

BY-LAWS

POINT CLEAR LANDING ASSOCIATION, INC.

A non-profit corporation existing under the laws of the State of Alabama

I. PRINCIPAL OFFICE

The principal office of the Association shall be located at Point Clear Landing, via: 1,000 feet north of the main entrance to the Grand Hotel at Point Clear, Alabama, County of Baldwin, State of Alabama. The address of the principal office may be changed at the discretion of the Board of Directors.

II. MEMBERSHIP

1. **MEMBERS.** All persons owning a vested present interest in the fee title to any of the condominium units in POINT CLEAR LANDING, a condominium existing pursuant to Sections 35-8 (1)-(22) of the Code of Alabama 1975, commonly referred to as the Condominium Ownership Act, which interest is evidenced by a duly recorded proper instrument in the Probate Court records of Baldwin County, Alabama, shall automatically be members of this Association, and their respective membership shall automatically terminate as their vested interest in the fee title terminates. Such membership may be evidenced by the issuance of a membership certificate which shall be deemed automatically cancelled when the membership it evidences is terminated as provided herein.
2. **VOTING RIGHTS.** Each unit shall have a vote equal to the undivided interest in the common elements attributable to the unit, subject to the provisions of Paragraph 15 of the Declaration of Condominium.
3. **ANNUAL MEETING.** An annual meeting of the members shall be held at the principal office of the Association or at such other place within Baldwin County as may be designated by the President, at 10:00 A.M. on the Saturday before Memorial Day in the month of May for the purpose of electing directors and for the transaction of such other business as may come before the meeting. This date can be changed by the board, giving 30 days' notice to attendees.
4. **SPECIAL MEETINGS.** Special meetings may be called by the President or Vice President or by a majority of the Board of Directors, or by a written request from members entitled to cast 25% of the votes in the Association, for any purpose and at any time within Baldwin County. Notice of special meetings shall be mailed or delivered by the Secretary at least five (5) days before such meeting to each member at his address as shown in the Association records, which notice shall state the purpose of lunch meeting. Members may waive such notice and may act by written agreement without meetings.
5. **QUORUM.** A quorum at members' meetings shall consist of persons entitled to

cast a majority of the votes of the entire membership. As used in these By-Laws, the term "majority" means 51% of the votes of the members. A majority of the voting rights present may adjourn the meeting from time to time. A member shall be deemed present for purposes of a quorum with respect to any question or election upon which his written and signed vote shall have been received by the Secretary; A simple majority of all voting rights present in person or proxy shall decide any question brought before the meeting, except when otherwise required by the Condominium Ownership Act, Declaration of Condominium, Articles of Incorporation or these By-Laws.

6. UNANIMOUS CONSENT. Anything herein to the contrary notwithstanding, any action required or permitted to be taken at any meeting of the members of the Association or any committee thereof may be taken without a meeting, if prior to such action a written consent thereto is signed by all members or all the members of such committee, as the case may be, and such written consent is filed with the minutes of proceedings of the Association or committee.
7. PROVISIO. Provided, however, that for a period of six months from the date of recording of the Declaration of Condominium, or until the Developer elects to terminate its control of the condominium, whichever shall first occur, there shall be no meeting of members of the Association unless the meeting is called by the Board of Directors.

III. BOARD OF DIRECTORS

1. POWERS. The Board of Directors shall have all powers necessary to manage the affairs of the Association and to discharge its rights, duties and responsibilities as provided in the Declaration of Condominium, Articles of Incorporation and the Condominium Act.
2. NUMBER. The number of Directors shall be not less than three (3) nor more than nine (9) which, from time to time, shall be determined and fixed by vote of a majority of voting rights present at any annual meeting of the members. Each Director shall be a member of the Association or a person exercising the rights of an owner who is not a natural person. All Directors shall act without compensation unless otherwise provided by resolution of the membership. Each Director shall be elected at the annual meeting of the members of the Association and shall hold office until the next annual meeting of members and/or until his successor shall have been elected and duly qualified, unless sooner removed by the membership.
3. REGULAR MEETINGS. A regular meeting of the Board of Directors shall be held immediately after, and at the same place as, the annual meeting of the membership. Additional regular meetings may be held as provided by resolution of the Board.
4. SPECIAL MEETINGS. Special meetings of the Board may be called by the President or a majority of the Directors for any purpose and at any time or place. Notice thereof stating the purpose shall be mailed or delivered to each Director at his address shown in the Association records at least five (5) days before such meeting, unless such notice is waived by any Director or Directors.
5. QUORUM. A quorum of Directors meetings shall consist of the Directors entitled to cast a majority of the Board or the entire Board of Directors. If a quorum is

not present, a majority of those present may adjourn the meeting from time to time. A Director shall be deemed present for the purpose of a quorum with respect to any questions or election upon which his written and signed vote shall have been received by the Secretary. The acts of the Board approved by a majority of votes present at a meeting at which a quorum is present shall decide any matter before the Board, except as may be otherwise required in the Articles of Incorporation, these By-Laws or the Declaration of Condominium.

6. REMOVAL. Any Director may be removed by concurrence of two-thirds of the members of the Association at a special meeting called for that purpose and the vacancy created thereby shall be filled by the election of a new Director at the same meeting.
7. VACANCIES. Except as to vacancies created by removal of Directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the remaining Directors.
8. PROVISIO. Provided, however, that for a period of six months from the date of recording of the Declaration of Condominium, or until the Developer elects to terminate its control of the condominium, whichever shall first occur, all Directors shall be designated by the Developer and need not be owners of units in the condominium .
9. UNANIMOUS CONSENT. Anything herein to the contrary notwithstanding, any action required or permitted to be taken at any meeting of the Board of Directors or any committee thereof may be taken without a meeting, if prior to such action a written consent thereto is signed by all members of the Board or all the members of such committee, as the case may be, and such written consent is filed with the minutes of proceedings of the Board of Directors.

IV. OFFICERS

1. DESIGNATION AND NUMBER. The Officers shall be a President, a Vice President, a Secretary and a Treasurer, each of whom shall be elected by the Board of Directors. Such assistant officers as may be deemed necessary may be elected by the Board of Directors. No two offices may be held by the same person. Officers must be members of the Association or a person exercising the membership rights of a unit owner which is not a natural person. The President must be a member of the Board of Directors. All officers shall act without compensation unless otherwise provided by resolution of the membership.
2. ELECTION AND TERM. Each officer shall be elected annually by the Board of Directors and shall hold office until his successor shall have been elected and duly qualified, unless sooner removed by the Board of Directors.
3. PRESIDENT. The President shall be the principal executive officer of the Association and shall supervise all of the affairs of the Association. He shall preside at all meetings of the members and of Directors. He shall sign all documents and instruments on behalf of the Association.
4. VICE PRESIDENT. In the absence of the President, the Vice President shall perform the duties of the President, and when so acting, shall have all the powers and responsibilities of the President. The Vice President shall,

moreover, perform such duties may be designated by the Board of Directors.

5. SECRETARY. The Secretary shall countersign all documents and instruments in behalf of the Association where necessary, record the minutes of meetings of members and Directors, and give notices required by these By-Laws. He shall have custody and maintain the records of the Association, other than those maintained by the Treasurer.
6. TREASURER. The Treasurer shall have the custody of all funds of the Association, shall deposit the same in such depositories as may be selected as hereinafter provided, shall disburse the same, and shall maintain or cause to be maintained financial records of the Association which shall be available for inspection by any member at reasonable times. At the discretion of the Board of Directors, the functions of the Treasurer may be delegated to and performed by a financial institution or certified public accountant located in Baldwin County, in which event, no bond will be required.
7. FIDELITY BONDS. All officers and Directors shall be bonded by a surety company selected by the Board in an amount determined by the Board to be sufficient to insure the proper handling of all cash funds and other corporate assets.
8. REMOVAL. Any officer may be removed by two-thirds vote of the Board of Directors called for that purpose and the vacancy thereby created shall be filled by an election by the remaining Directors at the same meeting.

V. MANAGER AND EMPLOYEES

The Board of Directors may employ the services of a manager and other employees and agents as they shall determine appropriate to actively manage, operate and care for the condominium property, with such powers and duties and at such compensation as the Board may deem appropriate and provide by resolution from time to time. Such manager, employees and agents shall serve at the pleasure of the Board.

VI. CONTRACTS AND FINANCES

1. CONTRACTS. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of or on behalf of the Association, and such authority may be general or confined to specific instances. ·
2. LOANS. No loans shall be contracted on behalf of the Association and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors.
3. CHECKS, DRAFTS, ETC. All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors.
4. DEPOSITS. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such savings and loan associations, banks, trust companies, or other depositories that the Board of Directors may select.

VII. FISCAL MANAGEMENT

1. FISCAL YEAR. The first day of July each year.
2. BUDGET. The Board of Directors shall adopt a budget for each calendar year which shall include estimated common expenses, including a reasonable allowance for contingencies and reserves less the unneeded fund balances on hand. Copies of the budget and proposed assessments shall be transmitted to each member on or before the annual meeting of the preceding the year for which the budget is made. If the budget is subsequently amended before the assessments are made, a copy of the amended budget shall be furnished each member concerned
3. ASSESSMENTS FOR RECURRING COMMON EXPENSES. Assessments for recurring common expenses which include, but are not limited to, expenses of administration, maintenance, repair or replacement of the common elements shall be made for the calendar year annually in advance, on or before the annual meeting preceding the year for which the assessments are made. Such assessments shall be due in monthly installments on the first day of each month of the year for which the assessments are made. If such annual assessment is not made as required, an installment in the amount required by the last prior assessment shall be due upon each installment payment date until changed by a new assessment. After the second year of operation of the total condominium project, the total of the assessments for recurring common expenses shall be not more than one hundred ten (110) percent of the assessments for this purpose for the prior year unless approved in writing by unit owners entitled to cast a majority of the votes in the Association. In the event such an annual assessment proves to be insufficient, it may be amended at any time after approval in writing by limit owners entitled to cast a majority of the vote in the Association, and the amended assessment for the remaining portion of the calendar year shall be due at the time the next monthly installment is due. The first assessment shall be determined by the Board of Directors of the Association.
4. ACCELERATION OF ASSESSMENT INSTALLMENTS UPON DEFAULT. If a unit owner shall be in default of the payment of any two consecutive installments of any assessment, the Board of Directors may accelerate the remaining installments of such assessment upon notice thereof to the unit owner, and thereupon the unpaid balance of the assessment shall become due and payable upon the date stated in the notice, but not less than ten (10) days after delivery thereof to the unit owner, or not less than twenty (20) days after the mailing of such notice to him by registered or certified mail, whichever shall first occur. The association shall have a lien on the unit for such accelerated amount, which lien shall be effective upon the recordation of a claim of lien in form and in the manner provided in Paragraph 14.3 of the Declaration, and may be foreclosed in accordance with the provisions of the Declaration and these By-Laws.
5. ASSESSMENTS FOR EMERGENCIES. Assessments for common expenses for emergencies which cannot be paid from the assessments for recurring expenses shall be made only after notice of the need therefor to the unit owners concerned. After such notice and upon approval in writing of more than one-half (1/2) of such unit owners concerned, the assessment shall become effective, and it shall be due after thirty (30) days 'notice thereof in such manner as the Board of Directors of the Association may require.

6. **DEFAULT.** In the event an owner of a unit does not pay any sums, charges, or assessments duly made by the Association on the due date, the Association may foreclose the lien encumbering the unit created by non-payment of the required monies in accordance with the provisions of the Declaration. The Association shall be entitled to the appointment of a Receiver, if it so requests. The Association shall have the right to bid on the unit at a foreclosure sale and to acquire, hold, mortgage and convey the same. In lieu of foreclosing its lien, the Association may bring suit to recover a money judgment for any sums, charges or assessments required to be paid to the Association without waiving its lien securing same. In any action either to foreclose its lien or to recover a money judgment, brought by or on behalf of the Association against a unit owner, the losing defendants shall pay the cost thereof together with a reasonable attorney's fee.

If the Association becomes the owner of a unit by reason of foreclosure, it shall offer said unit for sale and at such time as a sale is consummated it shall deduct from such proceeds all sums of money due it for monthly assessments and charges, all costs incurred in the bringing of the foreclosure suit, including reasonable attorney's fees, and any and all expenses incurred in the re-sale of the unit, which shall include but not be limited to advertising expenses, reasonable attorney's fees, real estate brokerage fees and expenses necessary for the repairing and refurbishing of the unit in question. All monies remaining after deducting the foregoing items of expense shall be returned to the former owner of the unit in question.

7. **AUDIT.** An audit of the accounts of the Association shall be made annually by a certified public accountant, not a member of the Association, and a copy of the report shall be furnished to each member not later than August first of each year.

VIII. AMENDMENTS

These By-Laws may be amended by following the provisions of Paragraph 2 of the Declaration of Condominium.

IX. REGULATIONS

The Board of Directors may from time to time adopt such uniform administrative rules and regulations governing the details of the operation of the condominium, and restrictions upon and requirements respecting the use and maintenance of the units and of the common elements of the condominium as may be deemed necessary and appropriate from time to time to assure the enjoyment of all unit owners and to prevent unreasonable interference with the use of the units and the common elements, as shall not be inconsistent with the Condominium Ownership Act, the Declaration of Condominium, the Articles of Incorporation and these By-Laws. A copy of such regulations shall be furnished to each unit owner and subsequent purchasers of units and shall be posted and remain available in the offices of the Association.

- X. **SEAL.** The Board of Directors shall provide a corporate seal, circular in form, showing the corporate name, the year and the state of incorporation, and the words "non-profit corporation".

- XI. ACCOUNTING RECORDS. Accounting records shall be maintained by the Treasurer or by a bookkeeper or accountant employed for this purpose, said records to be maintained in accordance with generally accepted accounting principles and said records to be open to inspection by unit owners at reasonable times. Such accounting records shall include, but not be limited to, a record of all receipts and expenditures and an account for each unit, setting forth any shares of common expenses or other charges due, the due dates thereof, the present balance due, and any interest in common surplus.
- XII. RECORD OF MORTGAGEES. The Association shall keep a record of holders of first mortgages on units, which record shall include a copy of any such mortgage or shall contain the identity and address of the mortgagee, the number of the unit covered by such mortgage, the name of the unit owner, and the date of the mortgage¹ provided, however, that the Association shall have no liability or obligation with regard to a mortgage unless a copy of the mortgage or written notice of the mortgage has been furnished to it.
- XIII. PARLIAMENTARY RULES. Roberts Rules of Order (latest edition) shall govern the conduct of Association meetings when not in conflict with the Condominium Ownership Act, Declaration of Condominium, or these By-Laws.
- XIV. RESTRICTIONS UPON USE. No owner, tenant or other occupant of a condominium unit shall lease less than an entire unit and shall not lease an entire unit for a period of less than three months; so that the high quality of the condominium shall be maintained and shall not become a lodging facility for transients.
- XV. USE AND OCCUPANCY RESTRICTIONS.
1. USE AND OCCUPANCY RESTRICTIONS. No part of the property shall be used for other than residential use and the related common purposes for which the Property was designed. The foregoing restrictions as to use shall not, however, be construed in such manner as to prohibit a unit owner from
 - a) Maintaining his personal or professional library therein.
 - b) Keeping his personal business or professional records or accounts therein.
 - c) Handling his personal business or professional telephone calls or correspondence therefrom.

Such uses are expressly declared customarily incident to the principal residential use and in no violation of said restrictions.

2. **USE OF COMMON ELEMENTS.** The common elements shall be used only for access, ingress and egress to and from the respective units by the persons residing therein and their respective guests, household help and other authorized visitors, and for such other purposes which are incidental to the residential use of the respective units; provided, however, the parking area, and other special areas shall be used for such purposes as are approved by the board of directors. The use, maintenance and operation of the common elements shall not be obstructed, damaged or unreasonably interfered with by any unit owner. The association and the board of directors, and their authorized employees and representatives, shall have such access to any unit as may be necessary for the repair, maintenance, replacement, alteration, care or protection of the common elements, or any portion thereof.
3. **NUISANCES.** No unlawful, immoral, noxious or offensive activities shall be carried on in any unit or elsewhere on the property, nor shall anything be done therein or thereon which shall constitute a nuisance or which shall in the judgment of the board of directors cause unreasonable noise or disturbance to others.
4. **MAINTENANCE AND REPAIR.** Each unit owner shall maintain his unit in good condition and in good order and repair, at his own expense, and shall maintain a minimum temperature in his unit in the winter as set forth by the board of directors, and shall not do or allow anything to be done in his unit which may increase the rate or cause the cancellation of insurance on other units or on the common elements. Each unit owner shall not display, store or use any signs, clothing, sheets, blankets, laundry or other articles outside his unit, or paint or decorate or adorn the outside of his unit, or install outside his unit any canopy or awning, or outside radio or television antenna, or other equipment, fixtures or items of any kind, without the prior written permission of the board of directors.
5. **TRASH:** Trash, garbage and other waste shall be kept only in sanitary containers, and shall be disposed of in a clean and sanitary manner as prescribed from time to time in administrative Rules and Regulations of director.
6. **RIGHTS OF OWNER:** Until all of the units have been sold by the Owner and occupied by the Purchasers, the Owner may use and show one or more of such unsold or unoccupied units, model apartment or sales office, and may maintain customary signs in connection therewith notwithstanding the provisions of Section 4 of this Article.
7. **PERSONAL PROPERTY:** Articles of personal property belonging to any unit owner, such as baby carriages, bicycles, wagons, toys, furniture, clothing and other articles, shall not be stored or kept in common areas, except in such storage area as may be specifically designated for the respective unit owner by the board of directors. No clothing, rugs, sheets, blankets or other laundry shall be hung or exposed from window, balconies, decks or other common areas of the property except when specifically approved by the board of directors.
8. **ELECTRIC WIRING:** No unit owner shall overload the electric wiring in the buildings, or operate any machines, appliances, accessories or equipment to the heating or air-conditioning system or plumbing system, other than those systems originally installed, without the prior written consent of the board of

directors or managing agent.

9. **BOATS, CAMPERS AND INOPERABLE MOTOR VEHICLES.** No boats, canoes, trailers or campers shall be stored or parked on or in the common areas. All boats, canoes, trailers and campers shall be stored and parked in the area designated by the board of directors. Motor vehicles may be parked only in the areas provided for that purpose. Any motor vehicle which breaks down or becomes inoperable in the common areas shall immediately be repaired and made operable. The board of directors shall have the authority to remove any such vehicle from the common area if such vehicle is left in an inoperable state for more than 48 hours, or if such vehicle impedes or prevents ready access to any part of the Property.

10. **PETS:** No animals shall be raised, bred or kept in any unit, except for dogs, cats or other household pets of a unit owner, provided that they are not kept for any commercial purposes, and provided that they shall be kept in strict accordance with the administrative rules and regulations relating to household pets from time to time adopted or approved by the board of directors, and provided that they shall not in the judgment of the board of directors constitute a nuisance to others. All such pets shall be kept on a leash while outside the unit. The owner must clean up after their pet.