LAKE SANTEE

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PROPERTY
OWNERS ASSOCIATION, INC.

AMENDED BY-LAWS

Effective: ~~September 1, 2007~~ _____, 2021

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PREAMBLE

Lake Santee Property Owners Association, Inc., (hereafter, the "Association") being ~~the legal successor to Lake Santee, Incorporated,~~an Indiana nonprofit corporation under ~~a corporate charter, dated May 17, 1965, and duly~~Articles of Incorporation filed ~~and approved~~ with the Indiana Secretary of State ~~for the State of Indiana, as a not-for-profit corporation,~~on May 17, 1965, with respect to the Lake Santee Subdivision located in Decatur and Franklin Counties, ~~State of~~ Indiana, is ~~a voluntary~~ an association of persons who are legally entitled to the benefits of property rights owned by said Association in the Lake Santee ~~Sub-Division~~Subdivision. Said Association is the legal and exclusive owner of various areas reserved for the use of the members of the Association, including all land and water areas deeded to ~~Lake Santee Property Owners~~ and owned by the Association~~, Inc., by Lake Santee, Incorporated, heretofore so deeded and conveyed as recorded in the plat of Lake Santee Sub-Division and located in the Recorder's Offices of Decatur and Franklin Counties, State of Indiana, hereinafter referred to as the Association.~~. In accordance with the restrictive covenants running with the land, ~~LAKE SANTEE SUBDIVISION RESTRICTIONS (RESTRICTIONS)~~the "Lake Santee Subdivision Restrictions" (hereafter, the "Restrictions") and all restrictive covenants of record and binding upon the purchasers, their heirs, executors, successors, administrators, and assigns at Lake Santee ~~Sub-Division~~Subdivision, said Association, under covenant #8, paragraph #2 contained in the Restrictions, shall have the right to promulgate all ~~RULES AND REGULATIONS~~Rules and Regulations for the use of the property within the subdivision. As used hereafter, the phrase "Governing Documents" shall collectively refer to the Restrictions, the Articles of Incorporation, these By-Laws, the Rules and Regulations, and all policies adopted by the Board of Directors of the Association.

THEREFORE, we, the members in good standing of Lake Santee Property Owners Association, Inc. do adopt the following ~~LAKE SANTEE PROPERTY OWNERS ASSOCIATION, INCORPORATED BY-LAWS (BY-LAWS)~~By-Laws for the government of this Association, which revoke and supersede any and all preceding ~~BY-LAWS~~By-Laws of this Association. Adopted this ~~12th~~__ day of ~~August 2007, being the forty-third year of this Association.~~_____, 2021.

ARTICLE I. – MEMBERSHIP

Section 1. -- **Qualifications:** The Association shall be composed of persons who own ~~or who are in the process of purchasing~~ a lot or lots in the Lake Santee ~~Sub-Division~~Subdivision. Each lot ~~owner must apply for~~ has one membership and must pay membership dues~~.~~ and assessments. Each membership can have multiple property owners. The membership shall relate to ~~persons and not to property. If a lot is owned by more than one person, except for a husband and wife, each owner of~~ the property ~~shall pay membership dues.~~owners and not to the property. No corporation, partnership, joint venture, or other legal entity, except for qualifying trusts, shall be eligible for membership. Ineligible entities that own a lot shall pay the non-member fees determined by the Board of Directors and shall not enjoy membership privileges. If a question arises about a lot owner's qualification for membership that is not covered in these Bylaws, then the Board of Directors shall determine whether the person or entity is eligible for membership.

Lots may be owned in a trust. ~~A trust or other entity may not be used to enable more than one person, except for a husband and wife, to enjoy membership privileges.~~ Each present beneficiary of a trust, ~~except for a husband and wife,~~ shall ~~pay~~be considered a property owner for the purposes of membership ~~dues.~~. If real estate is owned in a trust, then the trust shall provide to the Association the portions of the trust document that show who created the trust, who has a present beneficial interest in the trust, and the name of the trustee. The trust shall also provide the address and telephone numbers for those persons to the Association. The trust shall continually update the Association with information on all persons who have a present beneficial interest in the trust. The Association may require that a copy of the entire trust document be provided to it. If a trust that owns a lot fails to provide the required information, then the trust will be treated like a corporation, and it shall pay the non-member fees and will not enjoy membership privileges.

The Board of Directors may promulgate additional Rules & Regulations concerning trusts that own lots in the ~~Sub-Division~~Subdivision.

Section 2. -- **Association Rights and Privileges:**

A. **Definition of** ~~Member~~**Membership in Good Standing**: A ~~member~~membership in good standing is a ~~member who has completed the membership application to the satisfaction of the~~ membership ~~committee and has been accepted into full membership,~~which is current in the payment of all dues~~,~~ and assessments and ~~fines~~fees, and is in strict compliance with all ~~RESTRICTIONS, BY-LAWS and RULES AND REGULATIONS.~~provisions of the Governing Documents.

B. **Property Rights:** Only ~~members~~memberships in good standing~~, their immediate family,~~ or invited guests shall be entitled to the use of the various areas, including, but not limited to, the lake, beaches, access areas and picnic and recreation facilities, as well as the roadways owned by the Association; except the property owners~~,~~ who ~~are~~do not ~~members or not members~~have memberships in good standing ~~of~~with the Association~~,~~ shall not be denied the use of the roadways to gain access to their own property. Furthermore, it shall be understood that the entrance drive to the restaurant and the Association parking lot adjacent to the restaurant may be used by guests of the restaurant for so long as the restaurant shall have the right to serve prepared foods to persons other than property owners of Lake Santee. However, guests of the restaurant shall not have any beach or other privileges of Association ~~members, their families,~~memberships or invited guests.

C. **Voting Rights:** Only ~~members~~memberships in good standing shall be entitled to vote either in person, by mail or by proxy at annual or called ~~business~~special meetings of the Association. Each ~~member~~membership in good standing shall be entitled to one vote on each matter submitted to the vote of the members. ~~In the case of joint membership by a husband and wife, only one member shall be entitled to vote.~~

Section 3. -- **Membership Responsibilities:** It shall be the responsibility of every ~~member~~membership of the Association to honor and abide by the ~~property RESTRICTIONS, CONDITIONS, COVENANTS and AGREEMENTS~~provisions of the Governing Documents running with their property and any amendments thereto, in Lake Santee ~~Sub-Division; and to honor and abide by the BY-LAWS, and any amendments thereto, and the RULES AND REGULATIONS, of the Association currently in effect or to be promulgated by the Association in the future.~~Subdivision. This responsibility includes the timely payment of any and all dues, assessments~~, fines~~ and fees to the Association~~; participation in the democratic process by which the Association is governed;~~ and cooperation with the enforcement of all ~~RULES AND REGULATIONS~~Rules and Regulations adopted by the Board of Directors for the peace, safety, security of the members of the Association and the maintenance of the property within the Subdivision, both Association and privately owned. It shall be, furthermore, the responsibility of every member of the Association to cause ~~the~~all members ~~of his/her immediate family~~included on ~~their~~ said membership and invited guests to honor and abide by the same. ~~As a voluntary Association, every member~~Every membership of the Association shall be responsible and accountable for the conduct of the ~~members of his/her immediate family, regardless of age~~membership, and for the conduct of each and every guest invited to the lake~~, either by himself or a member of his/her immediate family, while using the various areas and facilities of the Association~~.

~~Section 4. -- **Election of Members:** Qualified property owners, as set forth in section 1. above, shall apply for membership in the Association. Application for Membership shall be made on a form provided by the Association, as approved by the Board of Directors, and shall include~~

~~personal references (including, if possible, at least two (2) members in good standing with the Association), and payment of an Initiation Fee, if any, as well as current and delinquent dues, assessments, fines or fees, which shall be considered part of the Application. No property owner shall be considered for membership unless and until his/her property is free and clear of any and all indebtedness to the Association, including any liens which the Association may have filed against it.~~

~~Upon notification to the Association of such qualified property owners, the Secretary or his/her delegate shall send to the qualified property owners a copy of the current RESTRICTIONS, BY-LAWS, and RULES AND REGULATIONS. The receipt of such documents shall be acknowledged in writing by the qualified property owners.~~

~~Application for Membership shall be filed with the office of the Association. The Office shall be authorized to issue Applicant a provisional membership, pending action by the Board of Directors. Upon filing of Application and the payment of the above dues, assessments, fines and fees, the Secretary shall mail to the provisional member, all necessary membership documents and permits, as currently approved by the Board of Directors.~~

~~It shall be the responsibility of the Membership Committee, who may delegate this duty to the Office of the Association, to process each Application for Membership, including the verification of information and mailing of letters for reference or to conduct such other investigation of the Applicant as the Membership Committee deems necessary. The provisional member shall become a permanent member with ninety (90) days after the application has been submitted, unless the Board of Directors informs the Applicant that the membership has been denied, together with the reasons for such denial.~~

~~If such permanent membership is denied, the provisional member shall return all documents sent to him/her in exchange by the Association for all current year's dues and assessments remitted by the provisional member.~~

~~A provisional member denied permanent membership may request a hearing, with benefit of counsel, before the Board of Directors, upon written request to the Board of Directors~~Section 4. **New Membership:** It is the new property owner's responsibility to contact the office of the Association no later than thirty (30) days of purchasing a lot. The office of the Association will provide the property owner with membership information, including dues, assessments and fees; will provide a copy of the current Governing Documents; and will collect pertinent contact information. Regardless of whether a new property owner contacts the Association's office after purchase, membership dues and assessments shall be based on the property closing date.

~~A. **Non-discrimination Clause:** No provisional member shall be rejected for permanent membership upon the basis of sex, religion, race or national origin.~~

~~B. **Covenant:** All members shall agree to honor and abide by the RESTRICTIONS, BY-LAWS and RULES AND REGULATIONS of the Association currently in effect or promulgated by the Association in the future, including the assumption of full responsibility for the conduct of their immediate family and invited guests.~~

Section 5. -- **Suspension of Membership Privileges:** The Board of Directors shall have the right to suspend the privileges of any membership ~~of any member~~ of the Association for just cause. Grounds for suspension may include, but are not limited to, the following:

A. The failure of any member to pay dues, assessments, ~~fines~~ and fees to the Association ~~WHEN DELINQUENT AS SET FORTH ARTICLE~~when delinquent as set forth below in Article VII~~.~~, Section 2~~.~~.A~~.~~.

B. The failure of any ~~member~~membership, or the individual members included ~~on~~ in that membership, to honor and abide by the ~~property RESTRICTIONS, the BY-LAWS or RULES AND REGULATIONS~~Governing Documents of the Association.

C. The failure of any member to cause ~~the members of his/her immediate family or~~ any invited guests to honor and abide by the ~~RESTRICTIONS, BY-LAWS or RULES AND REGULATIONS~~Governing Documents of the Association.

No ~~member~~membership of the Association shall be suspended without due and sufficient notice in writing. Every ~~member~~membership subject to suspension shall have the right to a closed hearing, with benefit of counsel if desired, before the Board of Directors.

Suspension of membership shall be for a period of time to be fixed by the Board of Directors at the time of the suspension, unless otherwise specified in the ~~BY-LAWS~~By-Laws. During the period of suspension all rights to the use of the various areas and facilities of the Association shall be denied the ~~member~~membership, except the right to use of the roadways to gain access to ~~his/her own~~the property. However, suspension does not relieve the ~~member~~membership of any ~~of his/her~~ responsibilities and obligations to the Association, including the obligation to pay any dues, assessments, ~~fines,~~ fees, or other charges owing prior to or during the period of suspension.

Section 6. -- **Termination of Membership:** Membership in the Association may be terminated at any time ~~and~~ in ~~any one or more of~~ the following ~~ways:~~

~~A. **Disqualification:**~~way. Any ~~Member~~property owner who relinquishes ~~his/her~~their title, whether voluntarily or otherwise, to property or to the equitable or beneficial rights of interest in property in Lake Santee ~~Sub-Division~~Subdivision, either by selling, transferring or assigning ~~his/her~~the property, shall at the end of the Association's current fiscal year ~~disqualify himself~~be disqualified from further membership in the Association. However, such disqualification shall not relieve the member of the obligation to pay any dues, assessments, ~~fines,~~ fees, or other charges theretofore accrued and unpaid ~~including any non-member fees assessed by the Board of Directors~~.

~~B. **Expulsion:** The Board of Directors shall have the right to expel any member from membership in the Association for just cause. Grounds for expulsion may be, but are not limited to, the following causes:~~

~~1. **Excessive Suspension:** Any member who has been suspended and fails to purge himself of such suspension or habitually or continuously becomes suspended, as set forth in Section 5 above, and as determined by the Board of Directors.~~

2. **Contempt of the Association:** Any member who willfully, flagrantly or maliciously disregards or violates the property RESTRICTIONS that run with his/her land, the BY-LAWS or the RULES AND REGULATIONS lawfully promulgated by the Association or its Board of Directors; or encourages others to do the same, may be held to be in contempt of the Association.

3. **Prolonged Delinquency:** Any member whose dues, assessments, fines, fees or any other charges owing to the Association are in arrears for a period of at least two (2) full years and who, during this period of time, has made no effort to fulfill or settle his/her financial obligation to the Association, may be judged by the Board of Directors, upon recommendation of the Finance Committee, as a "Prolonged Delinquent". After all reasonable efforts have been made to settle such obligations, the Board of Directors, upon due and sufficient notice may move to expel such member from the Association. However, expulsion for prolonged delinquency shall not relieve the expelled member from his/her financial obligations to the Association theretofore accrued and unpaid. Non-member fees, if any, shall apply during periods of expulsion.

Expelled members shall retain no rights, other than the right to use the Association's roadways to gain access to their own property. However, expulsion shall not relieve the member so expelled of the obligation to pay any dues, assessments, fines, fees, or other charges theretofore accrued and unpaid, or any nonmember fees assessed by the Board of Directors.

C. **Hearing:** No member shall be expelled from membership without written notice and opportunity for a closed hearing before the Board of Directors. If the member requests such a hearing, the member shall inform the Board of Directors in writing of such intention. The member and the Board of Directors shall each be entitled to legal counsel, each at their own expense. The decision of such hearing shall be final.

Section 7. -- **Forfeiture of Rights**: Immediately upon disqualification, suspension or expulsion from membership, all claims to the rights and privileges of membership shall be negated and such persons found using the various areas and facilities of the Association, other than the roadways to gain access to their own property, shall be considered trespassers under the laws of the State of Indiana.

Section 8. -- **Transfer of Membership:** Membership in the Association shall be neither transferable nor assignable.

Section 9. – **Obligations of Non-Members**. As stated above in Section 1 of this Article I, no corporation, partnership, joint venture, or other legal entity, except for qualifying trusts, shall be eligible for membership, but shall nevertheless be obligated to pay Non-Member Fees as described below in Article VII, Section 2.A.3. NOTWITHSTANDING ANY OTHER PROVISIONS OF THE GOVERNING DOCUMENTS THAT MIGHT BE INTERPRETED OTHERWISE, ALL SUCH NON-MEMBERS AND THE OCCUPANTS OF THEIR PROPERTIES SHALL BE OBLIGATED TO ABIDE BY AND OBEY ALL RESTRICTIONS APPLICABLE TO THE LAKE SANTEE SUBDIVISION TO THE SAME DEGREE AS THOSE APPLICABLE TO THE MEMBERSHIPS.

ARTICLE II. – MEETINGS

Section 1. -- **Annual Meeting:** An annual business meeting of ~~members~~memberships in good standing shall be held for the purpose of electing directors and for the transaction of such other business as may come before the meeting, provided, however, elections may be conducted by mail as hereinafter provided for in the ~~BY-LAWS~~By-Laws.

A. **Time and Place:** The annual business meeting shall be held at a time and place to be determined each year by the Board of Directors, provided, however, that said meeting shall be held no later than ~~the thirty-first (31) day of~~ August 31st each year.

B. **Notice:** Written or printed notice stating the day, hour and location of the annual business meeting shall be delivered ~~by mail~~or mailed to each ~~member~~membership entitled to vote, not less than ten (10) nor more than thirty (30) days prior to the date of the meeting, by the Secretary of the Association. The notice of the meeting shall be deemed to have been delivered when deposited in the United States mail, postage thereon prepaid, addressed to the ~~member~~membership at ~~his/her~~the address as it appears on the records of the office of the Association at the time of such mailing.

In lieu of written notices from the Association sent pursuant to the above paragraph, a membership may elect to receive notices from the Association by email. Any membership choosing email shall be deemed to have waived the right to receive notices from the Association by U.S. Mail or personal delivery. However, any such membership shall have the right at any time to withdraw his or her election to receive notice by email, and shall thereafter be sent notices by the Association pursuant to the above paragraph.

C. **Voting by Mail:** For the convenience of ~~non-resident members~~memberships of the Association, the notice of meeting shall include a ballot listing the items of business to be voted upon at the annual business meeting; including the names of the candidates nominated to serve upon the Board of Directors, as prepared by the Nominating Committee, or their delegate(s~~), and also leaving blank spaces for write-in candidates.~~). Instructions for the use of the ballot, together with a stamped envelope indicating the members name, lot number and return address, addressed to the Inspector of Election, c/o--Lake Santee Property Owners Association, Inc., (at the principal office of the Association), shall also accompany the notice of meeting. Ballots returned in the envelope provided, on or before the close of business on the business day preceding the day set for the annual business meeting shall be counted in the tally, provided, however, that ~~members~~memberships having voted by mail shall be ineligible to vote on the same issue in person

at the annual business meeting. Voting by mail will also be available to be used for Special Meetings.

Section 2. -- **Special Meetings:** Special meetings of the ~~members~~membership may be called by the President, a majority of the Board of Directors, or upon written petition to the Board of Directors and delivered to same, signed by not less than one-tenth (1/10) of the ~~members~~memberships in good standing of the Association. A written or printed notice stating the place, day and hour of a special meeting, and the purpose for which the meeting is called, shall be delivered or mailed by the Secretary of the Association, or by the officer or person calling the meeting to each ~~member~~membership of record entitled to vote at that meeting, ~~by the articles of incorporation,~~ at the address which appears on the records at the office of the Association, at least ten (10) days before the date of the meeting. Notice of any meeting of members may be waived in writing filed with the Secretary or by attendance in person: provided, however, that in all cases ~~where the total number of members in good standing of the Association shall exceed one thousand (1000),~~the notice of the place, day and hour of all annual and special meetings and, in the case of special meetings, also the purpose for which the meeting is called, may be given by one (1) ~~publication in a newspaper of general circulation, printed in English in the county in which the Association has its principal office, such publication must be made not less than ten (10) nor more than thirty (30) days prior to the date of the annual or special meeting~~printing of the official Association publication.

In lieu of written notices from the Association sent pursuant to the above paragraph, a membership may elect to receive notices from the Association by email. Any membership choosing email shall be deemed to have waived the right to receive notices from the Association by U.S. Mail or personal delivery. However, any such membership shall have the right at any time to withdraw his or her election to receive notice by email, and shall thereafter be sent notices by the Association pursuant to the above paragraph.

Section 3. -- **Proxies:** A membership may vote either in person or by his or her duly authorized and designated attorney-in-fact. Where voting is by proxy, the membership shall duly designate his or her attorney-in-fact in writing, delivered to the Secretary of the Association prior to the commencement of the meeting. Delivery of a proxy can be by hand delivery, first-class mail, fax or email. No such proxy shall remain valid for longer than one hundred eighty (180) days from the date it is signed. To be valid, a proxy must contain:

1. The name and address of the membership who is giving the proxy;

2. The name of the person being appointed as proxy;

3. The date on which the proxy is given;

4. The date of the meeting for which the proxy is given;

5. The signature of the Owner who is giving the proxy; and

6. An affirmation under the penalties of perjury that the individual signing the proxy has the authority to grant the proxy to the individual named in the proxy to exercise it on the Owner's behalf.

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~~Section 3. -- **Proxies:** At the annual or any special meeting of members, a member is entitled to vote by proxy executed in writing by the member or by his/her duly authorized attorney in fact. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.~~

proxy may be revoked in writing by the membership prior to it being exercised or by the membership's personal attendance at the meeting where the vote is to be taken.

Section 4. -- **Quorum:** Because of the provisions for voting by mail, at any meeting of the ~~members~~membership entitled to vote, after due notice has been given, as specified above, a quorum for the transacting of business at any meeting shall be not less than forty-five (45) ~~members~~memberships in good standing with the Association including validly executed proxies, provided that opportunity has been made for voting by mail upon the issue. If no provision has been made for voting by mail, a quorum shall be not less than one-fifth (1/5) of the ~~members~~memberships in good standing with the Association.

~~Section 5. -- **Authorization by Members:** After any special meeting of members called and held in accordance with the terms of these BY-LAWS, if said meeting results in a proposed corporate resolution, such proposal shall be set out in writing, then such proposal shall be submitted by ballot in writing to a vote of the members in good standing of the Association, which said ballot shall be mailed to the member, signed, and returned by each member who so votes, and shall thereafter be authorized upon receiving the affirmative votes of those voting, providing, however, at least 1/10th of the members in good standing vote on such proposal including validly executed proxies.~~

Section 5. -- **Manner of Voting and Meeting Participation**. Voting and meeting participation may be held or performed in any manner set forth in these By-Laws or other Governing Documents as well as any manner that is not prohibited by the Indiana Nonprofit Corporations Act or Indiana's Homeowners Association Act, or deemed acceptable by the Courts as a practical way to collect votes and allow memberships to participate in Association actions. Membership meetings may be conducted by any means through which all participating members can simultaneously hear each other during the meeting, including, but not limited to, videoconference (i.e., Zoom, Go-to-Meeting). A membership participating in a meeting by this means is considered to be present in person at the meeting. In the event that the Board elects to hold a membership meeting remotely, the Board shall have discretion to provide for such procedures and to

set the terms of use, including, but not limited to, establishing guidelines and procedures governing voting and submission of ballots.

Furthermore, the Board of Directors shall have the power to authorize voting by the memberships through a secure, internet-based online voting system ("electronic voting"). The Board of Directors can adopt rules and regulations concerning the use of acceptable, verifiable means of technology, including electronic means for membership notice, voting, signatures, consents and approvals. A verifiable electronic signature satisfies any requirements for signatures on documents. If a membership does not have the capability or desire to conduct business electronically, the Association shall make reasonable accommodation, at its expense, for the person to conduct business without the use of electronic or other similar means.

ARTICLE III. -- ELECTIONS

Section 1. -- **Nominating Committee:** The president of the Association, subject to the approval of the Board of Directors, shall appoint a Nominating Committee of not less than three (3) nor more than seven (7) ~~members~~persons from memberships in good standing with the Association, at least one hundred and twenty (120) days prior to the day set by the Board of Directors for the annual business meeting of the Association. Personnel for the Nominating Committee shall be selected with due regard to both resident and non-resident ~~members~~status as well as to the various geographical areas of the ~~sub-division~~Subdivision, so that the committee shall be as widely representative as possible. When appointed, the members of the committee shall select their own ~~chairman~~chair and secretary from among their own committee members. It shall be the purpose of the Nominating Committee to solicit ~~members~~persons from memberships in good standing with the Association to become candidates for ~~membership upon~~election to the Board of Directors. It shall be the duty of the Nominating Committee, or their delegate(s), to prepare ballots with the names and relevant biographical data of the various candidates who have agreed to stand for election to the Board of Directors. The President shall instruct the Nominating Committee as to the number of vacancies to be filled and it shall be the responsibility of the committee to place in nomination at least two (2) ~~or more~~ nominees for each vacancy~~.~~, if possible. The ~~chairman~~chair of the Nominating Committee shall report its slate of nominees to the Board of Directors at least ~~forty-five (45~~sixty (60) days prior to the day of the annual business meeting only for the purpose of verifying the standing of each nominee with the Association.

Section 2. -- **Election Committee:** The President shall appoint an Election Committee, which shall be composed of ~~members~~persons from memberships in good standing, prior to the annual business meeting, subject to the approval of the Board of Directors. The Election Committee shall be composed of an Inspector of Election and two (2) tellers, whose duty it shall be, to the best of their skill and ability, to receive and canvass the votes cast and to otherwise conduct

the election, and to thereafter certify the results of the election to the Nominating Committee. ~~Chairman of the Nominating Committee shall thereafter notify each successful candidate elected and request that the President of the Association call a special meeting of the Board of Directors so that the newly elected directors may take oath and assume their respective duties. The Election Committee shall:~~The Election Committee shall:

A. Count all ballots or other votes in any election or in any other matter, and

B. Rule upon the effect of any ballots or other vote irregularly or indecisively marked or cast.

C. Rule upon any protest or objection filed with respect to any election or conduct affecting
the results of any election. This shall include recounting ballots and ruling on the effect of any ballots or ~~vote~~votes irregularly or indecisively marked or cast. In the exercise of its responsibility, the committee shall have available to it the advice of counsel provided by the Association.

A protest or objection concerning any election must be filed ~~during, or~~ within three (3) business days following the adjournment of the meeting in which the voting is conducted. A protest or objection shall state in writing the reasons for the objection or protest and shall be signed by a member. The ~~committee~~Election Committee shall ~~there upon~~thereupon be reconvened, upon notice from its ~~chairman~~chair, not less than seven (7) days after such protest or objection is filed. The ~~committee~~Election Committee shall hear evidence ~~as is~~both for and against, presented by the protestor(s) or objector(s~~),~~) or defender(s) who may be heard in person, by counsel, or both~~, or any opposing evidence.~~ .

The ~~committee~~Election Committee may not affirmatively act on any matter unless a majority is present. The committee, shall, within a reasonable time but not later than thirty (30) days after such hearing, render its decision. The ~~committee~~Election Committee may affirm the election, change the outcome thereof, or set it aside. The ~~committee's~~Election Committee's decision on all matters covered by this Section shall be final.

If the ~~committee~~Election Committee shall have a tie vote, the tie shall be broken by a coin toss, or is unable to reach a decision on any issue concerning an election contest~~;~~, the full Board of Directors shall make the final decision. A Director may not participate in any decision affecting ~~his~~that Director's position.

Section 3. -- **Filling of Vacancies:** Between ~~elections~~annual business meetings of the Association, the Board of Directors shall have the right to fill any vacancies on the Board, with ~~members~~persons from memberships in good standing, with the understanding that any directors so named shall be required to stand for election at the time of the next annual meeting of the Association. In no event shall the number of directors be less than seven (7).

Section 4. -- **Duration of Term and Succession:** Members of the Board of Directors shall serve a three (3) year term upon the board. Directors appointed or elected to fill vacancies shall be eligible to run for two (2) full three (3) year terms upon completion of their partial term of service. After two full three (3) year terms, a director shall be ineligible for re-election for at least one year.

Section 5. -- **Election of Officers:** The officers of the Association, as provided for elsewhere in the ~~BY-LAWS~~By-Laws, shall be nominated and elected by the Board of Directors, which for this purpose only, shall include the outgoing members of the Board of Directors as well as the incoming members of the Board of Directors. No outgoing member of the Board of Directors shall be eligible to election as an officer. Officers shall be elected at the called special meeting of the board following the annual business meeting of the Association, when newly elected directors ~~take oath~~sign a confidentiality form, conflict of interest form and assume their respective duties. Officers shall be elected for one (1) year terms and may be re-elected only for so long as they remain members of the Board. No director shall be eligible to serve as President of the Association until having completed one (1) full year of service upon the Board. Only those Board members present shall participate; no board member may use a proxy for the vote of officers.

ARTICLE IV. -- BOARD OF DIRECTORS

Section 1. -- **General Powers:** ~~The members~~Memberships in good standing with the Association constitute the highest authority and power of this Association. Between business meetings of the membership, all of the affairs of the Association shall be managed according to the provisions of these ~~BY-LAWS~~By-Laws by a Board of Directors, which shall have and hold all authority and powers provided by these ~~BY-LAWS~~By-Laws on behalf of the ~~members~~memberships of the Association, including the authority to promulgate ~~RULES AND REGULATIONS~~Rules and Regulations for the control and government of property within the subdivision for the exclusive benefit of the ~~members~~memberships of the Association and the power to enforce them by any legal or appropriate action it deems advisable~~, including, but not limited to, levying fines,~~ but excluding the authority or power to revoke, alter or amend either the ~~CHARTER~~Articles of Incorporation of this Association or these ~~BY-LAWS~~By-Laws, which authority and power is expressly vested only with the ~~members~~memberships in good standing with the Association.

Section 2. -- **Number, Tenure and Qualifications:** The number of directors shall consist of nine (9) ~~members~~persons from memberships in good standing with the Association. With the exception of directors appointed or elected to fill unexpired terms, each director shall hold office for a three (3) year term, one-third (1/3) being elected each year. ~~All directors shall be members in good standing with the Association.~~

Section 3. -- **Vacancies:** A vacancy shall be declared upon the Board of Directors under any one of the following conditions:

A. **Resignation:** If a member of the Board of Directors resigns in writing to the board, for any reason, ~~his/her~~the office shall be declared vacant.

B. **Disqualification:** If a member of the Board of Directors terminates ~~his/her~~ membership with the Association ~~under the provisions of Article I., 6.,~~ or ~~his/her~~ membership becomes suspended ~~under any of the provisions of Article I., 5.,~~ ~~he/her~~, that member shall automatically forfeit his~~/~~ or her seat upon the board and ~~his/her~~the office shall be declared vacant.

C. **Expulsion:** If a member of the Board of Directors fails to fulfill ~~his/her~~the office ~~with~~without good and sufficient reason, fails to attend three consecutive, regularly scheduled meetings of the board without excused absence, or shows no interest in discharging ~~his/her~~their responsibilities to the Association through continued service upon the board, the Board of Directors by at least two-thirds (2/3) affirmative vote may expel such member and declare ~~his/her~~that office vacant.

D. **Removal by the Memberships**: One or more Directors may be removed by the membership with or without cause if the number of votes cast to remove would be enough to elect the Director(s) at a meeting to elect Directors. A Director or Directors may be so removed by the memberships only at a meeting called for the purpose of removing the Director(s). The meeting notice must state that the purpose of the meeting is for voting upon the removal of the Director(s). In such case, his or their successor(s) shall be elected at the same meeting from eligible memberships nominated at the meeting to serve for the remainder of the term(s) of the removed Director(s).

Section 4. -- **Regular Meetings:** A regular stated, monthly meeting of the Board of Directors, open to all ~~members~~memberships in good standing with the Association, shall be held at such time and place mutually agreed upon during the called special meeting of the board following the annual business meeting of the Association. Regularly scheduled monthly meetings of the Board of Directors may be announced in each monthly issue of the Association's official publication.

Section 5. ~~--~~ **Executive and Special Meetings:** Executive ~~closed~~, or special meetings of the Board of Directors may be called by or at the request of the President or any two (2) directors at any time or place. Executive meetings shall be limited to the Board of Directors, employees and delegates invited by the Board of Directors, only. ~~Special~~Executive meetings shall be ~~open to the membership.~~closed.

Section 6. -- **Notice:** Notice of any executive or special meeting of the Board of Directors shall be given by the Secretary or ~~his/her~~a delegate, at least two (2) days prior thereto, either by telephone, electronic or written notice sent to each director ~~at his/her address of residence~~using the contact information as shown on the records of the Association. Notice shall not be required if any such meeting is called at the conclusion of any regular monthly meeting of the Board.

Section 7. -- **Quorum:** A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the board, except adjournment. The quorum necessary to fill vacancies shall be a majority of the existing directors.

Section 8. -- **Manner of Acting:** 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 law or specified in these By- Laws. ~~The President or presiding officer shall vote only in the event of a tie. Unless otherwise specified, ROBERT'S RULES OF ORDER shall prevail.~~To the extent provided in the Indiana Nonprofit Corporations Act, a Director may conduct or participate in any 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.

Section 9. -- **Compensation:** Directors as such shall not receive salaries for their services, but by ~~resolution or~~ approval of the Board of Directors ~~a fixed sum and~~reimbursement for out-of-pocket expenses~~of attendance~~, if any, may be allowed ~~for attendance at regular of special meetings of the board. Nothing herein contained shall be construed to preclude any director from serving the Association in any other capacity and receiving compensation therefore~~.

Section 10. – **Open Board Meetings**: As and to the extent required by Indiana's Homeowners Association Act or any other applicable law, meetings of the Board of Directors shall be open to attendance by the memberships of the Association. The Board may meet in private "executive sessions" to discuss owner delinquencies, contract negotiations (i.e., bids), pending and current litigation with legal counsel, and legally confidential employment matters. The Board may adopt rules, regulations and procedures regarding administration of such meetings, including regulation of matters such as membership participation, time limits for speaking, scheduling, agendas, and other administrative issues consistent with Indiana law and the Association's Governing Documents. It is recognized and understood that there may, from time to time, be disagreements with regard to certain issues. Notwithstanding such disagreements, members agree to conduct themselves at meetings in an appropriate, reasonable and adult-like fashion, and to abide by all rules and regulations governing administration of meetings as adopted by the Board. In the event that a member is repeatedly disruptive despite multiple warnings, makes threats of physical

harm, commits an illegal or violent act, or otherwise acts in a threatening, violent, hostile, or unduly aggressive fashion, said member may be immediately removed from the meeting. In the event that the same member repeatedly acts in a hostile, threatening or violent manner at meetings, or is removed from two (2) consecutive meetings, said member may have his or her rights to attend Board and membership meetings temporarily suspended at the discretion of the Board. The duration of such suspension shall be determined by the Board, factoring in the egregiousness of the member's conduct and the potential threat to the health, safety and welfare of other members.

ARTICLE V. – OFFICERS

Section 1. -- **Officers:** The officers of the Association shall be a President, a Vice-President, a Secretary and a Treasurer. The Board of Directors may elect or appoint such other officers, including one or more assistant Secretaries and one or more assistant Treasurers, as it shall deem desirable, who shall have the authority to perform duties prescribed by the Board of Directors. Any two or more offices may be held by the same person, except the office of President. Officers shall be elected annually in the manner prescribed in Article III., 5., of these ~~BY-LAWS~~By-Laws.

Section 2. -- **Removal:** Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors by a two-thirds (2/3) affirmative vote whenever in its judgment the best interests of the Association would be best served thereby. However, such removal shall be without prejudice to the membership rights, if any, of the officer so removed.

Section 3. -- **Vacancies:** A vacancy in any office, for any reason, may be filled by the Board of Directors for the unexpired portion of the term.

Section 4. -- **Duties of Officers:**

A. **President:** The President shall be the chief executive officer of the Association and shall in general supervise and control all of the business and all other affairs of the Association. ~~He/She~~The President shall preside over all meetings of the ~~members~~membership of the Association and of the Board of Directors and shall serve as ~~chairman~~chair of the Executive Committee. ~~He/She~~The President may sign, with any other proper officer of the Association authorized by these ~~BY-LAWS~~By-Laws or the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments, which the Board of Directors shall have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by statute to some other agent of the Association. In general, ~~he/she~~the President shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

B. **Vice-President:** In the absence of the President or in event of ~~his/her~~the President's inability or refusal to act and with the approval of the Board, the Vice-President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice-President shall serve as ~~chairman~~chair of the Rules, Regulations and Legal Committee and shall perform such other duties as from time to time may be assigned by the President or by the Board of Directors.

C. **Secretary:** The Secretary of the Association shall be responsible for all of the membership records of the Association, including the names, addresses and membership status of every current member, and shall serve upon the membership committee. ~~He/She~~The Secretary shall keep or cause to be kept a permanent record of every ~~person elected into~~ membership from the beginning of the Association, together with the dates of ~~election~~entry and termination of membership and including the circumstances of suspension or termination ~~(I.E., disqualification, or expulsion).~~. The Secretary shall have available at all times a listing of the members in good standing, eligible to vote and shall see that all notices of business meetings of the membership, with any attachments thereto, are properly delivered as prescribed in Article II~~.~~, Sections 1.B~~.~~ and 1.C~~.~~ and Article II, Section 2. The Secretary shall keep the minutes of all meetings of the members and of the Board of Directors and cause those minutes to be published in ~~one or more books provided for that purpose. He/She~~the Association's official publication. The Secretary shall be custodian of the ~~Charter and~~ By-Laws of the Association ~~and of the Association Seal and see that the Seal of the Association is properly affixed to all documents, the execution of which on behalf of the Association are duly authorized by these BY-LAWS, the Board of Directors or the statutes of the State of Indiana or any regulatory agency thereof. He/She~~. The Secretary shall be responsible for all correspondence of the Association, ~~including the processing of all Applications for membership according to the provisions of Article I., 4.,~~ and in general shall perform or cause to be performed all duties incident to the office of Secretary and such other duties as from time to time may be assigned to ~~him/her~~the Secretary by the President or by the Board of Directors.

D. **Treasurer:** The Treasurer of the Association shall be responsible for all of the financial records of the Association, including all accounts receivable from ~~members~~memberships and former ~~members~~memberships of the Association and any other sources whatsoever, and all accounts payable to any and all creditors of the Association. ~~He/She~~The treasurer shall have charge and custody of and be responsible for all funds and securities of the Association, and shall give bond for the faithful discharge of ~~his/her~~the duties in such sum and with such surety or sureties, fidelity or fidelities, as the Board of Directors shall determine and at the expense of the Association. ~~He/She~~The treasurer shall receive and give receipts for all monies due and payable to the Association from any source whatsoever, and deposit all

such monies, in the name of the Association, in such banks, trust companies, or other depositories as shall be selected by the Board of Directors or cause the same to be done on ~~his/her~~ their behalf by a bonded employee of the Association, if approved by the Board of Directors. ~~He/She~~The treasurer shall disburse, or cause to be disbursed by a bonded employee of the Association approved by the Board of Directors on ~~his/her~~the Treasurer's behalf, funds of the Association in payment of any and all just debts as authorized or approved by the Board of Directors. ~~He/She~~The treasurer shall prepare, or cause to be prepared, a monthly balance sheet of receipts and disbursements, together with a check register in support thereof, and a quarterly statement of conditions reflecting the fiscal status of the budget of revenue and expenditures and report same in writing to the Board. ~~If appointed, he/she~~The Treasurer shall serve as ~~chairman~~chair of the Finance Committee. In general ~~he/she~~, the Treasurer shall perform or cause to be performed all duties incident to the Office of the Treasurer and other such duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

E. **Other Officers:** If elected or appointed by the Board of Directors, any other officers, in general, shall perform such duties as shall be assigned to them by the President, any other officer who they are so named to assist, or by the Board of Directors. Any assistant Treasurers shall give bond in the same manner as the Treasurer of the Association.

ARTICLE VI. – ADMINISTRATION

Section 1. -- **Offices:** The principal business and administrative office of the Association shall be located in Lake Santee ~~Sub-Division~~Subdivision, Decatur and Franklin Counties, Indiana. The Association may have such other offices as the Board of Directors from time to time may determine and as the affairs of the Association may require.

Section 2. -- **Management:** The Board of Directors shall have the right to employ both full-time and part-time personnel to assist with the management of the affairs of the Association. All such employees shall be responsible and accountable either directly or indirectly to the Board of Directors. All ~~full-time~~ employees shall ~~and any part-time employees may~~ be employed ~~under written contract with~~based on the policies and procedures documented in the Employee Handbook, which is regularly reviewed and revised by the Board of Directors.

A. **Lake Manager:** If the Board of Directors acts by two-thirds (2/3) majority vote to employ a Lake Manager, either fulltime or part-time, ~~he/she~~the Lake Manager shall be ~~under written contract and~~ directly responsible and accountable to the Board of Directors. The Board of Directors may discharge such Lake Manager by two-thirds (2/3) majority vote. ~~He/she~~The Lake Manager shall serve as chief of staff to any and all other employees of

the Association and shall be fully responsible for them with respect to their service to the Association. Additional duties for the Lake Manager are contained with the position description, included in the Employee Handbook.

1. **Duties:** Under the direct supervision of the Executive Committee, the Lake Manager shall administer those duties delegated to him/her by the aforesaid committee, including, but not limited to, the keeping of both the membership and financial records of the Secretary and Treasurer, respectively. He/She shall attend all meetings of the membership and of the Board of Directors, except Executive Meetings, but shall be ex-officio and without power to vote. Additionally, he/she shall maintain and manage the business and administrative office of the Association and shall have the authority, subject to the approval of the Board of Directors, to employ additional personnel to assist him/her with his/her duties. He/She shall make a monthly report of his/her activities to the Board of Directors.

2. **Responsibilities:** The Lake Manager, if caused to perform duties for which the Treasurer of the Association is responsible, shall give bond, at the expense of the Association, for the faithful discharge of those duties, in such sum and with such surety or sureties, fidelity or fidelities, as the Board of Directors shall determine. However, under no circumstances shall the Lake Manager act in any fiscal matter without the advice and consent of the President or Treasurer, who shall be required to countersign any and all checks, drafts, or orders for payment of money, notes or other evidence of indebtedness issued in the name of the Association. The Lake Manager shall be responsible for hiring all additional personnel for whom money is allocated in the operating budget and shall directly supervise their work. He/She shall also have the authority, subject to the approval of the Board of Directors, to employ contract labor for specific work or projects. However, it shall be completely understood that the Lake Manager shall have no authority to obligate the Association under any contract whatsoever, without the express and prior approval of the Board of Directors. At the direction of the board, he/she shall advertise for and receive bids but the authority to award contracts shall be vested exclusively in the Board of Directors.

3. **Tenure:** The Lake Manager shall be employed for an indefinite period which period is subject to termination upon thirty (30) days notice by or to the Board of Directors; however, the Board of Directors may terminate the Lake Manager immediately for malfeasance or misfeasance and, in such event, the Association shall pay to the Lake Manager one month's regular salary as severance pay. The terms of compensation and other benefits shall be specified in the contract and subject to annual review by the Board of Directors.

B. **Other Employees:** The Board of Directors may retain or delegate to the Lake Manager the responsibility for employingoverseeing the employment of other personnel on a full or part-time basis. In either event, all personnel employed shall be directly accountable to the Lake Manager and therefore, shall be employed subject to his/herthe Lake Manager's approval. It shall be the responsibility of the Lake Manager to report to the Board of Directors any and all personnel needs of the Association and the Board of Directors shall retain the right to fill those needs within the financial ability of the Association.

C. **Professional Help:** The Board of Directors shall have the right to retain under contract professional help on a consultative or advisory basis, when

such help is deemed to serve the best interest of the Association. ~~Such contracts shall be drawn on an annual basis or for lesser periods of time. However, they shall be for a definitely stated period of time and subject to review by an appropriate committee of the board, which shall report its recommendations to the Board of Directors before the board acts to renew any such contract.~~

D. **Agencies and Commissions:** The Board of Directors shall have the right to create and fund agencies and commissions as it may deem appropriate to further the program of the Association. Such agencies or commissions shall not be autonomous and shall be subject to the advice and consent of the Board of Directors and the Board of Directors shall reserve the right to dissolve them at any time by resolution of the board.

E. **Director's and Employee's Liability:** The Board of Directors and Association employees shall not be individually liable to any member of the Association for their negligent acts while acting within their capacity as Directors or employees of the Association. The Association shall hold the Directors and employees harmless against any claims or causes of action, except for willful and wanton misconduct by the Directors or employees. ~~The Board of Directors may, in their discretion, obtain Director's~~To the extent not inconsistent with the laws of the State of Indiana, every person (and the heirs and personal representatives of such person) who is or was a director, officer or committee member of the Association shall be indemnified by the Association to the same and fullest extent that directors of nonprofit corporations are indemnified under the Indiana Nonprofit Corporations Act. The Board of Directors shall obtain Director's and Officer's liability insurance for themselves, which shall be an expense of the Association.

Section 3. -- **Committees of the Board:** The Board of Directors may designate committees of the Board, which, to the extent provided in these ~~BY-LAWS~~By-Laws or by resolution of the Board, shall have and exercise the authority of the Board of Directors in the management of the business and affairs of the Association; but the designation of such committees and the delegation of authority thereto shall not operate to relieve the Board of Directors as a whole, or any individual director, of any responsibility imposed upon it or ~~him/her~~them by law. Each committee of the board shall be chaired by a member of the Board of Directors. Each committee chair shall be responsible for ensuring that each committee member signs a confidentiality form and conflict of interest form.

A. **Committees of Officers:** The Officers of the Association shall comprise the membership of each of the following committees:

1. **Executive Committee:** The Executive Committee shall consist of three (3) Directors of the Association, who shall serve until the next annual election of Officers. The President of the Association shall serve as ~~chairman~~chair of the Executive Committee. The Executive Committee shall be responsible for the administration of the affairs of the

Association between meetings of the Board of Directors. It shall serve as the Personnel Committee in developing job descriptions, employment policies, and ~~contracts, and~~ shall recommend personnel for employment, all subject to the approval of the Board of Directors. The Executive Committee shall give oversight and supervision to the office of the Lake Manager and when that office is vacant, shall perform the duties of that office as outlined in Section 2~~.,~~ .A~~.,~~ of this Article. The Executive Committee shall be responsible for, or cause to happen, long range planning of the affairs of the Association, by forming a Long Range Planning committee, and present its recommendations to the Board of Directors for approval. The Executive Committee shall seek to encourage and give guidance and counsel to all other committees of the board so as to coordinate the total program of the Association.

2. **Rules, Regulations and Legal Committee:** The Rules, Regulations and Legal Committee shall consist of three (3) Directors of the Association, who shall serve until the next annual election of officers. The Vice-President of the Association shall serve as ~~chairman~~chair of this committee. It shall be responsible for the promulgation of a codified set of ~~RULES AND REGULATIONS~~Rules and Regulations consistent with the laws and statutes of the United States of America and the State of Indiana, the ~~RESTRICTIONS~~Restrictions and the ~~BY-LAWS~~By-Laws for the control and government of the use of the various areas and facilities at Lake Santee owned by the Association as well as the use of privately owned property. The ~~Promulgation~~promulgation of all ~~RULES AND REGULATIONS~~Rules and Regulations shall be in accordance with the provisions of this paragraph. It will be the responsibility of this committee to review the ~~BY-LAWS~~By-Laws and ~~RULES AND REGULATIONS~~Rules and Regulations from time to time and in consultation with or upon the recommendation of other committees of the board, or the Board of Directors as a whole, or ~~members~~memberships in good standing with the Association, recommend to the Board of Directors any changes, additions or deletions thereto. The committee shall cause to be published a set of codified ~~RULES AND REGULATIONS~~Rules and Regulations, for distribution periodically to every ~~member~~membership in good standing with the Association, and further shall authorize the Security Committee, subject to the approval of the Board of Directors, to enforce such ~~RULES AND REGULATIONS~~Rules and Regulations by any legal and appropriate action it deems advisable. The Board of Directors shall preside over any and all hearings with regard to infractions of the ~~RULES AND REGULATIONS~~Rules and Regulations cited by the Security Committee or any agency or agent of the Board of Directors authorized to enforce the same, and shall have the authority to impose ~~fines~~violation assessments or restrict the privileges of any ~~member~~membership of the Association found to be in violation of the ~~RULES AND REGULATIONS.~~Rules and Regulations. All hearings with regard to infractions of the ~~RULES AND~~

~~REGULATIONS~~Rules and Regulations may be called by the Board of Directors upon receiving ~~knowledge of~~a request to reconsider the ~~alleged~~ infraction or an appeal of the violation assessment. Such hearing shall be set down at a specified date, time and place and notice of such hearing, date, time and place, a statement of violation or violations alleged, and a request that the alleged violator be present to confront those making the allegations, and a statement of the possible actions to be taken by the Board of Directors, shall be given in writing to the alleged violator at least five (5) days prior to the scheduled hearing. At the scheduled hearing, the ~~Chairman~~Chair of the ~~RULES AND REGULATIONS~~Rules and Regulations Committee shall first read aloud the alleged violations, shall then hear the testimony from those making the accusations of the violation or violations, then shall hear the testimony of the alleged violator and those testifying on behalf of the alleged violator, and shall, after hearing all testimony aforesaid, briefly consult among or between themselves and, on the day of the hearing, advise on their decision of whether the violation or violations did in fact occur and, if so occurring, the ~~fine~~violation assessment and/or restrictions applicable for such violation or violations. This committee shall have the authority to recommend the retaining of an attorney-at-law for the Association, subject to the approval of the Board of Directors, and in general shall be responsible for the management of all of the legal affairs of the Association. However, this committee or any member thereof is specifically relieved of any liability for performing its duties.

3. **Finance Committee:** The Finance Committee shall consist of three (3) Directors of the Association which shall include the Treasurer of the Association, all who shall serve until the next annual election of officers. The Treasurer ~~may~~shall serve as ~~chairman~~chair of this committee. The Finance Committee shall be responsible for the management of all of the fiscal affairs of the Association, subject to the approval of the Board of Directors. The committee shall review the fiscal position of the Association monthly and annually recommend ways and means of generating revenue consistent with the financial needs of the Association. The committee shall ~~recommend an annual budget of revenue and expenditure to the Board of Directors for approval, and when approved shall~~ supervise the administration of the budget~~. The committee shall meet prior to each regular monthly meeting of the board to examine the Treasurer's Report, including the monthly~~ as well as periodically review the balance sheet and ~~the~~ quarterly ~~statement of conditions; as well as to review all bills and~~financial statements ~~of indebtedness payable by the Association; and formulate its recommendations to the Board for action~~. The committee shall have the authority to recommend the retaining of an accountant for the Association, subject to the approval of the Board, and shall arrange for an annual audit of the books and records of the Association, if required by the Board. The committee shall recommend depositories for the funds

of the Association, as well as the investment of any reserve funds or undivided surplus. The committee shall be responsible for the recommendation of fiscal policy to the Board and in general shall oversee the fiscal operation of the Association.

B. **Standing Committees of the Board:**

1. **Roads and Maintenance Committee:** It shall be the responsibility of the Roads and Maintenance Committee to oversee and have custody over all of the roadways, buildings, and maintenance equipment owned by the Association. This committee shall supervise the maintenance and improvement of these facilities on behalf of the Board of Directors and subject to its approval. The committee shall recommend policies for the maintenance and use of the roadways, including weight and speed limits, to the Board of Directors, which, when approved, shall be incorporated by the Rules, Regulations and Legal Committee in the ~~RULES AND REGULATIONS.~~Rules and Regulations. The Roads and Maintenance Committee shall consult with the Lake Manager or with the Executive Committee in the event there is no Lake Manager, concerning scheduled maintenance and improvement of the roadways, buildings and equipment belonging to the Association. It shall approve the purchase of all equipment, authorized by the Board of Directors, to facilitate its work, advertise, or cause to be advertised, for and receive bids upon all construction beyond the capability of the Association's own maintenance crew if bids are deemed necessary by the Board of Directors, subject to approval of the Board of Directors, which alone retains the right to enter into contracts and award bids. In general, the Roads and Maintenance Committee shall be responsible for all of the affairs of the Association with regard to the use, maintenance and improvement of its roadways, buildings and maintenance equipment.

2. **Lake and Beaches Committee:** The Lake and Beaches Committee shall be responsible for monitoring the maintenance, use and improvement of the lake, including the dam, access areas and docks, picnic areas and beaches owned by the Association and all equipment and facilities related thereto. The committee shall supervise the maintenance and improvement of these facilities on behalf of the Board of Directors and subject to its approval. It shall recommend policies for the maintenance and use of the lake, access areas, docks, beaches, dam, fish stock, the control of silt, sediment and weeds. Recommendations by this committee should be made to the Board of Directors, which, when approved, shall be incorporated by the Rules, Regulations and Legal Committee in the ~~RULES AND REGULATIONS.~~Rules and Regulations. The Lake and Beaches Committee shall consult with the Lake Manager or with the Executive Committee in the event there is no Lake Manager, concerning scheduled maintenance and improvement

of the areas under its jurisdiction. It shall approve the purchase of all equipment, authorized by the Board of Directors, to facilitate its work, advertise, or cause to be advertised, for and receive bids upon any work beyond the capability of the Association's own maintenance crew if bids are deemed necessary by the Board of Directors, subject to approval of the Board of Directors, which alone retains the right to enter into contracts and award bids. In general, the Lake and Beaches Committee shall be responsible for all of the affairs of the Association with regard to the use, maintenance and improvement of the lake, dam, access areas, docks and beaches and facilities related thereto.

3. **Security Committee:** The Security Committee shall be responsible for monitoring the enforcement of all ~~RULES AND REGULATIONS~~Rules and Regulations adopted by the Board of Directors for the control and government of the property within the Subdivision. In the event the Board of Directors creates or employs an agent or agency to enforce the ~~RULES AND REGULATIONS~~Rules and Regulations, that agent or agency shall be directly responsible to the Security Committee which shall supervise its work. It shall recommend policies for the maintenance and improvement of security and safety, to the Board of Directors, which when approved, shall be incorporated by the Rules, Regulations and Legal Committee in the ~~RULES AND REGULATIONS.~~Rules and Regulations. It shall approve the purchase of all equipment, authorized by the Board of Directors, to facilitate its work. It shall consult with the Lake Manager or with the Executive Committee in the event there is no Lake Manager, concerning the full operation of its program, including the employment of personnel, and in general shall be responsible for all of the affairs of the Association with regard to security.

4. **Membership Committee:** The Membership Committee shall be responsible for the maintenance and improvement of public relations between the members of the Association and the public relations between the Association and the general community. The Membership Committee shall recommend policies to the Board of Directors for the maintenance and improvement of good relations between members and the Association as well as the Association and the general public. It shall be concerned for the general image of the Association and shall work to build **esprit de corps** among the members of the Association~~. The Secretary of the Association shall serve as a member of the Membership Committee.~~.. In general, it shall be responsible for all affairs of the Association with regard to public relations.

5. **Recreation Committee:** The Recreation Committee shall be responsible for the maintenance and improvement of a program of social activities for the benefit of the members of the Association. The Recreation Committee shall seek to provide the widest variety of recreational

opportunities and social activities for all age levels, restricted to the ~~members~~membership of the Association~~, their immediate families~~ and invited guests, and shall be responsible for all the affairs of the Association with regard to recreation and entertainment.

6. **Building Committee:** The Building Committee shall be responsible for the approval of all building plans for the construction of houses and any appurtenant structures, including boat docks and shelters ~~-~~prior to the beginning of construction by any property owner in Lake Santee ~~Sub-Division~~Subdivision, including the Association. The Committee shall develop a building code consistent with the provisions of the ~~restrictive covenants~~Restrictions running with the land in Lake Santee ~~Sub-Division~~Subdivision and any amendments thereto, and shall issue or cause to be issued a Building Permit for any and all construction prior to

the commencement of work. The committee shall have the authority to halt any and all construction for which no Building Permit has been issued or which is at variance in any way with the building code, by any legal and appropriate action it deems advisable. The Building Committee is specifically relieved of any liability in the performance of its above-described duties. In general, the Building Committee shall be responsible for all the affairs of the Association with regard to the development of the residential character of Lake Santee ~~Sub-Division~~Subdivision and from time to time shall recommend to the Board of Directors its suggestions for improvements to the safety, convenience and appearance of the area. In addition, it shall recommend policies for the safety, convenience and appearance of structures to the Board of Directors, which when approved by the Board of Directors, shall be incorporated by the Rules, Regulations and Legal Committee in the Rules and Regulations.

~~7.~~

7. **Clean-up Committee:** The Clean-up Committee shall work in conjunction with the Building Committee and shall be responsible for a periodic visual inspection of the Lake Santee Subdivision properties and structures both owned by Memberships. The purpose of such inspections shall be for the enforcement of all Rules and Regulations as adopted by the Board of Directors for the proper maintenance and conformity of the properties and structures within the Subdivision. It shall recommend policies for the maintenance and improvement of properties and structures to the Board of Directors, which when approved, shall be incorporated by the Rules, Regulations and Legal Committee in the Rules and Regulations.

8. **Other Standing Committees:** The Board of Directors by resolutions adopted by a majority of the Directors may designate other standing committees, which shall have and exercise the authority of the Board of Directors in the management of the business and affairs of the Association to the extent provided by the resolution and consistent with the provisions of Section 3. of this Article.

Section 4. -- **Other Committees:** Other committees not having and exercising the authority of the Board of Directors in the management of the Association may be designated by a resolution adopted by a majority of the Directors. ~~Except as otherwise provided in such resolution, members of such committees shall be members in good standing with the Association. Their term of office, chairman~~Their term of office, chair, committee composition and rules shall be as specified in such resolution, provided however, that they do not conflict with the provisions of these ~~BY-LAWS~~By-Laws.

ARTICLE VII. -- BUSINESS AFFAIRS

Section 1. -- **Fiscal Year:** The fiscal year of the Association shall begin on the first day of March and end on the last day of February in each year.

Section 2. -- **Dues, Assessments, ~~Fines~~, Fees, Etc.:**

A. **Annual Dues and Assessments:** As prescribed in Covenant 8 of the ~~RESTRICTIONS~~Restrictions running with the land in Lake Santee ~~Sub-Division~~Subdivision, "Each purchaser at Lake Santee shall be subject to an annual charge (hereinafter referred to as dues) of Twenty-Five Dollars ($25) which purchaser agrees to pay to ~~lake~~Lake Santee Property Owners Association, Inc., its successors and assigns, annually on the first day of March . . . for the maintenance and upkeep of the various areas reserved for the use of property owners, irrespective of whether the privileges of using said areas are exercised or not". In addition, each ~~member~~membership of the Association shall be subject to an annual assessment for the maintenance of and/or privilege of using the various areas and facilities reserved for the exclusive use of ~~members~~memberships in good standing with the Association~~, their families~~ and invited guests, including the lake, beaches, and access areas. The Board of Directors~~, upon recommendation of the Finance Committee,~~ shall have the right to determine the amount of the annual assessment to be paid. The annual membership dues and assessments shall be due and payable to Lake Santee Property Owners Association, Inc., annually on the first day of March and shall be considered delinquent thirty-one (31) days thereafter.

If such dues and assessments or other fees provided below are not paid after such thirty-one (31) day "grace period~~,~~", the delinquent ~~member~~membership shall be charged a late fee of ten percent (10%) on the total delinquent account balance. The late fee shall be charged after the close of business on April 1st. If April 1st falls on a non-business day, the late fee will be charged after the close of business on the next regular working day. Late fees will not be charged if payment is postmarked on or before April 1st. Late fees will be considered as a part of the dues and assessments, and therefore no privileges will be granted until paid in full. Late fees may be ~~refunded~~adjusted or waived only with Board of Directors ~~Approval~~approval upon a membership's showing of an undue hardship.

The Board of Directors~~, upon recommendation of the Finance Committee,~~ shall have the right to determine the amount of a monthly finance charge, if any, to be charged to those ~~property owners~~memberships with unpaid balances. The finance charge would be applicable to all balances over thirty (30) days old as of the last day of each month.

1. **Exemptions:** ~~Individuals~~Entities eligible for membership as provided for in Article I~~.,~~, Section 1~~.,~~ on or after the first day of September annually shall pay the full dues, but be exempt from payment of one-half (1/2) of the

required assessment for the balance of that year. ~~Those individuals~~Entities eligible for membership on or after the first day of December annually shall be exempt from payment of ~~any~~both annual dues ~~or~~and assessment for the balance of that fiscal year.

2. **Limitations:** The aggregate total of the annual assessments as determined by the Board of Directors shall not exceed the total amount of anticipated expenditures for maintenance, improvement and emergency or sinking fund reserve in any given year, without prior approval of the ~~members~~membership in good standing with the Association as determined by a majority vote.

3. **Non-Member Fees:** ~~Any~~Per Article I, Section 1 of these By-Laws, property ~~owner owning property in the Lake Santee Sub-Division who is not~~ owned by a ~~member of the Association because of expulsion~~corporation, partnership, joint venture, or ~~ineligibility (~~other ~~than the Association and Santee Utilities, Inc., its successors or assigns) may be subject to~~legal entity, except for qualifying trusts, shall pay the non-member fee. The Board of Directors sets a non-member fee ~~as determined from time to time by~~ for general maintenance of the community and the maintenance of the ~~Board of Directors.~~ roadways.

B. **Initiation Fee:** The Board of Directors may determine from time to time the amount of an initiation fee, if any, to be paid ~~by Applicants~~ for a new membership in the Association.

C. **Fees:** The Board of Directors may determine from time to time any fees and the amount thereof for services to be charged in addition to the annual assessment, such as, but not limited to, mowing fees, lien charges, ~~fines,~~ etc. The Board of Directors may also charge a rental fee to those members renting their property to non-members of the Association.

D. **Multiple Lot Assessment:**

1. Effective March 1, 1991, a multiple lot assessment shall be payable to the Lake Santee Property Owners Association, Inc., on the first day of March of 1991 and each and every year thereafter for:

   a. Each lot that is acquired after September 1, 1990, by any property owner of record on September 1, 1990, regardless of membership ~~eligibility~~standing.

   b. Each Lot in excess of the first lot acquired by a new or returning property owner after September 1, 1990, regardless of membership ~~eligibility~~standing.

2. The amount of the multiple lot assessment shall be ~~10% of the total of the annual dues and assessment as~~ established by the Board of Directors for that year. The following shall serve as guidelines in charging the multiple lot assessment:

   a. Lots subject to the multiple lot assessment, which ~~are jointly owned, shall have the charge split equally between the property owners of record.~~

   ~~b. Lots subject to the multiple lot assessment, which~~ have been subdivided, shall have the charge split in proportion to the percentage of the lot owned by each property owner to the nearest 10% or by any percentage agreed upon by the owners of said lots to the nearest 10%.

   ~~c. In the case of joint ownership of multiple lots, only the total of whole and fractional lots in excess of the number of memberships and acquired after September 1, 1990, shall be subject to the multiple lot assessment.~~

E. **Special Assessments:** The Board of Directors, ~~subject to the affirmative vote of a majority of the members in good standing at any business meeting of members,~~ may levy special assessments upon the ~~members~~memberships of the Association for any specific purpose providing that all monies received through such special assessments are reserved exclusively for the purpose specified. This is subject to the affirmative vote of a majority of the memberships in good standing at any business meeting of members at which a quorum is represented in person and/or by proxy.

F. **Payment:** Annual assessments, dues and fees, are not transferable or refundable.

G. **Liens and Delinquent Accounts:** When a ~~property owner~~membership fails to pay the annual dues, assessments, ~~fines~~ or fees, a lien may be filed in accordance with the laws of State of Indiana, against the property of said ~~property owner.~~membership. If a lien has been so filed, no grantee or grantees of title to such property shall be eligible for membership in the Association until such lien is paid in full. In addition, the Board shall have the power to adopt a Delinquency Policy Resolution containing additional rules and regulations and delinquency procedures, including but not limited to the Association's right to recover attorneys fees, court costs and any other expenses or costs incurred when collecting on a delinquent account. Such Delinquency Policy Resolution shall be binding upon all Memberships.

Section 3. -- **Debt Limit:** The aggregate amount of indebtedness which the Association may have at any given time shall not exceed one-half (1/2) the total anticipated revenue for the year plus the total of the emergency sinking fund reserve at any given time, without the expressed approval of the ~~members~~memberships in good standing with the Association, in attendance at any

business meeting, by an affirmative vote of a majority of such ~~members at any business meeting of members of the Association~~memberships.

Section 4. -- **Notes, Bonds, Mortgages, Etc.:** The Board of Directors may borrow funds up to the limitation of indebtedness specified in Section 3~~.,~~ of this Article VII~~.,~~ and shall have the authority to execute notes or other evidence of indebtedness, issue bonds or make mortgages upon Association property and in the name of the Association as it sees fit and deems necessary to prudently manage the business affairs of the Association and advance the purposes of the Association. All notes, bonds, mortgages or other evidence of indebtedness issued in the name of the Association shall be signed by the Treasurer and countersigned by one other Officer of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors. No indebtedness in any form whatsoever shall be incurred by the Board of Directors without the advice and consent of the Finance Committee, which shall evaluate the fiscal position of the Association and make its recommendations to the board. A two-thirds (2/3) affirmative vote of the Directors shall be required before the board shall incur any indebtedness. All indebtedness shall be written against the Association and neither the Officers nor the Directors shall be held personally liable for any such indebtedness.

Section 5. -- **Investments:** The Board of Directors may determine from time to time the best investment of any and all emergency-sinking fund reserves so as to realize the best possible earnings on such reserves. The Board of Directors shall have the right to invest such reserves in Certificates of Deposit, U.S. Treasury Notes, ~~real estate, first mortgages,~~ or any other forms of investment calculated to generate revenue for the Association. The Board of Directors shall be authorized to buy lots in Lake Santee ~~Sub-Division~~Subdivision at tax sales for resale to property owners or prospective property owners at fair market value, taking into consideration the Association's investment, legal fees, back dues, liens, water bills and a reasonable rate of interest on funds invested in such purchases. No investment of the emergency-sinking fund reserves of the Association in any form whatsoever shall be made by the Board of Directors without the advice and consent of the Finance Committee, or in the event that the investment portfolio becomes too burdensome to the Finance Committee without the advice and consent of an Investment Committee which may be created by resolution of the Board of Directors as a standing committee of the board. The Board of Directors, if it deems appropriate, may create or employ by resolution an agent or agency to manage its investment portfolio, with the terms and conditions specified in such resolution. At least twenty-five percent (25%) of the emergency-sinking fund reserves of the Association shall be held in such liquidity as to be available to the Association upon ninety (90) ~~days~~days' notice. All investments shall be made in the name of the Association~~ or in the name of any agency created or employed by resolution of the Board of Directors~~. A two-thirds (2/3) affirmative vote of the Directors shall be required before the board shall invest any of the Association's reserves. Neither the Officers nor the Directors shall be held personally liable for any loss

of funds as a result of such investments and any profits on such investments shall inure solely to the benefit of the Association's emergency-sinking fund reserves, the Association's investment portfolio or to the Association, provided however, that such profits shall not be distributed to the members of the Association as dividends in any form.

Section 6. -- **Contracts:** The Board of Directors by resolution may authorize the Executive Committee or any other Committee of the Board, the Lake Manager or any agent or agency of the Association, to enter into any contract or execute and deliver any instrument in the name and on behalf of the Association, and such authority may be general or confined to specific instances.

Section 7. -- **Administration of Funds:**

A. **Deposits:** All funds payable to the order of the Association shall be deposited to the credit of the Association in such bank, trust companies or other depositories as the Board of Directors may select, either by the Treasurer or by ~~his/her~~a designated representative(s) who shall keep a careful record of all deposits and report regularly to the Treasurer.

B. **Withdrawals:** All checks, drafts or orders for payment of money shall be signed by the Treasurer or by ~~his/her~~a designated representative(s) and countersigned by an Officer of the Association ~~as shall from time to time be determined~~or by ~~resolution~~a designated representative(s) as long as one of the ~~Board~~two (2) signatures is an Officer of ~~Directors.~~ the Association.

~~Section 8. -- **Books and Records:** The Secretary and the Treasurer on behalf of the Association, shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of the members of the Association, Board of Directors, and any Committees of the Board, and shall keep at the principal business and administrative office or at another registered office, approved by the Board of Directors, a record, giving the names and addresses of the members entitled to vote. All books and records of the Association may be inspected by any member, or his/her agent or attorney for any proper purpose at any reasonable time, after written notice is received by the Board of Directors stating reasons for such action.~~

Section 8. -- **Books and Records:** Current copies of the Governing Documents, financial documents and other corporate documents concerning the Lake Santee Subdivision or the Association and its operation required to be kept and made available for inspection shall be available for inspection by any membership or other properly designated party at the principal office of the Association during reasonable business hours or under other reasonable circumstances, where copies of the same may be purchased at reasonable cost. The Association shall keep detailed books of account showing all expenditures and receipt of administration which shall specify the maintenance and repair expenses of the properties owned or managed by the Association, and any other expenses incurred by or on behalf of the Association and the memberships.

The accounts, books, records, financial statements, and other papers of the Association shall be open for inspection by any membership upon written request

submitted to the Board at least five (5) days in advance of the proposed inspection date, and said inspection is to be made during reasonable business hours or under other reasonable circumstances. However, pursuant to the Indiana Homeowners Association Act (hereafter, the "HOA Act"), the Association is not required to make available for inspection to a membership any records that were created more than two (2) years before the request (or for such different timeframe set forth in the HOA Act as it may be amended in the future). Any holder, insurer, or guarantor of a first mortgage on a Lot shall be entitled upon written request to receive a financial statement for the immediately preceding fiscal year.

The Association reserves the right to require any membership desiring to inspect the books, records, financial statements, and other papers of the Association to comply with the requirements set forth under the Indiana Nonprofit Corporations Act and the HOA Act, and any amendments or re-codification subsequently adopted thereto.

The Association reserves the right to deny any request by a membership for inspection of the Association's roster of memberships, including mailing addresses of memberships, which the Board of Directors determines: (a) was not made in good faith or for a proper purpose; (b) the membership fails to describe with reasonable particularity the purpose of the inspection; (c) the purpose is not directly related to the operation of the Association; or (d) was made to solicit money or property, or for a commercial purpose, or for marketing or advertising purposes.

Section 9. -- **Gifts:** The Board of Directors may accept on behalf of the Association any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Association.

~~Section 10. -- **Seal:** The Board of Directors shall provide for a corporate seal at the expense of the Association, which shall be in the form of a circle and shall have inscribed thereon the name of the Association and any other appropriate design.~~

ARTICLE VIII. – GUESTS AND RENTALS

Section 1. -- **Definition:** ~~Members~~Memberships in good standing with the Association shall be eligible to entertain ~~members of their immediate families and~~ invited guests on the various areas and facilities reserved for the benefit of members only. ~~Immediate family shall be limited by definition of dependent parents and children, including adopted or foster children for whom a member is legally responsible. All others shall be considered as guests.~~

Section 2. -- **Guest Privileges:** ~~Members~~Memberships in good standing shall not be limited as to the number, duration or frequency of their invited guests. Members expecting more than twenty-five (25) invited guests at any one time

shall inform Security of the number of guests. ~~Guests~~Invited guests shall be entitled to full use of the various areas and facilities of the Association, except that they shall not be allowed the privilege of launching any watercraft in their possession on the Lake.

Section 3. -- **Limitations:** Persons residing in a dwelling occupied by a ~~member~~membership in good standing with the Association shall not be considered as guests of such ~~member, even though~~membership, regardless of whether they ~~may~~ pay ~~no~~ rent to the member for the use of such dwelling~~, but~~.

Section 4. – **Short-Term Rentals Prohibited**: No home may be ~~required to be approved~~leased for a time period of less than one (1) year without specific approval by the Association's Board of Directors. In no event shall an owner be permitted to lease, rent, or otherwise operate his or her home or Lot on a short-term rental basis for any term of less than thirty (30) days. This short-term rental prohibition includes, but is not limited to, the use of a short-term rental platform through which unaffiliated parties such as VRBO or Airbnb offer to rent a short-term rental to an occupant and ~~may be required to pay a rental fee, as provided in Article VII., Section 2C., before being allowed to use the various areas and facilities of~~ collects consideration for the ~~Association. The annual charge on property rented, leased or loaned shall be~~rental from the ~~responsibility of the legal owner or owners of such property.~~occupant.

ARTICLE IX. -- ~~RULES AND REGULATIONS~~Rules and Regulations

Section 1. ~~--~~ **Code of Rules and Regulations:** As prescribed in Covenant 8~~.~~, of the ~~RESTRICTIONS~~Restrictions running with the land in the Lake Santee ~~Sub-Division~~Subdivision and as provided for in Article IV~~.~~, Section 1~~.~~ of these By-Laws, the Board of Directors, on behalf of the Association, shall promulgate ~~RULES AND REGULATIONS~~Rules and Regulations to govern and control the use of the property within the Subdivision. It is expressly set out that all ~~RULES AND REGULATIONS~~Rules and Regulations heretofore promulgated, not rescinded by the Board of Directors are in full force effect. All future ~~RULES AND REGULATIONS~~Rules and Regulations shall be formulated by the Rules, Regulations and Legal Committee of the Board of Directors as provided for in Article VI~~.~~, Section 3~~.~~ A~~.~~ ~~(~~2~~)~~, of these ~~BY-LAWS~~By-Laws and when approved by the Board of Directors shall be incorporated into a codified set of ~~RULES AND REGULATIONS~~Rules and Regulations which, in addition to these By-Laws, shall be binding upon the ~~members~~membership of this Association.

Section 2. -- **Procedure:** The formulation of all ~~RULES AND REGULATIONS~~ Rules and Regulations shall be the responsibility of the Rules, Regulations and Legal Committee of the Board of Directors. Any ~~member~~membership in good standing with the Association, any committee created by resolution of the Board of Directors, any committee of the board, any recognized club, or the Board of Directors itself, may suggest a rule or regulation, which in its best judgment would benefit the well-being of the Association or the peace, safety and security

of its members. If it deems a suggestion to be in the best interest of the ~~members~~membership of the Association, the Rules, Regulations and Legal Committee shall draft a rule or regulation based upon those suggestions. The Committee ~~shall~~may consult with the ~~Lake~~Association's Attorney concerning the legality and language of the rule or regulation and its consistency with the ~~RESTRICTIONS, BY-LAWS, RULES AND REGULATIONS~~Governing Documents as well as with the laws of the State of Indiana. When properly formulated, the committee shall recommend the proposed rule or regulation to the Board of Directors in writing for a first reading. If approved by an affirmative vote of the majority of the Directors present the proposed rule or regulation shall be published in the Association's official publication. It shall be given a second reading at the next regular monthly meeting of the Board of Directors, at which time the board shall hear any discussion or reaction to it by ~~members~~memberships in good standing with the Association. Following debate, the Board of Directors shall give the rule or regulation a third and final reading and if unchanged shall immediately act upon it. A two-thirds (2/3) affirmative vote of the Board of Directors shall be required to adopt any rule or regulation. If significantly changed or amended following the debate the rule or regulation in its amended form shall again be published in the Association's official publication and shall not be acted upon until the following regular monthly meeting of the Board. In the case of emergency rules or regulations the Board of Directors may adopt same upon the first reading on a contingent basis subject to revision or rescission following additional readings and publication in the Association's official publication. When duly adopted, the Rules, Regulations and Legal Committee shall codify the rule or regulation and incorporate it into the Rules and Regulations.
~~RULES AND REGULATIONS.~~

Section 3. -- **Rescission:** The Board of Directors, subject to the advice of the Rules, Regulations and Legal Committee, by a two-thirds (2/3) affirmative vote of the Directors, may rescind any rule or regulation in its code whensoever promulgated, provided, however, that the board shall publish its intention to do so in two consecutive issues of the Association's official publication prior to the taking of such action and shall provide an opportunity for a hearing of Association ~~members~~memberships in good standing at a regular monthly meeting of the board.

ARTICLE X. -- AMENDMENTS

These ~~BY-LAWS~~By-Laws may be altered, amended or repealed and new ~~BY-LAWS~~By-Laws may be adopted by a majority vote at any meeting of ~~members~~the memberships pursuant to these ~~BY-LAWS~~By-Laws and pursuant to Article II., if such ~~members~~memberships are given notice pursuant to the ~~laws~~provisions of ~~the State of Indiana.~~these By-Laws.