

CODE OF BYLAWS
CENTRAL INDIANA CHAPTER
OF THE
COMMUNITY ASSOCIATIONS INSTITUTE

ARTICLE I
NAME AND OFFICE

SECTION 1 . Name. The name of this organization shall be Central Indiana Chapter-CAI, Inc. ("Chapter").

SECTION 2. Incorporation: Registered Office. The Chapter is a corporation, incorporated in the state of Indiana and is a chapter of the Community Associations Institute ("CAI"). The name and post office address of the registered office of the Corporation is: Central Indiana Chapter, Community Associations Institute, 10404 Trillium Court, Noblesville, IN 46061. The current registered agent of the Corporation can be determined through the Indiana Secretary of State's office. Until the Board of Directors otherwise determines, the registered office of the Corporation shall be the registered place of business of the Corporation, but such registered office may be changed from time to time by the Board of Directors in the manner provided by law and need not be identical to the registered place of business of the Corporation.

ARTICLE II
DEFINITIONS

SECTION 1. Definitions.

- a. "At-Large Member" means a member of the Community Associations Institute who falls within one of the classes of membership as defined in Article III, Section 3.
- b. "Board of Directors" means the Board of Directors of the Chapter and "Director" means a Member of the Chapter Board of Directors.
- c. "Board of Trustees" means the Board of Trustees of CAI and "Trustee" means a Member of the CAI Board of Trustees
- d. "Bylaws" means the Bylaws of the Chapter as the same may be amended or replaced.
- e. "CAI" means the national organization of the Community Associations Institute.
- f. "CAI's Bylaws" means the Bylaws of CAI as the same may be amended or replaced.

- g. "Chapter" means Central Indiana Chapter-CAI, Inc., the local chapter of the Community Associations Institute.
- h. "Community Association" means any incorporated or unincorporated association trust or other entity comprised of the owners of interests in a residential, commercial, or industrial condominium, real estate cooperative, planned unit development or other real estate common interest community.
- i. "Company" shall mean a business incorporated according to the laws of a state, a limited liability corporation, a partnership, or other relationship of individuals providing service or products to others.
- j. "Member" means a Member of the Central Indiana Chapter of CAI.
- k. "Member in Good Standing" means a member whose rights have not been suspended by the Chapter or CAI.
- l. "Membership Representation Group" means the following categories of membership: Professional Community Association Managers/Management Companies, Community Association Volunteers, and Business Partners.

ARTICLE III **MEMBERSHIP**

SECTION 1. General Requirements. Applications for membership in CAI and within any class of membership of CAI shall be approved in accordance with the terms of CAI's Bylaws and such rules, procedures and limitations as may be established by the Board of Trustees from time to time. CAI shall have the right to determine the appropriate class of membership for any Member. Membership in CAI is as authorized by CAI. Members are automatically assigned to a CAI certified chapter in accordance with established chapter boundaries.

SECTION 2. Conflict of Interest. All Board of Trustees members, Legislative Action Committee members, members of Membership Representation Groups, Committee members, and Chapter board members shall comply with the conflict of interest policies adopted by the Board of Trustees and stricter policies as may be established by the Chapter. The Conflict of Interest Policy is attached hereto as "Exhibit A" and the Director Disclosure Statement is attached hereto as "Exhibit B".

SECTION 3. Classes of Members. The membership of CAI shall consist of the following:

- A. Community Association Volunteers. All individuals residing or owning a unit in a community association are eligible for membership as a Community Association Volunteer, including, without limitation, individuals living in community associations

who have a volunteer role within their community association. Volunteer roles include, but are not limited to, being a member or officer of the governing body of the community association, participating on a volunteer committee or committees, acting as the newsletter editor for the community, or any other volunteer function sanctioned by the community association. An individual who meets the aforementioned criteria and also holds a membership as a Community Manager, Management Company CEO or Business Partner may hold an additional membership as a Community Association Volunteer, however, he may not serve in a CAI volunteer position under the Community Association Volunteer category. Community Association Volunteers will be considered as individual Members of CAI with voting rights. Community associations paying dues on behalf of a community association volunteer or volunteers shall own each such membership and shall be permitted to transfer each membership to another volunteer in the community association during the term of membership or upon renewal of the membership. Individuals paying dues with their personal funds shall be the only individual entitled to exercise the rights of membership and such membership shall not be transferable.

- B. Community Managers. This class of Members shall consist of professional managers of all types of association-governed communities including, but not limited to, condominium associations, townhome associations, co-operative associations, homeowner's associations, large-scale communities, and planned communities. All managers of association-governed communities fall within this class of Members, regardless of whether they are on-site managers, portfolio managers, large-scale managers, are employed by a management company or have any other employment relationship. Those persons who have previously served in one of the roles in the preceding sentence and serve in a capacity of managing other managers shall be a Member of this class. All community managers shall be treated as individual Members of CAI with voting rights. A management company or employer of a manager paying dues on behalf of a manager or managers shall own each such membership and shall be permitted to transfer each membership to another manager during the membership term, but only in the event the manager originally identified is no longer employed by the management company. Individuals purchasing a membership with their personal funds shall be the only individual entitled to exercise the rights of membership, and such membership shall not be transferable.
- C. Business Partners. This class of Members shall consist of professionals and other providers of products, services, support, and counsel to association-governed communities, including developers of such communities. This class of Members shall not include community association management companies or managers of association-governed communities. The company, partnership, corporation or other business entity shall designate an individual as a primary membership contact who will have voting rights for the entity and may transfer this designation to another individual during the membership term or upon renewal of the membership. All employees of a business partner member shall be Affiliate members and will be permitted to attend classes, functions, conferences, to purchase products and services at membership prices, and be

elected or appointed to committees or the Board of Directors.

- D. Management Companies. This class of Members shall consist of community association management companies. Each management company membership shall include an individual manager membership to be held by the CEO or equivalent of the management company. Whenever the term “CEO of a Management Company” is used in these Bylaws, it shall mean the CEO or equivalent of a management company. Management companies shall not transfer this manager membership to multiple managers during the course of the membership term for the purpose of obtaining membership pricing for managers who do not hold an individual manager membership. Employees of the management company, who are not employed to manage association-governed communities, may attend selected classes and functions at the membership price.

SECTION 4. Rights and Privileges.

A. Chapter Rights and Privileges. Each Member in good standing of the Chapter shall be entitled to cast one vote on any and all matters required to be voted upon by Members and shall have such other rights, privileges and responsibilities as the Board of Directors shall determine from time to time. Except as otherwise provided in these Bylaws, and subject to eligibility requirements, each Member in good standing shall be eligible to serve on the Chapter Board of Directors and committees.

B. CAI Rights and Privileges. Each Member in good standing of CAI shall be entitled to cast one vote on any and all matters required to be voted upon by Members and shall have such rights, privileges and responsibilities as the Board of Trustees shall determine from time to time. Except as otherwise provided in these Bylaws, and subject to eligibility requirements, each Member in good standing shall be eligible to serve on the CAI Board of Trustees, Membership Representation Groups, and committees.

SECTION 5. Suspension for Nonpayment. The Chapter may adopt reasonable policies to suspend certain membership rights and privileges resulting from nonpayment of amounts due and owing to the Chapter or CAI. The Chapter's Collection/Non-Service Policy is attached hereto as "Exhibit C".

ARTICLE IV **ANNUAL DUES**

The Board of Trustees shall determine the amount of annual dues, fees, and other assessments to be paid to CAI by each class of Members. Unless terminated, each membership shall continue automatically from year to year, with annual dues, fees, and other assessments payable by each Member on or before such date as shall be determined by the Board of Trustees. Unless otherwise

directed by the Board of Trustees, all annual dues, fees, and other assessments shall be paid to CAI in advance of the 12-month period to which they relate. The Board of Trustees may impose such other fees and charges as it deems proper and may waive or modify the requirement to pay dues, fees or charges for particular Members.

ARTICLE V **MEETING OF MEMBERS**

SECTION 1. Annual Meeting. There shall be an annual meeting of Members of the Chapter in November, or as otherwise determined by the Board of Directors, for the transaction of such business as may properly come before the meeting or any adjournment thereof. The annual meeting shall be held at such time and place as the Board of Directors may determine. Written notice of such meeting stating the date, time and place of such meeting shall be sent to each member at the last address shown on the Chapter's records at least 15 days before the date of the meeting, or as provided by state law.

SECTION 2. Special Meetings. Special meetings of the Members may be called by the Board of Directors or upon written petition of at least ten percent (10%) of the members. Special meetings shall be held at such times and places as the Board of Directors may determine. Written notice of any special meeting stating the date, time, place and purpose of such meeting shall be sent to each Member, at the last address shown on the Chapter's records, at least 15 days before the date of the meeting, or as provided by state law.

SECTION 3. Notices. Unless otherwise prohibited by these Bylaw or state law, all notices and other communications required by these Bylaws or state law shall be in writing and shall be given by:

- (i) Personal delivery;
- (ii) United States mail, first class, postage prepaid;
- (iii) Statutory overnight delivery;
- (iv) Electronic mail;
- (v) Facsimile; or
- (vi) A secure web site, provided that notice shall be deemed given via web site only upon proof that the addressee has retrieved the message.

SECTION 4. Quorum. Ten percent (10%) of the Members of the Chapter present in person or by proxy shall constitute a quorum for the transaction of business at any duly called meeting of the Members. At any duly called meeting of the Members at which a quorum is present, the act of a majority of the Members present in person or by proxy shall be the act of the Members on any matter, except where the act of a greater number of Members is required by law, the Articles of Incorporation or these Bylaws. If a quorum is not present at any duly called meeting of the Members, a majority of the Members present may adjourn the meeting from time to time, without further notice, until a quorum is present.

SECTION 5. Voting and Proxies. Voting on all matters may be conducted by mail, telephone call, telegram, cablegram, electronic mail, or any other means of electronic or telephonic transmission; provided, that the Member shall state, or submit information from which it can be determined, that the method of voting chosen was authorized by the Member. A member may vote either in person or by his or its duly authorized and designated attorney-in-fact. Where voting is by proxy, the member shall duly designate his attorney-in-fact in writing, delivered to the Chapter's secretary prior to the commencement of the meeting. No proxy shall be valid after 11 months, unless otherwise provided in the proxy.

SECTION 6. Electronic Communications. Whenever these Bylaws require that a document, record or instrument be "written" or "in writing," the requirement is deemed satisfied by an electronic record if the Board of Directors has affirmatively published regulations permitting an electronic record or document as a substitute for a written item.

Whenever these Bylaws require a signature on a document, record or instrument, an electronic signature satisfies that requirement only if: (a) the Board of Directors has affirmatively published regulations permitting an electronic signature as a substitute for a written signature; and (b) the electronic signature is easily recognizable as a secure electronic signature which is capable of verification, under the sole control of the signatory, and attached to the electronic document in such a way that the document cannot be modified without invalidating the signature; or (c) the Board of Directors reasonably believes that the signatory affixed the electronic signature with the intent to sign the electronic document, and that the electronic document has not been modified since the signature was affixed.

The Board of Directors may require reasonable verification of any electronic signature, document, record or instrument. Absent or pending verification, the Board may refuse to accept any electronic signature or electronic record that, in the Board's sole discretion, is not clearly authentic. Neither the Board of Directors nor the Chapter shall be liable to any Member for accepting or acting in reliance upon an electronic signature or electronic record that the Board reasonably believes to be authentic, or rejecting any such item which the Board reasonably believes not to be authentic. Any Member who negligently, recklessly or intentionally submits any falsified electronic record or unauthorized electronic signature shall fully indemnify the Chapter for actual damages, reasonable attorneys' fees actually incurred and expenses incurred as a result of such acts.

SECTION 7. Order and Conduct of Business. The President shall establish the agenda for, and preside at, and the Secretary shall keep the minutes of, all membership meetings. The Board of Directors may establish rules of conduct and the order of business for all membership meetings. The Board may order the removal of anyone attending a membership meeting who, in the opinion of the Board, disrupts the conduct of the business at such a meeting. In the event of any dispute concerning the meaning of any meeting rules, the decision of the chair, who may consult with counsel, shall be final and binding.

ARTICLE VI
BOARD OF DIRECTORS

SECTION 1. Powers of the Board of Directors. The Board of Directors shall have supervision, control, and direction of the affairs and property of the Chapter, shall determine the policies of the Chapter, shall actively pursue the purposes and objectives of the Chapter and CAI, shall insure that the Chapter and its Bylaws comply with the policies and procedures of CAI, and shall have discretion in the use and disbursement of Chapter funds. The Board of Directors may adopt such rules, regulations and procedures for the conduct of its business, for the execution of its powers, for the implementation of these Bylaws and for the fulfillment of the purposes and objectives of the Chapter and CAI as it shall deem necessary or advisable. Members of the Board of Directors are expected to follow the provisions set forth in the Code of Conduct attached hereto as “Exhibit D”.

SECTION 2. Composition of the Board. The Board of Directors shall be composed of nine (9) Directors, or a number as determined by the Members, but in no event shall there be fewer than five (5) or more than eleven (11) Directors. No more than one person from any company or association may serve on the Board at any one time. As suggested by CAI National, directors must represent Membership Representation Groups as determined by the Board of Trustees according to the following: Nine (9) Directors which shall include two (2) Community Association Volunteers, two (2) Community Association Managers, two (2) Business Partners, and three (3) At-Large Members, if possible. However, the Board of Directors shall have the discretion to modify the number of members from particular Membership Representation Groups serving on the Board based upon available volunteers.

The composition of At-Large seats on the Board of Directors shall not provide any one membership class with more than fifty percent (50%) of the seats on the Board of Directors. In the event that a Director’s class of membership changes during his term of service, he shall complete the remainder of the current election year, so long as the makeup of the Board is not compromised, in which case his slot will be automatically forfeited. Any subsequent Board service must be in a position designated for his then class of membership.

SECTION 3. Term of the Board. Each Director shall serve for a three (3) year term. The term of office of one-third (1/3) (or a fraction as near to 1/3 as possible) of the Directors shall expire at each annual meeting. If the aggregate number of Directors is changed, terms shall be established so that one-third (1/3) (or a fraction as near to 1/3 as possible) of the total number of Directors is elected each year. A member may serve on the Board of Directors for a total of six (6) years. Those years of service do not have to be consecutive. After a Member has served for six years, they may not serve on the Board of Directors again for three (3) years. At that time, they begin the process of accumulating their six (6) years again.

SECTION 4. Nomination and Election of Directors.

a. Except as otherwise provided in these Bylaws, each Member in good standing shall be eligible for nomination to serve as a Director. Nominations of individuals to serve as Directors shall be made by the nominating committee or the Board of Directors in accordance

with these Bylaws and such rules and procedures as may be established from time to time by the Board of Directors. Nominations of individuals to serve as Directors may also be made by written petition signed by two (2) Members.

b. The Nominating Committee or the Board of Directors shall submit to the Members at least fifteen (15) days before the date set for the election of Directors a written report specifying the Director Election Date, and setting forth a slate of nominees to serve as Directors. Such slate shall be comprised of one nominee for each of the available seats on the Board of Directors that are to be filled. The slate shall designate the Membership Representation Group to be represented by each nominee. Petitions for nominees to serve as Directors may be made so long as the petition is postmarked and received by the Board of Directors on or before the annual meeting date.

c. The persons receiving the most votes shall be elected. In the event of a tie vote, the tie will be broken by a coin toss (or coin tosses should more than two persons tie for the final qualifying position). If no petitions are received before the annual meeting date, then, on the annual meeting date, the Secretary shall cast a unanimous ballot for the slate of nominees nominated by the nominating committee or the Board of Directors and such nominees shall be declared elected Directors of the Chapter.

d. If a sufficient number of Directors cannot be found to fill open Board of Director vacancies at the annual meeting, whether by slating or written petition, the Board of Directors has the authority to fill the vacancy by appointment as set forth in Section 13.

d. All disputes or questions regarding the election of Directors or elected Officers shall be resolved by the Board of Directors.

SECTION 5. Meetings. The Board of Directors shall hold a minimum of one (1) meeting quarterly at such time and place as the Board of Directors may determine. In addition, special meetings of the Board of Directors may be called by the President or upon the written request of one-third (1/3) of the Directors or upon the written request of the Executive Director, at such time and place as the President, or President-Elect, as the case may be, may designate.

All Board meetings held in person shall be open to all Chapter members, but members other than Directors may not participate in any discussion or deliberation unless expressly authorized by the Board of Directors. Notwithstanding the above, the Board of Directors may adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which CAI is or may become involved, contract negotiations, matters that, in the exercise of the Board's reasonable discretion, require personal privacy, or other matters that require confidentiality. The nature of any and all business to be considered in executive session shall first be announced in open session.

SECTION 6. Conference Calls. Any or all Directors may participate in duly called meetings of the Board of Directors by means of conference telephone or by any means of communication by which all persons participating in the meeting are able to hear one another,

and such participation shall constitute presence in person at a meeting.

SECTION 7. Notice of Meetings. Notice of meetings of the Board of Directors may be given orally or in writing and shall be given to each member of the Board of Directors at least 72 hours before the time appointed for the meeting, except in an emergency, when notice should be given at least twenty-four (24) hours, where practicable, before the time appointed for the meeting.

SECTION 8. Waiver of Notice. Whenever any notice is required to be given to any Director under these Bylaws, a written waiver thereof, signed by the Director or Directors entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice. Presence without objection also waives notice.

SECTION 9. Action by Written Consent. Any action required or permitted to be taken at a meeting of the Board of Directors or of any committee thereof may be taken without a meeting if a written consent setting forth the action so taken shall be signed by all Members of the Board of Directors or of such committee, as the case may be, and such unanimous written consent shall have the same force and effect as a unanimous vote at a meeting of the Board of Directors or at a meeting of such committee, as the case may be. All such action shall be reported at the next duly called meeting of the Board of Directors.

SECTION 10. Quorum: Acts of the Board. A majority of the number of Directors shall constitute a quorum for the transaction of business at any duly called meeting of the Board of Directors. At any duly called meeting of the Board of Directors at which a quorum is present, the act of a majority of the Directors present and voting shall be the act of the Board of Directors on any matter, except with respect to public policy issues or where the act of a greater number of Directors is required by law, the Articles of Incorporation or these Bylaws. If a quorum is not present at any duly called meeting of the Board of Directors, a majority of the Directors present may adjourn the meeting from time to time, without further notice, until a quorum is present.

SECTION 11. Votes on Matters Related to Public Policy. All matters involving a public policy position of the Chapter must be adopted by a two-thirds (2/3) vote those Directors present and voting at a duly called meeting of the Board of Directors, a quorum being present, and must not be inconsistent with the policies, goals and objectives of CAI.

SECTION 12. Resignation or Removal. Any Director may resign by presenting a written resignation to the President or Secretary, and such resignation shall take effect at the time specified therein, or, if no time is specified, at the time of receipt thereof by the President. Any Director unable to attend a duly called meeting of the Board of Directors shall advise the President as to the reason for the absence. If a Director has three consecutive absences from duly called meetings of the Board of Directors without the Board excusing such absences, such Director shall be deemed to have resigned as a Director; provided, however, that the Board of Directors may waive this provision in particular cases. A Director may be removed from office, with cause, by a majority vote of the Board; provided, however, that such Director shall be

afforded an opportunity to be heard, either orally or in writing, prior to any such action. As used in this paragraph, with cause is defined as, but not limited to, acting on behalf of the organization without Board authorization, acts of dishonesty or deception, disclosure of confidential board information outside the board, or violating the Code of Conduct set forth in "Exhibit D". Additionally, a Director may be removed from office, with or without cause, by a majority vote of the Members; provided, however, that such Director shall be afforded an opportunity to be heard, either orally or in writing, prior to any such action.

SECTION 13. Vacancies. Any vacancy occurring on the Board of Directors may be filled by the affirmative vote of a majority of the then Members of the Board of Directors, even though less than a quorum of the Board. Any Director elected to fill a vacancy shall serve through the end of the unexpired term of his/her predecessor in office.

SECTION 14. Reimbursement of Expenses. No Director shall be compensated for serving as a Director; provided, however, that the Board of Directors may reimburse any Director for reasonable out-of-pocket expenses incurred as budgeted and authorized by the Board of Directors.

ARTICLE VII **OFFICERS**

SECTION 1. Officers. The elected officers of the Chapter shall be President, President-elect, Treasurer and a Secretary. The Board of Directors may from time to time appoint such other officers as the Board may deem necessary or advisable. Options may include a Vice President and Immediate Past President.

SECTION 2. Qualifications, Election and Term of Office. The officers of the Chapter, with the exception of President, shall be elected from among the Directors each year by the Board of Directors by a majority vote of the Board. Each officer will serve for a term of one year and until a successor has taken office.

In order to run for President-elect, a Director must have two (2) years remaining in his term, such that he will serve as President-elect during the second year of his term and will serve as President during the third year of his term. Hence, the President-elect shall serve for one (1) year and directly following the conclusion of that year of service shall serve as President for one (1) year.

SECTION 3. Removal. Any officer may be removed by a majority vote of the entire Board of Directors if, in the judgment of the Board, the best interests of the Chapter would be served by such removal.

SECTION 4. Vacancies. Vacancies in any office, with the exception of President, may be filled for the balance of the remaining term by the Board of Directors at a meeting of the Board in accordance with such rules and procedures as may be established by the Board. In the event of a vacancy in the office of President, the President-elect shall act as President for the

unexpired portion of the term of office of the predecessor in such office and shall succeed to such office upon the expiration of the term.

SECTION 5. President. The President shall be the chief elected officer of the Chapter, and shall preside at all meetings of the Members and the Board of Directors. Unless otherwise provided in these Bylaws or directed by the Board of Directors. Unless otherwise provided in these Bylaws or directed by the Board of Directors, the President shall appoint all committees. The President shall have the authority to represent the Chapter and act in its name in accordance with the declared policies of the Chapter and CAI. The President shall communicate to the Members of the Chapter and to the Board of Directors such matters and make suggestions as may tend to promote and further the purposes and objectives of the Chapter and CAI, and the President shall perform such other duties as are necessary or incident to the office of President or as may be assigned by the Board of Directors. The President shall be responsible for satisfying the directives of the Board of Directors.

SECTION 6. President-elect. The President-elect shall perform the duties of the President in the President's absence or in the event of the President's resignation, removal or inability or refusal to act. The President-elect, when so acting, shall have all the powers and responsibilities of the President. The President-elect shall also perform such duties as may be assigned by the President or the Board of Directors.

SECTION 7. Vice President. The Vice President shall perform the duties of the President-elect in the President-elect's absence or in the event of resignation, removal or inability or refusal to act of the President-elect. The Vice-President, when so acting, shall have all the powers and responsibilities of the President-elect. The Vice President shall also perform such other duties as may be assigned by the President or the Board of Directors. The Vice-President shall not succeed to the presidency unless so determined by a majority vote of the Board.

SECTION 8. Treasurer. The Treasurer shall be the custodian of Chapter funds and securities, shall oversee the establishment of proper accounting procedures for the handling of the Chapter's funds, shall be the disbursing officer for the Chapter and shall report on the financial condition of the Chapter at all meetings of the Board of Directors and at other times as called upon by the President of the Chapter. The Treasurer shall perform all other duties incident to the office of Treasurer.

SECTION 9. Secretary. The Secretary shall be responsible for the keeping of complete and accurate minutes of all meetings of the Members and the Board of Directors. The Secretary shall perform all other duties incident to the office of Secretary.

SECTION 10. Immediate Past President. The Immediate Past President supports and advises the President, President-Elect and Board of Directors and shall perform such other duties as may be assigned to him by the President or the Board of Directors, the Bylaws or as required by law. The Immediate Past President shall have the same rights, including voting rights, if he is also serving a current Board term.

SECTION 10. Chapter Staff. The Board of Directors may appoint an executive director to manage the operations of the Chapter within the authority delegated by the Board of Directors.

SECTION 11. Salaries: Reimbursement of Expenses. No elected officer of the Chapter shall be compensated for serving as an officer. Officers may be reimbursed for reasonable out-of-pocket expenses incurred by them in performing their duties as officers, as budgeted and authorized by the Board of Directors.

ARTICLE VIII **COMMITTEES**

SECTION 1. Executive Committee. Unless otherwise directed by the Board of Directors, the Executive Committee of the Board of Directors shall be composed of the President, the President-elect, and the Immediate Past President. The Executive Committee shall have and exercise all of the authority of the Board of Directors, including all actions specified in these Bylaws as actions to be taken by the Board of Directors where it is necessary or desirable to do so between meetings of the Board of Directors, except that the Executive Committee shall not have the authority to: (1) amend, alter or repeal these Bylaws, (2) elect, appoint or remove any Director or Officer of the Chapter, (3) adopt a resolution proposing an amendment to the Articles of Incorporation, (4) adopt a plan of merger or consolidation with another corporation, (5) acquire or authorize the sale, lease, exchange or mortgage of any real property of the Chapter, (6) authorize the sale, lease, exchange or mortgage of all or substantially all of the personal property and assets of the Chapter, (7) authorize or institute proceedings for the voluntary dissolution of the Chapter, (8) adopt a plan for the distribution of the assets of the Chapter or (9) amend, alter or repeal any resolution of the Board of Directors. The Executive Committee shall act by vote of a simple majority of the Executive Committee on any matter. The Executive Committee shall provide a report of its actions to the Board of Directors whenever so required. The President shall serve as the chairperson of the Executive Committee.

SECTION 2. Nominating Committee. Each year the Board of Directors shall designate a nominating committee that shall consist of the immediate past president of the Chapter, the President-elect and at least three other Members of the Chapter who are not elected officers of the Chapter and who are not running for election. At least one Member of the Nominating Committee shall be a Community Association Volunteer and no more than two (2) Members of the Nominating Committee may be from the same Membership Representation Group. Unless otherwise directed by the Board of Directors, the immediate past president of the Chapter shall serve as chairman of the nominating committee. If the designated members of the nominating committee outlined above are not willing to serve, or no volunteers can be found to serve on the nominating committee, then the Board of Directors shall serve as the nominating committee.

SECTION 3. Legislative Action Committee. The Board of Directors shall appoint delegates to the Indiana Legislative Action Committee in accordance with the Legislative Action Committee Operational Guidelines approved by the CAI Board of Trustees. The appointed delegates shall provide a report to the Chapter Board of Directors regularly.

SECTION 4. Other Committees. Unless otherwise provided in these Bylaws or directed by the Board of Directors, the President shall appoint such other standing or special committees, subcommittees, task force or boards as may be required by these Bylaws or as may be deemed necessary or appropriate by the President.

SECTION 5. Reimbursement of Expenses. Members of any designated committee may be reimbursed for reasonable out-of-pocket expenses incurred by them in performing their duties as Members of the committee, as budgeted and authorized by the Board of Directors.

ARTICLE IX **LIMITATIONS OF LIABILITY; INDEMNIFICATION**

SECTION 1. Limitations of Liability. Nothing herein shall constitute Members of the Chapter as partners for any purpose. No Member, officer, director, agent, representative or employee of the Chapter shall be liable for any act or failure to act on the part of any other Member, officer, director, agent, representative or employee of the Chapter, nor shall any Member, officer, director, agent, representative or employee of the Chapter be liable for any act or failure to act under these Bylaws, except acts or failures to act arising out of such person's willful misfeasance.

SECTION 2. Indemnification. The Chapter shall indemnify and hold harmless, to the fullest extent now or hereafter permitted by law, each current and former director, officer, employee, agent and representative of the Chapter who was or is made a party to or a witness in or is threatened to be made a party to or a witness in, or is otherwise involved in, any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a director, officer, employee, agent or representative of the Chapter, whether the basis of such proceeding is alleged action or failure to take action in an official capacity, against any and all expenses (including attorneys' fees and disbursements), liabilities (including judgments, fines, excise taxes and penalties), amounts paid in settlement, and amounts expended in seeking indemnification granted to such person under applicable law or these Bylaws, actually and reasonably incurred by such person in connection with such proceedings. The Chapter shall pay expenses (including attorneys' fees and disbursements) incurred by a current or former director, officer, employee, agent or representative of the Chapter in connection with the investigation, defense, settlement or appeal of any proceeding that such person was or is made a party to or a witness in or is threatened to be

made a party to or a witness in, or is otherwise involved in, by reason of the fact that such person is or was a director, officer, employee, agent or representative of the Chapter. The rights of indemnification and advancement of expenses provided herein shall not be deemed exclusive of any other rights that any person seeking indemnification or advancement of expenses may have or hereafter be entitled to claim or exercise.

ARTICLE X **MISCELLANEOUS**

SECTION 1. Fiscal Year. The fiscal year of the Chapter shall be determined by the Board of Directors.

SECTION 2. Contracts, Checks, Drafts, etc. Except as otherwise provided in these Bylaws, all contracts and all checks, drafts, notes, acceptances, endorsements and other evidences of indebtedness may be signed on behalf of the Chapter only by the President, the Executive Director or such other officers and agents of the Chapter as the Board of Directors or the executive committee may authorize.

SECTION 3. Loans. No loans shall be made or obtained on behalf of the Chapter, and no negotiable instruments other than checks shall be issued in its name, unless and except as authorized by two-thirds (2/3) of the Board of Directors.

SECTION 4. Deposits. Unless otherwise directed by the Board of Directors, all funds of the Chapter shall be deposited in such depositories as the Board of Directors may select.

SECTION 5. Surety Bond or Insurance. The President, the Treasurer, the executive director and such other officers and agents of the Chapter as may be determined from time to time by the Board of Directors, shall give and file with the Secretary surety bonds or insurance for the faithful performance of their duties in such sums as may be fixed from time to time by the Board of Directors. The cost of such bonds or insurance shall be paid by the Chapter.

SECTION 6. Procedures. All meetings of the Members, the Board of Directors and the committees shall be governed by the rules set forth in the latest edition of Robert's Rules of Order, Newly Revised, as long as such rules are not in conflict with these Bylaws or with rules and procedures established by the Board of Directors. By majority vote, the Board of Directors may vote to suspend Robert's Rules of Order.

SECTION 7. Use of Funds and Dissolution. The Chapter shall use its funds only to accomplish its stated purpose and objectives. Upon dissolution of the Chapter, all of its assets shall be distributed to CAI, or its successor.

SECTION 8. Loss of Charter. This chapter may be decertified by a vote of the Board of Trustees, as provided in the policies and procedures of CAI. In such event, the Chapter agrees to be bound by the CAI policies.

SECTION 9. Waiver of Notice. Whenever any notice is required to be given under applicable law, the Articles of Incorporation or these Bylaws, a waiver of such notice in writing signed by the person entitled to such notice, whether such waiver is signed before or after the time for notice has expired, shall be deemed the equivalent of the giving of such notice.

SECTION 10. Transitional Procedures. Any and all actions taken pursuant to the Bylaws of the Chapter as in effect prior to the date of adoption hereof shall remain in full force and effect unless and until expressly changed or revoked pursuant hereto. The Board of Directors shall adopt such provisions for effecting a transition to the requirements of these Bylaws (including without limitation, provisions for converting the composition of the Board of Directors of the Chapter) as it deems necessary and proper.

SECTION 11. Rules of Construction. The following rules of construction shall apply to the interpretation of these Bylaws:

- A. The use of the masculine gender in these Bylaws shall be deemed to refer to the feminine gender and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires. The captions and headings contained in these Bylaws are for convenience of reference only and shall not be construed as a limitation on the scope of any particular article, section or subsection of these Bylaws. The captions may not be used in interpreting the meaning of any article, section or subsection of these Bylaws.
- B. Wherever these Bylaws grant the authority to act or exercise any right or privilege by the Board of Directors, its officers, the Chapter Executive Director or any person referred to in these Bylaws (the "Authorized Party"), there shall be no limitation on the number of times the Authorized Party may exercise the authority, right or privilege granted, unless these Bylaws expressly provide otherwise.
- C. Wherever these Bylaws use the word "including," it shall be deemed to be followed by the words "without limitation," unless expressly stated to the contrary.
- D. If any time period or deadline stated in these Bylaws falls on a Saturday, Sunday or legal holiday, the time period or deadline shall be extended until the next business day.

6/23/17

ARTICLE XI
AMENDMENTS

These Bylaws may be amended, repealed or altered, in whole or in part, by the affirmative vote of two-thirds (2/3) of the Members of the entire Board of Directors at a duly called meeting of the Board at which a quorum is present; provided, however, that the notice of such meeting must be in writing, must describe, generally, the scope and nature of the amendment, revision or alteration to the Bylaws, and must state that a purpose of the meeting is to vote on such proposed amendment, revision or alteration to the Bylaws.

Adopted by the Central Indiana Chapter-CAI Board of Directors on
_____, 2017.

EXHIBIT A

CONFLICT OF INTEREST POLICY

The CAI Chapter Board of Directors owe a duty of loyalty to Community Associations Institute (CAI) which requires that in serving CAI they act, not in their personal interests or the interests of others, but rather solely in the interests of CAI. Directors must have undivided allegiance to CAI's mission and public policies, and may not use their positions as Directors, information they have about CAI or strategies related to their activities, in a manner that allows them to secure a pecuniary or any other benefit for themselves, their relatives, or other organizations they belong to or serve.

The conduct of personal business between the Director and CAI is discouraged. Business transactions involving CAI in which a Director has an interest shall not be prohibited, but shall be subject to close scrutiny. Such proposed transactions shall be reviewed carefully to determine that those transactions are in the best interests of CAI will not lead to a conflict of interest. The language in the foregoing sentence is, to an extent self-contradictory. Any matter in which one has a personal interest is, de facto, a conflict of interest.

The issue is whether, despite the conflict, the transaction is commercially reasonable and in the best interests of CAI. For the purposes of this policy, a Director has an interest in a proposed transaction if the Director has a financial interest in the transaction that is not shared by the membership at large or a substantial portion of the membership of CAI, or has a financial interest in any organization involved in the proposed transaction (except an interest as a shareholder in a publicly traded company) or holds a position as trustee, director, general manager, or principal officer in any such organization.

Prior to participating in any briefings, discussions, strategy sessions or Chapter activities that affect any programs or interests of other organizations to which Directors are affiliated or which affect a Director personally, the Director must make full disclosure to the best of their knowledge of any interest inconsistent with this policy or other chapter activity to the President of the Chapter Board of Directors.

A Director with a dual interest in a proposed issue or position shall not vote on or participate in a discussion of the matter.

A Director shall not use inside information about CAI for his/her personal benefit or for the benefit of any other organization, or use such inside information or his/her position as a Director to the detriment of CAI. Inside information is information obtained by a Director through the Director's position that has not become public information.

Each Director has a duty to place the interests of CAI and adherence to CAI's interests foremost in any dealings involving CAI and has a continuing responsibility to comply with the requirements of this Policy. On an annual basis, each Director is required to complete a Director Disclosure Statement, as attached to these Bylaws as "Exhibit B".

**Adopted by the Central Indiana Chapter-CAI Chapter Board of Directors
on _____, 2017.**

EXHIBIT B

DIRECTOR DISCLOSURE STATEMENT

The Director Disclosure Statement is designed to help Directors meet their continuing responsibility to disclose potential conflicts of interest.

Part A of this Director Disclosure Statement provides instructions that should be retained by each Director and used as necessary during their current term of service to report potential conflicts of interest as they may arise. In Part B, you are requested to list all organizations, associations, or businesses in which you are involved that do business with or compete with Community Associations Institute (CAI) or a Chapter of CAI. Part C is a year-end report in which you are requested to describe any business transaction with CAI or a Chapter of CAI during the past year in which you had an interest.

Parts B and C of this form should be filled in, signed at the bottom, and returned as soon as possible to the attention of Central Indiana Chapter-CAI, 10404 Trillium Court, Noblesville, IN 46061. You may also email your completed form to the Chapter Office at: CAIIndiana@aol.com.

Part A. Instructions for Disclosure of Potential Conflicts of Interest (Retain for Future Use)

If you have reason to believe that you may have any interest inconsistent with the *Conflict of Interest Policy* in a proposed issue, transaction, business or public policy position, you must prepare a brief letter to the President of the Chapter Board describing your potential conflict of interest. This letter must be provided to the President of the Chapter Board and you must receive a response from the President of the Chapter Board before beginning any negotiations or participating in any discussions relating to the transaction or topic of your potential conflict of interest.

A Director is considered to have an "interest" in a transaction, issues, strategy or public policy position if he, she, the business entity with which such person is associated or any family member: (1) has a direct or indirect financial interest in it; or (2) is a member of an association, organization, or business involved in or affected by the proposed transaction, issue, or policy; or holds a position as a trustee, director, general manager, principal officer, or is staff in any such association, organization, or business. A Director will not be considered to have an "interest" if the general membership of CAI or all members of the same membership category as the Director share the same predisposition or bias.

A potential conflict of interest will be reviewed carefully and measures will be provided to ensure that the interests of CAI are not adversely affected or abrogated. A Director shall not participate in any manner in the subject of the potential conflict of interest, unless the Director is first provided with written authorization. Such prohibited participation includes any discussions or votes relative to the subject of the conflict of interest and any attempts made to affect the position of other Directors. Any question concerning whether a potential conflict of interest exists must be disclosed, in writing, to the President of the Chapter Board.

Part B. Organizations, Associations, or Businesses Doing Business with or Competing With Community Associations Institute in Which You Have an Interest.

In the space below, please list all organizations, associations or businesses in which: (1) you have a substantial financial interest, or (2) you are a member, hold a position as a trustee, director, general manager, principal officer, or employee, if these organizations, associations or businesses engage in business transactions with Community Associations Institute or the Chapter or compete in any way with Community Associations Institute. Enter "NIA" if you have no organizations to report.

Name of Organization, Association, or Business

Nature of Your Interest in the Organization, Association, or Business

(Attach additional sheets if necessary.)

I certify that the above information is correct to the best of my knowledge.

Name of Director: _____

Signature: _____

Date: _____

(Please return Part B to the attention of Central Indiana Chapter-CAI, 10404 Trillium Court, Noblesville, IN 46061. You may also email your completed form to the Chapter Office at: CAIIndiana@aol.com)

Part C. Transactions During the Fiscal Year Ending December 31, _____.

In the space below, please provide a description of any and all business transactions of CAI or the Chapter during the past fiscal year in which (1) you have a substantial financial interest, or (2) that involve an organization, association, or business in which you have a substantial financial interest, or (3) that involved an organization, association, or business in which you hold a position as trustee, director, general manager, principal officer, or staff. Include a brief description of each transaction, and a description on your interest in the transaction. Enter "N/A" if you have no transactions to report.

(Attach additional sheets if necessary.)

I certify that the above information is correct to the best of my knowledge.

Name of Director: _____

Signature: _____

Date: _____

(Please return Part C to the attention of Central Indiana Chapter-CAI, 10404 Trillium Court, Noblesville, IN 46061. You may also email your completed form to the Chapter Office at: CAIIndiana@aol.com)

EXHIBIT C

COLLECTION/NON-SERVICE POLICY

It is the policy of the Chapter to complete customer orders for merchandise promptly and forward an invoice for the merchandise upon delivery or shipment of the merchandise. Invoices for services may be sent out in advance of the service being rendered, such as booth rental at the Chapter's annual meeting or advertisement in the Chapter's newsletter, or at the discretion of the Chapter's Board of Directors, such invoices may be sent out immediately following completion of the service.

On or about thirty (30) days after the date of the original invoice, statements will be mailed to customers accompanied by copies of outstanding invoices.

On or about forty-five (45) days after the date of the original invoice, a person on behalf of the Chapter will contact the customer via telephone and e-mail and attempt to collect the amount due. A record will be kept of telephone and email contacts.

If 60 days elapse without payment, the account will be turned over to the Chapter's attorney. At this time, the member will be sent a letter notifying them that the account has been turned over for collection and that the member will no longer be eligible to receive benefits from the Chapter until the debt is cleared. The Chapter may not refuse membership. However, the Chapter may withhold member services (i.e. listing in Chapter directory, advertising in Chapter publications and attendance at Chapter events).

A Bad Debt Collection Activity Record will be maintained to track telephone calls and collection activity concerning the customer.

EXHIBIT D

Board of Directors Code of Conduct

Individual Directors are expected to act in an ethical and businesslike manner.

1. Directors must represent unconflicted loyalty to the interests of the Members of the entire Chapter. This accountability supersedes any conflicting loyalty such as that to any advocacy or interest groups, or membership on other boards or staffs. This accountability supersedes the personal interest of any Director acting as an individual consumer or provider of the organization's services.
2. Directors must disclose and, to the extent possible, avoid any conflict of interest or nepotism conflicts in accordance with laws and/or the CAI documents.
 - A. If the conflict may result in personal financial gain to the Director, the Director will refrain from participating in discussion and voting.
3. Directors may not attempt to exercise individual authority over the organization except as explicitly set forth in Board policies.
 - A. Directors' interaction with the chapter executive director, with staff, or with a committee reporting to the staff, must recognize the lack of authority of any individual Director or group of Directors except as noted above.
 - B. Directors' interaction with the public, press or other entities must recognize the same limitation and the similar inability of any Director or Directors to speak for CAI or the chapter.
 - C. Directors will make no judgments of the chapter executive director or staff performance except as that performance is assessed against explicit Board policies by the official process.
4. Directors shall base their decisions on the merits and substance of the matter at hand, rather than unrelated considerations. They shall not pursue inappropriate personal agendas, lose sight of the big picture, practice deception or break the trust of other Directors.
5. Directors shall not take any special advantage of services or opportunities for personal gain that are not available to all CAI members. They shall refrain from accepting any gifts or promises of future benefits that might compromise or give the appearance of compromising their independence of judgment or action.
6. Directors shall neither disclose the content of confidential discussions and information, nor use such information to advance personal, financial or other private interests.