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BY-LAWS

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HERITAGE SHORES  
PROPERTY OWNERS ASSOCIATION, INC.  
an Alabama nonprofit corporation

ARTICLE I: THE ASSOCIATION

**Section 1: Identity**

Heritage Shores Property Owners Association, Inc., (the "Association"), a nonprofit corporation, has been formed this date under and pursuant to the Alabama Nonprofit Corporation Act, Secs. 10-3A-1 et seq., Code of Alabama 1975 (hereinafter referred to as the "Act") by filing the Articles of Incorporation of the Association in the office of the Judge of Probate of Baldwin County, Alabama (the Articles of Incorporation), which are recorded in Miscellaneous Book 82 Pages 159 - 165 of the records therein. The Association has been organized and shall be operated to provide exclusively for the management of Heritage Shores (the "Development"), a planned unit development on the Fort Morgan Peninsula, Baldwin County, Alabama, and to manage, maintain and administer the Common Elements of the Development, and to administer and enforce the covenants and restrictions set forth in the Heritage Shores Declaration of Rights, Covenants, Restrictions, Affirmative Obligations and Conditions (the "Declaration"). The Association is the "homeowners association" with respect to the Development within the meaning of Sec. 528 of the United States Internal Revenue Code of 1986 (the "Code"), and the Regulations thereunder.

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The terms capitalized herein shall have the meanings set forth in the Articles of Incorporation, unless the context otherwise requires.

**Section 2: Principal Office**

The principal office of the Association shall be located at the Development on the Fort Morgan Peninsula, County of Baldwin, State of Alabama, or at such other place in Baldwin County, Alabama as the Board of Directors may designate from time to time. The Association may have such other offices, either within or without the State of Alabama, as the Board of Directors may designate or as the business of the Association may requires from time to time.

**Section 3: Registered Office and Agent**

The Association shall maintain in the State of Alabama a registered office and shall have a registered agent whose business office is identical with such registered office. The registered office of the Association may be changed from time to time by resolution of the Board of Directors and by filing notice of such change as required by law.

ARTICLE II: MEMBERSHIP

**Section 1: Members**

As provided in the Articles of Incorporation, the Association shall have only one class of member. The membership

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of the Association at all times shall consist exclusively of all Owners (including Developer as long as it owns a Lot), their heirs, successors or assigns. Each Owner shall cease being a member of the Association at the time such Owner no longer owns a Lot. Changes of membership in the Association shall be established by recording in the Probate records of Baldwin County, Alabama, the deed or other instrument establishing record title to a Lot, and the delivery to the Association of a certified copy of such instrument, the Owner designated by such instrument thereby becoming a record Owner and a Member of the Association. Membership of the prior Owner shall thereby be terminated.

**Section 2: Annual Meeting**

The annual meeting of the Members shall be held on the last Saturday before Labor Day in each year, beginning with the year 1995, at the hour of 10:00 a.m., or at such other time on such other day as shall be fixed by the Board of Directors, for the purpose of electing directors, if the period of Developer control has ended, and in any event, for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of Alabama, such meeting shall be held on the next succeeding business day. If the election of directors shall not be held on the day designated herein for any annual meeting of the Members, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the Members as soon thereafter as convenient.

**Section 3: Place of Meetings**

Annual and special meetings of the Members shall be held at the principal office of the Association, or at such other place, within or without the State of Alabama, as may be designated by the Board of Directors or the person or persons calling the meeting and stated in the notice of the meeting. If no designation is made or stated in the notice, the meeting shall be held at the principal office of the Association.

**Section 4: Fixing a Record Date**

The Board of Directors may fix in advance a date as the record date for the purpose of determining the Members entitled to notice of or to vote at any meeting of Members or any adjournment thereof, or for any other proper purpose, such date in any case to be not more than sixty (60) days and, in case of a meeting of the Members, not less than ten (10) days prior to the date on which the particular action requiring such determination of Members is to be taken. If no record date is fixed for the determination of Members entitled to notice of or to vote at a meeting of the Members, the date on which notice of the meeting is mailed shall be the record date for such determination of Members. When a determination has been made, as provided in this Section, such determination shall apply to any adjournment thereof.

**Section 5: Voting Lists**

The officer or agent having charge of the records of Members of the Association shall make, at least ten (10) days before each meeting of the Members, a complete list of the Members entitled to vote at such meetings, or any adjournment thereof, arranged in alphabetical order, with the address of each Member and the number of votes to which he is entitled, which list, for a period of ten (10) days prior to such meeting, shall be kept on file at the principal office of the Association and shall be subject to inspection by any Member making written request therefor at any time during usual business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any Member during the whole time of the meeting.

**Section 6: Notice of Meetings, Quorum and Voting Rights**

Notice of meetings of the Members, the determination of whether a quorum is present at any meeting of the Members, and the voting rights of the Members, shall be as set forth in the Declaration. The Secretary or the President

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shall cause notice of each meeting of the Members to be delivered or sent to each Member in the manner provided in the Declaration.

**Section 7: Proxies**

Subject to the provisions of the Declaration, at all meeting of Members, a Members may vote in person or by proxy executed in writing by the Members or by his duly authorized attorney-in-fact. Such proxy shall be filed with the Secretary of the Association before or at the time of the meeting. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

**Section 8. The Order of Business**

At annual members' meetings and, as far as practical, at all other members' meetings shall be:

- (1) Call to order.
- (2) Calling of the roll and certifying of proxies.
- (3) Proof of notice of meeting or waiver of notice.
- (4) Reading and disposal of any unapproved minutes.
- (5) Reports of officers.
- (6) Reports of committees.
- (7) Election of Directors.
- (8) Unfinished business.
- (9) New business.
- (10) Adjournment.

**Section 9: Informal Action by Members**

Any action required or permitted to be taken at a meeting of the Members may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Members entitled to vote with respect to the subject matter thereof. Such consent shall have the same effect as a unanimous vote of Members, and may be stated as such in any articles or document filed with the Probate Judge under the Act.

**ARTICLE III: BOARD OF DIRECTORS**

**Section 1: General Powers**

As Provided in the Articles of Incorporation and the Declaration, the activities and affairs of the Association shall be managed by the Board of Directors, provided, however, that the Board of Directors shall not exercise any power or authority conferred in the Article of Incorporation, the Declaration, or by the Act upon the Members. The Board of Directors may not act on behalf of the Association to amend the Declaration or to elect members of the Board or to determine the qualifications, powers and duties, or terms of office of Board members, but the Board may fill vacancies in its membership for the unexpired portion of any term.

The Board of Directors, for the benefit of the Owners, shall have the following powers and duties:

- (1) To exercise all of the powers of the Association with respect to the operation and regulation of the Development which are conferred upon the Board by the Act, or which may be conferred upon the Board by these By-Laws pursuant to such Act, and to exercise all of the powers of the Association which are conferred upon it by law and by its Articles of Incorporation and the Declaration.

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- (2) To adopt and publish Rules and Regulations governing the use of the Common Elements and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof.
- (3) To make contracts and incur liabilities in connection with the exercise of any of the powers and duties of the Board.
- (4) To provide or cause to be provided all goods and services required by the By-Laws or by law, or which the Board, in its discretion, deems necessary for the proper operation of the Development, or which are used in common or jointly by the common elements and the Lots, in each case to the extent such goods and services shall not be otherwise provided.
- (5) To collect monthly assessments from the Owners, and to render or cause to be rendered statements, when required or useful, of any assessments which remain unpaid by any Owner.
- (6) To suspend the enjoyment rights of any Members for any period during which any assessment due by said Member remains unpaid; and to adopt and enforce Rules and regulations relating to the conduct of the Members and their invitees and aesthetic considerations pertaining to the Development, and to suspend the enjoyment rights of any Member for a period not to exceed thirty (30) days for any infraction of the Association's Rules and Regulations.
- (7) To elect the officers of the Association and otherwise exercise the powers regarding officers of the Association as set forth in these By-Laws.
- (8) To determine who shall be authorized to make and sign all instruments on behalf of the Association and the Board.
- (9) To employ a management agent or manager, at a compensation established by the Board, to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in this Section; and such duties so conferred upon the managing agent or manager by the Board of Directors may upon five (5) days notice be revoked, modified or amplified by the majority of the votes of the Directors in a duly constituted meeting.
- (10) To enter into a rental management contract, for the purpose of renting Owners homes from time to time for the benefit of the Owners, provided said management contract will provide that all costs and expenses of management be passed on to the Owners utilizing the services of such rental management, and provided further, that any rental management contract shall be for a term not in excess of one (1) year, and that same may be renewed from year to year only by a majority vote of the Board of Directors in a meeting in which renewal of the rental management contract is included in the official notices to the Owners. Such rental management contract must further provide that upon vote of two-thirds (2/3) of the members of the Board of Directors, at a meeting held for that purpose, that such contract may be terminated at the end of ninety (90) days from appropriate action by the Board.
- (11) To take appropriate action to enforce the provisions of the Articles of Incorporation, the Decla-

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ration, the Rules and Regulations, and the By-Laws, pursuant to the Act, and pursuant to the general law of Alabama. In connection with same, the Board is authorized to file or defend appropriate suits or request for arbitration filed under any of said instruments, acts or provided for by the laws of Alabama.

- (12) To employ attorneys, accountants, and other persons or firms reasonably necessary to carry out the provisions of the Act, the Articles of Incorporation, the Declaration, the By-Laws, and the Rules and Regulations.

**Section 2: Number, Tenure and Qualifications**

The members of the initial Board of Directors are named in the Articles of Incorporation. As provided therein, the term of service of the initial Board of Directors shall be one (1) year from the date hereof, provided, however, that until (a) the time when Developer (including all planned additional phases of the Development), or (b) the expiration of three (3) years from the date hereof, or (c) Developer relinquishes control of the Development in writings, whichever first occurs, Developer may, by written instrument duly recorded in the Probate Court of Baldwin County, Alabama, at any time remove any Director of the Board, or replace any Director, or name a new Director in place of any Director who has resigned or died. Until the termination of the period of Developer control, the members of the Board of Directors appointed by the Developer may, but need not be, Owners.

After the first to occur of the events described in the preceding paragraph, control of the Development shall be transferred to all Owners (including Developer if it is still a Owner) of a majority of the total Lots in, or planned for, the Development (including all planned additional phases), and thereafter the Owners may remove any member of the Board of Directors, or replace any Director, or name a new Director in such Director's place in the event such Director for any reason ceases to so serve, and fix the term of service of each new Director.

The Developer shall be deemed to be the Owner of each Lot which has not been conveyed to a person other than the Developer. The Developer shall be entitled to all rights and privileges available to, and shall be subject to any and all obligations and duties imposed upon, the Owner of any such Lot under the Documents.

Upon the termination of the period of Developer's control, the Members shall elect a Board of Directors of at least three (3) members, all of whom shall be Owners, and at least a majority of whom shall be Owners other than the Developer. Thenceforth, the number of directors constituting the Board of Directors shall be not less than three (3) nor more than seven (7), the exact number to be determined and fixed by the Members at the annual meeting or at a special meeting of the Members called for such purpose. The maximum number of directors may be increased or decreased from time to time in the manner provided by the By-Laws for the amendment thereof, but no decrease shall have the effect of shortening the term of any incumbent Director. Each Director shall hold office until the next annual meeting of the Members and until such Director's successor shall have been elected and qualified or until such Director's death or until such Director shall have resigned or shall have been removed, as provided for herein.

The Board shall elect the officers. The Board of Directors and officers shall take office upon election.

**Section 3. Election of Directors**

Election of Directors entitled to be elected by the Members shall be held at the annual meeting or at a special meeting of the Members called for such purposes. The election shall be by secret ballot (unless dispensed with by unanimous consent of the Members present and voting) and by a plurality of the votes cast. Cumulative voting for Directors is not authorized.

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**Section 4. Meetings**

Meetings of the Board of Directors, or committees thereof, regular or special, may be held either within or without the State of Alabama. A regular meeting of the Board of Directors shall be held without notice immediately after, and at the same place as, the annual meeting of Members. Other regular meetings may be held upon such notice and at such time and place as shall be determined by the Board. Special meetings of the Board of Directors may be called by the President or by any two Directors on three days written notice to each Director, delivered personally or mailed to each Director at such Director's business address or by telegram. The Secretary, at the request in writing of the President or any two Directors, shall send such written notice on their behalf. If mailed, such notices shall be deemed to be delivered when deposited in the United States mail, so addressed, with postage thereon prepaid. If by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice of such meeting.

**Section 5. Meeting by Telephone**

Members of the Board of Directors or any committee designated thereby may participate in a meeting of the Board or such committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time, and participation by such means shall constitute presence in person at such meeting.

**Section 6. Quorum**

A majority of the whole number of Directors of the Board shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. If less than a majority is present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice other than announcement at the meeting. At such adjourned meeting at which a quorum shall be present, any business may be transacted that might have been transacted at the meeting as originally noticed. If a quorum is present when a meeting is convened, the Directors present may continue to do business, taking action by a vote of a majority of a quorum as fixed above, until adjournment, notwithstanding the withdrawal of enough Directors to leave less than a quorum present, or the refusal of any Directors present to vote.

**Section 7. Presumption of Assent**

A Director of the Association who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless such Director's dissent shall be entered in the minutes of the meeting or unless such Director shall file a written dissent to such action with the person acting as secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Association immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

**Section 8. Action without a Meeting**

Any action required or permitted to be taken by the Board of Directors or a committee thereof at a meeting may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors or all of the members of the committee, as the case may be. Such consent shall have the same effect as a unanimous vote of the Directors or of the members of such committee.

**Section 9. Resignations**

Any Director of the Association may resign at any time, either by oral tender of resignation at any meeting of the

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Board or by giving written notice thereof to the person acting as secretary of the meeting before the adjournment thereof or by giving such notice to the Secretary of the Association. Such resignation shall take effect at the time specified therefor and the acceptance of such resignation shall not be necessary to make it effective.

**Section 10. Vacancies**

Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining Directors though less than a quorum of the Board of Directors. A Director elected to fill a vacancy shall be elected to serve until the next annual meeting of Members. Any directorship to be filled by reason of an increase in the number of Directors shall be filled by election at an annual meeting or at a special meeting of Members called for that purpose.

**Section 11. Committees of Directors**

The Board of Directors, by resolution passed by a majority of the whole Board of Directors, may designate from among its members one or more committees, each committee to consist of one or more of the Directors of the Association. Each such committee, to the extent provided in the resolution of the Board of Directors, shall have and may exercise all the powers and authority of the Board of Directors, except that no such committee shall have the authority of the Board in reference to amending the Articles of Incorporation, the Declaration or the By-Laws, recommending to the Members a voluntary dissolution of the Association or a revocation of a dissolution, or filling vacancies in the Board of Directors. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Directors. Each committee shall keep regular minutes of its meetings and report the same to the Board of Directors when required.

**Section 12. Compensation**

By resolution of the Board of Directors, the Directors may be paid their expense, if any, of attendance at each meeting of the Board of Directors, but shall otherwise serve without compensation. This shall not preclude any Director from serving the Association in any other capacity and receiving compensation therefor.

**Section 13. Budgets**

Within thirty (30) days after adoption of any proposed budget for the Association, the Board shall provide a copy of the budget to all the Members, and shall set a date for a meeting of the Members to consider ratification of the budget not less than ten (10) nor more than sixty (60) days after delivery or mailing of the budget to the Members. Unless at that meeting a majority of all the Members present in person or by proxy or any larger vote specified in the Articles of Incorporation, the Declaration, or by law reject the budget, the budget shall be deemed ratified, whether or not a quorum is present. In the event the proposed budget is rejected, the periodic budget last ratified by the Members shall be continued until such time as the Members ratify a subsequent budget proposed by the Board.

**Section 14. Related Party Transactions**

No contract or other transaction between the Association or any person, firm, association or corporation and no other act of the Association shall, in the absence of fraud, be invalidated or in any way affected by the fact that any of the Directors of the Association are directly or indirectly, pecuniarily or otherwise, interested in such contract, transaction or other act, or are related to or interested in (either as director, shareholder, officer, employee, member or otherwise) such person, firm, association or corporation. Any Director of the Association individually, or any firm or association of which any Director may be a member, may be a party to, or may be pecuniarily or otherwise interested in, any contract or transaction of the Association, provided that the fact that such Director, individually, or such firm or association is so interested, shall be disclosed or known to the Board of Directors or a majority of the members thereof as shall be present at any meeting of the Board of Directors or of any committee of Directors

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ARTICLE IV: OFFICERS

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having the powers of the full Board, at which action upon any such contract, transaction or other act is taken.

Common or interested Directors may not be counted in determining the presence of a quorum at a meeting of the Board of Directors or a committee thereof which authorizes, approves or ratifies such contract or transaction.

**ARTICLE IV: OFFICERS**

**Section 1. Positions**

The officers of the Association shall consist of a President, a Vice-President, a Secretary, a Treasurer and such other officers and assistant officers as may be deemed necessary and as may be elected or appointed by the Board of Directors. Any number of offices may be held by the same person.

**Section 2. Election and Term of Office**

The President, the Vice-President, the Secretary and the Treasurer shall be elected annually by the Board of Directors at the first meeting of the Directors following the annual meeting of the Members. If the election of such officers shall not be held at such meeting, such election shall be held as soon thereafter as convenient. The remaining officers, if any, shall be elected by the Board of Directors at the same meeting as the President, the Vice-President, the Secretary and the Treasurer are elected or at any regular or special meeting of the Board of Directors.

Each officer shall hold office at the pleasure of the Board of Directors or until their successor or successors shall have been duly elected and shall have qualified or until their death or until they shall resign or shall have been removed in the manner hereinafter provided.

**Section 3. Vacancies**

Any vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term of the person vacating such office.

**Section 4. Removal**

Any officer may be removed by the Board of Directors whenever in its judgement the best interests of the Association will be served thereby.

**Section 5. President**

The President shall be the chief executive officer of the Association, and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Association. The President shall, when present, preside at all meetings of the Members and of the Board of Directors. The President may sign, with the Secretary or any other proper officer of the Association thereunto authorized by the Board of Directors, contracts, notes, mortgages, deeds or other instruments on behalf of the Association, which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the Association, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of president and such other duties as may be prescribed by the Board of Directors from time to time.

**Section 6. Vice-Presidents**

In the absence of the President or in the event of the President's death, inability or refusal to act, the Vice-President (or in the event there be more than one Vice-President, the Vice-President in the order designated by the Board of Directors, or in the absence of any designation, then in the order of their election) shall perform the duties of the

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ARTICLE V: WAIVER OF NOTICE

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President, and when so acting, shall have all of the powers of and be subject to all of the restrictions upon the President. The Vice-President (or if there be more than one, each Vice-President) shall perform such other duties as from time to time may be assigned to them by the President or by the Board of Directors.

**Section 7. Secretary**

The Secretary shall keep the minutes of the proceeding of the Members and of the Board of Directors in one or more books provided for that purposes; see that all notices are duly given in accordance with the provisions of the By-Laws or as required by law; be custodian of the corporate records and of the seal of the Association and see that the seal of the Association is affixed to all documents, the execution of which on behalf of the Association under its seal is duly authorized; keep a register of the post office address of each Member which shall be furnished to the Secretary by such Member; and in general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to the Secretary by the President or by the Board of Directors.

**Section 8. Treasurer**

The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Association; receive and give receipts for monies due and payable to the Association from any source whatsoever, and deposit all such monies in the name of the Association in such banks, trust companies or other depositories as shall be designated by the Board of Directors; and in general perform all of the duties incident to the office of treasurer and such other duties as from time to time may be assigned to the Treasurer by the President or by the Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of the Treasurer's duties in such sum and with such surety or sureties as the Board of Directors shall determine.

**Section 9. Assistant Secretaries and Assistant Treasurers**

The Assistant Secretary, or if there be more than one, the Assistant Secretaries in the order determined by the Board of Directors, shall, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary. The Assistant Treasurer, or, if there shall be more than one, the Assistant Treasurers in the order determined by the Board of Directors, shall, in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer. The Board of Directors may require any Assistant Treasurer to give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Directors shall determine. The Assistant Secretaries and Assistant Treasurers, in general, shall perform such other duties as shall be assigned to them by the Secretary or the Treasurer, respectively, or by the President or the Board of Directors.

**ARTICLE V: WAIVER OF NOTICE**

Whenever any notice is required to be given to any Member or Director of the Association under the provisions of the Constitution of Alabama, the Act, the Article of Incorporation, the Declaration, or the By-Laws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Neither the business to be transacted at, nor the purpose of any regular or special meeting of the Board of Directors or any committee designated thereby need be specified in the waiver of notice. The attendance of a Member or Director at a meeting shall constitute a waiver of notice of such meeting, except where such person attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. If a person signs the minutes of a meeting of the Members or the Board of Directors or any committee thereof, the signing of the minutes of such meeting, even though such person may not have been present, shall constitute a waiver of notice of the meeting and assent to all action taken at the meeting entered in the minutes of such meeting except such action as such person shall have dissented against at the meeting and which shall be entered in the minutes of the meeting.

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ARTICLE VI: MISCELLANEOUS

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**ARTICLE VI: MISCELLANEOUS**

**Section 1. Fiscal Year**

The fiscal year of the Association shall be fixed by resolution of the Board of Directors.

**Section 2. Corporate Seal**

The Board of Directors shall select a corporate seal which shall be circular in form and shall have inscribed therein the name of the Association and the words "Alabama" and "Corporate Seal". The seal of the Association may be used by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced.

**Section 3. Contracts**

The Board of Directors may authorize any officer or officers, or agent or agents, to enter into any contract or execute and deliver any note, mortgage, deed or other instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

**Section 4. Loans**

No loan shall be contracted on behalf of the Association and no evidence of indebtedness shall be issued in the name of the Association unless authorized by the Board of Directors. Such authority may be general or confined to specific instances.

**Section 5. Checks, Drafts, etc**

All checks, drafts, or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by such officer or officers, or agent or agents of the Association and in such manner as shall from time to time be authorized by the Board of Director.

**Section 6. Deposits**

All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board of Directors may select.

**ARTICLE VII: PARLIAMENTARY RULES**

Roberts Rules of Order (latest edition) shall govern the conduct of Association meetings when not in conflict with the Act, the Articles of Incorporation, the Declaration, or these By-Laws.

**ARTICLE VIII: AMENDMENTS**

These By-Laws may be altered, amended or repealed and new By-Laws may be adopted by the Board of Directors or by the Members at any regular or special meeting, provided, however, that the Board of Directors may not alter, amend or repeal any By-Law establishing what constitutes a quorum at Members' meetings.

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ARTICLE VIII: AMENDMENTS

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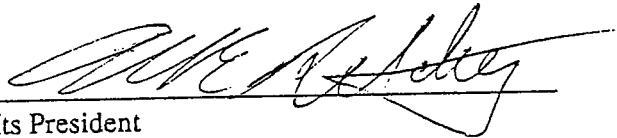
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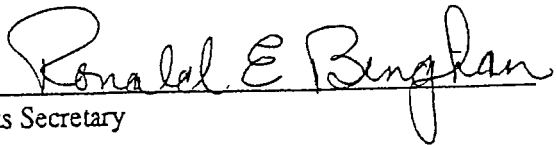
The foregoing are adopted as the Bylaws of the Heritage Shores Property Owners Association, Inc., at the first meeting of the Board of Directors, held on the 1st day of March, 1995.

IN WITNESS WHEREOF, Heritage Shores Property Owners Association, Inc., a corporation not for profit, has caused these By-Laws to be executed by Albert E. Ritchey, its duly authorized President and the corporate seal of said Corporation to be hereunto affixed and attested by Ronald E. Bingham, its duly authorized Secretary this 1st day of March, 1995.

HERITAGE SHORES PROPERTY  
OWNERS ASSOCIATION, INC.  
a corporation not for profit

ATTEST:

By:   
Its President

By:   
Its Secretary

THIS INSTRUMENT PREPARED BY:

Albert E. Ritchey, Atty-at-Law  
P. O. Drawer 590069  
Birmingham, Alabama 35259-0069

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