

CODE OF BY-LAWS
OF

BRIDGEWATER COMMUNITY ASSOCIATION, INC.

ARTICLE I
IDENTIFICATION, RECORDS, SEAL AND FISCAL YEAR

Section 1.01. Name. The name of the Corporation is BRIDGEWATER COMMUNITY ASSOCIATION, INC. (the "Corporation").

Section 1.02. Place of Keeping Corporate Books and Records. The Corporation shall keep at its principal office a copy of (a) its Articles Of Incorporation and all amendments thereto currently in effect (the "Articles"); (b) its Code Of By-Laws and all amendments thereto currently in effect (the "By-Laws"); (c) minutes of all meetings of the members of the Corporation (the "Members") and records of all actions taken by the Members without a meeting (collectively, "Members Minutes") for the prior three years; (d) all written communications by the Corporation to the Members including the financial statements furnished by the Corporation to the Members for the prior three years; (e) a list of the names and business addresses of the current directors of the Corporation (the "Directors") and the current officers of the Corporation (the "Officers"); and (f) the most recent Annual Report of the Corporation as filed with the Secretary of State of Indiana. The Corporation shall also keep and maintain at its principal office, or at such other place or places within or without the State of Indiana as may be provided, from time to time, in these By-Laws, (a) minutes of all meetings of the Board and of each committee, and records of all actions taken by the Board and by each committee without a meeting; (b) Member Meeting Minutes; (c) appropriate accounting records of the Corporation; and (d) a record of the Members in a form that permits preparation of a list of the names and addresses of all the Members, in alphabetical order by class of shares, stating the number and class of shares held by each Shareholder. All of the records of the Corporation described in this Section shall be maintained in written form or in another form capable of conversion into written form within a reasonable time.

Section 1.03. Seal. There shall be no seal necessary for the Corporation.

Section 1.04. Calendar Year. The corporation shall be on a calendar year.

ARTICLE II
PURPOSES

Section 2.01. Purposes. The purposes of the Corporation are:

- (a) As set forth in the Articles of Incorporation; and

(b) To perform any purpose which nonprofit corporations are authorized under the Nonprofit Corporation Act of 1991 ("the Act").

ARTICLE III MEETINGS OF MEMBERS

Section 3.01. Place Of Meetings. All meetings of Members shall be held at such location as the Directors shall establish in a written notice to each Member, within or without the State of Indiana, as may be specified in the respective notices or waivers of notice thereof.

Section 3.02. Annual Meeting. Unless otherwise determined by the Board, the annual meeting of the Members for the election of Directors, and for the transaction of such other business as may properly come before the meeting, shall be held at 6:00 p.m. on the last Thursday in the month of October, and if a holiday then on the first following day that is not a legal holiday. Failure to hold the Annual Meeting at the designated time does not affect the validity of any corporate action.

Section 3.03. Special Meetings. Special meetings, for any purpose or purposes (unless otherwise prescribed by law), may be called by the Board or the President, and shall be called by the President or any Vice-President at (a) the request in writing of a majority of the Board, or (b) at the written demand, delivered to the Secretary, of Members holding of record not less than one-third of the Members of the Corporation and entitled by the Articles to vote on the business proposed to be transacted thereat. All requests or demands for special meetings shall state the purpose or purposes thereof, and the business transacted at such meeting shall be confined to the purposes stated in the call and matters germane thereto.

Section 3.04. Record Date. The Board may fix a record date, not exceeding seventy (70) days prior to the date of any meeting of the Members, for the purpose of determining the Members entitled to notice of and to vote at such meeting. In the absence of action by the Board fixing a record date as herein provided, the record date shall be the fourteenth (14th) day prior to the date of the meeting. A new record date must be fixed if a meeting of Shareholders is adjourned to a date more than 120 days after the date fixed for the original meeting.

Section 3.05. Notice Of Meetings. A written or printed notice, stating the place, day and hour of the meeting, and, in the case of a special meeting or when otherwise required by any provision of the Act, the Articles or these By-Laws, the purpose or purposes for which the meeting is called, shall be delivered or mailed by the Secretary or by the persons calling the meeting to each Member at the time entitled to vote, at such address as appears on the records of the Corporation, at least ten (10) and

not more than sixty (60) days before the date of the meeting. Notice of any special meeting called at the written demand of Members shall be delivered or mailed within sixty (60) days of the Secretary's receipt of such demand. Each Member who has in the manner provided in Section 3.06 of these By-Laws waived notice of a Members meeting, or who personally attends a Members meeting, or is represented thereat by a proxy duly authorized to appear by an instrument of proxy complying with the requirements hereinafter set forth, shall be conclusively presumed to have been given due notice of such meeting.

Section 3.06. Waiver Of Notice. Notice of any annual or special meeting may be waived in writing by any Member, before or after the date and time of the meeting specified in the notice thereof, by a written waiver delivered to the Corporation for inclusion in the minutes or filing with the corporate records. A Member's attendance at any meeting in person or by proxy shall constitute a waiver of (a) notice of such meeting, unless the Member at the beginning of the meeting objects to the holding of or the transaction of business at the meeting, and (b) consideration at such meeting of any business that is not within the purpose or purposes described in the meeting notice, unless the Member objects to considering the matter when it is presented.

Section 3.07. Proxies. A Member entitled to vote at any meeting may vote either in person or by proxy executed in writing by the Member or a duly authorized attorney-in-fact of such Member. For purposes of this Section, a proxy granted by telegram, telex, telecopy or other document transmitted electronically for or by a Member shall be deemed "executed in writing by the Member." The general proxy of a fiduciary shall be given the same effect as the general proxy of any other Member. No proxy shall be valid after eleven months from the date of its execution unless a longer or shorter time is expressly provided therein. An appointment of a proxy is revocable by a Member unless the appointment form conspicuously states that it is irrevocable and the appointment is coupled with an interest.

Section 3.08. Quorum. At any meeting of Members, the holders of a majority of the outstanding shares which may be voted on the business to be transacted at such meeting, represented thereat in person or by proxy, shall constitute a quorum, and a majority vote of such quorum shall be necessary for the transaction of any business by the meeting, unless a greater number is required by law, the Articles or these By-Laws. In case a quorum shall not be present at any meeting, the holders of record of a majority of such shares so present in person or by proxy may adjourn the meeting from time to time, without notice, other than announcement at the meeting, unless the date of the adjourned meeting requires that the Board fix a new record date therefore, in which case notice of the adjourned meeting shall be given. At any such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally scheduled.

Section 3.09. Member List. The Secretary shall prepare before each meeting of Members a complete list of the Members entitled to notice of such meeting, arranged in alphabetical order by class of shares (and each series within a class), and showing the address of, and the number of votes to which each Member is entitled (one vote per residential lot owned).

ARTICLE IV BOARD OF DIRECTORS

Section 4.01. Duties And Number. The business and affairs of the Corporation shall be managed under the direction of a Board of Directors consisting of six (6) members, and it is not required that each Director be a Member.

Section 4.02. Election, Term Of Office And Qualification. Directors shall be elected at each annual meeting by the Members entitled by the Articles or as further delineated in the Plat Restrictions to each section of Bridgewater. Directors shall be elected for a term of one year and shall hold office until their respective successors are elected and qualified. Directors need not be residents of the State of Indiana or Members of the Corporation. No decrease in the number of Directors at any time provided for by these By-Laws shall have the effect of shortening the term of any incumbent Director.

Section 4.03. Powers Of Directors. The Board shall exercise all the powers of the Corporation, subject to the restrictions imposed by law, the Articles, the Plat Restrictions or these By-Laws.

Section 4.04. Annual Meeting. Unless otherwise determined by the President or the Board, the Board shall meet each year immediately after the annual meeting of the Members, at the place where such meeting of the Members has been held, for the purpose of organization, election of Officers, and consideration of any other business that may properly be brought before the meeting. No notice shall be necessary for the holding of this annual meeting. If such meeting is not held as above provided, the election of Officers may be held at any subsequent duly constituted meeting of the Board.

Section 4.05. Regular Board Meetings. Regular meetings of the Board may be held at stated times or from time to time, and at such place, either within or without the State of Indiana, as the Board may determine, without call and without notice.

Section 4.06. Special Board Meetings. Special meetings of the Board may be called at any time or from time to time, and shall be called on the written request of at least three Directors or the President, by causing the Secretary or any Assistant Secretary to give to each Director, either personally or by mail, telephone,

telegraph, teletype or other form of wire or wireless communication at least two days' notice of the date, time and place of such meeting. Special meetings shall be held at the principal office or at such other place, within or without the State of Indiana, as shall be specified in the respective notices or waivers of notice thereof. A Director may waive notice of any special meeting of the Board before or after the date and time stated in the notice by a written waiver signed by the Director and filed with the minutes or corporate records. A Director's attendance at or participation in a special meeting waives any required notice to the Director of the meeting unless the Director at the beginning of the meeting (or promptly upon the Director's arrival) objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

Section 4.07. Meeting By Telephone, Etc. Any or all of the members of the Board or of any committee designated by the Board may participate in a meeting of the Board or the committee, or conduct a meeting through the use of, any means of communication by which all persons participating may simultaneously hear each other during the meeting, and participation in a meeting using these means constitutes presence in person at the meeting.

Section 4.08. Quorum. At all meetings of the Board, a majority of the number of Directors designated for the full Board shall be necessary to constitute a quorum for the transaction of any business, except (a) that for the purpose of filling of vacancies of the Board a majority of Directors then in office shall constitute a quorum, and (b) that a lesser number may adjourn the meeting from time to time until a quorum is present. The affirmative vote of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board, unless the act of a greater number is required by law, the Articles or these By-Laws.

Section 4.09. Action Without Meeting. Any action required or permitted to be taken at any meeting of the Board or of any committee thereof may be taken without a meeting if the action is taken by all members of the Board or of such committee. The action must be evidenced by one (1) or more written consents describing the action taken, signed by each member of the Board or of the committee, and included in the minutes or filed with the corporate records reflecting the action taken. Action taken under this Section is effective when the last member of the Board or of the committee signs a written consent, unless the consent specifies a different prior or subsequent effective date.

Section 4.10. Resignations. Any Director may resign at any time by delivering written notice to the Board, its Chairman, the President, or the Secretary. Such resignation shall take effect when the notice is delivered unless the notice specifies a later effective date. If the resignation specifies a later effective date, the Board may fill the pending vacancy before the effective

date, but the new Director may not take office until the vacancy occurs.

Section 4.11. Removal. Any Director may be removed, with or without cause, at any meeting of the Members by the affirmative vote of a majority in number of shares of the Members of record present in person or by proxy and entitled to vote for the election of Directors, if notice of the intention to act upon such matter shall have been given in the notice calling such meeting. If the notice calling such meeting shall so provide, the vacancy caused by such removal may be filled at such meeting by vote of the holders of a majority of the outstanding shares present and entitled to vote for the election of Directors.

Section 4.12. Vacancies. Any vacancy occurring in the Board, including a vacancy resulting from an increase in the number of Directors, may be filled by the Board, or if the Directors remaining in office constitute fewer than a quorum of the Board, they may fill the vacancy by the affirmative vote of a majority of all the Directors remaining in office. Each Director so chosen shall hold office until the expiration of the term of the Director, if any, whom he has been chosen to succeed, or, if none, until the expiration of the term designated by the Board for the directorship to which he has been elected, or until his earlier removal, resignation, death, or other incapacity.

ARTICLE V COMMITTEES OF THE BOARD OF DIRECTORS

Section 5.01. Creation of Committees. The Board may create one (1) or more committees and appoint members of the Board to serve on them. Each committee may have one (1) or more members, who serve at the pleasure of the Board. The creation of a committee and appointment of members to it must be approved by the greater of: (a) a majority of all the Directors in office when the action is taken; or (b) the number of Directors required by the Articles or these By-Laws to take action under the Act.

Section 5.02. Executive Committee. The Board shall have power to appoint by resolution adopted by a majority of the entire Board an executive committee composed of two or more Directors, who, to the extent provided in such resolution, shall have and exercise the authority of the Board in the management of the business of the Corporation between meetings of the Board..

Section 5.03. Powers of the Committees. To the extent specified by the Board from time to time, each committee may exercise the authority given it by the Board.

ARTICLE VI
OFFICERS

Section 6.01. Officers. The Board shall elect or appoint such officers of the Corporation as the Board deems reasonably necessary to carry out the business of the Corporation. The officers of the Corporation shall consist of a President, one (1) or more Vice-Presidents (if any), a Secretary, a Treasurer, and such other officers as may be chosen by the Board at such time and in such manner and for such terms as the Board may prescribe. Any two (2) or more offices may be held by the same person.

Section 6.02. Election And Term Of Office. The Officers shall be chosen by the Board or by an Officer duly elected or appointed and duly authorized by the Board. Each Officer shall hold office until his successor is chosen and qualified, until his death, until he shall have resigned, or shall have been removed by the Board, which shall have sole discretion over the appointment and terms of officers.

Section 6.03. President. Subject to the general control of the Board, the President shall manage and supervise all the affairs and personnel of the Corporation and shall discharge all the usual functions of the chief executive officer of a corporation. He or his designee shall preside at all meetings of Members and Directors, discharge all the duties which devolve upon a presiding officer, and shall exercise and perform such other powers and duties as these By-Laws or the Board may prescribe.

Section 6.04. Vice-Presidents. The Vice-Presidents, in the order designated by the President or the Board, shall exercise and perform all powers of, and perform duties incumbent upon, the President during his absence or disability and shall exercise and perform such other powers and duties as these By-Laws, the Board or the President may prescribe.

Section 6.05. Secretary. The Secretary shall attend all meetings of the Members and of the Board, and shall keep or cause to be kept in a book provided for the purpose a true and complete record of the proceedings of such meetings, and shall perform a like duty, when required, for all committees created by the Board. He shall authenticate the records of the Corporation when necessary and shall exercise and perform such other powers and duties as these By-Laws, the Board, or the President may prescribe. He shall give all notices of the Corporation and, in case of his absence, negligence, or refusal so to do, any notice may be given by a person so directed by the President or by the requisite number of Directors or Shareholders upon whose request the meeting is called as provided by these By-Laws.

Section 6.06. Treasurer. The Treasurer shall keep correct and complete records of account, showing accurately at all times the financial condition of the Corporation. He shall be the legal custodian of all moneys, notes, securities and other valuables that

may from time to time come into the possession of the Corporation. He shall immediately deposit all funds of the Corporation coming into his hands in some reliable bank or other depository to be designated by the Board, and shall keep such bank account in the name of the Corporation. He shall furnish at meetings of the Board, or whenever requested thereby, a statement of the financial condition of the Corporation, and shall exercise and perform such other powers and duties as these By-Laws, the Board, or the President may prescribe. The Treasurer may be required to furnish bond in such amount as shall be determined by the Board.

Section 6.10. Assistant Officers. The Board or an officer duly appointed by the Board may from time to time designate assistant Officers who shall exercise and perform such powers and duties as the Officers whom they are elected to assist shall specify and delegate to them, and such other powers and duties as these By-Laws, the Board, or the President may prescribe. An Assistant Secretary may, in the absence or disability of the Secretary, attest the execution of all documents by the Corporation.

Section 6.11. Delegation Of Authority. In case of the absence of any officer of the Corporation, or for any other reason that the Board may deem sufficient, the Board may delegate the powers or duties of such Officer to any other Officer or to any Director, for the time being.

ARTICLE VII NEGOTIABLE INSTRUMENTS, DEEDS, CONTRACTS, STOCK AND LIMITATION OF LIABILITY

Section 7.01. Execution Of Negotiable Instruments. All checks, drafts, bills of exchange and orders for the payment of money by the Corporation shall, unless otherwise directed by the Board, or unless otherwise required by law, be signed by any two of the following Officers: the President, any Vice-President, the Secretary or the Treasurer. The Board may, however, authorize any one or more of such Officers to sign checks, drafts, bills of exchange and orders for the payment of money by the Corporation singly and without necessity of countersignature; and the Board may designate any other employee or employees of the Corporation, who may, in the name of the Corporation, execute checks, drafts, bills of exchange and orders for the payment of money by the Corporation or in its behalf.

Section 7.02. Execution Of Deeds, Contracts. Etc. All deeds, notes, bonds and mortgages made by the Corporation and all other written contracts and agreements, other than those executed in the ordinary course of corporate business, to which the Corporation shall be a party shall be executed in its name by the President, a Vice-President or by any other Officer so authorized by the Board,

acting by resolution; and the Secretary, when necessary or required, shall attest the execution thereof.

Section 7.03. Ordinary Contracts And Agreements. All written contracts and agreements into which the Corporation enters in the ordinary course of business operations shall be executed by any Officer or by any other employee of the Corporation designated by the President to execute such contracts and agreements.

Section 7.04. Limitation Of Liability. The following provisions apply with respect to liability on the part of a Director, a member of any committee or of another committee appointed by the Board (an "Appointed Committee"), Officer, employee or agent of the Corporation (collectively, "Corporate Persons," and individually, a "Corporate Person") for any loss or damage suffered on account of any action taken or omitted to be taken by a Corporate Person:

(a) General Limitation. No Corporate Person shall be liable for any loss or damage if, in taking or omitting to take any action causing such loss or damage, either (1) such Corporate Person acted (A) in good faith, (B) with the care an ordinarily prudent person in a like position would have exercised under similar circumstances, and (C) in a manner such Corporate Person reasonably believed was in the best interests of the Corporation, or (2) such Corporate Person's breach of or failure to act in accordance with the standards of conduct set forth in Clause (a) (1) above (the "Standards of Conduct") did not constitute willful misconduct or recklessness.

(b) Reliance on Corporate Records and Other Information. Any Corporate Person shall be fully protected, and shall be deemed to have complied with the Standards of Conduct, in relying in good faith, with respect to any information contained therein, upon (1) the Corporation's records, or (2) information, opinions, reports or statements (including financial statements and other financial data) prepared or presented by (A) one or more other Corporate Persons whom such Corporate Person reasonably believes to be competent in the matters presented, (B) legal counsel, public accountants or other persons as to matters that such Corporate Person reasonably believes are within such person's professional or expert competence, (C) a committee or an Appointed Committee, of which such Corporate Person is not a member, if such Corporate Person reasonably believes such committee or Appointed Committee merits confidence, or (D) the Board, if such Corporate Person is not a Director and reasonably believes that the Board merits confidence.

Section 7.06. Indemnification Of Directors, Officers, Employees, And Agents. The Corporation shall indemnify any persons who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding,

whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably by him in connection with such action, suit or proceedings if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful, except that no indemnification shall be made in relation to matters as to which he shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of duty to the Corporation. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to his Corporation.

Any such director, officer, employee or agent who has been wholly successful, on the merits or otherwise, with respect to any claim, suit or proceeding of the character described herein shall be entitled to indemnification as a matter of right. Except as provided in the preceding sentence, eligibility for indemnification hereunder may be determined but need not be, by the Board Of Directors (or a committee thereof). Such a resolution shall be valid in the case of a director(s) or officer(s) who is a director(s) notwithstanding the presence of such director(s) or officer(s) who is a director(s) at the meeting of the Board Of Directors of the Corporation (or committee thereof) which acts upon or in reference to such indemnification and notwithstanding his or their participation in such action, if the fact of such interest

shall be fully disclosed or known by the Board Of Directors and the Board (or committee thereof) shall nevertheless authorize, approve, or ratify such indemnification. The directors may request independent legal counsel (who may be regular counsel of the Corporation) to deliver to it their written opinion as to whether such director, officer, employee or agent has met such standards.

If several claims, issues or matters of action are involved any such person may be entitled to indemnification as to some matters even though he is not entitled as to other matters.

The Corporation may advance expenses to or, where appropriate, may at its expense undertake the defense of any such director, officer, employee or agent upon receipt of an undertaking by or on behalf of such person to repay such expenses if it should ultimately be determined that he is not entitled to indemnification hereunder.

The provisions of this Section shall be in addition to any rights to which any person concerned may otherwise be entitled by contract or as a matter of law and shall inure to the benefit of the heirs, executors and administrators of any such person.

The indemnification provided by this Section shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any by-law, agreement vote of stockholders or directors as a matter of law, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

The Corporation may, but shall not be obligated to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation against any liability asserted against him and incurred by him in any capacity or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this Section or otherwise.

ARTICLE VIII AMENDMENTS

Section 8.01. Amendment Of By-Laws. The power to make, alter, amend or repeal these By-Laws is vested in the Board, but the affirmative vote of a number of Directors equal to a majority of the number who would constitute a full Board of Directors at the time of such action shall be necessary to take any action for the making, alteration, amendment or repeal of these By-Laws.