

STATE OF ALABAMA)
 :
TUSCALOOSA COUNTY)

BY-LAWS

OF

INDIAN LAKE GARDEN HOMES OWNERS ASSOCIATION, INC.

The name of the corporation is Indian Lake Garden Homes Owners Association, Inc., hereinafter referred to as the "Association". The principal office of the corporation shall be located at 2410 Sixth Street, Tuscaloosa, Alabama, but meetings of Members and Directors may be held at such places within the State of Alabama, County of Tuscaloosa, as may be designated by the Board of Directors.

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RECORDED IN ABOVE
INC. BK & PG
26 FEBRUARY 91 03:59:1
W. HARDY MCCOLLUM
TUSCALOOSA COUNTY, ALABAMA

ARTICLE ONE

DEFINITIONS

Section 1. "Association" shall mean and refer to Indian Lake Garden Homes Owners Association, Inc., its successors and assigns.

Section 2. "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Property" shall mean and refer to that certain real property described on Exhibit "A" of the Declaration recorded in Deed Book 1081, at Page 311 in the Probate Office of Tuscaloosa County, Alabama and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property, if any, which is conveyed to and owned by the Association for the common use and enjoyment of the Owners and also all that part of the front yard of each Lot and the parking pads that are located between the front Lot line of each Lot and the facade of the improvements or the privacy fences and gates on each Lot, whichever is closest to the front Lot line. These are the areas over which the Association has a perpetual easement for maintenance pursuant

to Article VI of the Declaration and also the areas over which the Members of the Association have easements pursuant to Article VIII of the Declaration.

Section 5. "Lot" or "Unit" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Property, together with the improvements thereon, with the exception of the Common Area as defined in Section 4. Each Lot or Unit consists of two (2) apartments separated by party walls and each apartment is sometimes referred to herein as a "Dwelling Unit".

Section 6. "Member" shall mean and refer to every person or entity who holds membership in the Association.

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INC. BK & PG
26 FEBRUARY 91 03:59:15
W. HARDY MCCOLLUM
TUSCALOOSA COUNTY, ALABAMA

ARTICLE TWO

MEETINGS OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held at the office of the Association at 4:00 P.M., local time, during the month of April, 1992, and each subsequent regular annual meeting of the Members shall be held during the same month of each successive year thereafter at a designated time and upon a designated date for which written notice shall be provided to each Member.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of the Members who are entitled to twenty-five (25%) percent of all of the votes of the membership.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) but not more than fifty (50) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member of the Association for the purpose of notice. For a Unit having multiple Owners, notice need only be given to the designated

Voting Representative for that Unit. Such notice shall specify the place, day and hour of the meeting, and in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or proxies entitled to cast, sixty (60%) percent of all votes of the entire membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, another meeting may then be scheduled without additional notice being required, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting (unless waived in writing by all members) shall be held more than ten (10) days following the preceding meeting.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

ARTICLE THREE
BOARD OF DIRECTORS

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W. HARDY MCCOLLUM
TUSCALOOSA COUNTY, ALABAMA

Section 1. Number. The affairs of the Association shall be managed by a Board of three Directors, who need not be Members of the Association. The number of Directors may be changed by amendment of the By-Laws of the Association. Until the election of Directors at the first annual meeting of the Members, the initial Board of Directors shall so serve; and the names and addresses of the persons who are to act in the capacity of Directors until the election of their successors are:

Joe B. Duckworth

2410 Sixth Street
Tuscaloosa, Alabama 35401

John A. Owens

1201 Greensboro Avenue
Tuscaloosa, Alabama 35401

John C. Duckworth

1701 McFarland Blvd. North
Tuscaloosa, Alabama 35406

Section 2. Term of Office. At the first annual meeting of the Association, the Members shall elect one Director for a term of one year, one Director for a term of two years and one Director for a term of three years. At each annual meeting thereafter, the Members shall elect a Director for a full three-year term to fill the position of the outgoing Director. However, each Director shall continue to hold office until his successor has been elected and assumed the duties of his position.

Section 3. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of all of the votes entitled to be cast by the Members of the Association. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

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

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

ARTICLE FOUR

NOMINATION AND ELECTION OF DIRECTORS

0099 0221

RECORDED IN ABOVE

INC. BK & PG

26 FEBRUARY 91 03:59:4

W. HARDY MCCOLLUM

TUSCALOOSA COUNTY, ALABAMA

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a nominating committee. Nominations may also be made from the floor at the annual meeting. The nominating committee shall consist of a chairman, who shall be a member of the Board of Directors, and two or more Members of the Association. The nominating committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the

next annual meeting and such appointment shall be announced at each annual meeting. The nominating committee shall make as many nominations for election to the Board of Directors as it in its discretion determines, but not less than the number of vacancies that are to be filled. Persons nominated need not be Members of the Association.

Section 2. Election. Election to the Board of Directors shall be by vote of the Members. At such election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE FIVE

MEETING OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at least once each three months without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three days notice to each Director. Each Director may waive prior notice of a special meeting either orally or in writing.

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

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W. HARDY MCCOLLUM
TUSCALOOSA COUNTY, ALABAMA

ARTICLE SIX

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

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

to:

(a) adopt and publish rules and regulations governing the use and maintenance of the Common Area and the Units and the personal conduct of the Members, their employees, their invitees and their guests, and to establish penalties for any infraction thereof;

(b) suspend the voting rights of a Member and a Member's right to use the facilities during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;

(c) exercise for the Association all powers, and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration, the By-Laws of this corporation, and the Articles of Incorporation;

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three consecutive regular meetings of the Board of Directors; and

(e) employ a professional management agent, independent contractors and such other employees as they deem necessary, and to prescribe their duties.

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

(a) cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by twenty-five (25%) percent of the Members who are entitled to vote;

(b) supervise all officers, agents and employees of the Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to: (i) fix the amount of the annual assessment against each Lot at least fifteen (15) days in advance of each annual assessment period and (ii) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the Owner personally obligated to pay the same;

(d) issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payments;

(e) procure and maintain adequate liability and any other insurance which is required by the Declaration on Property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

(g) cause the Common Area to be maintained.

ARTICLE SEVEN

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a President and Vice-President, who shall at all times be members of the Board of Directors; a Secretary and a Treasurer, and such other officers as the Board may, from time to time by resolution, create.

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

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W. HARDY MCCOLLUM
TUSCALOOSA COUNTY, ALABAMA

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

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

Section 5. Resignation and Removal. Any officer may be removed from office without cause by the Board. Any officer may resign at any time giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

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

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

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

President. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes, except as may be otherwise approved by the Board of Directors.

Vice-President. The Vice-President shall act in the place and stead of the President in the event of his absence

or inability to act, and shall exercise and discharge such other duties as may be required of him by the Board.

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

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

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INC. BK & PG
26 FEBRUARY 91 04:00:25
W. HARDY MCCOLLUM
TUSCALOOSA COUNTY, ALABAMA

ARTICLE EIGHT

LIABILITY AND INDEMNIFICATION

Section 1. Liability and Indemnification of Officers and Directors. The Association shall indemnify every officer and Director of the Association, to the full extent allowed and provided by law, against any and all expenses, including counsel fees, reasonably incurred by or imposed upon any officer or Director in connection with any action, suit or other proceeding (including the settlement of any such suit or proceeding if approved by the then Board of Directors of the Association) to which he may be made a party by reason of being or having been an

officer or Director of the Association, whether or not such person is an officer or Director at the time such expenses are incurred. The officers and Directors of the Association shall not be liable to the Members of the Association for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The officers and Directors of the Association shall have no personal liability with respect to any contract or other commitment made by them in good faith on behalf of the Association and the Association shall indemnify and forever hold each such officer and Director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or Director of the Association, or former officer or Director of Association, may be entitled.

Section 2. Common or Interested Directors. The Directors shall exercise their powers and duties in good faith and with a view to the interest of the Association. No contract or other transaction between the Association and one or more of its Directors, or between the Association and any corporation, firm or Association (including the Declarant) in which one or more of the Directors of this Association are Directors or officers or are pecuniarily or otherwise interested, is either void or voidable because such Director or Directors are present at the meeting of the Board of Directors or any committee thereof which authorizes or approves the contract or transaction, or because his or their votes are counted for such purpose, if any of the conditions specified in any of the following subparagraphs exist:

(a) the fact of the common directorate or interest is disclosed or known to the Board of Directors or a majority thereof and is noted in the minutes of this Association, and the Board authorizes, approves or ratifies such contract or transaction in good faith by a vote sufficient for the purpose; or

(b) the fact of the common directorate or interest is disclosed or known to the Members, or a majority thereof, and they approve or ratify the contract or transaction in good faith by a vote sufficient for the purpose; or

(c) the contract or transaction is commercially reasonable to the Association at the time it is authorized, ratified, approved or executed.

A common or interested Director may be counted in determining the presence of a quorum of any meeting of the Board of Directors or committee thereof which authorizes, approves or ratifies any contract or transaction, and he may vote thereat to authorize any contract or transaction with like force and effect as if he were not such Director or officer of such other corporation or not so interested.

ARTICLE NINE

COMMITTEES

The Directors of the Association may appoint an architectural control committee, as provided in the Declaration, and a nominating committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE TEN

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

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INC. BK & PG
26 FEBRUARY 91 04:00:41
W. HARDY MCCOLLUM
TUSCALOOSA COUNTY, ALABAMA

ARTICLE ELEVEN

ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the Property against which assessment is made. Any assessments which are not paid when due shall be delinquent. The collection of delinquent assessments shall be in accordance with the procedures set forth in the Declaration. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area and the Amenities described in the Declaration or by abandonment of his Lot.

ARTICLE TWELVE

CORPORATE SEAL

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RECORDED IN ABOVE
INC. BK & PG
26 FEBRUARY 91 04:00:
W. HARDY MCCOLLUM
TUSCALOOSA COUNTY, ALABAMA

The Association may have a seal in circular form having within its circumference the words: INDIAN LAKE GARDEN HOMES OWNERS ASSOCIATION, INC.


ARTICLE THIRTEEN

AMENDMENTS


Section 1. These By-Laws may be amended, at a regular or special meeting of the Directors, with the assent of a majority of all votes entitled to be cast at that meeting.

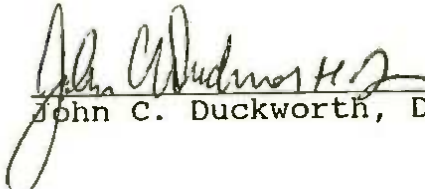
Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

IN WITNESS WHEREOF, we, being all of the Directors of Indian Lake Garden Homes Owners Association, Inc., have hereunto set our hands on this the 26TH day of FEBRUARY, 1991.



Joe B. Duckworth, Director


John A. Owens, Director


John C. Duckworth, Director

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26 FEBRUARY 91 04:00
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