THIS DECLARATION made this 14th day of December, 1989, by Ivy Homes, Inc., an Indiana corporation hereinafter referred to alternatively as the "Developer" and/or "Declarant,"

WITNESSETH:

WHEREAS, the Developer is the Owner of certain real property hereinafter described, in Wayne Township, Marion County, Indiana, and desires to create thereon a residential subdivision with a retention pond, landscape, easements, open spaces and other common areas and amenities for the benefit of the owners and residents of the homes in the subdivision; and,

WHEREAS, the Developer desires to provide for the preservation of the values of the properties and amenities within the subdivision and for the maintenance of the said retention pond, landscape, easements, open spaces and common areas and facilities, and to this end, desires to subject the real property described in this Declaration, together with such additions as may hereafter be made thereto, as provided herein, to the covenants, restrictions, easements, charges and liens, hereinafter set forth, each and all of which is for the benefit of the said property and each owner thereof; and,

WHEREAS, the Developer deems it desirable, for the efficient preservation of the said values and amenities in the subdivision, to create an entity to which should be delegated and assigned the power of maintaining and administering the common properties, amenities and facilities and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created; and,


WHEREAS, the Developer has incorporated under the laws of the State of Indiana, a not-for-profit corporation, Chapel Bend Association, Inc., for the purpose of exercising the aforesaid functions, all as set forth herein.

NOW, THEREFORE, the Developer declares that the real property described in Article II of this Declaration, and such additions thereto as may hereafter be made pursuant to Article II hereof is and shall be held, transferred, void, conveyed, occupied, and used, subject to the covenants, restrictions, easements, charges, and liens (sometimes herein referred to as "covenants and restrictions") hereinafter set forth.

ARTICLE I
Definitions

Section 1.1 The following words when used in this "Declaration" or any supplemental Declaration (unless the context shall prohibit) shall have the following meanings:

(a) "Corporation" shall mean and refer to Chapel Bend Association, Inc.
(b) "The Properties" shall mean and refer to all such properties and additions thereto, as are subject to this Declaration or any Supplemental Declaration under the provisions of Article II, hereof.
(c) "Common Properties" shall mean and refer to those areas of land shown on the plat of Chapel Bend, a subdivision in Marion County, Indiana, and recorded at Instruments 89G124858 and 89G124859, in the Office of the Recorder of Marion County, Indiana, and intended to be devoted to the common use and enjoyment of the owners of The Properties.
(d) "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of The Properties with the exception of Common Properties as heretofore defined.
(e) "Dwelling Unit" shall mean and refer to any portion of a building designed and intended for use and occupancy as a residence by a single family.

(f) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot or Dwelling Unit situated upon the Properties and Contract Purchasers, but notwithstanding any applicable theory of the mortgage, shall not mean or refer to the mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

(g) "Subdivision" shall mean and refer to Chapel Bend Subdivision as platted and approved by the Metropolitan Development Commission of Indianapolis, Marion County, Indiana.

ARTICLE II
PROPERTY SUBJECT TO THIS DECLARATION; ADDITIONS THERETO

Section 1. Property. The real property which is and shall be held, transferred, sold, conveyed, occupied and used subject to this Declaration, is located in Wayne Township, Marion County, Indiana, and recorded in the Office of the Recorder of Marion County, Indiana, at Nos. 890124850 and 890124859, all of which shall hereinafter be referred to as "The Properties."

Section 2. Easements To Owners. Declarant hereby grants an easement in favor of each Owner for the use, enjoyment and benefit of the Common Properties, and such easement shall be appurtenant to and shall pass with the title to every lot.

Section 3. Grant Of Common Properties. Declarant hereby grants and conveys all areas within the Subdivision now owned by it which are not included in the definition of "Lot" and have not been dedicated to the public for street rights-of-way or other easement purposes to the corporation as and for the Common Properties.
Section 4. Additions To The Properties. Additional lands may become subject to this Declaration in the following manner:

(a) Upon approval in writing of the Corporation pursuant to Article IX of its Articles Of Incorporation or any amendment thereof, the owner of any property who is desirous of adding it to the jurisdiction of the Corporation, may file of record a Supplementary Declaration Of Covenants And Restrictions which shall extend the scope of the covenants and restrictions of this Declaration to such property. A Supplementary Declaration adopting by reference the provisions of this Declaration in its entirety shall be sufficient to conform with this Section. In addition, such Supplementary Declaration may contain such complementary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added properties and as are not inconsistent with the scope of this Declaration. In no event, however, shall such Supplementary Declaration revoke, modify or add to the covenants established by this Declaration within The Properties.

(b) Upon a merger or consolidation of the Corporation with another corporation, as provided in its Articles Of Incorporation, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated corporation or, alternatively, The Properties, rights and obligations of another corporation may, by operation of law, be added to the Properties, rights and obligations of the Corporation as a surviving corporation pursuant to a merger. The surviving or consolidated corporation may administer the covenants and restrictions established by this Declaration with The Properties, except as hereinafter provided.
ARTICLE III

MEMBERSHIP AND VOTING RIGHTS IN THE CORPORATION

Section 1. Membership. Every person or entity who is a record owner of a fee interest in any Lot which is part of the Property, or is a party to a Conditional Sales Contract for the sale and purchase of any Lot, and which is subject by covenants of record to assessment by this Corporation shall be a member of the Corporation, provided that any such person or entity who holds such interest merely as a security for the performance of any obligation shall not be a member.

Section 2. Voting Rights. The Corporation shall have two (2) classes of voting membership:

Class A. Class A members shall be all those Owners as defined in this Article III, Section 1, with the exception of the Declarants. Except as otherwise set forth in the Articles of Incorporation, Class A members shall be entitled to one vote for each Lot in which they hold the interest required for membership by this Article III, Section 1. When more than one person holds such interest or interests in any Lot, all such persons shall be members and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Lot.

Class B. Class B members shall be the undesignated Declarant-Developers and their successors in interest. The Class B members shall be entitled to two (2) votes for each Lot in which they hold the interest required for membership by Article III.

ARTICLE IV

COVENANT FOR MAINTENANCE AND ASSESSMENTS

Section 1. Creation Of The Lien And Personal Obligation Of Assessments. The Declarant for each Lot owned by it within the Property hereby covenants and each purchaser of any Lot by acceptance of a deed theretofore, whether or not it shall be so
expressed in any such deed or other conveyance, shall be deemed to
be a charge on the land and shall be a charge on the property against which each such
assessment is made. Each such assessment, together with such
Section 2. Purpose Of Assessments. The assessments levied by
the Corporation shall be used exclusively for the purpose of
promoting the recreation, health, safety and welfare of the
residents in the Properties and in particular, for the improvement
and maintenance of property, services and facilities devoted to this
purpose and directly related to the use and enjoyment of the Commons
Properties and of the homes situated upon the Properties, including
but not limited to, the payment of taxes and insurance for the
Common Properties, the grass cutting, yard maintenance and snow
removal of the Common Properties, and adjacent street rights-of-way,
payment of applicable utility charges and repair, replacement and
additions thereto, and for the cost of labor, equipment, materials,
management and supervision for the Common Properties, right-of-way
areas, and all recreational facilities located thereon, all as may
be approved by the Board of Directors, from time to time.

Section 2. Rates And Maximum Of Annual Assessments. Until the
year beginning January, 1990, the annual assessment shall be One
Hundred Twenty Dollars ($120.00) per each Lot owned by Class A
members of the Corporation. From and after January 1, 1990, the annual assessment may be increased or decreased by vote of the Board of Directors and members of the corporation, as hereinafter provided, for the next succeeding two (2) years and at the end of each such period of two (2) years for each succeeding period of two (2) years. Notwithstanding the foregoing, lots within The Properties owned in fee by the Class B member shall not be subject to annual assessments as provided herein, however, the Developer shall participate in and contribute to the expense of maintaining the Common Properties and right-of-way areas, as may be reasonably required in the best interests of The Properties.

The Board of Directors of the Corporation may, after consideration of current maintenance costs and future needs of the Corporation, fix the actual assessment for any year at a lesser amount.

Section 4. Special Assessments For Capital Improvements. In addition to the annual assessments authorized by Section 3 hereof, the Corporation may levy in any assessment year a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Properties, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of each class of its membership, voting in person or by proxy, at a meeting duly called for this purpose, written notice of which shall be given to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 5. Change In Basis And Maximum Of Annual Assessments. Subject to the limitations of Section 3 hereof, and for the periods therein specified, the Corporation may change the maximum and basis
of the assessments fixed by Section 3 hereof prospectively for any such period, provided that any such change shall have the consent of fifty-one percent (51%) of each class of its membership, voting in person or by proxy (as defined and required in Section 6 below), at a meeting duly called for this purpose, written notice of which shall be given to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting, and provided further that the limitations of Section 3 hereof shall not apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Corporation is authorized to participate under its Articles Of Incorporation and under Article II, Section 2 hereof.

Section 6. Quorum For Any Action Authorized Under Sections 4 and 5. The quorum required for any action authorized by Sections 4 and 5 hereof shall be as follows:

At the first meeting called, as provided in Sections 4 and 5 hereof, the presence at the meeting of members, or of proxies, entitled to cast sixty percent (60%) of all of the votes of each class of membership shall constitute a quorum. If the required quorum is not forth coming at any meeting, another meeting may be called, subject to the notice requirements set forth in Sections 4 and 5, and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 7. Date Of Commencement of Annual Assessments. The annual assessments provided for herein shall commence on the date fixed by the Board Of Directors of the Corporation to be the date of commencement.

The first annual assessments shall be made for the balance of the calendar year and shall become due and payable on the day fixed for commencement. The assessments for any year, after the first
year, shall become due and payable on the first day of January of said year.

The amount of the annual assessment which may be levied for the balance remaining in the first year of assessment shall be an amount which bears the same relationship to the annual assessment provided for in Section 3 hereof as the remaining number of months in that year bears to twelve. The same reduction in the amount of the assessment shall apply to the first assessment levied against any property which is hereafter added to The Properties now subject to assessment at a time other than the beginning of any assessment period.

The due date of any special assessment under Section 4 hereof shall be fixed in the resolution authorizing such assessment, which resolution may authorize payment in equal installments no less often than monthly, provided the entire special assessment is paid during the calendar year to which it is applicable.

Section 8. Duties Of The Board Of Directors. The Board Of Directors shall fix the date of commencement and the amount of the assessment against each lot for each assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of The Properties and assessments applicable thereto which shall be kept in the office of the Corporation and shall be open to inspection by any Owner.

Written notice of the assessment shall thereupon be mailed to every Owner subject thereto.

The Corporation shall, upon demand at any time, furnish to any Owner liable for said assessment a certificate in writing signed by an officer of the Corporation setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.
Section 9. Fund for Capital Expenditures. All sums assessed by
the Corporation shall be determined and established by using
generally accepted accounting principles approved on a consistent
tabia and shall include the establishment and maintenance of a
replacement reserve fund for capital expenditures and replacement
and repair of the Common Areas and facilities, which funds shall be
used for those purposes and not for usual and ordinary repair
expenses of the Common Areas and facilities. The said fund for
capital expenditures in repair and replacement of Common Areas and
facilities shall be maintained in a separate interest bearing
account with a bank or savings and loan association authorized to
conduct business in Marion County, Indiana. Assessments collected
for contribution to this fund shall not be subject to Indiana gross
income tax or adjusted gross income tax.

Section 10. Effect of Nonpayment of Assessments: The Personal
Obligation of the Owner; The Lien; Remedies of Corporation. If the
assessments are not paid on the date or dates when due (being the
dates specified in Section 7 hereof), then such assessment shall
become delinquent and shall, together with such interest thereon and
cost of collection thereof as hereinafter provided, become a
continuing lien on the property which shall bind such property in
the hands of the then owner, his heirs, Grantees, devisees, and
assigns. If, under Section 7, installment payments of special
assessments have been authorized, then failure to pay any one
installment within ten (10) days after the due date shall accelerate
the payment of all installments and the entire unpaid balance of
such assessment shall immediately become due and owing without
further notice. The Grantee of any Lot in the Properties shall be
jointly and severally liable with the Grantor for all unpaid
assessments against the latter for his share of the Common
Properties' expenses, as herein provided, incurred up to the time of
the conveyance, without prejudice, however, to the Grantees' right to recover from the Grantor the amounts paid by the Grantee therefor. However, any such Grantee shall be entitled to a statement from the Corporation setting forth the amount of unpaid assessments against the Grantor and such Grantee shall not be liable for, nor shall the Lot so conveyed be subject to a lien for any unpaid assessments against the Grantor in excess of the amount certified by the Corporation to the Grantee.

If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of fifteen percent (15%) per annum, and the Corporation may bring an action at law against the owner personally obligated to pay the same or to foreclose the lien against the property and there shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action and in the event that judgment is obtained, such judgment shall include interest on the assessment as above provided and reasonable attorney's fees to be fixed by the Court together with the costs of the action.

Section 11. Subordination Of Lien To Mortgages. The lien of the assessment provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the properties subject to assessments provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale of such property pursuant to a decree of foreclosure of any such mortgage. Such sale shall not relieve such property from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

Section 12. "Junior Lien" Provision. If any premises subject to the lien hereof shall become subject to the lien of a mortgage or deed of trust all the foreclosure of the lien hereof shall not operate to affect or impair the lien of the mortgage or deed of
trust; and (2) the foreclosure of the lien of the mortgage or deed of trust or the acceptance of a deed in lieu of foreclosure by the mortgagee shall not operate to affect or impair the lien hereof, but said charges as shall have accrued up to the foreclosure or the acceptance of the deed in lieu of foreclosure shall be subordinate to the lien of the mortgage or deed of trust with the foreclosure purchaser or deed in lieu Grantee taking title free of the lien hereof for all such charges that have accrued up to the time of the foreclosure or deed given in lieu of foreclosure, but subject to the lien hereof for all said charges that shall accrue subsequent to the foreclosure or deed given in lieu of foreclosure.

ARTICLE V

INCORPORATION OF PLAT RESTRICTIVE COVENANTS

The Developer has caused to be executed and placed of record with the Recorder of Marion County, Indiana, certain Restrictive Covenants governing construction upon and the use of all Lots within The Properties, and here declares that those said Restrictive Covenants of Chapel Bend, Sections I and II, and all subsequent restrictive covenants recorded in connection with the platting of subsequent sections of Lots within The Properties are hereby incorporated in this Declaration and thus may be enforced by the undersigned and the Corporation as these Covenants are enforced.

ARTICLE VI

GENERAL PROVISIONS

Section 1. The covenants and restrictions of this Declaration shall run with and bind the land and shall inure to the benefit of and be enforceable by the Declarants, the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors and assigns, and Chapel Bend Association, Inc., for a term of thirty-five (35) years from the date this Declaration is recorded, after which time said covenants shall be automatically
extended for successive periods of ten (10) years unless an instrument signed by the then Owners of the Lots has been recorded, agreeing to change said covenants and restrictions in whole or in part.

Section 2. Enforcement. Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or recover damages, and against the land to enforce any lien created by these covenants, and failure by the Developer, or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 3. Severability. Invalidation of any one of these covenants or restrictions by judgment or Court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 4. Payment Of Fees And Expenses Of Litigation. Class A members and others acting for, or behalf of, or through any Class A member violating the terms and restrictions of these Covenants shall be responsible for and pay all professional fees and expenses for any litigation, arbitration or other proceedings, including negotiations, and time and services otherwise incurred in enforcing the terms and provisions of this Declaration and/or the Restrictions of the Plat of Chapel Bend and the collection of assessments and other sums due by these provisions.

IN WITNESS WHEREOF, the Declarant, Ivy Homes, Inc., has caused this document to be executed the day, month and year first mentioned above.

IVY HOMES, INC.

[Signature]

DAVID L. HENDY, President

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STATE OF INDIANA  
COUNTY OF MARION  

Before me, a Notary Public in and for said County and State, personally appeared David L. Stroup, who executed the within declaration stating that the representations therein contained are true and correct to the best of his knowledge and belief.

Witness my hand and Notarial Seal this 19th day of February, 1970.

Notary Public  
Residing In Marion County

My Commission Expires:  
2/25/79

This Instrument Prepared By:
Mary J. Hoeller  
STEWART & IPWER  
Two Market Square Center, #1100  
Indianapolis, Indiana 46204  
317/639-6454
CODE OF BY-LAWS
OF
CHAPEL BEND ASSOCIATION, INC.,
An Indiana Not-For-Profit Corporation

ARTICLE I
IDENTIFICATION

Cross Reference: Chapel Bend, Section One, a subdivision in Marion County, Indiana, as per plat thereof recorded December 14, 1989, as Instrument No. 890124855, in the Office of the Recorder of Marion County, Indiana; and Chapel Bend, Section Two, a subdivision in Marion County, Indiana, as per plat thereof recorded December 14, 1989, as Instrument No. 890124856, in the Office of the Recorder of Marion County, Indiana.

Section 1.01. Name. The name of the Corporation is Chapel Bend Association, Inc.

Section 1.02. Principal Office and Resident Agent; Power To Change. The principal office address of the principal office of the Corporation is 7518 N. Monastery Lane, Indianapolis, Indiana 46224. The location of its principal office or the designation of its Resident Agent, or both, may be changed at any time, or from time to time, when authorized by the Board of Directors, by filing with the Secretary of State, on or before the day any such change is to take effect, or within five (5) days after the death of the Resident Agent or other unforeseen termination of his agency, a certificate signed by the President or a Vice President, and the Secretary or Assistant Secretary of the Corporation, and verified under oath by one of such officers signing the same, stating the change to be made and reciting that such change is made pursuant to authorization by the Board of Directors.

Section 1.03. Place Of Keeping Corporate Books And Records. The books of account, records, documents and papers of the Corporation shall be kept at its principal office.

Section 1.04. Fiscal Year. The fiscal year of the Corporation shall begin on the 1st day of January in each year, and shall end on the 31st day of December in each year, except that the first fiscal year shall begin on the date of incorporation.
ARTICLE II

DEFINITIONS

The following words when used in these By-Laws shall have the following meanings:

Section 2.1. "Association" shall mean and refer to the Chapel Bend Association, Inc., a not-for-profit Indiana Corporation.

Section 2.2. "Lake Property" shall mean and refer to that area described on the plat of Chapel Bend as a drainage and utility retention pond.

Section 2.3. "Lots" shall mean all lots as described on the plat of Chapel Bend.

Section 2.4. "Owner" shall mean and refer to the equitable owner, whether one or more persons or entities holding any of the Lots, whether such ownership be in fee simple title or as land contract vendee, notwithstanding any applicable theory of mortgage, and shall not mean or refer to the mortgagee except in cases where the mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

Section 2.5. "Declarant" shall mean and refer to Ivy Homes, Inc., an Indiana corporation, authorized to do business in the State of Indiana, its successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 2.6. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded in the Office of the Recorder of Marion County, Indiana.

Section 2.7. "Member" shall mean and refer to those persons entitled to membership as provided in the Articles of Incorporation and Declaration.

Section 2.8. "Articles of Incorporation" shall mean and refer to the Articles of Incorporation of the Chapel Bend Association, Inc.
ARTICLE III
MEETING OF MEMBERS

Section 3.1. Annual Meetings. The first annual meeting of the members shall be held within one year from the date of incorporation of the Association and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter, at the hour of seven o'clock, P.M. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 3.2. Special Meeting. Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes.

Section 3.3. Notice of Meeting. Written notice of each meeting of the members shall be given by, or at the direction of the Secretary or person authorized at the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) days before such meeting to each member entitled to vote, addressed to owners of all lots in Chapel Bend as may be determined from time to time in the office of the Assessor of Marion County, Indiana.

Section 3.4. Quorum. The presence of the meeting of members entitled to cast, or of proxies entitled to cast, sixty percent (60%) of the votes shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 3.5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lake Frontage Lot.
ARTICLE IV

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 4.1. Number. The affairs of this Association shall be managed by a Board of three (3) Directors, who must be a member in good standing of the Association.

Section 4.2. Term of Office. At the first annual meeting the members shall elect from three (3) Directors after accepting the resignation of the initial Board of Directors as provided for in the Articles of Incorporation, which three (3) Directors shall consist of one (1) Director to serve a one (1) year term, one (1) Director to serve a two (2) year term, and one (1) Director to serve a three (3) year term, and at each annual meeting thereafter the members shall elect Directors for terms of three (3) years.

Section 4.3. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a Director, his or her successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4.4. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

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

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 5.1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the
Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members only.

Section 5.2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 6.1. Regular Meetings. Regular meetings of the Board of Directors shall be held twice yearly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 6.2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by two (2) Directors after not less than three (3) days notice to each Director.

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

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 7.1. Powers. The Board of Directors shall have power to:

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(a) Adopt and publish rules and regulations governing the use of the Lake Property and the personal conduct of the members and their guests thereon, and to establish penalties for the infractions thereof.

(b) Suspend the voting rights and right to use of the Lake Property of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infractions of published rules and regulations.

(c) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration.

(d) Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors.

(e) Employ a manager, an independent contractor or such other employee as they deem necessary, and to prescribe their duties.

Section 7.2. Duties. It shall be the duty of the Board of Directors to:

(a) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the voting members.

(b) Supervise all officers, agents and employees of the Association and to see that their duties are properly performed.

(c) As may fully provided in the Declaration, to:

(1) Fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each assessment period.

(2) Send written notice of each assessment to every Owner of record thereto at least thirty (30) days in advance of each annual assessment period.
(3) Foreclose the lien against any property for which assessments are not paid within thirty (30) days after the due date or to bring an action at law against the owner personally obligated to pay same.

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

(e) Cause all officers or employees having fiscal responsibilities to be bonded, as it may seem appropriate.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 8.1. Enumeration Of Offices. The officers of this Association shall be a President and Vice President, who shall at all times be members of the Board of Directors, a Secretary and a Treasurer, and each other officers as the Board may from time to time by resolution create.

Section 8.2. Election Of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 8.3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 8.4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 8.5. Resignation And Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on
the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 3.6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 3.7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 3.8. Duties. The duties of the officers are as follows:

President

(a) The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; and shall sign all necessary contracts and documents to effectuate the Association's purpose.

Vice President

(b) The Vice President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses; and shall perform such other duties as may be required of him by the Board.

Treasurer

(d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep
Proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year, and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE IX
BOOKS AND RECORDS

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

ARTICLE X
ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the date, the assessment shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs and reasonable attorney fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Lake Property.

ARTICLE XI
AMENDMENTS

Section 11.1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority or a quorum of members present in person or by proxy.
Section 11.2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

IN WITNESS WHEREOF, we, being all of the Directors of the Chapel Bend Association, Inc., have hereunto set our hands this 22nd day of February, 1990.

David L. Stroup 7518 Nostalgia Lane
Indianapolis, Indiana 46214

Patrick J. Stroup 7518 Nostalgia Lane
Indianapolis, Indiana 46214

LuAnn Dering 7518 Nostalgia Lane
Indianapolis, Indiana 46214

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting Secretary of the Chapel Bend Association, Inc., an Indiana corporation, and,

THAT the foregoing By-Laws constitute the original By-Laws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the day of , 1990.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association, this day of , 1990.

Patrick J. Stroup, Secretary
STATE OF INDIANA  
COUNTY OF MARION

SUBSCRIBED and sworn to before me, a Notary Public in and for said County and State this 2nd day of February, 1980.

[Signature]
Notary Public
Residing in 

[Signature]

Sonoma County


This Instrument Prepared By:

MARY J. HOLLER
STEWART & IRWIN
Two Market Square Center, #3100
Indianapolis, Indiana 46204
317/639-5463

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