

CODE OF BY-LAWS OF
THE FAIRWAY KNOLL HOMEOWNERS ASSOCIATION, INC.,
AN INDIANA NOT-FOR-PROFIT CORPORATION

ARTICLE I

Identification and Applicability

Section 1.01. Identification and Adoption. These By-Laws are adopted to govern the Fairway Knoll Homeowners Association, Inc. (the "Association") in the conduct of its activities and duties pursuant to the Articles of Incorporation of the Association ("Articles"), the Declaration of Covenants, Easements and Restrictions and the Supplemental Declaration of Covenants and Restrictions for Fairway Knoll as recorded on the 24th day of Jan, 1970, and on the 24th day of Jan, 1970, respectively, in the office of the Recorder of Monroe County, Indiana as Instrument Nos. 900812 and 900813, respectively (collectively, the "Declaration"). The Declaration is incorporated herein by reference and all of the covenants, conditions, rights, restrictions, and liabilities therein contained shall apply to and govern the interpretation of these By-Laws. The definitions and terms as defined and used in the Declaration shall have the same meanings in these By-Laws, and reference is hereby made to the definitions in Section 1 of the Declaration. The provisions of these By-Laws shall apply to the Property and to the administration and conduct of the affairs of the Association.

Section 1.02. Individual Application. All of the Owners, tenants, their guests and invitees, or any other person who might now or hereafter use or occupy a Lot or any part of the Common Property shall be subject to the rules, restrictions, terms and conditions set forth in the Declaration, these By-Laws, and the Act, as the same may be amended from time to time.

Section 1.03. Membership. The members of the Association shall be the Owners, and the terms "member" and "Owner," as used herein, in the Declaration, or in the Articles of Incorporation of the Association ("Articles"), shall be interchangeable. A member shall be deemed to be in good standing so long as he or she remains in compliance with the covenants and obligations of an Owner under the Declaration, or as otherwise determined by the Board of Directors. As provided by law, each member of the Association shall be entitled to a certificate signed by the President and attested by the Secretary certifying the membership held by him and such other information as may be required by law. The form of such certificate shall be prescribed by the Board of Directors. Such certificate shall not be transferable.

ARTICLE II

Meetings of Association

Section 2.01. 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 Directors, approving the annual budget, providing for the collection of Common Expenses, and for such other purposes as may be required by the Declaration, these By-Laws, or the Act.

Section 2.02. Annual Meetings. The first annual meeting shall not be held until the time of turnover of control of the Regime by Declarant or at such earlier time or times as may be determined by the Declarant. All subsequent annual meetings shall be held on any date selected by the Board of Directors which is within five (5) days of the anniversary of the first annual meeting. At each annual meeting, the Owners shall elect the Board of Directors of the Association in accordance with the provisions of these By-Laws and transact such other business as may properly come before the meeting.

Section 2.03. Special Meetings. A special meeting of the members of the Association may be called by a majority of the Board of Directors, the President, or upon a written petition of the Owners of not less than ten percent (10%) of the Lots. 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 2.04. Notice and Place of Meetings. Written notice stating the date, time, and place of any meeting of the members, and, in the case of special meetings or when otherwise required by law, the purpose or purposes for which the meeting is called, shall be delivered or mailed by the Secretary of the Association to each Owner and, if applicable, to any Mortgagee not less than ten (10) days prior to the date of such meeting. If at any meeting an amendment to the Declaration or these By-Laws is to be considered, the notice of such meeting shall describe the nature of such proposed amendment. The notice 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, and by first class U.S. Mail to the Mortgagees at their respective addresses as they shall appear on the records of the Association. Attendance at any meeting in person or by proxy shall constitute a waiver of notice of such meeting. Furthermore, notice of any meeting may be waived by any Owner in writing filed with the Secretary of the Corporation.

Section 2.05. Voting.

- (a) Number of Votes. To avoid fractional votes and to facilitate the orderly conduct of the meeting, each Owner shall be entitled to cast one (1) vote on each matter coming before the meeting. The total number of votes for or against any matter shall then be divided by the total number of Lots in Fairway Knoll to determine the respective proportions of Owners supporting or opposing such matter, or by the number of Lots 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 directors, each Owner (or his