

**BY-LAWS
OF
HERITAGE FARM ADDITION
PROPERTY OWNERS ASSOCIATION**

The following shall constitute the by-laws of Heritage Farm Addition Property Owners Association (herein referred to as the Association), and shall remain in full force and effect until amended or repealed by the Board of Directors.

**ARTICLE I
MEMBERS**

1. A member of this association shall be any person who owns property in fee simple within this subdivision.

2. Annual Meeting. The annual meeting of the members of this Association shall be held at such places as the directors shall designate, the date of the meeting to be the last business day of the Association's fiscal year unless the directors designate another date. Other regular standing meetings may be scheduled by motion of the Board. The regular meetings shall be monthly, biannually, or quarterly, and once established by motion, no further notice shall be required, although the Board may opt to use the notice provisions of the following section 4 of this Article.

3. Special Meeting. Special meetings of the members may be called at any time by the President, by resolution of the Board of Directors, or by not less than one-third (1/3) of members.

4. Notice. Written notice of members' meetings shall be given either personally or by mail to each member of record in good standing, either (1) at his address on the books of the Association or (2) at his last known address not less than ten (10) nor more than sixty (60) days before the meeting is to be held. In case of special meetings, the notice shall also include a statement of the purpose(s) for which the meeting is called and no other business may be transacted or considered. If at any annual meeting there shall be presented a proposal to dissolve, merge or consolidate, or to sell, lease, exchange, or otherwise dispose of all or substantially all of the Association's assets, to amend the articles of the Association or to effect any other fundamental corporate change, then that annual meeting shall be deemed, for the purpose of notice, a special meeting. Notice of any meeting or service of such notice may be waived in writing before or after the meeting by a member or by the attendance in person or by proxy of any member at such meeting. No irregularity of notice of any regular or special membership meeting shall invalidate such meeting or any proceeding thereat. As an alternative to the written notice provided for in this section, notice may be posted at all entrances to the subdivision at least 30 days prior to each meeting.

5. Quorum. A quorum at any meeting of the members shall consist of those members

in attendance, regardless of percentage of membership represented by attendees.

6. Proxies. No member shall be permitted to vote at any membership meeting by proxy.
7. Voting. Directors shall be elected at the annual meeting of members.

ARTICLE II DIRECTORS

1. General Powers. The business and affairs of the Association shall be managed by its Board of Directors.

2. Number, Tenure and Qualifications. The number of directors of the Association shall be no fewer than 5 nor more than 11. Each director shall hold office until the next annual meeting following his election, or until his successor shall have been elected and qualified. Directors shall be members of the Association in good standing with dues current. The directors' terms shall be three (3) years and shall be staggered as provided for in Article VI of the Association's Articles of Incorporation.

3. Vacancies. If a vacancy occurs in the Board of Directors by reason of death or resignation, or if the members fail to fill all the vacancies in the Board of Directors at the annual meeting or any meeting for the purpose of electing directors, the vacancies shall be filled by the affirmative vote of a majority of the remaining members of the Board of Directors.

4. Resignations. A director may resign at any time by filing his written resignation with the Secretary.

5. Removal. A director may be removed at any time, with or without cause, by a special membership meeting called expressly for that purpose.

6. Meetings. Meetings of the Board of Directors shall be held on call of any member after giving notice in writing or otherwise to all directors at least twenty-four hours prior thereto. Notice of any meeting or service of such notice may be waived in writing before or after the meeting by a director or by attendance at such meeting. No irregularity of notice of such meeting shall invalidate such meeting or any proceeding thereat.

7. Quorum. A quorum of any meeting of the Board of Directors shall consist of fifty-one percent (51%) of the Board of Directors.

8. Proxies. Directors may not vote by proxy.

9. Election of Officers. Officers of the Association shall be elected by the Board of Directors and shall serve at the pleasure of the Board of Directors subject to any contracts of

employment entered into by the Association.

ARTICLE III OFFICERS

1. Number. The officers of the Association shall be a president, a vice president, a secretary, a treasurer, and such other officers as may be elected in accordance with these by-laws. The offices of secretary and treasurer may be held by one person, should the Board of Directors, by resolution, so direct.

2. Vacancies. When a vacancy occurs in one of the executive offices by death, resignation or otherwise, it shall be filled by the Board of Directors.

3. Execution of Written Instruments. The Board of Directors may authorize any two (2) or more officers or employees to execute contracts in the ordinary course of business on behalf of the Association. Such authority may be general or confined to specific instances.

4. Checks and Notes. Checks, notes, drafts and demands for money shall be signed by any two (2) or more officers and/or employees who may from time to time be designated by the Board of Directors.

ARTICLE IV INDEMNITY

1. Directors and Officers Indemnification. Every person who was or is a party or is threatened to be made a party to any action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Association), by reason of the fact that he is or was a director or officer of the Association, or is or was serving at the request of the Association as a director or officer of another Association, or other enterprise, shall be indemnified and held harmless to the fullest extent legally permissible, for all expenses, liabilities, and losses (including attorney's fees, judgments, fines and amounts paid or to be paid in settlement) actually and reasonably incurred or suffered by him in connection therewith, if the director or officer acted in good faith and in a manner which he or she reasonably believed to be in the interest of the Association and not contrary to or in violation of applicable law. Such right of indemnification shall be a contract right that may be enforced in any lawful manner by such person. Such right of indemnification shall not be exclusive of any other right which such director or officer may have or hereafter acquire and, without limiting the generality of such statement, he or she shall be entitled to his rights of indemnification under any agreement, vote of members, provision of law, or otherwise, as well as rights conferred under this paragraph. The Board of Directors may cause the Association to purchase and maintain insurance on behalf of any person who is or was a director or officer of the Association, or is or was serving at the request of the Association as a director or officer of another Association, or as its representative in a partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred in any such capacity or

arising out of such status, whether or not the Association would have power to indemnify such person.

2. Advancement of Expenses. Expenses incurred by a director or officer of the Association in defending a civil or criminal action, suit or proceeding by reason of the fact that he is, or was, a director or officer of the Association (or was serving at the Association's request as a director or officer of another Association, or as its representative in a partnership, joint venture, trust or other enterprise) shall be paid by the Association in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by, or on behalf of, such person to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Association as authorized by applicable law, as the same now exists or as it may hereafter be amended.

ARTICLE V
AMENDMENTS

These by-laws may be amended or repealed at any meeting of the Board of Directors by the vote of a majority of the whole board.

CERTIFICATION OF ADOPTION

IN TESTIMONY THEREOF, the foregoing by-laws of the Association have been duly adopted this ___ day of _____, 2014, by action of the Board of Directors of the Association pursuant to the laws of this state.

APPROVED:

Secretary

Chairman or President