

CODE OF BY-LAWS

OF

LANTERN FARMS PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE I
NAME AND LOCATION

The name of the Corporation is Lantern Farms Property Owners Association, Inc. (hereinafter referred to as the "Corporation"). The principal office of the Corporation shall be located at Fishers, Indiana, until and unless changed in accordance with law by the Board of Directors, but meetings of members and directors may be held at such places either within or without the State of Indiana as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

Section 1. "Declarant" shall mean Thompson Land Company, Inc. an Indiana partnership, and any successors and assigns of it whom it designates in one or more written recorded instruments to have the rights of Declarant under the Declaration, including, but not limited to, any mortgagee acquiring title to any portion of the Property pursuant to the exercise of rights under, or foreclosure of, a mortgage executed by Declarant.

Section 2. "Community Facilities" shall mean such of the following, if any, as are, at any time, located or constructed on any part of the Common Area, to-wit: the roads, streets, parking areas, walks, paths, landscaping, open spaces, recreational facilities, storage facilities, and such other improvements or structures from time to time or at any time located or constructed on any part of the Common Area, other than such portions of the foregoing, if any, which are dedicated to the public (such as streets).

Section 3. "Declaration" shall mean and refer to the Declaration of Restrictions for Lantern Farms Property Owners Association, Inc. filed for record in the office of the Recorder of Hamilton County, Indiana on September 10, 1990, as Instrument No. 9022332 said Declaration being incorporated herein by reference as if set forth at length herein.

Section 4. "Corporation" shall mean and refer to this corporation, which is also referred to as the "Association" in said Declaration.

Section 5. All of the definitions and terms as defined and used in the Declaration shall have the same meanings in these By-

Laws and reference is specifically made to Paragraph 1 of the Declaration containing definitions of terms.

ARTICLE III
MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership, Transfer, Voting Rights, Suspension of Voting Rights. Reference is hereby made to Paragraph 10 of the Declaration which sets forth terms, provisions and conditions governing and relating to membership in the Corporation, transfer of membership, voting rights of classes of members and suspension of voting rights, all of which terms, provisions and conditions are incorporated herein by reference.

Section 2. Quorum. The presence in person or by proxy at any meeting of the membership of persons entitled to vote twenty-five percent (25%) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in or required by the Articles of Incorporation of the Corporation, the Declaration, these By-Laws, or by statute. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement of the meeting, until a quorum as aforesaid shall be present or represented.

Section 3. Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary of the Corporation before the appointed time of each meeting of the members of the Corporation. Cumulative voting shall not be permitted.

Section 4. Majority Required. A majority of the votes of members present (in person or by proxy) at a meeting at which a quorum is present shall be sufficient for the transaction of all business of the Corporation except on matters where a greater vote is required by the Declaration, the Articles of Incorporation, the By-Laws or by statute.

Section 5. Meetings. Meetings of the Corporation shall be in accordance with the following provisions.

A. Annual Meetings. The first annual meeting of the members of the Corporation shall be held within one (1) year from the date of incorporation of the Corporation, the exact date to be decided by the Board of Directors. At such first annual meeting of the members, the members may designate a regular day or date for successive annual meetings. If the members fail to designate such a regular day or date, the Board of Directors may continue to designate the day or date of the next annual meeting until such a designation is made by the members. If any designated day or date falls upon a legal holiday, it shall be understood that the actual date of the meeting shall be the next business day succeeding such designated day or date.

B. Special Meetings. A special meeting of the members shall be held within thirty (30) days after the Applicable Date, at which time an election shall be had of a full slate of directors who shall collectively replace the unexpired terms of the board in office immediately prior to such election. It shall be the duty of the President to call a special meeting of the members when requested in writing by a majority of the members of the Board of Directors or upon a petition signed by members of the Corporation who are entitled to vote twenty-five percent (25%) of all of the votes of the membership. Notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent of four-fifths (4/5ths) of the votes present in person or by proxy at such meeting.

C. Notice of Meetings. It shall be the duty of the Secretary to serve a notice of each annual or special meeting, stating the purposes thereof as well as the time and place where it is to be held, upon each member of record, at least ten (10) days prior to such meeting. The mailing of a notice to each member at the address shown for such member on the Corporation's records shall be deemed notice served.

D. Order of Business. The order of business at all meetings of the members shall, to the extent applicable, be as follows:

- (1) Roll call.
- (2) Proof of notice of meeting or waiver of notice.
- (3) Reading of minutes of preceding meeting.
- (4) Reports of officers.
- (5) Report of committees.
- (6) Election of directors.
- (7) Unfinished business.
- (8) New business.

ARTICLE IV NOMINATION AND ELECTION OF DIRECTORS

Section 1. 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 Corporation. The Nominating Committee shall be appointed by the Board of Directors prior to each 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 nominations may be made from among members or non-members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, 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
BOARD OF DIRECTORS

Section 1. Number and Qualification. Subject to amendment of this Section, the affairs of the Corporation shall be governed by a Board of Directors composed of three persons. [Directors need not be members of the Corporation.] *amend*

Section 2. First Board of Directors. The first Board of Directors named in the Articles of Incorporation shall maintain, manage and administer the affairs, the real estate and other property of the Corporation, until the first annual meeting of the members and until their successors have been duly elected and qualified, unless said directors sooner resign, be removed or otherwise disqualified to serve.

Section 3. Powers. The Board of Directors shall have such powers as are reasonable and necessary to accomplish the performance of their duties, which powers include, but are not limited to, the power:

A. To adopt and publish rules and regulations governing the use of the facilities of the Corporation, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

B. To suspend the voting rights and right to use of the recreational facilities of a member, but not rights of access and easements necessary for the use of his Lot, during any period in which such member shall be in default for a period of thirty (30) days in the payment of any assessment levied by the Corporation, or the payment of any other amount or the performance of any other term of the Declaration or these By-Laws. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for infraction of published rules and regulations;

C. To exercise for the Corporation all powers, duties and authority vested in or delegated to this Corporation and not reserved to the membership by other provisions of these By-Laws, or the Articles, or by statute;

D. To declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent

from three (3) consecutive regular meetings of the Board of Directors;

E. To employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties, subject to the limitations set forth in the Declaration; and

F. To do and take all such action as is or may be necessary, desirable, or appropriate to perform the duties, obligations and responsibilities of the Board as required by the Declaration, other provisions of these By-Laws, or the Articles, or by status.

Section 4. Duties. The Board of Directors shall have the following duties:

A. To cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by members holding one-fourth (1/4) of the total votes of the membership entitled to vote;

B. To supervise all officers, agents and employees of this Corporation, and to see that their duties are properly performed;

C. To establish the annual assessment period and fix the amount of the annual assessment against each member for each Lot owned and against the Declarant, if any, for the following fiscal year by May 31 preceding the start of such fiscal year, all in accordance with the terms of the Declaration and these By-Laws;

D. To fix the amount of any special assessment against each member for each Lot owned and against the Declarant, all in accordance with the terms of the Declaration and these By-Laws;

E. To send written notice to all members of any meeting of the members called for the purpose of voting upon increases in annual assessments above the maximum set by the Declaration or voting upon a proposed special assessment;

F. To send written notice of each assessment for the following fiscal year to every Owner and, where appropriate, to the Declarant, by June 15 preceding the start of such fiscal year, and levy all such assessments as liens;

G. To foreclose by action in the same manner as a mortgage the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the Owner or other person personally obligated to pay the same;

H. To issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

I. To procure and maintain liability and fire and other hazard insurance on property owned by the Corporation which shall include fire and extended coverage on insurable common property on a current replacement cost basis in an amount not less than 100% of the insurable value (based on current replacement only); and to use the proceeds of such hazard insurance solely for the repair, replacement or reconstruction of such insurable common property including insured improvements and to procure and maintain other insurance as required or authorized by the Declaration;

J. To cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate, and at least as required by the Declaration;

K. To cause all the Common Area and Community Facilities to be maintained.

Section 5. Term of Office. At the first annual meeting after the Applicable Date, the members shall elect approximately one-third (1/3rd) of the total number of directors to be elected to a term of one year, approximately one-third (1/3rd) of such total to a term of two years, and approximately one-third (1/3rd) of such total to a term of three years; and at each annual meeting thereafter the members shall elect directors for a term of three years to fill the vacancies created by expiring terms. There shall be no limit on the number of times a director may serve.

Section 6. Vacancies. Any vacancy in the Board of Directors shall be filled by vote of the majority of remaining Directors, even though they may constitute less than a quorum. Each person so elected shall be a Director for the unexpired term of his predecessor, or until his successor is elected.

Section 7. Compensation. No director shall receive compensation for any service he may render to the corporation as such director. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties, and any director may be paid and compensated for services to the Corporation in a capacity other than as a director.

Section 8. Removal of Directors. At any regular or special meeting of the Corporation duly called, any Director may be removed with or without cause by a majority of the directors and a successor may then and there be elected to fill the vacancy thus created.

Section 9. Organization Meeting. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of its election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, provided a majority of the whole Board shall be present.

Section 10. Regular Meetings. Regular meetings of the Board of Directors shall be held at such regular intervals, without notice, at such place and hour as may be determined from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 11. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days' notice to each Director, given personally, by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least 2/3 of the Directors.

Section 12. Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be deemed a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 13. Quorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which quorum is present shall be the acts of the Board of Directors except as otherwise provided in or required by the Declaration, Articles, these By-Laws or by statute. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 14. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE VI
OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Corporation shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary and a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of directors following each annual meeting of the members.

Section 3. Term. The officers of this Corporation shall be elected annually by the Board and each shall hold office for one (1) year unless they shall sooner resign, be removed or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Corporation may require, each of whom shall hold office for period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the Officers are as follows:

President

A. The president shall preside at all meetings of the Board of Directors; he shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and

promissory notes. He shall have the power to appoint committees from among the members of the Corporation from time to time as he may in his discretion deem appropriate to assist in conducting the affairs of the Corporation. The president shall have and discharge all the general powers and duties usually vested in the office of the president or chief executive officer of an association or a stock corporation organized under the laws of the State of Indiana.

Vice-President

B. The vice-president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board or as are delegated to him by the president.

Secretary

C. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Corporation (if any is adopted) and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Corporation together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

D. The treasurer shall receive and deposit in appropriate bank accounts all monies of the Corporation and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Corporation; keep proper books of account; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE VII COMMITTEES

The Corporation shall appoint an Architectural Committee, as provided in the Declaration, and a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors or the president shall appoint other committees as deemed appropriate in carrying out the purposes of the Corporation.

ARTICLE VIII
BOOKS OF ACCOUNT: FISCAL YEAR

Section 1. Books of Account. The Corporation shall keep detailed books of account showing all expenditures and receipts of administration which shall specify the maintenance and repair expenses of the Common Area and Community Facilities and any other expenses incurred by or on behalf of the Corporation and the members. Such accounts, books, records, financial statements and other papers of the Corporation shall be open for inspection by the members and other persons having an interest in any Lot, including any Owner, any lender and any holder, insurer or guarantor of a first mortgage on any Lot or Living Unit, during reasonable business hours or under other reasonable circumstances and shall be audited annually by qualified auditors. The cost of such audits shall be a common expense. Any holder, insurer or guarantor of a first mortgage on a Lot or Living Unit shall be entitled upon written request to receive an audited financial statement for the immediately preceding fiscal year free of charge to the requesting party and within a reasonable time of such request. Current copies of the Declaration, the Articles of Incorporation, the By-Laws of the Corporation, and other rules concerning the Property, shall be available for inspection by any Owner and lender, and to holders, insurers or guarantors of any first mortgage at the principal office of the corporation during normal business hours or under other reasonable circumstances, where copies of the same and of audits may be purchased at reasonable costs.

Section 2. Fiscal Year. The fiscal year of the Corporation shall commence January 1 and end the following December 31 each year; provided, however, that the fiscal year for purposes of assessments may be different than the general fiscal year of the Corporation.

ARTICLE IX
ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Corporation annual and special assessments which are secured by a continuing lien upon the Lot against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eight percent (8%) per annum, and the Corporation may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property by action in the same manner as a mortgage, and interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessments provided for in the Declaration or

herein by nonuse of the Common Area or Community Facilities or abandonment of his Lot.

ARTICLE X
AMENDMENTS

Section 1. These By-Laws may be amended by the Board of Directors; provided, however, that no amendment shall be adopted by the Board of Directors which conflicts with the terms and provisions of the Declaration unless the same is adopted by and approved by the members of the Corporation and others entitled by the terms of the Declaration to vote on amendments to the Declaration as provided in, and in accordance with the requirements of, the Declaration, provided further, there shall be no amendment of these By-Laws prior to the Applicable Date without the consent and approval of Declarant.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.