

BYLAWS
OF
THE PRESERVE PROPERTY OWNERS ASSOCIATION, INC.
an Alabama nonprofit corporation

**ARTICLE I
THE ASSOCIATION**

Section 1.1. Identity. The Preserve Property Owners Association, Inc., (hereinafter referred to as "Association"), an Alabama nonprofit corporation has been formed by filing Articles of Incorporation in the Office of the Judge of Probate of Mobile County, Alabama. The Association has been organized and shall be operated to provide for the acquisition, care, management, maintenance and preservation of common areas located in the Preserve, a residential subdivision, and to promote the health, safety, and welfare of the occupants within said described subdivision and any additions thereto as may hereafter be brought within the jurisdiction of this Association, and to administer and enforce the covenants and restrictions set forth in the Declaration of Rights, Covenants, Restrictions, Affirmative Obligations and Conditions Applicable to the Preserve at Girby Road.

Section 1.2. Principal Office. The principal office of the Association shall be located in The Preserve subdivision or at such other place in Mobile County, Alabama as the Board of Directors may designate from time to time. The Association may have such other offices within the State of Alabama as the Board of Directors may designate or as the business of the Association may require from time to time. The mailing address is P.O. Box 190283, Mobile, Alabama 36619.

**ARTICLE II
MEMBERSHIP**

Section 2.1. Members. As provided in the Articles of Incorporation, the Association shall have two classes of members. Class A members shall consist of every person or entity that is a record owner of the real property which is subject by covenants of record to assessment by the Association. The Class B member consists of the Developer (as long as it owns a Lot). The foregoing is not intended to and shall not include persons or entities who hold an interest merely as security for the performance of any obligation. Membership shall be appurtenant to and may not be separated from ownership of lots located within The Preserve subdivision. Each owner shall cease being a member of the Association at the time he no longer owns a Lot. Change of membership shall be established by recording the deed or other instrument establishing record

title to a Lot in the Office of the Judge of Probate of Mobile County, Alabama, and the delivery to the Association of a certified copy of such instrument, the Owner designated by such instrument thereby becoming a record Owner and Member of the Association. Membership of the prior owner shall be terminated. When any Lot entitling the Owner thereof to membership in the Association has Owners which are corporations, trusts or partnerships, or where two (2) or more persons or entities are Owners, whether fiduciaries, joint tenants, tenants in common, tenants in partnership or in any other manner of joint or common ownership, one (1) officer, trustee, or entity shall be designated the voting Member for all the others. Written evidence of such designation in a form satisfactory to the Association shall be delivered to the Association prior to the exercise of a vote by such Owners.

Section 2.2. Voting Rights. Class A members shall be entitled to one (1) vote for each lot owned. Class B members shall be entitled to cast five (5) votes for each lot owned. Voting memberships shall be inseparable appurtenant to and run with the particular lot in The Preserve subdivision. Upon transfer by a member of this lot in The Preserve subdivision or upon the death of a member, the membership of the transferor shall cease to exist and the transferee shall automatically become a voting member. In any assessments as described in Section 2.3 are past due as of the time a vote is being taken, such member shall not be entitled to cast any vote at such time with respect to the Lot on which the assessment is past due.

Section 2.3. Assessments, Charges and Dues. Each owner, except the Developer, whether or not it shall be expressed in any such deed or other conveyance, shall be deemed to follow the covenants and agree to all terms and provisions of the Declarations of Rights, Covenants, Restrictions, Affirmative Obligations and Conditions Applicable to the Preserve at Girby Road and to pay the Association (1) annual assessments or charges; and (2) special assessments to be fixed, established and collected as established in the Declarations. The maximum regular annual assessment shall be the sum determined by the Board of Directors approved by a quorum vote of the members. The regular annual assessment is Three Hundred and No/100 (\$300.00) Dollars payable semi-annually, including a Twenty Five and No/100 (\$25.00) Dollars late charge if such semi-annual payment is over thirty (30) days delinquent. All assessments charged by the Association shall be rounded to the nearest dollar. The maximum regular annual assessment for Improved Lots or Unimproved Lots may be increased, adjusted or reduced from year to year by the Board of Directors of the Association as the needs of the Property, in the Board's sole judgment, may require. In addition to the maximum regular annual assessment, the Association may also levy special assessments against the Property Owners for purposes described in the Declarations of Rights, Covenants, Restrictions, Affirmative Obligations and Conditions Applicable to the Preserve at Girby Road. The proportion of each special assessment to be paid by the Owners of the assessable Property shall be equal to their respective proportions of the annual assessments made for the assessment year during which the special assessment are levied.

Section 2.4. Transfer of Membership. In the event that subject property is sold, it shall be the responsibility of both the buyer and seller to provide the Association with the following documents: copy of deed, date property is to be transferred, and any and all further documentation required by the Association regarding the sale and the new owner.

ARTICLE III MEMBERSHIP MEETINGS

Section 3.1. Annual Meeting. The annual meeting of the Members shall be held in Mobile County, Alabama or at such other place, within the State of Alabama, as may be designated and approved by the Board of Directors and Officers, for the purpose of electing directors and in any event, for the transaction of such other business as may come before the meeting.

Section 3.2. Voting Lists. The Secretary of the Association shall have the records of Members of the Association before each meeting of the Members consisting of a list of the Members entitled to vote at such meeting. The payment of the annual dues that are up to date will entitle one vote per Lot. The list of Members shall be kept at the Principal Office of the Association and shall be subject to inspection by any Member making prior written request therefor at any time during usual business hours. Such list shall be produced and kept open at any time and place of the meeting and shall be subject to the inspection of any Member during the whole time of the meeting.

Section 3.3. Special Meeting. A special meeting of the members of the Association may be called by the Board of Directors, the President, Vice-President or by persons holding at least twenty-five percent (25%) of the votes eligible to be cast in any such meeting, except as otherwise provided by statute or in the Articles of Incorporation or any amendment thereto.

Section 3.4. Notice of Meeting. Except as otherwise required by statute, notice of any meeting of the members, whether annual or special, shall be provided at least thirty (30) days before the day on which the meeting is to be held. Notice may be given by email at the last known email address(es) of the members, website posting or by United States Postal Service. Any person who becomes a Member following the first day of the calendar month in which said notice is mailed shall be deemed to have been given notice if the notice was given to the Member's predecessor in title.

Section 3.5. Waivers. Anything herein contained to the contrary notwithstanding, notice of each meeting of the members of the Association shall not be required as to any member who shall attend such meeting in person or by proxy; and, if any member of the Association shall, in person, or by duly authorized attorney, waives notice of any meeting, whether before or after such meeting, notice thereof shall not be required as to him.

Section 3.6. Quorum. At all meetings of the Association (except as otherwise provided by statute or by the Articles of Incorporation) a quorum for the transaction of any such business shall be defined as two-thirds (2/3) or more of the votes of the membership.

Section 3.7. Voting. Class A members shall be entitled to cast one (1) vote for each lot owned for which the dues, charges and assessments are current, for the election of each member of the Board of Directors and for each and every other action which may require vote of the membership of the Association. Class B members, being the Developer, shall be entitled to cast (5) votes for each lot owned.

Section 3.8. Proxy. At all meetings of the members, a member may vote in person or by proxy executed in writing, signed and dated by the member or by his duly authorized attorney-in-fact. Such proxy shall be filed with the Secretary of the Association before or at the time of the meeting. If the appointed member is not in good standing, the ballot will only be considered for purposes of establishing a quorum and will be counted as one (1) ballot. If the proxy is assigned to be voted by another member, it shall be voted according to its terms. No proxy shall be voted more than ninety (90) days after its date unless authorized by its terms. Only official proxies, properly authenticated by the Board of Directors or Officers, will be counted toward any election. Unofficial copies of proxies may not be used for voting in any election.

Section 3.9. Securing and Counting Votes. Votes in any election or for the transaction of such other business shall be collected, secured and counted by a method recommended and approved by the Board of Directors.

Section 3.10. Delinquent Members. No member shall be eligible to vote or to be elected to the Board of Directors who is shown on the books or management accounts of the Association, to be delinquent on the members account.

Section 3.11. Rules of Order. All meetings of the membership shall be conducted in accordance with these bylaws. Procedural questions at meetings that are not covered by these bylaws shall be governed by the procedures set out in the latest edition of Robert's Rules of Order.

ARTICLE IV BOARD OF DIRECTORS

Section 4.1. Composition. The affairs of the Association shall be managed by an elected board of at least three (3) directors who are voting members of the Association, in good standing, and shall be elected by the Members of the Association at the annual meeting of the membership.

Section 4.2. Terms. The terms of office for directors shall be a one (1) year period, commencing with their election at the annual meeting of the members. Any director elected to fill an unexpired term shall serve until the next annual meeting of the Association, at which time that director may be elected to serve a full term without restrictions. A director may not serve more than two (2) consecutive terms for the same office.

Section 4.3. Powers. The powers of the Association shall be vested in and exercised by and under the authority of its Board of Directors to the full extent allowed by law, provided however, that the Board of Directors shall not exercise any power and authority in direct violation of the Declarations and Articles of Incorporation.

Section 4.4. Architectural Review Board. The Association shall appoint an Architectural Review Board composed of three (3) people, all of whom shall be appointed by the Board of Directors of the Association. At least one (1) member of the Association other than the

officers, employees or agents of the Developer shall be a member of the Architectural Review Board. The Board of Directors may establish the rules of procedure for the Architectural Review Board in connection with the general covenants.

Section 4.5. Election of Directors. Election of Directors entitled to be elected by the Members shall be held at the annual meeting or at a special meeting of the members called for such purpose. The election shall be by a majority of the quorum of the votes cast by Members present or submitted by Proxy as described in Section 3.8.

Section 4.6. Meetings. Meetings of the Board of Directors, whether regular or special, shall be held in Mobile County, Alabama or at such other place, within the State of Alabama, as may be designated and approved by the Board of Directors. The regular meeting of the Board of Directors shall be held after the annual business meeting. Other regular meetings may be held at such time and place as determined by the Board of Directors. Special meetings of the Board of Directors may be called by the President or by any two directors upon three (3) days written notice to each director, delivered personally, email or by United States Postal Service to each director at his business address. The Secretary, at the request in writing of the President or any two directors, shall send such written notice on his or their behalf. Notice by email shall be deemed delivered when the email is sent and appears in the sent folder of the sender. Neither the business to be transacted, nor the purpose of any regular or special meeting of the Board of Directors, needs to be specified in the notice of such meeting.

Section 4.7. Meeting by Telephone. Members of the Board of Directors may participate in a meeting of the Board by teleconference or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time and participation in the meeting by such means shall constitute presence in person at such meeting.

Section 4.8. Quorum. A majority of the whole number of Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. In the absence of a quorum, a majority of the directors present may adjourn the meeting, from time to time, until a quorum is present. No notice of any adjourned meeting must be given.

Section 4.9. Rules of Order. All meetings of the Board of Directors shall be conducted in accordance with these bylaws. Procedural questions at Board of Directors meetings that are not covered by these bylaws shall be governed by the procedures set out in the latest edition of Robert's Rules of Order. The President shall preside at the meetings and shall maintain order.

Section 4.10. Vacancies. If a vacancy in the Board of Directors occurs, the unexpired position may be filled by the affirmative vote of a majority of the remaining directors though less than a quorum of the Board of Directors may exist. Any director elected to fill an unexpired term shall serve until the next annual meeting of the Association. Any directorship to be filled by reason of an increase in the number of directors shall be filled by an election at an annual meeting or special meeting of the Members called for that purpose.

Section 4.10. Resignations. Any Board of Directors may resign at any time, either by oral tender of resignation at any meeting of the Board of Directors or by written notice to the acting Secretary of the meetings before adjournment or by written notice to the Secretary of the Association. Such resignation is effective at the time specified in such writing.

Section 4.11. Removal of Director. A Board of Director may be removed from office for cause. In order to remove a director for cause, such action must be taken by a majority vote of the directors at the annual meeting of the membership or special meeting called for such purpose.

ARTICLE V OFFICERS

Section 5.1. Elected Officers. The officers of the Association shall consist of a President, a Vice-President, a Secretary, and a Treasurer. The Board of Directors may also appoint from time to time other officers and assistant officers as may be deemed necessary by the Board of Directors. The assistants shall hold office for such terms as determined by the Board of Directors and shall exercise such powers and duties as determined by the Board of Directors. One or more offices may be held by the same person.

Section 5.2. Terms of office. See 4.2

Section 5.3. President. The President shall be the chief executive officer of the Association, and subject to the authority and policy guidance of the Board of Directors, shall supervise and control all of the business and affairs of the Association. He/she shall, when present, preside at all meetings of the members and of the Board of Directors. He/she shall have the authority to execute contracts, bonds, notes, deeds or other instruments on behalf of the Association, which the Board of Directors has authorized to be executed; and in general shall perform all duties incident to the office of president and such other duties as may be prescribed by the Board of Directors from time to time.

Section 5.4. Vice-President. The Vice-President shall perform all such duties and services as shall be assigned to or required from time to time by the Board of Directors or the President and unless authority be expressly limited, shall act in the place of the President, exercising all his/her powers, and performing his/her duties, during his death, inability or refusal to act.

Section 5.5. Secretary. The Secretary shall attend to giving of notice, in accordance with the provisions of these Bylaws or as required by law, of all meetings of the members and of the Board of Directors, and shall keep the minutes of all proceedings. The Secretary shall have authority to attest any and all instruments or writings to which the same may be affixed. He/she shall keep a register of the post office address of each Member which shall be furnished to the Secretary by such Members and keep an account of all books, documents, papers and records of the Association. He/she shall in general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him/her by the President or Board of Directors.

Section 5.6. Treasurer. The Treasurer shall have charge and custody of all funds and securities of the Association; receive 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, credit unions, trust companies or other depositories as shall be designated by the Board of Directors. He/she shall have the power to endorse for deposit or collection, or otherwise, all checks, drafts, notes, bills of exchange or other commercial paper payable to the Association, and to give proper receipts or discharges therefor. He/she shall keep all books of account relating to the business of the Association, and shall render a statement to the Association financial condition whenever required to do so by the President or Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his/her duties in such sum and with such surety as the Board of Directors shall determine.

Section 5.7. Additional Powers and Duties. In addition to the foregoing specially enumerated duties and powers, the officers of the Association shall perform such duties and exercise such further powers as may be provided in the Bylaws or as the Board of Directors shall determine or as may be assigned to them by a competent superior officer.

Section 5.8. Removal. Any officer of the Association may be removed from office for cause. In order to remove such officer for cause, a special meeting of the Board of Directors must be convened for that purpose and a majority of the Board of Directors must vote for such removal.

Section 5.9. Vacancy. Any vacancy in any office due to death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term of the person vacating such office.

Section 5.10. Compensation. The Board of Directors and officers of the Association shall serve without compensation. This does not preclude remuneration for expenses on the Association's behalf after Board of Directors approval.

ARTICLE VI MISCELLANEOUS

Section 6.1. Insurance. The Association may purchase and maintain insurance on behalf of any person who is or was a director or officer of the Association, or any director or officer of the Association who is or was serving at the request of the Association as a director or officer, partner, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Association is required or permitted to indemnify him against such liability or any statute.

Section 7.2. Surety Bonds. Such officers or agents of the Association as the Board of Directors may direct, from time to time, shall be bonded for the faithful performance of their

duties, in such amounts and by such surety companies as the Board of Directors may determine. The premiums of the bonds shall be paid by the Association and the bonds so furnished shall be in the custody of the President.

Section 7.3. Signature of Negotiable Instruments. All bills, notes, checks, or other instruments for the payment of money shall be signed or countersigned by such officers and in such manner as, from time to time, may be prescribed by resolution (whether regular or special) of the Board of Directors.

Section 7.4. Fiscal Year. The fiscal year of the Association shall be fixed by resolution of the Board of Directors.

Section 7.5. Amendments. These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by a two-thirds (2/3) vote of the members present or represented by proxy at a duly called membership meeting (regular or special). Notice of any such meeting shall include the form of the proposed alteration or repeal or the proposed new Bylaws, or a summary thereof. The members may not alter, amend or repeal any Bylaw or adopt new Bylaws if such alteration, amendment, repeal or adoption results in any provision in the Bylaws that conflicts with the Declarations. If any provision of these Bylaws conflicts with any provision of the Declaration, the provisions of the Declaration shall govern.

IN WITNESS WHEREOF, these Bylaws are hereby adopted as the Bylaws of the Association on this ____ day of _____, 2017.

President

Directors