AMENDED AND RESTATED
CODE OF BY-LAWS
OF
KINGSBOROUGH COMMUNITY ASSOCIATION, INC.

This instrument prepared by:

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AMENDED & RESTATED CODE OF BY-LAWS OF KINGSBOROUGH COMMUNITY ASSOCIATION, INC.

ARTICLE I

1.1 Name and Location. The name of the corporation is Kingsborough Community Association, Inc., hereinafter referred to as "Association." The principal office of the Association shall be c/o Ardsley Management Company, 3002 E. 56th St., Indianapolis, Indiana 46220. Meetings of the Association and Board may be held at such places within Hamilton County, State of Indiana, as designated by the Board.

ARTICLE II – DEFINITIONS

2.1 Declaration. "Declaration" shall mean and refer to the "Amended and Restated Declaration of Covenants, Conditions, Restrictions, Liens and Reservations of Easements for Kingsborough" applicable to the Property and Kingsborough recorded in the Office of the Hamilton County Recorder, as the same may be amended, from time to time. The terms, provisions, conditions and restrictions of the Declaration, as related to the Association and its Members, the Board, officers and committees, are incorporated by reference with the same force and effect as is fully set out in these By-Laws (hereinafter referred to as the "By-Laws").

2.2 Association, Owner, Property, Lot, Common Area, Community Area, Kingsborough, Dwelling Unit, Member and Developer. As used in these By-Laws, the terms "Association," "Owner," "Property," "Lot," "Common Area," "Community Area," "Kingsborough," "Dwelling Unit," "Member" and "Developer" shall have the same meaning as defined in the Declaration.

ARTICLE III – MEETINGS OF ASSOCIATION

3.1 Annual Meeting. The annual meeting of the Association Members for the purpose of electing Directors and for the transaction of such other business as may properly come before the Association shall be held annually. The annual meeting shall be held in the month of May of each year, with the specific date, time and place to be determined by the Board of Directors.

3.2 Special Meetings. Special meetings of the Association shall be called at any time by the President of the Association or by the Board, or upon written petition of the Members who are entitled to vote one-tenth (1/10) of all the votes of Membership. 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.

3.3 Notice of Meeting; Waiver. Reasonable written notice of each meeting of the Association shall be given to each Member. Each notice shall specify the date, time and location of the meeting, and, in the case of a special meeting, shall specify the purpose of the meeting. The notice shall be delivered personally or mailed postage prepaid to all Members not less than

ten (10) days prior to the date of such meeting. Any written notice delivered to the Members as part of a newsletter or other publication regularly sent to the Members constitutes a written notice. Failure by a Member to receive a properly mailed notice shall not affect the validity of action taken by the Board at any meeting for when the notice was issued. 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 Indiana Nonprofit Corporation Act of 1991, as amended (hereafter, "Act") before adjournment.

3.4 Quorum. The presence at the meeting of Members entitled to vote, or of proxies entitled to vote, fifty percent (50%) of the votes of the Membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these By-Laws. Whether or not a quorum is present, the majority of the Members present at a meeting may by vote adjourn that meeting.

3.5 Proxies. At all meetings of the Association, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary of the Association prior to commencement of the meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his/her Lot.

3.6 Voting. The vote of the majority of those present, either in person or by proxy, shall decide any issues brought before the Association, unless the issue is one upon which a quorum or a different vote is required by provision of the laws of the State of Indiana, the Declaration, the Articles of Incorporation or these By-Laws.

3.7 Action by Consent Without Meeting. Any action that may be taken at a meeting of the Association may be taken without a meeting if written approval and consent, setting forth the action authorized, shall be signed by Members having at least eighty percent (80%) of the total votes of the Association. This written consent shall be filed with and entered upon the records of the Association.

3.8 Suspension of Voting Privileges. No Member shall be eligible to vote or to be elected to the Board who is shown on the records of the Association to be more than thirty (30) days delinquent in the payment of any assessment due the Association.

3.9 Written Ballots. In lieu of any annual or special meeting of the Members, written ballots may be utilized in the manner prescribed in the Act.

ARTICLE IV – BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

4.1 Number. Until altered by a vote of the Association's Members, there shall be five (5) Directors of the Association. It is not necessary that the Directors be Members of the Association.

4.2 Term of Office. At the first annual meeting, the Developer shall elect three (3) Directors for a term of one (1) year, and the Members, other than the Developer, shall elect two (2) Directors for a term of one (1) year, and at each annual meeting thereafter, the Class A Members shall elect two (2) Directors and Class B Members shall elect three (3) Directors, for a

term of one (1) year, or until their successors are elected and qualified. At such time as Class B Memberships terminate, as provided in the Declaration and the Articles of Incorporation, all Directors shall be elected by the Association's Members for a term of one (1) year, or until their successors are elected and qualified.

4.3 Removal and Vacancies. Any Director may be removed from the Board, with or without cause, by a majority vote of the Association Members at a meeting duly called for such purpose. In such case, his or her successor shall be elected at the same meeting to serve for the remainder of the term of the removed Director. Any vacancy occurring in the Board caused by a death, resignation, or otherwise other than a vacancy created by removal, shall be filled until the next annual meeting of the Members through a vote of a majority of the remaining Directors. At the first annual meeting of the Members following any such vacancy, a Director shall be elected by the Members to serve for the balance of the term of the Director in respect to whom there has been a vacancy. However, any Director elected or appointed by the Developer may only be removed by the Developer, and the successor may only be appointed by the Developer, to serve for the unexpired term.

4.4 Compensation. Directors shall serve without compensation except Directors may be reimbursed for the actual expenses incurred in the performance of their duties.

4.5 Action Taken Without a Meeting. The Directors shall have the right to take any action without a meeting which they could take at a meeting by obtaining the written approval of all Directors. Any action so approved shall have the same effect as though taken at a meeting of the Board.

ARTICLE V – NOMINATION AND ELECTION OF DIRECTORS

5.1 Nomination. Nomination for election to the Board shall be made from the floor at the Association's annual meeting. Nominations may be made from among Members or non-Members. The Board of Directors shall take as many nominations for election to the Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

5.2 Election. Election to the Board shall be by secret written ballot. At such election, the Members, in person or by proxy, may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration and Article 3.6 of these By-Laws. The individual receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI – MEETINGS OF DIRECTORS

6.1 Regular Meetings. The Board shall meet annually after the annual meeting of the Association. In addition to its annual meeting, the Board shall have regular meetings established as to time and location by resolution of the Board. No written or verbal notice need be given to Directors for regularly scheduled Board meetings of which the Directors are already aware. For all other Board meetings, the Secretary shall give notice of such meetings of the Board to each Director personally or by United States mail at least five (5) days prior to the date of such meetings. To the extent provided in the Act, a Director may conduct or participate in a regular or special meeting of the Board of Directors through the use of conference telephone or any means

of communication by which all Directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting by this means is considered to be present in person at the meeting.

6.2 Special Meetings. Special meetings of the Board shall be called by the President of the Association, or by any two (2) Directors, after not less than three (3) days notice to each Director unless such notice period is waived.

6.3 Quorum. A majority of Directors shall constitute a quorum for the transaction of business. Every business decision made by a majority of the Directors present at a meeting at which a quorum is present shall be regarded as an act of the Board.

6.4 Waiver of Notice. Before or after any meeting of the Board, any Director 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 Director at a meeting shall, as to such Director, constitute a waiver of notice of the time, place, and purpose thereof. If all Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

ARTICLE VII – GENERAL POWERS AND DUTIES OF THE BOARD OF DIRECTORS

7.1 General Powers and Duties. The Board shall have the power to:

(1) maintain corporate surveillance over all the Association's activities;
(2) determine the Association's programs and policies, and assure that such policies and programs are designed to serve the philosophies, objectives and purposes of the Association;
(3) approve organization aspects of the Association and delegation of authority on matters;
(4) delegate to appropriate persons the authority to conduct the business of the Association and carry out the policies and programs approved by the Board;
(5) appoint a competent staff and determine its authority and responsibilities;
(6) make provisions for establishment of various auxiliaries to aid in accomplishing the objectives of the Association;
(7) provide for financial stability;
(8) analyze and evaluate the total operation, including all activities and services;
(9) adopt and publish rules and regulations governing the use, maintenance, repair and replacement of all easement areas, Community Area and Common Area;
(10) after notice and hearing, suspend the voting rights and the right to use the Common Area and community facilities of a Member during any period in which such Member shall be in default in the payment of any assessments levied by the Association; such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days per infraction of published rules and regulations. However, a Member may not be so suspended except under a procedure adopted by resolution of a majority of

the Board of Directors that is fair, reasonable and carried out in good faith. Such a procedure shall fully comply with the Act; and

(11) employ a managing agent, an independent contractor, or such other employees as the Board deems necessary and to prescribe their duties.

7.2 Standards of Conduct and Liability of Directors and Officers. The standard and duty of conduct for and the standard or requirements for liability of the Directors and Officers of the Association shall be as set forth in the Act.

ARTICLE VIII – OFFICERS

8.1 Number and Office. The officers of the Association shall consist of a President, Secretary and Treasurer, and, at the Board's discretion, a Vice President. The Officers shall be elected by a majority vote at the first meeting of the Board following each annual meeting of the Members.

8.2 Powers and Duties. Subject to such limitations as the Board may from time to time prescribe, the officers shall each have powers and perform such duties as generally pertain to their respective offices and such further powers and duties as may be conferred from time to time by the Board.

8.3 Officers.

a. President. The President shall be the principal officer of the Association and shall be a Member of the Board.

b. Vice President. In the absence of the President, the Vice President (if any) shall assume the powers and the duties of the President.

c. Secretary. The Secretary shall be responsible for sending notice of all meetings of the Association and the Board. The Secretary shall keep the minutes of the Association and the Board meetings.

d. Treasurer. The Treasurer shall collect and disburse the funds of the Association and report on the financial condition of the Association.

8.4 Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year until a successor is elected, unless an officer shall resign, be removed or otherwise disqualified to serve.

8.5 Special Appointments. The Board may elect such officers as the affairs of the Association may require, each of whom shall hold office for such period, have the authority and perform the duties as the Board may, from time to time, determine.

8.6 Resignation and Removal. Any officer may be removed from office with or without cause by the Board, or upon an affirmative vote of a majority of the Members. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. The resignation shall take effect on the date the notice is received or at any time specified therein. The acceptance of such resignation shall not be necessary to make it effective.

8.7 Vacancies. A vacancy in an office shall be filled by an appointment by the Board. The officer appointed to a vacancy shall serve the remaining term of the officer replaced.

8.8 Multiple Offices. The office of Secretary and Treasurer may be held by the same individual. No individual shall simultaneously hold more than one of the other offices except in the case of special offices created pursuant to Article 8.5.

ARTICLE IX – COMMITTEES

9.1 The Board is hereby authorized to appoint committees as deemed appropriate in carrying out its purposes as provided in the Declaration or By-Laws.

ARTICLE X – PROTECTION FROM LIABILITY & INDEMNIFICATION

10.1 To the full extent permitted by the laws of the State of Indiana, and as provided in the Act, the Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, contemplated or completed action, suit or proceeding, whether civil, administrative or investigative (whether by or in the right of the Association or otherwise) by reason of the fact that he or she is or was a Director or an officer of the Association, against expenses (including attorney's fees), judgments, fines and amounts paid in settlement of or in connection with any such action, suit or proceeding, provided that such expenses, judgment, fine and amounts are in a reasonable sum and are reasonably incurred. The indemnification provided herein shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled to under the Articles of Incorporation, these By-Laws or any agreement, vote of disinterested Directors or otherwise, both as to action in his or her official capacity and as to action in another capacity once her or she ceases to be a Director, officer, employee or agent, and shall inure to the benefit of the heirs, executors and administrators of such a person.

ARTICLE XI – MISCELLANEOUS

11.1 Books and Records. The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member, and any holder, insurer or guarantor of a first mortgage on a Lot. The Declaration, Articles and these 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.

11.2 Fiscal Year. The fiscal year shall begin on the first day of January every year, except that the first fiscal year of the Association shall begin on the date of incorporation. The commencement date of the fiscal year herein established may be changed by the Board should corporate practice subsequently dictate.

11.3 Execution of Association Documents. All notes, contracts, other documents, checks and other drafts shall be executed on behalf of the Association by such officers, agents or other persons as are from time to time designated by the Board.

11.4 Conflict. In case of any conflict between the Articles and these By-Laws, the Articles shall control; and in the case of conflict between the Declaration and these By-Laws, the Declaration shall control.

11.5 Amendments. These By-Laws may be amended at a regular or special meeting of the Association, by affirmative vote of a majority of the total number of votes cast. However, so long as there is a Class B Member, any such amendment shall require the approval of the Declarant.

We, the undersigned Directors of Kingsborough Community Association, Inc., an Indiana nonprofit corporation, under the authority of the original By-Laws, do hereby approve the adoption of the foregoing Amended and Restated By-Laws, for the government of said corporation.

Date: 2/25/98

David Metz, Director

Date: 2-25-98

David Piccolo, Director

Date: 2-26-98

Jeffery Hebeler, Director

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