

L.T.P.O. Code of By-Laws

ARTICLE I: NAME AND LOCATION

The name of this organization is Lake Tippecanoe Property Owners, Inc. (the "Corporation"). The principal address of the Corporation shall be designated as Post Office Box 224, Leesburg, Indiana 46538 until and unless changed in accordance with law by the Board of Directors. Meetings of Members and Directors may be held at such places as may be designated by the Board of Directors consistent with the provisions of these By-Laws.

ARTICLE II: PURPOSES

The Corporation was established, and continues to actively function, as an organization designed to foster, cultivate and protect the best interests of its membership, the substantial majority of which are property owners, contract purchasers or lessees (including renters) located on or in the immediate vicinity of Lake Tippecanoe, Indiana (the "Lake"). Included among the Corporation's purposes are the following:

Preservation and protection of the Lake and wetlands in their natural state and implementation of sound conservation policies respecting same;

Prevention of pollution to the Lake and adjacent surrounding areas;

Encouragement of safe boating and related water sports activities;

Establishment of effective communications and liaisons with legislative, regulatory and other governmental authorities and other organizations similar to the Corporation;

Provision of various social activities and opportunities for the benefit of its membership and guests, including, but not limited to, the dinner dance, the annual meeting, fish fry, regatta and other similar events;

Communication to, from and among its membership as to current activities, projects and concerns of the Corporation; and

Raising of funds to support any or all of the foregoing (all of which are collectively referred to as the "Activities")

ARTICLE III: MEMBERSHIP AND DUES

Section 1. Membership.

"Members". Any person who has a vested interest in the Lake by being an owner, contract purchaser or lessee (including renters) of real estate on or near the Lake or its rivers, streams and channels shall be eligible for membership in the Corporation. Such person shall make application to the Corporation's committee on membership (the "Membership Committee", as hereinafter constituted) and upon acceptance and payment of Member's dues, shall be entitled to all rights and privileges of the Corporation, including without limitation the right to vote, hold office, receive newsletters and participate in all Activities and functions of the Corporation.

"Patrons". Any person not having an interest in the Lake as described in the foregoing subsection shall be eligible to become a Patron. Such person shall make application to the Membership Committee and upon acceptance and payment of a Patron's fee, such person shall be entitled to all rights and privileges of the Corporation, including the right to receive newsletters and participate in all Activities and functions of the Corporation, but Patrons shall not have the right to vote or hold office in the Corporation.

Family Units; Joint Members or Patrons. Any husband and wife, or other combination of immediate family members residing at a single location, may make application to become a Member or Patron of the Corporation, but in such case, the resulting Member shall have only one vote in the affairs of the Corporation.

Section 2. Dues and Fees.

All Members and Patrons, in order to be entitled to the rights and privileges of the Corporation, shall pay the Member's dues or Patron's fees on or before the due date. Such dues or fees shall be paid on an annual basis in such amount as shall be determined from time to time by the Board of Directors, or such dues or fees may be paid one time, in which event the Member or Patron shall be a Member or Patron for life. The requisite amount of dues or fees to become such a lifetime Member or Patron shall be established from time to time by the Board of Directors and upon

payment the Member or Patron shall be deemed in good standing for life and shall be entitled to all rights and privileges of the Corporation during his or her lifetime. No portion of the dues or fees to become a lifetime Member or Patron shall be refundable for any reason.

All annual Members' dues and Patrons' fees shall be calculated on a calendar year basis and are due and payable upon notice. There shall be no proration or partial dues or fees if any Member or Patron is a Member or Patron for only a part of a calendar year. If a Member or Patron fails to pay annual dues or fees by the due date, all rights and privileges of such person to the Corporation shall automatically terminate. Such Member or Patron may be reinstated, but only upon recommendation of the Membership Committee and payment of all required dues and/or fees.

ARTICLE IV: MEMBERS' MEETINGS

Section 1. Meetings

Meetings of the Corporation shall be in accordance with the following provisions:

Annual meetings. The annual meeting of the Members of the Corporation shall be held in Kosciusko County, Indiana, on the second Saturday in July of each year at a place and time to be established by the Board of Directors. Said meeting shall be for the purpose of electing directors for the Corporation and the transaction of such other business as may lawfully come before the meeting.

Special meetings. A special meeting of the Members shall be held within thirty (30) days after satisfaction of either of the requirements set forth in the next succeeding sentence. It shall be the duty of the President to call a special meeting of the Members when requested in writing by a majority of the Board of Directors or upon a petition signed by Members of the Corporation who are entitled to vote twenty-five percent (25%) of all of the votes of the membership. Notice of any special meeting shall state the time and place of such meeting and the purpose(s) thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent of four-fifths (4/5) of the votes present in person or by proxy at such meeting.

Notice of meetings. It shall be the duty of the Secretary to serve a notice of each annual or special meeting, stating the purposes thereof as well as the time and place where it is to be held, upon each Member of record, at least fifteen (15) days prior to such meeting. The mailing of a notice to each Member at the address shown for such Member on the Corporation's records shall be deemed notice served. Each member whose dues are then currently paid and who is otherwise in good standing shall be entitled to one vote on each issue presented at such meeting. Order of business. The order of business at all meetings of the Members shall, to the extent applicable, be as follows:

- Roll call
- Proof of notice of meeting or waiver of notice
- Reading of minutes of preceding meeting
- Reports of officers
- Report of committees
- Election of Directors
- Unfinished business
- New business
- Adjournment

Section 2 List of Members

At least ten (10) days prior to each annual meeting of the Members, a full, true and complete alphabetized list of all Members entitled to vote at such meeting shall be prepared and certified by the Secretary. A list of any persons entitled to vote in person or by proxy at such meeting shall be open to inspection by any of the Members at least one (1) hour before such meeting shall be commenced.

Section 3. Quorum.

The presence in person or by proxy at any meeting of the membership of persons entitled to vote ten percent (10%) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in or required by the Articles of Incorporation of the Corporation (the "Articles"), these By-Laws or by statute. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement of the meeting's continued date, until a quorum as aforesaid shall be present or represented.

Section 4. Proxies

Members' votes may be cast in person or by proxy at any annual or special meeting. Proxies must be filed with the Secretary of the Corporation before the appointed time of each meeting of the Members of the Corporation. Cumulative voting shall not be permitted

Section 5. Majority Required.

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

ARTICLE V: NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination.

Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more Members of the Corporation. The Nominating Committee shall be appointed by the President, subject to approval of the Board of Directors, prior to each annual meeting until the close of the next annual meeting and such appointments 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 only from among Members of the Corporation.

Section 2. Election

Election to the Board of Directors shall be by voice vote, show of hands or secret written ballot, as the President may determine is appropriate, at each annual meeting of the Corporation. At such election the Members or their proxies may cast one vote in respect to each vacancy, but cumulative voting is not permitted.

ARTICLE VI: BOARD OF DIRECTORS

Section 1. Number and qualification.

Subject to amendment of this Section, the affairs of the Corporation shall be governed by a Board of Directors composed of no less than twenty (20) persons and no greater than sixty (60) persons. Newly elected Directors must be Members of the Corporation for a minimum of one (1) year prior to their election and shall be allocated so that there is at least one (1) representative but no more than four (4) representatives from each subdivision, park, bay or other designated area from around the Lake.

Section 2. Powers.

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

- To adopt and publish rules and regulations governing the use of the property and/or facilities, if any, of the Corporation, and the personal conduct of the Members and their guests thereon;
- To exercise for the Corporation all powers, duties and authority vested in or delegated to this Corporation and not reserved to the membership by other provisions of the Articles, these By-Laws or by statute;
- To declare the office of a member of the Board of Directors to be vacant in the event such member shall fail to attend at least three (3) regular meetings of the Board of Directors during any calendar year;
- To employ an executive secretary, a manager, an independent contractor, or such other employees as the Board may deem necessary, and to prescribe their duties, subject to limitations established by the Board of Directors; and
- To do and take all such action as is or may be necessary, desirable, or appropriate to perform the duties, obligations and responsibilities of the Board as required by the Articles, these By-Laws or by statute.

Section 3. Duties.

The Board of Directors shall have the following duties:

- To cause a complete record of all its acts and corporate affairs to be kept and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by Members holding one-fourth (1/4) of the total votes of the membership entitled to vote;
- To supervise all officers, agents and employees of the Corporation, and to see that their duties are properly

performed;

To establish and assess the annual Members' dues and Patrons' fees, all in accordance with the terms of these By-Laws;

To send written notice to all Members of any meeting of the Members;

To procure and maintain liability and fire and other hazard insurance on property owned by the Corporation on a current replacement cost basis in an amount not less than 100% of the insurable value (based on current replacement only), and to use the proceeds of such hazard insurance solely for the repair replacement or reconstruction of such insurable common property including insured improvements; and to procure and maintain other insurance, including officers' and directors' liability coverage, as required or authorized by the Articles, these By-Laws, any statute or the subsequent act or resolution of the Board of Directors and to use the proceeds thereof for their intended purposes;

To cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

To perform, or cause to be performed, any and all duties and obligations imposed upon the Corporation and the Board of Directors under the Articles, these By-Laws or by statute.

To be in good standing each director shall be required to be a member of at least one committee.

Each director shall be obligated to familiarize himself or herself with all By-Laws, Rules of Procedures, and Directors Code of Ethic and Conduct.

Section 4. Term of Office.

At each annual meeting the Members shall elect Directors for a term of one (1) year to fill the vacancies created by expiring terms. There shall be no limit on the number of times a Director may serve.

Section 5. Vacancies.

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

Section 6. Compensation.

No Director shall receive compensation for any service he or she may render to the Corporation as such Director. However, any Director may be reimbursed for actual expenses which are reasonably and necessarily incurred in the performance of his or her duties, and any Director may be paid and compensated for services to the Corporation in a capacity other than as a Director.

Section 7. Removal of Directors.

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

Section 8. Organization Meeting.

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

Section 9. Regular Meetings.

Regular meetings of the Board of Directors shall be held in Kosciusko County, Indiana at such regular intervals, without notice, at such place and hour as may be determined from time to time by resolution of the Board.

Section 10. Special Meetings.

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

Section 11. Waiver of Notice.

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

Section 12. Quorum.

At all meetings of the Board of Directors, at least fifteen (15) Directors must be present in person or by proxy to constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which quorum is present shall be the acts of the Board of Directors except as otherwise provided in or required by the Articles, these By-Laws or by statute. If, at any meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 13. Proxies.

Directors' votes may be cast in person or by proxy at any regular or special meeting of the Board of Directors. Proxies must be filed with the Secretary before the appointed time of each meeting of the Board of Directors. Cumulative voting shall not be permitted.

Section 14. Agenda.

The order of business at any regular or special meeting of the Board of Directors shall follow the general format prescribed in the foregoing Article IV, Section 1, Subsection d.

Section 15. 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.

Section 16. Monetary Limitations

Any project, activity or function that will require or is expected to require the expenditure of L.T.P.O. funds in the amount of \$15,000 or more over a one year period of time or less will require the vote and approval of the total membership of L.T.P.O. Such a project, activity or function could be brought up for vote at the annual general meeting or at a special meeting called for such purpose. Approval will be by a majority vote of those voting at such general or special meeting. It is further understood that this procedure will not apply to funds specifically donated for and set aside in designated accounts for special purposes such as Flotilla & Fireworks Fund, River and Dam Fund, etc.

ARTICLE VII: OFFICERS & THEIR DUTIES

Section 1. Enumeration of Offices.

The officers of the Corporation shall be a president, a vice-president, a secretary and a treasurer, all of whom shall be members of the Board of Directors, and such other officers as the Board may from time to time create by resolution.

Section 2. Election of Officers.

The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term.

The officers of this Corporation shall be elected annually by the Board and each shall hold office for one (1) year unless they shall sooner resign, be removed or otherwise be disqualified to serve. Upon expiration of their terms of office, each officer shall promptly deliver to his or her successor, or to the Corporation, all monies, books, records and property of any nature whatsoever which belongs to the Corporation.

Section 4. Special Appointments.

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

Section 5. Resignation and Removal.

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

Section 6. Vacancies.

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

Section 7. Multiple Offices.

The office of vice president and any other office (other than that of president) may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties.

The duties of the Officers are as follows:

President. The president shall preside at all meetings of the Board of Directors; he or she shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments on behalf of the Corporation and, unless other signatory authority is provided by resolution of the Board, shall counter sign all checks and promissory notes on behalf of the corporation. He or she shall have the power to appoint committees from among the Members of the Corporation from time to time as he or she may discretionarily deem appropriate to assist in conducting the affairs of the Corporation. The president shall have and discharge all the general powers and duties usually vested in the office of the president or chief executive officer of an association or a stock corporation organized under the laws of the State of Indiana.

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

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

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

ARTICLE VIII: COMMITTEES

The Board of Directors or the president may appoint such committees as are deemed necessary or appropriate to carry out the intents and purposes of the Corporation. In addition to the foregoing discretionary authority to appoint committees, there shall at all times exist the following standing committees:

Executive Committee. The Board of Directors shall elect an Executive Committee consisting of seven (7) members, including the Officers of the Corporation with the balance of the Executive Committee Members being elected from within the Board of Directors. Such Executive Committee shall meet at a time and place to be selected by the President, and shall be empowered to transact any business authorized by the Board of Directors, except the alteration, amendment, supplementation or suspension of these By-Laws as provided by Article X, Section 1, below.

Membership Committee. The President may appoint not less than three (3) Members of the Corporation, who may also be directors, to evaluate and pass upon all applicants seeking to become Members or Patrons of the Corporation and make a recommendation report respecting same to the President and the Board of Directors.

Nominating Committee. There shall be a Nominating Committee established in accordance with the provisions of the foregoing Article V, Section 1 set forth above.

ARTICLE IX: BOOKS OF ACCOUNT, FISCAL YEAR AND ASSESSMENTS

Section 1. Books of Account

The Corporation shall keep detailed books of account showing all receipts and expenditures of administration and any other expenses incurred by or on behalf of the Corporation, its officers and directors and/or the Members. Such accounts, books, records, financial statements and other papers of the Corporation shall be open for inspection by the Members, Patrons, the Board of Directors and any other persons having a legitimate interest in the Corporation during reasonable business hours, or under other reasonable circumstances, and shall be examined annually by a qualified certified public accountant acceptable to and hired by the Board of Directors, or shall be subject to examination by such Internal Audit Committee as may be elected by the Board of Directors. Current copies of the Articles and the By-Laws

of the Corporation shall be available for inspection by any of the foregoing parties at the principal office of the Corporation during normal business hours or under other reasonable circumstances.

Section 2. Fiscal Year.

The fiscal year of the Corporation shall commence on January 1 and end the following December 31 of each year.

Section 3. Assessments.

The Corporation shall not have the power or authority to assess its Members or Patrons beyond the annual or lifetime amounts of Members' dues or Patrons' fees from time to time reasonably established by the Board of Directors. Any need for additional funds necessary to carry on the purposes and financial affairs of the Corporation shall be raised by means of fund-raising projects or programs approved by the Board of Directors or voluntary contributions from the Members and/or Patrons.

ARTICLE X: AMENDMENTS

Section 1. The power to alter, amend, supplement or suspend these By-Laws

The power to alter, amend, supplement or suspend these By-Laws is vested in the Members of the Corporation; provided however, that no amendment or other change shall be made in these By-Laws which conflicts with the terms and provisions of the Articles unless the same is adopted by and duly approved by the Members of the Corporation. Notwithstanding the foregoing, the Board of Directors may at any time between Members' meetings upon a two-thirds (2/3) vote of a quorum of the Board then present, vote to alter, amend, supplement or suspend any portion of these By-Laws which the Board reasonably believes is necessary or convenient to facilitate the business of the Corporation. Such action by the Board shall be effective only until the next successive annual or special meeting of the Members at which time such Board action must be ratified and confirmed or same will then be negated and of no further force and effect.

Section 2. By-Laws and Article conflicts

In the case of any conflict between the Articles and these By-Laws, the Articles shall control.

This Instrument Prepared By:

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