

**BY-LAWS  
OF  
THE HERON PRESERVE HOMEOWNER'S ASSOCIATION, INC.**

**ARTICLE I**

**PURPOSES AND POWERS**

Section 1.01. Purposes. The purposes of the Corporation shall be those expressed in Article II of its Articles of Incorporation.

Section 1.02. Powers. Subject to all limitations or restrictions imposed by law, by the Articles of Incorporation and by the Declaration, Protective Restrictions, Covenants, Limitations, Easements and Approvals (the "Declaration") appended to the plats of the various sections of Heron Preserve, a single family residential development located in Allen County, Indiana (collectively, the "Declaration"), and in furtherance of the purposes referred to in Section 1.01 above, the Corporation shall have and may exercise all of the powers set forth in the Declaration and all other powers not denied to corporations incorporated under I.C. 23-7-1.1 (the "Act"), including but not limited to:

- (a) the promulgation and enforcement of rules and regulations governing the use of recreational facilities and other Common Areas within Heron Preserve development pursuant to the Declaration;
- (b) the acceptance of a transfer from the Declarant or third parties of such additional real and/or personal property as the Corporation may deem appropriate;
- (c) the ownership of the Common Areas and other recreational facilities, and the operation of the same for the use and benefit of the members of the Corporation and their invitees;
- (d) the determination (within the limits set forth in the Declaration) of the amount of the various assessments identified in the Declaration, and the levy and collection of same as provided in the Declaration;
- (e) the improvement and maintenance of the lake area, outfall appurtenances and drainage way, entrance ways, easement rights of the Corporation, recreational facilities and other Common Areas;
- (f) the construction, repair or replacement of capital improvements upon the Common Areas or with respect to recreational facilities;
- (g) the carrying out of its duties for architectural control as those duties are defined in the Declaration;
- (h) the enforcement, by any proceedings at law or in equity, of all restrictions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of the Declaration; and

(i) the carrying out of such other duties and responsibilities imposed upon the Corporation as now exists, or as may be hereafter imposed by the provisions of the Declaration;

provided, however, that:

(1) the Corporation shall not engage in any activity for the purpose of or resulting in the private profit or pecuniary remuneration of its members, directors, officers, or employees, and no part of the net earnings of the Corporation shall inure to the benefit of any member, director, officer or employee;

(2) the Corporation shall not compensate any director for services rendered in that capacity to the Association. However, any director may be remunerated for actual expenses incurred in the performance of his duties;

(3) the Corporation shall not directly or indirectly participate (including the publishing or distributing of any statements) or intervene in any political campaign on behalf of, or in opposition to any candidate for public office;

(4) the Corporation shall not be operated primarily as a social club for the benefit, pleasure or recreation of its members;

(5) the Corporation shall not carry on business with the general public in a manner similar to organizations which operate for profit.

## ARTICLE II

### OFFICES

Section 2.01. Principal Office. The principal office of the Corporation shall be located at such location in Allen County, Indiana as may be determined by the Board of Directors from time to time.

## ARTICLE III

### MEMBERS

Section 3.01. Members. The members of the Corporation shall be the owners of each Lot within the various sections of Heron Preserve, a single family residential development located in Allen County, Indiana, and shall hold membership rights as provided in Declaration of the various sections of Heron Preserve, including all lots platted as a Villa Lot.

Section 3.02. Annual Meeting. The annual meeting of the members of the Corporation shall be held at the principal office of the Corporation or at such other place within Allen County, Indiana which is reasonably convenient for members to attend at any time during the first six months of each year, as fixed and determined by the board of directors from time to time. At the annual meeting, the directors for the ensuing year shall be elected, the officers of the Corporation shall present their annual reports, and all such other business as may properly be brought before the meeting shall be transacted. The Secretary of the Corporation shall cause notice of the annual meeting to be given to each member of record of the Corporation entitled to vote by depositing in the United States Mail, first class, postage prepaid, in an envelope addressed to the latest address of such member as the same appears on the records of the Corporation, a written or printed notice stating the place, day and hour of the holding of such meeting, such notices to be mailed at least ten (10) days and not more than thirty (30) days before the date of such meeting. Notice of such meeting shall also include a description of any matter or matters to be considered at the meeting which require members' approval.

Section 3.03. Special Meetings. Special meetings of the members may be held at the principal office of the Corporation or at such other place within Allen County, Indiana which is 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 the 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 Corporation shall cause notice of the holding of any such special meeting to be given to each member of record of the Corporation entitled to vote upon the business to be transacted at the meeting, and only matters within the purposes set forth in the meeting notice may be considered at a special meeting. Notice shall be given by depositing in the United States Mail, first class, postage prepaid, in an envelope addressed to the latest address of each such member as the same appears upon the books of the Corporation, a written or printed notice stating the place, day, hour and purpose or purposes for which such meeting is called, such notice to be so mailed at least ten (10) days but no longer than thirty (30) days before the date of such meeting.

Section 3.04. Address of Members. The address of any member appearing upon the records of the Corporation shall be deemed to be the latest address of such member that has been furnished in writing to the Corporation by such member.

Section 3.05. Waiver of Notice. Notice of any members' meeting 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 a time and place thereof. Written waivers of notice shall be included in the minutes of the meeting or otherwise filed with the Corporation's records. 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 above provided, waived notice of a members' meeting or who personally attends a members' meeting or is represented thereat by a proxy authorized to appear by an instrument of proxy complying with the requirements below set forth, 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 3.06. Quorum. Subject to the provisions of Section 3.06 and 3.08 of these By-Laws, below, at any other meeting of the members, the holders of twenty percent (20%) of the memberships entitled to vote who are present in person or represented by proxy shall constitute a quorum for the transaction of business. For purposes of the annual or regular meeting, in which a matter to be voted on is not described in the notice of such meeting, a quorum shall then consist of thirty-three and one third percent (33 1/3 %) of the memberships entitled to vote. If the holders of the number of memberships 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 memberships present in person or by proxy may adjourn from time to time, without notice other than announcement at the meeting, until holders of the number of memberships 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 3.07. Voting and Proxy. Subject to the provisions of Section 3.08 of these By-Laws, below, 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. Class A and Class B members shall have voting rights as provided in the Declaration for Lots. All classes of members may vote either in person or by proxy appointed in writing and subscribed by such member or by his duly authorized attorney-in-fact, or appointed by telegram sent by such member or attorney-in-fact, and delivered to the Secretary of the Corporation 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 for therein. Memberships held by fiduciaries may be voted by the fiduciaries in such manner as the instrument or order appointing such fiduciaries may direct. If all persons who are together entitled to one membership do not agree upon the exercise of voting rights, the following provisions shall apply: (1) where a membership is held jointly by three (3) or more persons, such membership shall be voted in accordance with the will of the majority; (2) where such persons or a majority of them cannot agree, or where they are equally divided upon the question of voting such membership, such membership shall be voted as may be directed by any court of general equity jurisdiction, as such court may deem for the best interests of the membership, upon petition filed by any such person or any party in interest.

Section 3.08. Meetings for Assessments. Provisions of notice, quorum and voting as contained in these By-Laws notwithstanding, any meeting of the association called for the purpose of considering Annual Assessments or Special Assessments for Capital Improvements shall be governed by the rules for notice, quorum and voting for those purposes as contained in the Declaration, and those provisions contained in the Declaration shall take precedence over inconstant provisions contained in these By-Laws.

Section 3.09. Voting List. The Secretary of the Corporation shall keep at all times a complete and accurate list of the members entitled by the Articles of Incorporation to vote upon any issue coming before the membership with the address and number of memberships so entitled to vote held by each, which list shall be on file at the principal office of the Corporation and subject to inspection by any member. Such list may be inspected by any member, for any proper purpose, at any reasonable time.

Section 3.10. Member Action by Consent in Lieu of Meeting. Subject to the provisions of Section 3.08 of these By-Laws, above, 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 at least 80% of the members entitled to vote, and such written consent is filed with the minutes of the proceedings of the members. Written consents must be delivered to all members entitled to vote.

## ARTICLE IV

### NOMINATION AND ELECTION OF DIRECTORS

Section 4.01. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association who may or may not be members of the Board of Directors. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nomination may be made from among members or non-members.

Section 4.02. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies by case, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

## ARTICLE V

### DIRECTORS

Section 5.01. Number. The present number of directors of the Corporation is five (5). The number of directors of the Corporation may be increased or decreased to any number not less than three (3) by amendment of this section 5.01, which amendment shall state the new number of the directors, but no decrease shall shorten the term of an incumbent director. Directors shall be members of the Corporation or shall be agents or employees of a member of the Corporation. 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 year and until his 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 successor shall be elected and qualified.

Section 5.02. Vacancies. Any director may resign his office at any time by delivering his resignation in writing to the Corporation, which resignation shall become effective immediately upon delivery of the same, unless the terms of the resignation specify a different effective date,

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 members at a special meeting called for that purpose.

Section 5.03. Removal of Directors. A director may be removed with or without cause by the vote of the holders of a majority of the memberships entitled to vote at a special meeting of members called for the purpose. Notice of such meeting shall state that the purpose of the meeting is the removal of a director.

Section 5.04. Regular Meetings. A regular meeting of the Board of Directors shall be held at the place of and immediately following the annual meeting of the members. Other regular meetings may be held at the principal office of the Corporation or at any other place within Allen County, Indiana reasonably convenient for directors to attend, at such times and places as the Board of Directors may fix from time to time.

Section 5.05. Special Meetings. Special meetings of the Board of Directors shall be held at the principal office of the Corporation 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 Corporation or by any two of the members of the Board. At least 72 hours' notice of such meeting specifying the time, place, and purpose thereof shall be given to each director either personally, by written notice deposited in the United States mail, first class, postage prepaid in an envelope addressed 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. Written waivers of notice shall be included in the minutes of the meeting or otherwise filed with the Corporations records. 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 5.06. 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 Act, the Articles of Incorporation or another provision of these By-Laws.

Section 5.07. 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 VI

### OFFICERS

Section 6.01. Officers. The officers of the Corporation 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 Corporation at the first meeting thereof immediately following the annual meeting of the members; and they shall hold office, subject to removal as provided by law, until their successors are elected and qualified. One person may hold more than one 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 Corporation.

Section 6.02. Removal. Any officer of the Corporation may be removed by the Board of Directors whenever the Board of Directors in its judgment believes that the best interests of the Corporation will be served by such removal. Such removal will be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer does not of itself create contract rights.

Section 6.03. Compensation. Officers shall not be entitled to compensation for their services.

#### Section 6.04. Duties.

(a) President. The President shall be the chief executive officer of the Corporation 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 operations of the Corporation during the preceding fiscal year, complete detailed statements of all income and expenditures and a balance sheet showing the financial condition of the Corporation at the close of the fiscal year. The President is authorized to sign, on behalf of the Corporation, contracts and other instruments in writing. The Secretary shall thereupon attest any such document requiring such attestation under the corporate seal of the Corporation.

(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 Corporation and of all its other books and documents (except the books of account). He shall have custody of the corporate seal, and he shall affix the same to and countersign papers requiring such acts, but only upon the order of the Board of Directors or the President, and 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 Corporation 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 Corporation in a depository to be approved by the Board of Directors. He shall keep full and accurate accounts of all assets, liabilities, commitments, receipts, disbursements and other financial transactions of the Corporation in books belonging to the Corporation; 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 Corporation; 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 Secretary. An Assistant Secretary shall assist the Secretary of the Corporation and shall perform such other duties as are delegated to him by the Board of Directors.

(f) Assistant Treasurer. An Assistant Treasurer shall assist the Treasurer of the Corporation and shall perform such other duties as are delegated by him by the Board of Directors.

## ARTICLE VII

### COMMITTEES

Section 7.01. The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

## ARTICLE VIII

### ASSESSMENTS

Section 8.01. As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. The association has specific remedies at law regarding collection of said assessments including foreclosure, which are remedies are further provided for in the Declaration. The association shall be entitled to collect such assessments, interest, costs and reasonable attorney's fees should the pursuit of such remedies be required, which additional costs shall be added to the amount of such assessment. No Member may waive or otherwise escape liability for the assessments provided herein by the nonuse of the Common Area or abandonment of his Lot.



## ARTICLE IX

### BOOKS AND RECORDS

Section 9.01. The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

## ARTICLE X

### FUNDS

Section 10.01. Depository. The funds of the Corporation shall be deposited in a depository or depositories to be selected by the Board of Directors of the Corporation.

Section 10.02. Withdrawal of Funds. The funds of the Corporation may be withdrawn and disbursed by such officers as may be designated by the Board of Directors.

## ARTICLE XI

### AMENDMENTS

Section 11.01. These By-Laws may be amended by the Board of Directors, by the affirmative votes 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, or by a majority of a quorum of the members at any duly called meeting of the Association.

### ADOPTED

The above and foregoing By-Laws were adopted on the 17<sup>th</sup> day of February, 2005.

  
THOMAS W. KELLEY, Director

  
JEFFREY THOMAS, Director

  
GARY K. THELEN, Director