held by the same person. The officers shall be chosen from among the Directors of the Association.

Section 2. Removal. Any officer of the Association may be removed by the Board of Directors whenever the Board of Directors in its judgment believes that the best interests of the Association will be served by such removal. Such removal will be without prejudice to the contract rights, if any, of the persons removed. Election or appointment of an officer does not of itself create contract rights.

Section 3. Compensation. Officers shall not be entitled to compensation for their services.

Section 4. Duties.

(A) President. The President shall be the chief executive officer of the Association and shall have the powers and perform the duties usually incident to that office. He shall preside at all meetings of the members and of the Board of Directors. He shall submit to the Board of Directors, at least ten (10) days prior to the annual meeting of the members, an annual report of the operation of the Association during the preceding fiscal year, complete detailed statements of all income and expenditures and a balance sheet showing the financial condition of the Association at the close of the fiscal year. The President is authorized to sign, on behalf of the Association, contracts and other instruments in writing. The Secretary shall thereupon attest any such document requiring such attestation.

(B) Vice President. In the absence or inability of the President to act, his duties shall be performed and his powers may be exercised by the Vice President. The Vice President shall perform such other duties as shall be delegated to him by the Board of Directors.

(C) Secretary. The Secretary shall keep or cause to be kept a full, true and complete record of all of the meetings of the members and of the Board of Directors and shall have charge of the Minute Book of the Association and of all of its other books and documents (except the books of account). He shall perform such other duties as may be required by the Board of Directors or the President.

(D) Treasurer. The Treasurer shall have custody of the funds and other personal property of the Association and shall keep, or cause to be kept, correct and accurate books of account and shall also deposit, or see to the deposit of, the funds of the Association in a depository to be approved by the Board of Directors. He shall keep full and accurate account of all assets, liabilities, commitments, receipts, disbursements and other financial transactions of the Association in books belonging to the Association; shall (if directed by the Board of Directors) cause regular audits of such books and records to be made; shall see that all expenditures are made in accordance with procedures duly established, from time to time, by the Association; shall render financial statements at all regular meetings of the Board of Directors, and a full financial report at the annual meeting of members, if called upon so to do; and, shall perform such other duties as may, from time to time, be delegated to him by the Board of Directors or the President.

(E) Assistant Secretaries. An Assistant Secretary shall assist the Secretary of the Association and shall perform such other duties as are delegated to him by the Board of Directors.

(F) Assistant Treasurers. An Assistant Treasurer shall assist the Treasurer of the Association and shall perform such other duties as are delegated to him by the Board of Directors.

## ARTICLE VI Funds

Section 1. General Maintenance Fund. The General Maintenance Fund is hereby established. The General Maintenance Fund assessment shall be used exclusively, except as provided above, for the purpose of promoting the health and safety of the residents of the Addition, including, but not limited to, the improvement and maintenance of surface drainage systems, repairs, maintenance, the cost of labor, equipment and materials, supervision, security, lighting, snow removal, insurance, taxes, and all other things necessary or desirable in the opinion of the majority of members of the Association in connection therewith.

Section 2. Depository. The funds of the Association shall be deposited in a depository or depositories to be selected by the Board of Directors of the Association.

Section 3. Withdrawal of Funds. The funds of the Association may be withdrawn and disbursed by such officers as may be authorized by the Board of Directors.

## ARTICLE VII Assessments

Section 1. After the close of each calendar year and prior to the date of the Annual Meeting of the Association, the Board of Directors shall cause to be prepared and furnished to each member a financial statement, which shall show all receipts and expenses received, incurred and paid during the preceding calendar year.



Section 2. Annually, on or before January 31, the Board of Directors shall prepare a proposed annual budget for the General Maintenance Fund for the ensuing calendar year estimating the total amount to be incurred by the Association for the ensuing year and shall furnish a copy of such proposed budget to each member prior to February 15 of that year.

Section 3. The General Maintenance Fund Budget and Assessment for the ensuing year will be deemed adopted unless prior to February 28 a written petition for review signed by not less than twenty percent (20%) of the members is received by the Secretary. If such a petition is received, at least fifteen (15) days' written notice of a meeting to consider same shall be given to all members and a vote with respect to same shall occur at the Annual Meeting unless the notice called for above cannot be timely given prior to said meeting. In no case, however, shall the meeting to review the budget and assessment occur after March 31 of said year.

Any change so adopted in the amount of the assessment set by the Board of Directors must have the assent of two-thirds (2/3) of the membership of the Association who are voting in person or by proxy at a meeting duly called for such purpose. For purposes of this Section 3, at any meeting, a quorum of not less than fifty percent (50%) of all membership shall be required.

Section 4. The annual budget as adopted shall, based on the estimated cash requirements for the expenses of the Association, contain a proposed assessment against each Lot. Immediately following the adoption of the annual budget, each member shall be given written notice of the assessment against his/her Lot.

Section 5. The nature, type, amount, lien for, and other matters with respect to assessments as set forth in the Dedication, Declaration, Protective Restrictions, Covenants, Limitations and Easements of the sections of Veracruz, and approvals appended as part of the Dedication and Plats of the sections of Veracruz are hereby incorporated by reference as if they had been fully set forth herein.

## ARTICLE VIII Common Area

Section 1. Certain areas have been designated in the recorded plat of Veracruz as Common Area. Initially, the Common Area is to be developed and improved by the Developer. The Common Area may be used by any member of the Association and by his family members, guests and invitees at such times and in such manner as may be more fully outlined in specific rules and regulations for such use to be adopted by the Association.

Section 2. The Developer shall convey title to the Common Area to the Association no later than the time that the improvements on all Lots have been completed. Upon such conveyance, the Association shall immediately assume the responsibility for maintenance of the Common Area.

Section 3. The Board of Directors may establish rules with respect to the use of the Common Area. All proposed rules shall be forwarded to members and shall become effective

upon the approval of fifty percent (50%) of said members voting at any special or annual meeting called for that purpose.

ARTICLE IX  
Architectural Control Committee

After seventy-five percent (75%) of the Lots are sold, the Board of Directors shall appoint three (3) members to the Architectural Control Committee, previously established by the Developer, unless said appointments have been previously relinquished. Said appointments shall serve at the pleasure of the Board of Directors and function in accordance with the Dedication, Declaration, Protective Restrictions, Covenants, Limitations and Easements of the current and any future sections of Veracruz and the provisions relating to and governing, without limitation, the Architectural Control Committee.

ARTICLE X  
Miscellaneous

Section 1. Headings. Headings are for reference only and do not affect the provisions of these Bylaws. Where appropriate, the masculine gender shall include the feminine or the neuter, and the singular shall include the plural.

Section 2. Inconsistent Provisions. Notwithstanding the provisions herein, any provisions of the Dedication, Declaration, Protective Restrictions, Covenants, Limitations and Easements for any sections of Veracruz that are inconsistent with any provisions of these Bylaws shall apply and otherwise supersede inconsistent provisions of these Bylaws.

ARTICLE XI  
Amendment

These Bylaws may be amended by the Board of Directors, by the affirmative vote of a majority of the whole Board, at any regular or special meeting, notice of which contains the proposed amendment or a digest thereof, or at any meeting, regular or special, at which all Directors are present.