

**BY LAWS  
OF  
ENGLISH TURN PROPERTY  
OWNER'S ASSOCIATION, INC.**

ARTICLE 1

NAME, LOCATIONS, MEMBERSHIP, APPLICABILITY

Section 1.1 Name. The name of the Association shall be ENGLISH TURN PROPERTY OWNER'S ASSOCIATION, INC., (hereinafter-referred to as the "Association"), a Louisiana non-profit corporation.

Section 1.2 Registered Office and Agent. The Association shall maintain a registered office and shall have a registered agent whose business office is identical with such registered office. The Association may have offices at such place or places within reasonable proximity to the Development (as hereinafter defined) as the Board of Directors may from time to time designate.

Section 1.3 Applicability. These By-Laws provide for the self-government of the Association in accordance with and subject to the provisions of the Articles of Incorporation, the Louisiana Non-Profit Corporation law and that certain Declaration of Covenants, Conditions and Restrictions for English Turn Subdivision, which shall be recorded in the office of the Recorder of Conveyances for the Parish of Orleans, Louisiana, as amended from time to time (the "Declaration").

Section 1.4 Definitions. Unless the context otherwise requires, the terms used in these By-laws and the Articles of Incorporation shall have the following meanings:

- (a) Association shall mean and refer to English Turn Property owner's Association, Inc., a Louisiana Non-Profit Corporation, and its successors.
- (b) Board or Board of Directors shall mean and refer to the Board of Directors of the Association, which is the governing body of the Association.
- (c) Declaration shall mean and refer to that document designated "Declaration of Covenants, conditions and Restrictions for English Turn" and all amendments thereof which shall be recorded in the office of the Recorder of Conveyances or for the Parish of Orleans, Louisiana, as amended from time to time
- (d) Development, with an initial capital letter, shall mean and refer to the Property and all improvements located or constructed thereon, and any portion of the Additional Property (all as defined in the Declaration) submitted to the Declaration pursuant to Section 2.02 of the Declaration.

- (e) Lot shall be deemed to mean a "Lot" as defined in the Declaration and a "Dwelling" shall be deemed to mean a "dwelling" as defined in the Declaration.
- (f) Mortgage, with an initial capital letter, shall mean and refer to a mortgage, bond for deed, sales contract or other similar security instrument granting, creating, or conveying a lien upon, a security interest in a Lot, Dwelling, or Village Home Area (as such terms are defined in the Declaration).
- (g) Owner shall mean any person that is the record owner of any Lot or Dwelling.
- (h) Person shall mean and refer to a natural person, corporation, partnership, association, trust, or other legal entity, or any combination thereof.

Other terms shall have their natural meanings or the meanings given in the Declaration, the Articles of Incorporation, or the Louisiana Non-Profit Corporation law.

## ARTICLE 2

### MEMBERSHIP AND VOTING RIGHTS

Section 2.1. Membership. Every person who is the record owner of a fee or undivided fee interest in any Lot or Dwelling shall be a member of the Association, excluding persons who hold such interest under a mortgage or merely as security for the performance of an obligation. If a Lot or Dwelling is owned by more than one person and if only one of those persons is present at a meeting of the Association, that person shall be entitled to cast the vote appertaining to the Lot or Dwelling; provided, however, one of those persons is present, the vote appertaining thereto shall be cast only in accordance with their unanimous agreement, and such consent shall be conclusively presumed if any one of them purpose to cast the vote appertaining to that Lot or Dwelling without protest being made forthwith by any of the others to the person presiding over the meeting.

Section 2.2 Voting Rights. The Association shall have one class of voting membership which shall consist of all owners. The Owners shall be entitled to one vote for each Lot or Dwelling in which they hold the interest required for membership by Section 2.1 of these By- Laws; provided, however, that no vote shall be deemed to appertain to any Lot during the period that the Owner thereof is the Association. The vote attributable to a Lot or Dwelling shall be exercised as a whole. When more than one person or a person other than a natural person owns such interest in any Lot or Dwelling that vote shall be exercised in accordance with the provisions of Section 2.1 of these By-Laws. The vote of any owner not a natural person or persons shall be cast pursuant to a proxy or proxies duly executed by or on behalf of the Owner.

Section 2.3 Suspension of Voting Rights. During any period in which an Owner shall be in default for more than thirty (30) days in the payment of any annual or special assessment or other charge levied by the Association, after at least ten (10) days prior written notice to such Owner of such default, the voting rights attributable to such Lot or Dwelling may be

suspended by the Board of Directors until such assessment or charge has been paid. Such rights may also be suspended for a reasonable period for a violation of any provisions of the Declaration, these By-Laws or any of the published rules and regulations of the Association.

### ARTICLE 3

#### MEETINGS, QUORUM, VOTING, PROXIES

Section 3.1 Place of Meeting. Membership meetings of the Association shall be held at the Development or at such other suitable place convenient to the members as may be designated in the notice thereof by the Board of Directors.

Section 3.2 Annual Meeting. Annual meetings of the membership of the Association shall be held in January as designated by the Board of Directors. Notwithstanding the foregoing, the Board of Directors may cause the annual meeting of the owners to be on such other date in any year as they shall determine to be in the best interests of the Association, any business transacted at said meeting shall have the same validity as it transacted on the date designated herein. At the annual meeting, comprehensive reports of the affairs, finances and budget projections of the Association shall be made to the owners.

Section 3.3 Special Meetings. The Secretary of the Association shall be required to call a special meeting of the members as directed by the President of the Association or upon the resolution of a majority of the Board of Directors or a petition signed by owners entitled to cast not less than one fourth (1/4) of the votes of the Association presented to the Secretary of the Association.

Section 3.4 Notice of Meetings. It shall be the duty of the secretary of the Association to mail a notice of each annual or special membership meeting, stating the place, date, hour of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Such notice shall be delivered personally or sent by United States Mail, postage prepaid, to all Owners of record at such address or addresses as any of them may have designated, or if not address has been so designated, at the address of their respective Lots or Dwellings. Notice shall be delivered to each Owner not less than five (5) nor more than sixty (60) days before the date of the meeting. The mailing of a notice in the manner provided in this section 3.4 shall be considered notice given. Upon request, any institutional holder of first mortgage shall be entitled to and shall be sent written notice of all meetings and shall be permitted to designate a representative to attend and observe any such meeting. Any Owner (or any mortgagee of any Owner entitled to notice) may waive the notice of the meeting by doing so in writing before or after the meeting. Attendance at a meeting, either in person or by proxy, shall of itself constitute a waiver of notice and waiver of any and all objections to the place or time of the meeting or the manner in which it has been called or convened, unless a member or other Person entitled to notice attends such meeting solely for the purpose of stating, at the beginning of the meeting, any such objection or objections to the transaction of business. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted thereat unless objection to lack of notice is raised before the business, of which proper notice was not given, is put to a vote. A recitation in the minutes of any membership meeting that notice of such meeting was properly given shall be prima facie evidence that such notice was so given.

Section 3.5 Order of Business. The order of business at all annual membership meetings shall be as follows:

- a. Call to Order
- b. Approval of Minutes of Preceding Meeting
- c. Reports of Officers
- d. Reports of Committees
- e. Report of Manager
- f. Nomination of Directors
- g. Election of Directors
- h. Old Business
- i. New Business
- j. Adjournment

Section 3.6 Quorum. At all membership meetings, annual or special a quorum shall be deemed present throughout any meeting until adjourned if Owners entitled to cast twenty five percent (25 %) of the votes of the Association are present in person or by proxy.

Section 3.7 Recessed Meetings. Any meeting of the membership which cannot be organized because a quorum has not attended may be recessed from time to time by the vote of a majority of the Owners present in person or represented by proxy. When any membership meeting, either annual or special, is recessed for thirty (30) days or more, notice of the meeting shall be given as in the case of an original meeting. Except as aforesaid, it shall not be necessary to give any notice or an announcement of the business to be transacted at any recessed meeting, other than by an announcement at the meeting at which such recess is taken.

Section 3.8 Proxy. The vote of any owner may be cast pursuant to a proxy or proxies duly executed by or on behalf of the owner delivered to the Secretary of the Association. No such proxy shall be revocable except by written notice delivered to the Secretary of the Association by the Owner. Any proxy shall be void if it is not dated or if it purports to be revocable without notice as aforesaid. No proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in the proxy. The transfer of title to any Lot or Dwelling shall void any outstanding proxy pertaining to the voting rights appurtenant to that Lot or Dwelling. The presence of any Owner at the meeting for which a proxy is given shall automatically revoke the proxy.

Section 3.9 Action Taken by Association. Except as otherwise provided by the Declaration or these By-laws, any action taken at any meeting of members shall be effective and valid if taken or authorized by not less than a majority of all of the votes taken thereon to which all of the members present in person or by proxy at a duly constituted meeting shall be entitled.

Section 3.10 Action by Association Without Meeting. Any action which may be taken at a meeting of the members may be taken without a meeting if written approval and consent, setting forth the action authorized, shall be signed by each of the members entitled to vote on the date on which the last such member signs such approval and consent and upon the filing of such approval and consent with the Secretary of the Association. Such approval and consent so filed shall have the

same effect as the unanimous vote of the members at the special meeting called for the purpose of considering the action authorized.

#### ARTICLE 4

##### BOARD OF DIRECTORS, NUMBER, POWERS, MEETINGS

Section 4.1 Number. The affairs of the Association shall be governed by a Board of Directors, composed of at least three (3), but not more than five (5), persons. Except as otherwise provided herein, each Director shall serve for a term of two (2) years. Directors or their spouses must be Owners of a Lot or Dwelling at all times during their service as Directors; provided, however, that no owner, and his or her spouse may serve on the Board at the same time; and, provided further, that the term "Owner", solely for purposes of this Section 4.1 and Section 5.1 hereof, shall be deemed to include, without limitation, a shareholder, officer of partner in, or trustee or trust beneficiary of any Person which is, either alone or in conjunction with any other Person or Persons, an Owner. Any individual who would not be eligible to serve as a member of the Board of Directors were he not a shareholder, officer, partner in, or trustee or trust beneficiary of a such a Person, shall be deemed to have disqualified himself from continuing in office if he ceases to have any such affiliation with that Person.

Section 4.2 Powers and Duties. The Board of Directors shall have the powers and duties necessary to administer the affairs of the Association, including, but not necessarily limited to, those powers and duties specifically assigned to the Board of Directors in the Declaration, the Articles of Incorporation, these By-laws or the Louisiana Non-Profit Corporation law.

Section 4.3 Other Duties. The Board of Directors shall exercise such duties and responsibilities as shall be incumbent upon it by law and the Declaration together with such other duties and responsibilities as it may deem necessary or appropriate in the exercise of its power. In addition to other duties which the Board of Directors may have, it shall be responsible for the following matters:

- a. Maintenance, repair, renovation, restoration, replacement, care, upkeep and surveillance of the common areas and facilities, and other portions of the Development to be maintained by the Association.
- b. Levy and collection of assessments levied by the Association in accordance with the annual budget as hereinafter set forth.
- c. Designation and dismissal of the personnel necessary for the maintenance and operation of the common elements and facilities.
- d. Subject to the provisions of the Declaration, the promulgation of rules and regulation governing the use and enjoyment of the common areas.

Section 4.4 Preparation of Annual Budget. It shall be the duty of the Board at least thirty (30) days prior to the

Association's annual meeting to prepare a budget covering the estimated costs of operating the Common Areas during the coming year, capital improvements, and a reasonable reserve for operating funds, repairs, contingencies, capital expenditures; and other appropriate purposes. The Board shall cause the budget and the assessments to be levied against each Lot or Dwelling for the following year to be delivered to each member at least fifteen (15) days prior to the meeting. The budget and assessment shall become effective unless disapproved at the annual meeting by a vote of a majority of the total association membership. Notwithstanding the foregoing, however, in the event that the membership disapproved the proposed budget or the Board fails for any reason so to determine the budget for the succeeding year, then and until such time as a budget shall have been determined as provided herein, the budget in effect for the current year shall continue to for the succeeding year, but shall be increased the in proportion to the percentage increase, if any, for the then current year, in the Consumer Price Index (all Urban Consumer U.S. City Average, All Items, 1982-84=100) or its successor index over the prior year, and such increased budget shall be implemented for the succeeding year until a new budget has been approved.

Section 4.5        Election of Initial Directors by Members and Term of Office. A special meeting of the members shall be held to elect five members of the initial Board of Directors. The initial Board shall be constituted in a staggered fashion with the three highest vote getters receiving a two year term and the two lowest vote getters receiving a one year term, provided, however, that the Directors elected at such meeting shall also serve for that portion of a year between the commencement of their terms and the first annual meeting following such meeting so that their respective terms shall expire at the time of an annual meeting..

Section 4.6        Election of Directors by Members and Term of Office. At each subsequent annual meeting, the members shall elect in accordance with the procedures hereinafter set forth in Section 4.7, Directors, to succeed to the office of all Directors whose terms have expired at the time of such meeting, for a term of two (2) years each. Except in the case of death, resignation, disqualification, or removal, each Director elected by the members shall serve until the annual meeting at which his term expires and until his successor has been duly chosen and qualified. No person shall be eligible to be elected to serve more than four (4) terms of office as a Director. Election by acclamation shall not count towards term limits.

Section 4.7        Procedure for Election. Persons may be nominated for election to the Board of Directors in writing by any two members in good standing at least three weeks prior to the annual meeting. Eligible candidates who have completed approved nominations shall submit biographies along with their nominations which will be transmitted to the Members along with a sample ballot at least ten (10) days prior to the annual meeting. If nominations are not received as set forth herein, the existing Board of Directors shall be re-elected by acclamation. Election to the Board of Directors shall be by secret written ballot, unless dispensed by unanimous consent, and at such election members and their proxies may cast with respect to each vacancy, the votes appurtenant to their respective Lots or Dwellings as provided in the Declaration cumulative voting shall not apply. The Procedure for the election of the Board of Directors shall be as follows: at the meeting of the Association at which Directors are to be elected, nominations shall be accepted for not less than the number of positions to be filled on the Board; upon the closing of such nomination, each owner entitled to vote shall cast the ballot with respect to this respective Lot or Dwelling by listing thereon the names of nominees only for the number of positions to be filled, together with the residence number of such Lot or Dwelling; and the persons receiving the greatest number of votes shall be elected to fill the

vacancies on the Board of Directors. In the event of a tie vote as to any one or more positions' one or more subsequent votes shall be taken in similar manner but only with respect to the position or positions to be filled and the nominees therefore who, on the preceding ballot received such tie vote. In the event that the number of persons nominated equals the number of vacancies on the Board of Directors, such persons shall be elected by acclamation.

Section 4.8 Removal or Resignation. At any regular or special membership meeting of the Association duly called, any one or more of the Directors may be removed, with or without cause, by a majority vote of the total authorized vote of the Owners in the Development, and a successor shall be elected at such meeting by the Owners to fill the vacancy thus created. Any Director whose removal has been proposed by any Owner or owners shall be given an opportunity to be heard at the meeting. Any Director may resign at any time by giving written notice to the members of the Board of Directors. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless specified therein, the acceptance of such resignation shall not be necessary to make it effective. The sale of a Lot or Dwelling by a Director or termination of his interest in a Lot or Dwelling shall automatically terminate his directorship. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Owners shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum, and each person so elected shall serve until a successor is elected and qualified at the next annual meeting of the owners.

Section 4.9 Fees and Compensation. No fee or compensation shall be paid by the Association to Directors for their services as Directors unless such fee or compensation is first fixed by a resolution adopted by a majority vote of the total authorized vote of the Owners.

Section 4.10 Organizational Meeting. Subsequent to the election of Directors pursuant to Section 4.6 above, each organizational meeting of the Board shall be held without other notice than this By-Law immediately after, and at the same place as, the meeting of the owners at which such Board of Directors or certain members of the Board of Directors have been elected.

Section 4.11 Regular Meetings. The Board of Directors may provide, by resolution the time and place for the holding of regular meetings of the Board, in addition to the organization meeting without notice other than such resolution. The Board of Directors shall keep minutes of its meetings and full account of its transactions.

Section 4.12 Special Meetings. Special meetings of the Board of Directors may be called by the President of the Association three (3) days notice to each Director, given personally or by mail, email, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors may also be called by the Secretary of the Association in like manner and on like notice on the written request of at least a majority of the Directors. Unless otherwise agreed by a majority of the Directors, the place of any such special meeting shall be at a location designated by the party calling the Meeting within the Development.

Section 4.13 Waiver of Notice. Before or at any meeting of the Board of Directors any Director may in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice of such meeting and waiver of any and all objections to the

place or time of the meeting or the manner in which it has been called or convened, except when a Director states, at the beginning of the meeting, any such objection or objections to the transaction of business.

Section 4.14 Entry of Notice. Whenever any Directors have been absent from any special meeting of the Board, an entry in the minutes to the effect that notice has been duly given shall be conclusive and incontrovertible evidence that due notice of such special meeting was given such Director, as required by law and these By-Laws.

Section 4.15 Board of Directors Quorum. At all meetings of the Board of Directors, a majority of Directors then in office shall constitute a quorum of transaction of business.

Section 4.16 Action Taken by Directors. Except as otherwise provided in the Declaration and these By-Laws or by law, every act or decision by a majority of the Directors then present in person or by proxy at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 4.17 Action Without Formal Meeting. Any action requiring or permitted to be taken at any meeting of the Board of Directors or any Committee appointed by the Board of Directors may be taken without a meeting if written consent, setting forth the action so taken, shall be signed by all members of the Board of Directors or of such Committee, as the case may be, and such written consent is filed with the minutes of the proceedings of the Board or Committee. Such consent shall have the same force and effect as a unanimous vote by the Board of Directors or by such Committee, as may be applicable.

Section 4.18 Committees. There shall be such committees of the Board as the Board shall determine with such powers and duties as the Board shall authorize, except as otherwise provided by law. All committee members shall serve at the pleasure of the Board.

## ARTICLE 5

### OFFICERS

Section 5.1 Enumeration of Officers. The officers of the Association shall be a President and Vice President, who shall be members of the Board of Directors, a Secretary, a Treasurer, and such other officers as the Board may from time to time by resolution create. Each officer must be eligible to be a Director as established in Section 4.1 of these By-Laws.

Section 5.2 Election. The Board of Directors shall elect the officers of the Association at each annual meeting of the Board. The Board of Directors at any time and from time to time may appoint such other officers as it shall deem necessary, including one (1) or more Assistant Secretaries or Assistant Treasurers, who shall hold their offices for such terms as shall be determined by the Board and shall exercise such powers and perform such duties as are specified by these By-Laws or as shall be determined from time to time by the Board of Directors. Any person may hold two (2) or more offices, except that no person may hold the office of President and Secretary simultaneously.

Section 5.3 Compensation. No fee or compensation shall be paid by the Association to any officer for his



services as an officer unless such fee or compensation is first fixed by a resolution adopted by a majority Vote of the total authorized vote of the Owner.

Section 5.4 Term. Officers of this Association shall be elected at the annual meeting of the Board of Directors, and each shall hold office until his successor is duly elected and qualified, or until his earlier resignation, death, removal or other disqualification. Any officer may be removed by the Board of Directors whenever in its judgment the best interest of the Association will be served thereby. The sale of his Lot or Dwelling by an officer or a termination of his interest in a Lot or Dwelling shall automatically terminate his term as an officer.

Section 5.5 Vacancies. A 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.

Section 5.6 President. The President shall be a Director and shall be the chief executive officer of the Association and, subject to the control of the Board of Directors, shall in general, manage, supervise, and control all of the business and affairs of the Association and 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. He shall, when present, preside at all membership meetings. He may sign, with the Secretary or any other proper officer of the Association authorized by the Board of Directors, any contracts, deeds, notes, mortgages, bonds, policies of insurance, checks, or other instruments which the Board of Directors has authorized to be executed, except in cases where signing or execution thereof shall be expressly delegated by the Declaration or these By-Laws or 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.

Section 5.7 Vice President. In the absence of the President, or in the event of his death or inability or refusal to act, the Vice President shall perform his duties of the President and, when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President may perform such duties as shall from time to time be assigned to him by the Board of Directors.

Section 5.8 Secretary. The Secretary shall: (a) attend and keep the minutes of meetings of the members, of the Board of Directors and of any committees having any of the authority of the Board of Directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the Declaration, the provisions of these By-Laws, or as required by law; (c) be custodian of the Association records; and (d) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the Board of Directors.

Section 5.9 Treasurer. The Treasurer shall: (a) 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 (b) authorize vouchers and sign checks for all monies due and payable by the Association; (c) promptly render to the President and to the Board of Directors an account of the financial condition of the Association whenever requested; and (d) in general perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the Board of Directors.

Section 5.10 Assistant Secretaries and Assistant Treasurers. The Assistant Secretaries and Treasurers, in general shall perform such duties as shall be assigned by the Secretary or Treasurer, respectively, or by the Board of Directors.

## ARTICLE 6

### FISCAL MATTERS AND BOOKS AND RECORDS

Section 6.1 Fidelity Bonds. The Board of Directors may require that any contractor or employee of the Association, handling or responsible for Association funds shall furnish an adequate fidelity bond. The premium for any such bond shall be paid by the association as a Common Expense.

Section 6.2 Books and Records of the Association. The Association shall keep detailed, complete and accurate financial records, including itemized records of all receipts and disbursements, shall keep detailed minutes of the proceeds of all meetings of the members and of the Board of Directors and committees having any of the authority of the Board of Directors, and shall keep other such books and records as may be required by law or necessary to reflect accurately the affairs and activities of the Association. The Association shall keep at the office of the Association a record giving the names and addresses of the Directors, of all members of the Association and of the holders of all mortgages on the Lots and Dwellings, which shall be furnished by each Owner pursuant to Section 6.10 of these By-Laws.

Section 6.3 Inspection. All books, records and papers of the Association shall at all times during reasonable business hours be subject to inspection by any member or his agent or attorney for any property purpose. True and correct copies of the Articles of Incorporation of the Association, these By-Laws, the Declaration, and all rules and regulations of the Association with all amendments thereto shall be maintained at the principal and the registered offices of the Association and copies thereof shall be furnished to any Owner on request and payment of a reasonable charge therefor.

Section 6.4 Contracts. The Board of Directors may authorize any officer or officers, or agent or agents of the Association, in addition to the officers so authorized by the Declaration and these By-Laws, 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.

Section 6.5 Checks, Drafts, etc. All checks, drafts or 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 determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer of the Association.

Section 6.6 Deposits. All funds of the Association 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 elect.

Section 6.7 Gifts. The Board of Directors may accept, on behalf of the Association, any contribution, gift, and

bequest or devise for the general purposes, or for any special purpose, or the Association.

Section 6.8 Fiscal Year. The fiscal year of the association shall be the calendar year.

Section 6.9 Annual Statements. Not later than four (4) months after the close of each fiscal year, and in any case prior to the next annual meeting of members' the Board of Directors shall prepare or cause to be prepared a balance sheet showing in reasonable detail the financial condition of the Association as of the close of its fiscal year and an income and expense statement showing the results of its operations during its fiscal year. Such statements may, in the discretion of the Board, be audited statements. Upon receipt of written request, the treasurer promptly shall mail to any members or holder of a first mortgage of a Lot or Dwelling copies of the most recent such balance sheet and income and expense statement. If one is not otherwise available, upon written request of 51% of the holders of first mortgages on Lots or Dwellings, the Association shall cause to be prepared an audited financial statement for the immediately preceding fiscal year. The costs of preparing any such specially prepared audited financial statement shall be paid by the mortgage holders requesting such statement.

Section 6.10 Notices. An Owner who mortgages his Lot or Dwelling, or executes and delivers, or assumes or purchases his Lot or Dwelling subject to any mortgage which shall be or become a lien thereon, shall notify the Secretary of the Association of the name and address of the holder of any such mortgage. The Association shall furnish such information as any such mortgagee may request respecting defaults of the owner under the Declaration, or the By-Laws, taxes, or other information concerning such Lot or Dwelling as may be provided by the Declaration. Each Owner shall be obligated to furnish to the secretary of the Association, the address, if other than the Owner's Lot or Dwelling, to which any notice or demand the owner under the Declaration or these By-Laws is to be given, and if no other address shall have been designated, all such notices and demands shall be mailed or delivered to such Lot or Dwelling.

Section 6.11 Payment of Taxes on Common Areas and Insurance Premiums. The Board shall cause payment to be made, in a timely manner, of all taxes assessed against the Common Areas or Association property and of all insurance premiums. The Board shall have the authority to enter n agreements with institutional holders of first mortgages on Lots or Dwellings to permit said holders to pay past due taxes or insurance premiums owned by the Association subject to an immediate right of said holders to reimbursement by the Association.

## ARTICLE 7

### INSURANCE

Section 7.1 Types of Coverage. The Association shall maintain in effect at all times as a Common Expense the types of insurance coverage required by the Declaration, any workmen's compensation or other insurance required by law, and such other insurance as the Board may from time to time deem appropriate. The Board shall review the amount and terms of such insurance annually.

Section 7.2 Policy Provisions. The Board shall consider and endeavor to obtain insurance on the following

terms and conditions if the Board considers them applicable and advisable:

- (a) The insurer shall waive its right of subrogation against the Association, the Board of Directors, any Directors or officers of the Association, any managing agent or other agent or employees of the Association, all Owners, the Club owner (as defined in the Declaration) and all other persons entitled to occupy a Lot, Dwelling or other portions of the Development.
- (b) The policy shall not be canceled, invalidated, or suspended on account of the conduct of any person listed in item (a) above without a prior demand in writing delivered to the Association to cure the defect and the allowance of reasonable time thereafter within which to cure such defect.
- (c) Any "no other insurance" provision in the policy shall expressly exclude the individual owner' policies from its operation.
- (d) The policy shall include a mortgagee's clause for the benefit of all mortgagees of Lots or Dwellings.
- (e) The policy shall not be canceled or materially altered with respect to any mortgagee for the nonpayment of premium or otherwise until the mortgagee has been given thirty (30) days prior written notice of such cancellation or material alteration.
- (f) The policy shall include a waiver of any coinsurance provisions.
- (g) The policy shall include an agreed value endorsement.
- (h) The policy shall include a insurer's right to repair or reconstruct instead of paying cash.
- (i) The insurer shall provide appropriate certificates to each owner and each mortgagee, together with duplicate originals of the policies and proof of payment of the premiums, upon request and upon payment of a reasonable charge therefor.
- (j) The insurer shall be financially sound and responsible and qualified to do business in the State of Louisiana.

Section 7.3 Damage or Destruction to Common Areas. Immediately after the damage or destruction by fire or other casualty to all or any part of the common Areas (as defined in the Declaration) covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance, and, in any such event the Board shall obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction means repairing or restoring the damaged property to substantially the same condition in which it existed prior to the fire or other casualty. If insurance proceeds received

to repair the destruction are not sufficient to defray the cost thereof, and such deficiency cannot be appropriated from a reserve fund as may have been established for such purpose, the Board of Directors may levy a special assessment against all Owners, without the necessity of a vote pursuant to section 4.4 hereof, such special assessment to be in an amount sufficient to provide funds to pay such excess cost of repair or reconstruction. Such a special assessment shall be levied against the owners equally in the same manner as annual assessments are levied, and additional assessments may be made at any time during or following the completion of any repair or reconstruction. Any and all sums paid to the Association under and by virtue of such assessments shall be held by and for the benefit of the Association together with the insurance proceeds, if any, for such damage or destruction, such insurance proceeds and assessments shall be disbursed by the Association in payment for such repair or reconstruction pursuant to and in accordance with such method of distribution as is established by the Board of Directors. Any proceeds remaining after defraying such costs shall be retained by and for the benefit of the Association. If it is determined that the damage or destruction for which the insurance proceeds are paid shall not be repaired or reconstructed, such proceeds shall be retained by and for the benefit of the Association, and the ruins of the Common Areas damaged or destroyed by fire or other casualty shall be cleared and the Common Areas left in a clean, orderly, safe, and sightly condition.

Section 7.4        Condemnation of Common Areas. Whenever all or any part of the Common Areas of the Development shall be taken by any authority having the power of condemnation or eminent domain, or is conveyed in lieu thereof by the Board acting on the agreement of at least seventy-five (75%) percent of the total vote of the Association the award or proceeds made or collected for such taking or sale in lieu thereof shall be payable to the Association and shall be disbursed or held as follows:

- (a) If the taking or sale in lieu thereof involves a portion of the Common Areas on which improvements have been constructed, then the Association shall restore or replace such improvements so taken, to the extent practicable, on the remaining lands included in the Common Areas which are available therefor, in accordance with the plans approved by the Board of Directors, the Architectural Standards committee (as defined in the Declaration). If the awards or proceeds are not sufficient to defray the cost of such repair and replacement and such deficiency cannot be appropriated from a reserve fund as may have been established for such purpose, the Board of Directors may levy a special assessment against all owners, without the necessity of a vote pursuant to Section 4.4 hereof, such special assessment to be in an amount sufficient to provide funds to pay such excess cost of repair or reconstruction such a special assessment shall be levied against the Owners equally in the same manner as annual assessments are levied, and additional special assessments may be made at any time during or following the completion of any repair or reconstruction. If such improvements are not to be repaired or restored, the award or proceeds shall be retained by and for the benefit of the Association.
- (b) If the taking or sale in lieu thereof does not involve any improvements to the Common Areas, or if there are not funds remaining after such restoration or replacement of such improvements is completed, then such award, proceeds, or net funds shall be retained by and for the benefit of the Association.
- (c) If the taking or sale in lieu thereof includes all or any part of a Lot, Dwelling or Village Home Area (as defined in the Declaration) and also includes any part: of the Common Areas, then a court of competent jurisdiction shall apportion such award to the Association and the Owners so affected so as to give just compensation to the Owners of any Lot,

Dwelling or Village Home Area taken for their interest in such Lot, Dwelling, Village Home Area; provided, however, such apportionment may instead be resolved by the agreement of (i) the Board of Directors, (ii) the Owners of all Lots, Dwellings or Village Home Area wholly or partially taken or sold, together with the mortgages for each such Lot, Dwelling or Village Home Area, and (iii) Declarant, for so long as Declarant owns a Lot primarily for the purpose of sale or has the unexpired option to add the Additional Property or any portion thereof to the Development.

## ARTICLE 8

### MISCELLANEOUS

Section 8.1 Parliamentary Rules. Unless waived by majority vote of the Owners in attendance in person or by proxy at any duly called membership meeting, or unless waived by a majority of the Directors present at any duly called meeting of the Board of Directors, The Standard Code of Parliamentary Procedure (latest edition) shall govern the conduct of the proceedings of such meeting when not in conflict with Louisiana law, the Declaration, or these By Laws.

Section 8.2 Conflicts. In the event of any conflicts or inconsistencies between the provisions of Louisiana law or the Declaration and these By-Laws, the provisions of Louisiana law, the Declaration and the By-Laws, in that order, shall prevail.

Section 8.3 Amendment. . The Articles of Incorporation and these By-Laws may be amended, at a regular or special meeting of the members duly called and held for such purpose, pursuant to a resolution adopting an amendment proposed by the Board of Directors. Such resolution must be approved by a majority of the Owners then entitled to cast votes . Notwithstanding the foregoing, any amendment to these By-Laws which would alter, modify or rescind any right or privilege herein expressly granted to the holder of any mortgage affecting any Lot or Dwelling shall require the prior written approval of such holder.

Section 8.4 Indemnification. Each Director or officer of the Association who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, by reason of the act that he is or was a Director or officer of the Association, shall be indemnified by the Association against those expenses and costs to the fullest extent allowed by the laws of the State of Louisiana and which are actually and reasonable incurred by him in connection with such action, suit or proceeding. Such indemnification shall be made only in accordance with the laws of the State of Louisiana and subject to the conditions prescribed therein. To the extent obtainable the Association shall maintain insurance on behalf of Directors and officers of the Association against all liabilities asserted against and incurred by any such person in such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify such Directors and officers against such liabilities under the laws of the state of Louisiana.

Section 8.5 Agreements. All agreements and determinations lawfully authorized by the Board of Directors shall be binding upon all owners, their heirs, legal representatives, successors, and assigns, and all others having an interest in the Development or the privilege of possession and enjoyment of any part of the Development; and in performing its responsibilities hereunder, the Association, through its Board of Directors, shall have the authority to delegate to persons of its

choice such duties of the Association as may be determined by the Board of Directors. In furtherance of the foregoing and not in limitation thereof, the Association may obtain and pay for the services of any person or entity to manage its affairs or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall deem necessary for desirable for the proper operation of the Development, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or with which it contracts. All costs and expenses incident to the employment of a manager shall be a Common Expense (as defined in the Declaration). During the term of such management agreement, such manager may, if authorized by the Board of Directors, exercise all of the powers and shall be responsible for the performance of all the duties specifically and exclusively reserved to the Directors, officers, or members of the Association by law, the Declaration or these By-Laws. Such manager may be an individual, a corporation, or other legal entity, as the Board of Directors shall determine, and may be bonded in such a matter as the Board of Directors may require, with the cost of acquiring any such bond be a Common Expense. In addition, the Board of Directors may hire and contract for such legal and accounting services as are necessary or desirable in connection with the operation of the Development or the enforcement of the Declaration, these By-Laws, or the rules and regulations of the Association.

Section 8.6 Severability. Invalidation of any covenant, condition, restriction, provision, sentence, clause, phrase or word of these By-Laws, or the application thereof in any circumstances, shall not affect the validity of the remaining portions thereof and of the application thereof, which shall remain in full force and effect.

Section 8.7 Gender and Grammar. The singular wherever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

Section 8.8 Heading and Captions. The articles and section headings and captions are for convenience and reference only and in no way define or limit the scope and content of these By-Laws or in any way affect the provisions hereof.

Section 8.9 Electronic Transactions. All communications, notifications, and transactions required in these Bylaws, the Declaration, or the Articles may be made by electronic means and the full extent permitted by the Louisiana law, including but not limited to the Louisiana Uniform Electronic Transactions Act.