

BY-LAWS
OF
LAKEVIEW PROPERTY OWNERS ASSOCIATIONS, INC.

ARTICLE I.

NAME AND LOCATION. The name of the corporations is LAKEVIEW PROPERTY OWNERS ASSOCIATION, INC., hereinafter referred to as the "Association". The principal office of the corporation shall be located at Rt. 1 Box 1000, McCalla, Alabama 35111, but meetings of members and directors may be held at such places within the State of Alabama, County of Tuscaloosa, as may be designated by the Board of Directors.

ARTICLE II.
DEFINITIONS

Section 1. "Association" shall mean and refer to LAKEVIEW PROPERTY OWNERS ASSOCIATION, INC., its successors or assigns.

Section 2. "Properties" shall mean and refer to the MILLION DOLLAR LAKE SUBDIVISION AND LAKE RETREAT SUBDIVISION.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 5. "Owner" shall mean and refer to the record owner, whether one or more persons of the fee simple title to any lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 6. "Member" shall mean and refer to those persons entitled to membership as provided in the Articles of Incorporation.

ARTICLE III.

MEETING OF MEMBERS

Section 1. Annual Meetings. The regular annual meeting of the members shall be held on the second Tuesday in March of each year at the hour of 7:30 O'clock, p.m. and quarterly meetings at the same time in June, September and December. If the day for the annual or quarterly meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday. Input from members to quarterly meetings shall be submitted in writing at least 30 days prior to meeting. No inputs shall be accepted from floor.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of the members who are entitled to vote ten percent of all of the votes of the membership.

Section 3. Notice of Meetings. Written notice of each annual meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 15 days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and in the case of a special meeting the purpose of the meeting.

Section 4. Quorum. A majority of regular members present and voting shall be sufficient to approve or disapprove any matter voted on except as otherwise provided in the By-Laws.

Section 5. Absentee Ballot. At all meetings of members, each member may vote in person or by absentee ballot.

ARTICLE IV.

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of nine (9) directors, each of who shall be members of the Association.

Section 2. Term of Office. At the first annual meeting, the members shall elect three directors for a term of one year, three directors for a term of two years and three directors for a term of three years; and at each annual meeting thereafter the members shall elect three directors for a term of three years.

Section 3. Removal. Any director may be removed from the Board, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting by obtaining the “written approval of all the directors”. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V.

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than two more than the number of vacancies that are to be filled. Such nominations shall be made from among members of the Association.

Nothing contained in this section shall preclude the nomination of other nominees by not less than 10 regular members of the Association, provided however, such other nominations must be in writing and filed with the Secretary no later than 31 January before the day of the annual election. There shall be no nominations from the floor at said election.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their ballot may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provision of the Articles of Incorporation. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI.

MEETING OF DIRECTORS

Section 1. Regular meetings. Regular meetings of the Board of Directors shall be held quarterly, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two directors, after not less than three (3) days notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

POWERS AND DUTIES FO THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

- (a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;
- (b) suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be in default in payment of any assessment levied by the Association. Such rights may be suspended or terminated for infractions of published rules and regulations. Card holders suspended or who feel unjustly

treated shall, upon making written request to Board of Directors within 30 days of date of advise, be given a fair and impartial hearing within a reasonable time. After such hearing the Board may conclude the suspension to be affirmed, modified, extended, revoked or converted into a termination.

- (c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws or the Articles of Incorporation.
- (d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and
- (e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.
- (f) The Board of Directors shall not increase the indebtedness of the corporation by more than \$10,000.00 for improvements within any calendar year nor levy any assessment upon the members without consent of a majority of members present at a special meeting called for this purpose or at regular meetings.

Section 2. Duties. It shall be the duty of the Board of Directors to:

- (a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by ten percent of the members who are entitled to vote;
- (b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- (c) as more fully provided in the Articles of Incorporation to:
 - (1) fix the amount of the annual assessment against each membership at least thirty (30) days in advance of each annual assessment period;

- (2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and
- (d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (e) procure and maintain adequate liability, Officers and Directors and hazard insurance upon the property and operations of the Association;
- (f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- (g) cause the Common Area to be maintained.

ARTICLE VIII.

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The Officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office by the Board. Any officer may resign at any such time giving written notice to the

Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

PRESIDENT

(a) The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

VICE-PRESIDENT

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

SECRETARY

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses and shall perform such other duties as required by the Board.

TREASURER

(d) The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE IX.

BOOKS AND RECORDS

The books, records and papers of the Association shall be subject to inspection by any member of the Association making written request to the Board of Directors. Such inspection meeting will be scheduled at the convenience of the Board of Directors.

The Articles of Incorporation and By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE X.

ASSESSMENTS

As more fully provided in the Articles of Incorporation, each member is obligated to pay to the Association annual and special assessments. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of six (6%) percent per annum, not to exceed \$100.00. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his lot.

ARTICLE XI.

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: LAKEVIEW PROPERTY OWNERS.

ARTICLE XII.
AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority present in person or by ballot. Provided, the proposed amendment be mailed to all members by secretary at least 15 days in advance of meeting.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control.

ARTICLE XIII.
MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st of December of every year, except that the first fiscal year shall begin on the date of incorporation.

ARTICLE XIV.
PARLIAMENTARY AUTHORITY

The Parliamentary Authority for the proceedings of the Board of Directors and all other public meeting shall be Roberts Rules of Order (Latest Revised Edition) except and unless the Board of Directors shall make special rules to the contrary.

ARTICLE XV.
COMPLIANCE WITH IRS REQUIREMENTS

The Association shall comply, in its operations, with all requirements of the Internal Revenue Service to maintain its exempt status under Section 501(c) (7) of the Code, including the regulations thereunder the IRS Publication Number 557.

IN WITNESS WHEREOF, we, being all of the directors of the LAKEVIEW PROPERTY OWNERS ASSOCIATION, INC. hereunto set out hands this _____ day of _____, 1981.