

AMENDMENT TO THE
DECLARATION OF CONDOMINIUM
OF
LAGUNA SANDS CONDOMINIUM

WHEREAS the Declaration of Condominium of Laguna Sands Condominium was recorded on, or about, December 14, 2005, as Instrument Number 9427787 in the records in the Office of the Judge of Probate Court of Baldwin County, Alabama, as Amended, and,

WHEREAS the owners of the units of Laguna Sands Condominium, do wish to amend and revise the Declaration of Condominium of Laguna Sands Condominium, according to Article XIX of the Declaration of Condominium, and,

WHEREAS, a majority of the board of directors having adopted and approved the proposed revision given below prior to said vote of the owners of units, and,

WHEREAS, said proposed revision was approved by the affirmative vote or agreement of the owners of units to which, at least, two-thirds (2/3) of the votes in the Association are allocated.

THEREFORE, the Declaration of Condominium of Laguna Sands Condominium shall be amended as follows:

Article IX and Article X are hereby amended to read as follows:

IX. INSURANCE

9.01 Purchase of Insurance. *The Association and its Unit Owners hereby adopt §35-8A-313 of the Act, as amended.*

9.02 Location of Policies. *The Association shall retain the original of all insurance policies in a place of safe keeping such as a safe or a safety deposit box.*

9.03 Copies to Mortgagees. *One (1) copy of each insurance policy, and of all endorsements thereto, shall be furnished by the Association to any first Mortgagee requesting a copy.*

9.04 Authorization to Do Business. *All policies of insurance must be issued by companies specifically authorized by the laws of the State of Alabama to transact such business.*

9.05 Coverage. *The Association is required to maintain the following insurance*

coverage:

A. Property and Casualty. *The Association must obtain, maintain, and pay the premiums upon, as a Common Expense, the property insurance required by the Acts for condominium structures with horizontal boundaries and, by way of addition, as follows. The type of policy shall be a "master" or "blanket" type policy of property insurance covering all of the Common Elements (except land, foundation, excavation, pools, landscaping and other items usually excluded from coverage) including fixtures, building service equipment and supplies, and other personal property belonging to the Association. All references herein to a "master" or "blanket" type of policy of property insurance are intended to denote single entity Condominium insurance coverage. In addition, the insurance obtained under this section shall include coverage of the Units themselves. Fixtures or equipment located within a Unit (regardless of whether or not such Property is a part of the Common Elements) must be covered by such "master" or "blanket" policy, but the coverage need not include improvements and betterments installed by Unit Owners. If reasonably available, the insurance policy shall include an "All In One" endorsement which shall include coverage of appliances (including stoves, cooking ranges, refrigerators, dishwashers, clothes-washers and dryers, to the extent such appliances comprised a part of the Unit on the date of this Declaration or were replacement items for such original appliances), air conditioners, and all fixtures contained within the Units. The policy shall be in an amount deemed appropriate by the Association but not less than the greater of eighty percent (80%) of the actual cash value of the insured Property at the time the insurance is purchased or such greater percentage of such actual cash value as may be necessary to prevent the applicability of any coinsurance provision at any renewal date, exclusive of land, excavation, foundation, and other items normally excluded from property policies. The policy shall include an "Agreed Amount Endorsement" or its equivalent and, if available, an "Inflation Guard Endorsement." If there shall be a construction code provision that requires changes to undamaged portions of the Condominium Property even when only part of the project is destroyed by an insured hazard, the policies shall include construction code endorsements. The property insurance policy shall provide, as a minimum coverage and protection against:*

i. *Loss or damage by fire and all other hazards that are normally covered by the standard extended coverage endorsement;*

ii. *Such other risks as from time to time shall be covered with respect to buildings similar in construction, location and use as the buildings on the land,*

including but not limited to vandalism and malicious mischief.

B. Liability Insurance. The Association must obtain, maintain, and pay the premiums upon, as a Common Expense, a comprehensive general liability insurance policy, including medical payments insurance, as required by the Act and covering all the Common Elements, commercial space owned and leased by the Association, and public ways of the Condominium. Coverage limits shall be in amounts generally required by private institutional mortgage investors for projects similar in construction, location and use. However, such coverage shall be, if reasonably available, for at least One Million Dollars (\$1,000,00.00) for bodily injury, including deaths of persons and property damage arising out of a single occurrence. Coverage under this policy shall include, if reasonably available, without limitation, legal liability of the insured for property damage, bodily injuries and deaths of persons in connection with the operation, maintenance or use of the Common Elements, and legal liability arising out of lawsuits related to employment contracts of the Association. The policy shall also include, if reasonably available, coverage for protection against water damage liability and, if applicable, elevator collision and garage keepers liability. If reasonably available, the policy shall include protection against such other risks as are customarily covered with respect to Condominiums similar in construction, location and use, including but not limited to, host liquor liability, employers liability insurance, contractual and all written contract insurance and comprehensive automobile liability insurance, if applicable.

C. Flood Insurance. The Association shall obtain, maintain and pay the premiums upon, as a Common Expense, a "master" or "blanket" policy of flood insurance on the buildings and other property covered by the required form of the policy. The insurance shall be in an amount deemed appropriate by the Association, but not less than an amount equal to the lesser of:

i Eighty percent (80%) of the actual cash value of the insured property located within the flood hazard area; or

ii. The maximum coverage available for the Property under the National Flood Insurance Program. The policy shall be in a form which meets the criterion set forth in the most current guidelines issued on the subject by the Federal Government.

D. Personnel Coverages. Should the Association employ personnel, all coverages required by law, including workman's compensation, shall be obtained so as to meet the requirements of the law.

E. Fidelity Insurance. The Association shall obtain, maintain and pay the premiums upon, as a Common Expense, fidelity insurance coverage, if reasonably available, to protect against loss of money by dishonest acts on the parts of all officers, directors and employees of the Association and all other persons handling, or responsible for, funds of the Association or funds administered by the Association. Where a management agent has the responsibility for handling or administering funds of the Association, the management agent shall be required to maintain fidelity insurance coverage for its officers, employees and agents handling or responsible for funds of, or administered on behalf of, the Association. The fidelity insurance policy shall name the Association as the obligee and shall not be less than the estimated maximum of funds, including reserve funds, in the custody of the Association or the management agent, as the case may be, at any given time during the term of the fidelity insurance policy. However, in no event may the aggregate amount of such insurance be less than one hundred and fifty percent (150%) of the estimated annual Common Expenses. The fidelity insurance policy shall contain waivers by the issuers of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees," or similar terms or expressions. The premiums on all fidelity insurance coverage required herein to be maintained by the management agent shall be paid by the management agent. The insurance policy shall provide that the Association and any eligible mortgage holder shall be given ten (10) days written notice before the policy/bond may be cancelled or modified for any reason.

F. Other Insurance. The Board of Directors of the Association shall obtain other insurance required by the Act and shall have authority to obtain such other insurance as it deems desirable, in such amounts, from such sources and in such forms as it deems desirable. The premiums for such insurance shall be a Common Expense.

If the insurance described above which is required to be maintained is not reasonably available, the Association promptly shall give notice of that fact to be hand delivered or sent prepaid by United States Mail to all Unit Owners.

9.06 Individual Insurance. Nothing contained herein shall be construed to prevent a Unit Owner from obtaining any insurance he deems necessary for his own benefit and coverage.

9.07 Provisions. Insurance coverage, if reasonably available, must comply with the requirements of the Act and this Declaration and shall in substance and effect:

A. Provide that the policy shall be primary, even if the Unit Owner has other

insurance that covers that same loss, and further provide that the liability of the insurer thereunder shall not be affected by, and that the insurer shall not claim any right of set-off, counterclaim, apportionment, pro-ration or contribution by reason of any other insurance obtained by or for any Unit Owner.

B. Contain no provision relieving the insurer from liability for a loss occurring because the hazard to such Building is increased, whether or not within the knowledge or control of the Association, or because of any breach of warranty or condition, or any other act or neglect by the Association, any Unit Owner, agent, assignee, licensee, guest or business invitee.

C. Provide that such policy may not be canceled or substantially modified and the insurer may not refuse to renew said policy (whether or not requested by the Association) except by the insurer giving at least thirty (30) days prior written notice thereof to the Association, the Unit Owner, each eligible mortgage holder on an individual Unit, and every other Person in interest who shall have requested such notice of the insurer.

D. Contain a waiver by the insurer of any right of subrogation to any right of the Association, or either against the Owner or lessee of any Unit.

E. Contain a standard Mortgagee clause which, among any other provisions included in a standard mortgage clause, shall:

i. Provide that any reference to a Mortgagee in such policy shall mean and include all holders of mortgages of any Unit, whether or not named herein; and

ii. Provide that such insurance as to the interest of any Mortgagee shall not be invalidated by any act or neglect of the Association or Unit Owners or any Persons under any of them; and

iii. Waive any provisions invalidating such Mortgage clause by reason of the failure of the Mortgagee to notify the insurer of any hazardous use or conveyance, any requirement that the Mortgagee, pay any premium thereon, and any contribution clause.

9.08 *Liabilities and Responsibilities of Unit Owner.* *A Unit Owner shall be liable for*

any claim, damage or judgment entered as a result of the use or operation of his Unit caused by his conduct. Each Unit Owner shall be responsible for obtaining insurance for his own benefit.

9.09 Insurance Premiums. Insurance premiums maintained by the Association shall be paid by the Association as a Common Expense. Should the Association fail to pay such insurance premiums when due, or should the Association fail to comply with other insurance requirements of a Mortgagee, the Mortgagee shall have the right, at its option, to order insurance policies and to advance such sums as are required to maintain or procure such insurance. To the extent of any money so advanced, the Mortgagee shall be subrogated to the assessment and the lien rights of the Association as against the individual Unit Owners for the payment of such item of Common Expense.

9.10 Insurance Trustee, Share of Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association and the Unit Owners and their Mortgagees as their interest may appear, and shall provide that all proceeds covering Property losses shall be paid to the Association, as Insurance Trustee for the Unit Owners and their mortgages, which said Association, for the purpose of these provisions, is herein referred to as the Insurance Trustee. The duty of the Insurance Trustee shall be to receive such proceeds as are paid, and hold the same in trust for the purpose elsewhere stated herein and for the benefit of the Association and the Unit Owners and their Mortgages. The Insurance Trustee shall have the power (and each Unit Owner hereby appoints the Trustee for this purpose as attorney-in-fact) to adjust all claims arising under insurance policies purchased by the Association; to bring suit thereon in its name and/or in the name of other insured; to deliver releases on payment of claims; to compromise and settle such claims; and, otherwise, to exercise all the rights, powers, and privileges of the Association and each Unit Owner and any other holder of an insured interest in the Condominium Property under such insurance policies.

9.11 Shares of Proceeds. The Association, as Insurance Trustee, shall receive such insurance proceeds as are paid to it and shall hold the same in trust for the purposes stated herein and for the benefit of the Unit Owners and their Mortgagees as follows:

A. Owners and Mortgagees. Proceeds shall be applied in accordance with the Act.

B. Mortgagee Participation. No Mortgagee shall have any right to determine, or participate in the determination of whether or not any damaged Property shall be reconstructed or repaired except as may be specifically provided to the contrary elsewhere in this Declaration.

9.12 Distribution of Proceeds. Proceeds of insurance policies received by the Association as Insurance Trustee shall be distributed to or for the benefit of the beneficial Owners:

A. Reconstruction or Repair. If the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost thereof. Any proceeds remaining after defraying such costs shall be distributed to the Unit Owners.

B. Failure to Reconstruct or Repair. If it is determined that the damage for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the beneficial Owners with remittances to Unit Owners and their Mortgagee being payable jointly to them. This is a covenant for the benefit of any Mortgagee of a Unit and may be enforced by any such Mortgagee.

X. RECONSTRUCTION OR REPAIR AFTER CASUALTY

10.01 Determination to Reconstruct or Repair. Any portion of the Condominium for which insurance is required under this Declaration which is damaged or destroyed may be repaired or replaced by the Association unless:

A. The Condominium is terminated in accordance with section 35-8A-218 of the Act;

B. Repair or replacement would be illegal under any state or local statute or ordinance covering health or safety; or

C. Eighty percent (80%) of the Unit Owners vote not to rebuild.

10.02 Plans. Any reconstruction or repair after casualty must be substantially in accordance with the plans and specifications for the original structure, or as the structure was last constructed, or according to plans approved by the Board of Directors of the Association.

10.03 Responsibility. If the damage is only to those parts of a unit for which the responsibility of maintenance and repair is that of the Unit Owner, then the Unit Owner shall be responsible for reconstruction and repair after casualty. In all other instances the responsibility of reconstruction and repair after casualty shall be that of the Association. However, the Association, in its sole discretion, may choose to repair an individual unit if the damage is only to those parts of a unit for which the responsibility of maintenance and repair is that of the Unit

Owner.

10.04 Estimate of Cost. As soon as practical after a casualty causing damage to the Condominium Property for which the Association has accepted the responsibility of maintenance and repair, the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair.

10.05 Assessments. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair, Assessments shall be made as determined by the Association. Assessments for reconstruction and/or repair of damage to common areas and facilities shall be in proportion to the Owners share in the Common Elements. Assessments for reconstruction and repair may be collected, and the collection enforced, in the same manner as provided for Assessments in the Declaration and Bylaws.

10.06 Construction Funds. The funds for payment of costs of reconstruction and repair after casualty for which the Association has accepted responsibility, which shall consist of proceeds of insurance held by the Association as Insurance Trustee and funds collected by the Association from Assessment against Unit Owners on account of such casualty, shall constitute a construction fund which shall be disbursed in payment of the cost of reconstruction and repair in the following manner and order:

A. Disbursement. The construction fund shall be disbursed in payment of such costs on the order and in the manner provided by the Board of Directors of the Association.

B. Surplus. It shall be presumed that the first moneys distributed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs of the reconstruction and repair for which the fund is established, such balance shall be distributed to the Unit Owners as a credit or a refund or allocated for capital expenditures as determined by the Board of Directors.

IN WITNESS WHEREOF, Laguna Sands Condominium Owners Association, Inc., an Alabama Non-Profit Corporation, has caused this Amendment to be executed on its behalf and its corporate seal to be affixed hereby by its officers thereunto duly authorized this the 23rd day of October, 2020.

LAGUNA SANDS CONDOMINIUM
OWNERS ASSOCIATION, INC.

By: Alma Chancy
Alma Chancy, Its Secretary

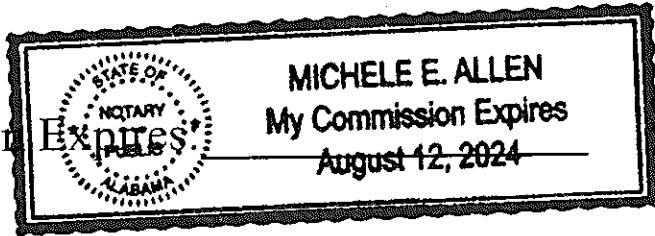
STATE OF Alabama)
COUNTY OF Baldwin)

I, the undersigned, a Notary Public in and for said State and County, hereby certify that Alma Chancy, whose name as Secretary of Laguna Sands Condominium Owners Association, Inc., an Alabama Non-Profit Corporation, is signed to the foregoing Amendment to the Declaration of Condominium of Laguna Sands Condominium, and who is known to me, acknowledged before me on this date that, being informed of the contents of said Amendment, she, as such officer and with full authority, executed the same voluntarily for and as the act of said Corporation on the date the same bears date.

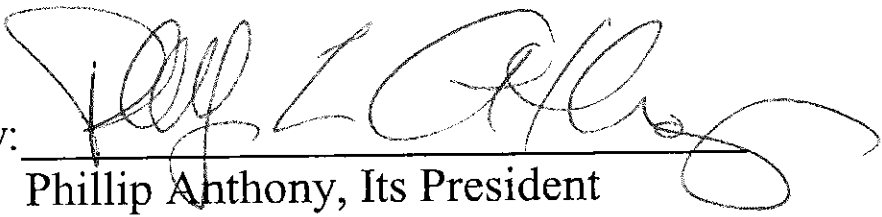
Given under my hand and seal on this the 23rd day of October, 2020.

Michele E. Allen
Notary Public

My Commission




ATTEST:

By: 
Phillip Anthony, Its President

STATE OF Alabama)
COUNTY OF Baldwin)

I, the undersigned, a Notary Public in and for said State and County, hereby certify that Phillip Anthony, whose name as President of Laguna Sands Condominium Owners Association, Inc., an Alabama Non-Profit Corporation, is signed to the foregoing Amendment to the Declaration of Condominium of Laguna Sands Condominium, and who is known to me, acknowledged before me on this date that, being informed of the contents of said Amendment, he, as such officer and with full authority, executed the same voluntarily for and as the act of said Corporation on the date the same bears date.

Given under my hand and seal on this 23rd day of October, 2020.


Notary Public

My Commission Expires



This Instrument Prepared By:
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