

BY-LAWS
OF
INVERNESS SUBDIVISION HOME OWNERS' ASSOCIATION, INC.

A Corporation not for Profit
under the Laws of the State of Alabama

These are the By- Laws of Inverness Subdivision Home Owners' Association, Inc. (hereinafter called "Association"), a corporation not for profit, incorporated under the laws of the State of Alabama. The Articles of Incorporation of the Association have been filed in the office the Judge of Probate of Mobile County, Alabama, in Real Property Book 2332, Page 210. The Association has been organized for the purpose of providing community and other types of services and benefits to owners of property in Inverness, a subdivision as recorded in the office of the Judge of Probate of Mobile County, Alabama, in Map Book 35, Page 9.

ARTICLE I
ASSOCIATION

SECTION 1.1 Office. The office of the Association shall be at Post Office Box 1314, Mobile, Alabama, 36601, or such other place as shall be selected by a majority of the Board of Directors.

1.2 Fiscal Year. The fiscal year of the Association shall be the calendar year.

1.3 Seal. The corporate seal of the Association shall consist of two concentric circles, between the edges of which shall be engraved the words: INVERNESS SUBDIVISION HOME OWNERS ASSOCIATION, INC., Alabama, and across the center thereof the words: Corporate Seal, all as shown by an imprint of such seal in the margin of these By-Laws. Said seal may be used by causing it or a facsimile thereof to be impressed, affixed, reproduced or otherwise.

ARTICLE II

MEMBERS

SECTION 2.1 Qualification. The members of the Association shall consist of all owners of lots in Inverness Subdivision. "Owner" shall mean and refer to the record owner, whether the same shall consist of one or more persons or entities of the fee simple title to any lot, but excluding those having such interest merely as security for the performance of the obligation.

2.2 Membership. Membership in the Association shall be established by recording in the appropriate public records of Mobile County, Alabama, a deed establishing a record title to a lot of Real Property in Inverness Subdivision, and to delivery to the Association of a certified copy of such instrument. The membership of any prior owner of the same real property shall be terminated upon delivery to the Association of a certified copy of the deed or other instrument as aforesaid.

Every person or entity who is a record owner of a fee or an undivided fee interest in any lot which is subject by covenants of record to assessment by the Association shall be a mandatory member of the Association. The foregoing does not include persons or entities who hold an interest merely as security for the performance of an obligation. Every lessee of a living unit constructed on any lot who holds a written lease having an initial term of at least 12 months shall be a non-voting member of the Association. All members of the Association shall be governed and controlled by the Articles of Incorporation and by the By-Laws of Inverness Subdivision Homeowners' Association, Inc.

2.3 Voting Rights. Only owners of lots shall have voting membership in the Association. All owners of lots shall be entitled to one vote for each lot owned. In the event that a lot is owned by more than one person or entity, such multiple owners shall be entitled to collectively cast only one vote.

2.4 Restraint Upon Alienation of Assets. A member shall have no vested right, interest, or privilege of, in, or to the assets or funds of the Association, or any right, interest or privilege which may be transferable or inheritable, or which shall continue after his membership ceases, except as an appertenance to the members' lot.

ARTICLE III,
MEMBERS' MEETINGS

SECTION 3.1 Place. All meetings of members of the Association shall be held at such place within the City of Mobile, Alabama, as may be stated in the notice of the meeting.

3.2 Membership List. At least ten (10) days before every election of the directors, a complete list of the Members of the Association, arranged alphabetically, shall be prepared by the Secretary. Such list shall be maintained by the Secretary of the Association and shall be open to examination by any member at any reasonable time and on reasonable notice.

3.3 Regular Meetings. Regular or annual meetings of the members of the Association shall be held on the first business day of December of each year.

3.4 Special Meetings.

3.4.1 Special meetings of the members for any purpose may be called at any time by the President, and shall be called by the President or Secretary at the request, in writing, of either a majority of the Board of Directors of ten (10%) percent of the Voting Members. Such request shall state the purpose of the proposed meeting.

3.4.2 Business transacted at all special meetings shall be confined to the objects stated in the notice thereof.

3.5 Notice. Written notice of every meeting, special or regular, of the members of the Association, stating the day and hour and place and, in the case of special meetings, the object or objects thereof, shall be delivered or mailed to each Member at such member's address as shown in the books of the Association at least ten (10) days prior to such meeting unless waived in writing.

3.6 Waiver of Notice. Whenever any notice is required to be given to any member under the provisions of the Alabama Constitution, Alabama Non-Profit Corporation Act, Articles of Incorporation or By-Laws of the Association, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein shall be equivalent to the giving of such notice.

3.7 Owners' Initial Meeting. The Secretary of the Association shall call a meeting of the Association on December 1986, or when all the present Directors resign, whichever shall first occur, and the persons who have purchased real property in Inverness Sub-division and have thereby become members of the Association shall at that time assume control of the Association and the responsibilities appurtenant thereto.

3.8 Proxies. At any meeting of the members of the Association, each Member shall be entitled to vote in person or by proxy. Provided, that no proxy shall be valid unless it is filed with the Secretary at least three (3) days prior to a meeting, nor shall any proxy be valid unless it is granted to a person who is also a member. No person may cast more than one proxy vote. No proxy vote may be cast on behalf of a Member who is present at a meeting.

3.10 Vote Required to Transact Business. When a quorum is present at any meeting, the holders of a majority of voting rights shall decide any question brought before the meeting. If the question is one which requires more than a majority vote by express provision of any statute, Articles of Incorporation or these By-Laws, the express provision shall govern and control the number of votes required. In all cases where reference is made to percentage of the vote of Members, percentage of the Members, or percentage of the Members for purposes of determining the vote thereof, the percentage stated shall mean the percentage of the voting rights of the Members.

3.11 Quorum. Fifty-one (51%) percent of the total number of voting rights of the Association present in person or represented by proxy, shall constitute a quorum at all meetings of the members for the transaction of business, except as otherwise provided by statute or these By-Laws. If a quorum is not present at any meeting, the Members may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present. Any business may be transacted at any adjourned meeting until a quorum is present. Any business may be transacted at any adjourned meeting which could have been transacted at the meeting called.

3.12 Proviso. Provided, however, that until December 1986, or until the Directors resign or vacate office, whichever shall first occur, there shall be no meeting of the members of the Association unless a meeting is called by the Board of Directors.

ARTICLE IV

DIRECTORS

SECTION 4.1 Number. The affairs and business of the Association shall be managed by a Board of Directors, consisting of not less than nine persons. The number of directors shall be determined from time to time by amendment to the By-Laws. Each director shall be a person entitled to cast a vote in the Association, except as provided in Section 4.5.4. The number of Directors constituting the first Board of Directors shall be three as designated in the Articles of Incorporation.

4.2 Term. Each director shall be elected to serve a term of three (3) years or until his successor shall be elected and shall qualify.

4.3 Vacancy and Replacement. If the office of any director becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the remaining directors, though less than a quorum, at a special meeting of directors duly called for this purpose, shall choose a successor or successors who shall hold office for the unexpired term in respect to which such vacancy occurred.

4.4 Election of Directors. Election of directors shall be conducted in the following manner.

4.4.1 Directors shall be elected at the annual meeting of the members.

4.4.2 A nominating committee of three (3) members shall be appointed by the President with the approval of the Board of Directors not less than thirty (30) days prior to the members' meeting. The Committee shall nominate one (1) person for each director's seat. Additional nominations may be made from the floor.

4.4.3 The election shall be by secret ballot (unless dispensed with by unanimous consent). The nominees receiving the greatest number of votes cast shall be elected to the Board.

4.5 Removal. Directors may be removed for cause by an affirmative vote of three-fourths (3/4) of the members' votes. No director shall continue to serve on the Board if, during his term of office, his membership in the Association shall be terminated for any reason whatsoever.

4.6 Powers and Duties of Board of Directors. All of the powers and duties of the Association under the Alabama law shall be exercised by the Board of Directors, or its delegate, subject only to approval by the members when such approval is specifically required. The powers and duties of the directors shall include but are not limited to the following:

4.6.1 Assess. To make and collect an annual maintenance charge against members to pay the expenses incurred by the Association in carrying out the objects and purposes of the Association.

4.6.2 Disburse. To use the proceeds of assessments in the exercise of its powers and duties.

4.6.3 To enjoin or seek damages from the members for violation of these By-Laws and the terms and conditions of the restrictive covenants applicable to Inverness Subdivision.

4.6.4 Employ. To employ and contract with service contractors in connection with carrying out the objects and purposes of this Association.

4.7 Annual Statement. The Board will present a full and clear statement of the business and condition of the corporation and an account of the financial transactions of the past year at the annual meeting of the members.

4.8 Compensation. The directors shall not be entitled to any compensation for service as directors.

ARTICLE V

DIRECTORS MEETINGS

SECTION 5.1 Organizational Meetings. The first meeting of each new Board elected by the members shall be held immediately upon adjournment of the meeting at which they were elected or as soon thereafter as may be practicable. The annual meeting of the Board shall be held at the same place as the general members' meeting.

5.2 Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by a majority of the directors. Notice of regular meetings shall be given to each director, personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting.

5.3 Special Meetings. Special meetings of the Board may be called by the President on five (5) days notice to each director. Special meetings shall be called by the President or Secretary in like manner and on like notice upon the written request of three (3) directors.

5.4 Waiver of Notice. No written notice of a Board meeting shall be required if all of the directors meet by unanimous consent. The directors may, by resolution duly adopted, establish regular monthly quarter-annual or semi-annual meetings. If such resolution is adopted, no notice of such regular meetings of the Board shall be required. Any required notice may be waived in writing signed by the person entitled to such notice whether before or after the time stated therein.

5.5 Quorum. A quorum at a directors' meeting shall consist of a majority of the entire Board. The acts approved by a majority of those present at a meeting at which a quorum is present, shall constitute the act of the Board, except when approval by a greater number of directors is required by statute or by these By-Laws.

5.6 Adjourned Meetings. If at any meeting of the Board there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business that might have been transacted at the meeting as originally called, may be transacted without further notice.

5.7 Joinder in Meeting by Approval Minutes. The joinder of a director in any action taken at a meeting by signing and concurring in the minutes of that meeting shall constitute the presence of such director for the purpose of determining a quorum.

5.8 Presiding Officer. The presiding officer of a directors' meeting shall be chairman of the Board if such an officer has been elected; and if none, the President of the Association shall preside. In the absence of the presiding officer, the directors present shall designate one of their number to preside.

ARTICLE VI

OFFICERS

SECTION 6.1 Officers. The executive officers of the Association shall be a President, Vice President, Treasurer, and Secretary, each of whom shall be elected at the annual meeting of the Board of Directors.

The Board may elect more than one Vice President. The Board may appoint such other officers and agents that it may deem necessary, who shall hold office at the pleasure of the Board and have such authority and perform such duties as from time to time may be prescribed by said Board.

6.2 Qualification. No person shall be entitled to hold office except a lot owner in Inverness Subdivision. No officer except the President need be a member of the Board.

6.3 Term. The officers of the Association shall hold office until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board may be removed at any time by the affirmative vote of three-fourths (3/4) of the Members of the Association.

6.4 The President. The President shall be the chief executive officer of the Association; he shall preside at all meetings of the members and directors; shall be an ex-officio member of all standing committees; shall have general management of the business of the corporation, and shall see that all orders and resolutions of the Board are carried into effect.

6.5 The Secretary.

6.5.1 The Secretary shall keep the minutes of the members' meetings and of the Board of Directors' meetings in one or more books provided for that purpose. Resolutions shall be maintained in one such minute book.

6.5.2 He shall see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law.

6.5.3 He shall be custodian of the corporate records, except those of the Treasurer, and of the seal of the corporation.

6.5.4 He shall keep a register of the post office address of each member, which shall be furnished to the Secretary by such member.

6.5.5 In general, he shall perform all duties incident to the office of the Secretary and such other duties as may be assigned to him by the President or by the Board of Directors.

6.6 The Vice President. The Vice President shall be vested with all the powers and required to perform all the duties of the President in his absence, and such other duties as may be prescribed by the Board of Directors.

6.7 The Treasurer.

6.7.1 The Treasurer shall keep full and accurate accounts of all financial records of the Association including receipts and disbursements in books belonging to the Association, and shall deposit all monies and other valuable effects in the name of and to the credit of the Association in such depositories as may be designated by the Board of Directors or these By-Laws. He shall keep the financial records and books of account of the Association in accordance with good accounting practices, shall keep detailed, accurate records of the receipts and expenditures; and he shall perform other duties incident to the office of Treasurer. The records, books of account, and the vouchers authorizing payments, shall be available for examination by a member of the Association at convenient hours of week days.

6.7.2 He shall disburse the funds of the Association as ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and directors at the regular meetings of the Board, an account of all his transactions as Treasurer, and of the financial condition of the corporation.

6.8 Vacancies. If any office becomes vacant by reason of death, resignation, disqualification or otherwise, the remaining directors by a majority vote may choose a successor or successors who shall hold office for the unexpired term.

6.9 Resignations. Any director or other officer may resign his office at any time. Such resignation shall be made in writing, to the Secretary, and shall take effect at the time of its receipt by the Association, unless some time be fixed in the resignation, and then from that date. The acceptance of a resignation shall not be required to make it effective.

6.10 Compensation. The compensation, if any, of all employees of the Association shall be fixed by the Directors. This provision shall not preclude the Board of Directors from employing a Director as an employee of the Association.

ARTICLE VII

APPROVAL BY MEMBERS

SECTION 7.1 The Association shall act through its Board of Directors and only the following matters in addition to others which may be required by law, shall require an affirmative vote of the Members of the Association:

<u>Matter to be Approved</u>	<u>Approval Required</u>
(1) Amendment of Articles of Incorporation	2/3 of the Voting Rights
(2) Election of Directors	Plurality of Voting Rights
(3) Removal of Directors and Officers	3/4 of the Voting Rights
(4) Increase in Annual Maintenance Charge	Majority of Voting Rights

ARTICLE VIII

MAINTENANCE CHARGES

SECTION 8.1 The Board of Directors shall have the right and power to subject the property of members situated in Inverness Subdivision to an annual maintenance charge, and, if fixed or established by the Association from time to time, to special assessments.

Commencing at such time as at least twenty (20) lots in the Subdivision have been sold by A & L Properties, Inc., the developer and each owner of a lot in Inverness shall pay to the Association, in advance, the maintenance charges against his property, and such payments shall be used by the Association to create and continue a Maintenance Fund to be sued by the Association as hereinafter stated. The charge will be delinquent when not paid within thirty (30) days after it becomes due. In the event that an owner acquires title to property in Inverness Subdivision after January 1 of any year, then such owner shall be given a pro rata credit for the annual maintenance charge from January 1 to the date on which such owner acquires title.

The annual charge may be adjusted or reduced from year to year by the Board of Directors, as the needs of the property in its judgment may require, but in no event shall the charge in any year exceed the sum authorized by a vote of a majority of the voting members.

8.2 The Maintenance Fund may be used:

8.2.1 For lighting, improving, and maintaining the streets and dedicated right of way areas maintained for the general use of the owners and occupants of land included in Inverness Subdivision not provided by the state, county or local governmental agency;

8.2.2 For operating and maintaining any storm water drains now or hereafter constructed in Inverness Subdivision that are not or will not be under the direct supervision of the State, county or local governmental agency;

8.2.3 For collecting and disposing of garbage, ashes, trash and rubbish;

8.2.4 To provide or operate any security service that may be approved by the Association;

8.2.5 For operating, maintaining and repairing the swimming pool, tennis courts and any other common facilities;

8.2.6 For maintaining and repairing the entrance way and any perimeter walls or fences along the boundary of the subdivision.

8.2.7 For doing any other thing necessary or desirable, as may be required, in the opinion of the Board of Directors, to keep the property neat and in good order, and to eliminate fire hazards, or which in the opinion of the Board of Directors will be of general benefit to the owners of the land included in Inverness Subdivision.

ARTICLE IX

COMMON AREA

SECTION 9.1 Obligations of the Association. The Association, subject to the rights of the owners set forth in this declaration, shall be responsible for furnishing all services deemed reasonably necessary which are not provided by public authorities for the health,

comfort, safety and welfare of the lot owners and for the exclusive management and control of the common area and all improvements thereon and shall keep the same in good, clean, attractive and sanitary condition, order and repair. The responsibilities of the Association shall include but not be limited to furnishing private garbage pick-up service and any other community services not provided by City, County, State or other Government Agencies.

9.2 Members' Easement of use and Enjoyment. Subject to the provisions herein, every owner shall have an easement of use and enjoyment, subject to the restrictions imposed herein, in and to the common area as herein defined, which shall be appurtenant to and shall pass with the title to every lot.

9.3 Extent of Members' Easement. Each member's easement of use and enjoyment created hereby shall be subject to the following:

A. The right of the Association to establish reasonable rules for the use of the common area.

B. That portion of the common areas located at the rear of each owner's lot shall be subject to the exclusive use and enjoyment of each such owner, subject only to right of the Association to maintain or repair the improvements located in said common areas except that the owner of each lot shall be responsible for painting, as needed, the interior side of the perimeter fence facing owner's lot.

9.4 Delegation of use. Any member may delegate his right of enjoyment to the common area to the members of his family, his guests, tenants, invitees, licensees, or agents, subject to such general regulations as may be established from time to time by the Association and such restrictions as are imposed herein. A & L Properties, Inc., by these presents, and, thereafter, the Association and all owners of lots in the subdivision expressly grant the right to use the easement for ingress and egress as designated on the plat of the resubdivision for purposes of ingress and egress to any private garbage pick-up service provided by the Association as well as ingress and egress for any private business providing services to the owners of lots within the subdivision, including but not limited to, package delivery services, repairmen, maids, gardeners or other business invitees.

9.5 Damage or Destruction of Common Area by Owner. In the event that any portion of the common area is damaged or destroyed by an owner or any of his guests, tenants, licensees, invitees, agents or members of such owner's family, such owner does hereby authorize the Association to repair said damaged area and owner

shall be personally responsible to the Association for the cost of such repairs. The Association shall repair said damage to the common area in a good and workmanlike manner either in conformance with the original plans and specifications of the area involved or as the area may have been modified or altered by the Association prior to such damage, in its sole discretion. The costs of such repairs that are not paid by such insurance coverage as the Association may have in effect at the time of such damage, shall be personally liable. In the event that the owner of such lot fails to pay such charge within thirty (30) days after demand therefor has been made, the Association shall be entitled to collect said charge, together with a reasonable attorney's fee, in the same manner as it may enforce any other assessments authorized under the provisions hereof.

9.6 Title to Common Area. Each lot owner shall retain fee ownership to that portion of the common area that lies within the bounds of his lot.

ARTICLE X

COVENANTS FOR MAINTENANCE ASSESSMENTS

10.1 Creation of the Lien and Personal Obligation of Assessment. A & L Properties, Inc., hereby covenants and each owner of any lot, by acceptance of a deed to such lot, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay the Association the following:

- A. Annual general assessments or charges as herein described;
- B. Special assessments for capital improvements or repairs as herein described; and
- C. Special assessments for individual lot maintenance as herein described.

All such assessments, together with interest thereon and the costs of collection thereof including a reasonable attorney's fee as hereinafter provided, shall be a charge and lien on each lot and shall be a continuing lien on the lot against which each such assessment is made. Each such assessment, together with interest thereon and the costs of collection thereof, including a reasonable attorneys' fee, shall, as hereinafter provided, be the personal obligation of the owner of such property at the time that such assessment became due.

10.2 General Assessments.

10.2.1 Purpose of assessment; the general assessment levied by the Association annually shall be used exclusively to promote the health, safety, comfort and welfare of the residents of the Properties and, in particular, for the improvement, maintenance and operation of the common area.

10.2.2 Basis for Assessment. Each lot which has been conveyed to an owner shall be assessed at a uniform rate.

10.2.3 Method of Assessment. By a vote of two-thirds (2/3) of the directors, the Board of Directors of the Association shall fix the annual assessment upon the basis provided above, provided, however, that the annual assessment shall be sufficient to meet the obligations imposed by the declaration. The Board shall set the date such assessment shall become due and may provide for the collection of the assessments in monthly installments, provided, however, that upon default in the payment of any one or more installments, the entire balance of said assessment may at the option of the Board, in its sole balance of said assessment by accelerated and declared to be due and payable in full.

10.3 Special Assessment For Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year and not more than the next two succeeding years thereafter, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the common area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of A & L Properties, Inc., if it still owns any lots in the innovative subdivision and shall also have the approval of two-thirds (2/3) of the owners at a special meeting of the Association duly called for that purpose.

10.4 Special Assessment for Individual Lot Maintenance. The grounds of each lot, whether improved, shall be maintained in a neat and attractive condition. Upon the failure of any owner, including the developer, to maintain such lot in a neat and attractive condition, the Association may, after ten (10) days notice to such owner, enter upon such lot and have the grass and other vegetation cut and the debris therefrom removed when and as often as the same is necessary, in its sole discretion, and may have any dead trees, shrubs and other plants removed therefrom. Such lot owner shall be personally liable to the Association for the cost of any

such cutting, removal of debris, clearing and maintenance and the liability for amounts expended for such cutting, clearing and maintenance shall be a special assessment against such lot. All costs incurred by the Association on behalf of such owner shall be reasonable.

10.5 Date of Commencement of Annual Assessments. The annual assessments provided for herein shall commence with respect to all lots upon the conveyance of the first lot in the subdivision to an owner who is not A & L Properties, Inc. The initial monthly assessment on any lot shall be collected by the Association at the time of the sale of such property to such an owner. In the event that such event takes place on or before the 15th day of the month, a full month's assessment shall be due and collected by the Association; in the event that such event takes place after the 15th day of the month, one-half (1/2) of the monthly assessment shall be due and collected by the Association.

10.6 Assessment for Additional Properties. Any lots which become subject to the provisions of this declaration pursuant to the provisions of this Article, shall be responsible for paying to the Association the pro rata share of the annual general assessment or any special assessments which have been imposed upon by the then owners of the lots by the Association. In the event that such event takes place on or before the 15th day of the month, a full months assessment shall be due and collected by the Association; in the event that such event takes place after the 15th day of the month, one-half of the monthly assessment shall be due and collected by the Association. The assessments due from such additional properties shall be due in addition to any pro rata share of the initial developmental costs required for each such lot located therein as a prerequisite to its becoming part of the innovative subdivision and planned unit development known as Inverness Subdivision.

10.7 Effect of Non-Payment of Assessment; Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the legal rate. The Association may bring an action at law against the owners personally obligated to pay the same or may foreclose the lien created against the property by the terms of this document in accordance with the statutory provisions of the laws of the State of Alabama then in effect for the foreclosure of mortgages. No owner may waive or otherwise escape the liability for assessments provided for herein by the non-use of the common area or abandonment of such owner's lot.

10.8 Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage or vendor's lien retained in deed representing a valid first lien on said property. The sale or transfer of any lot pursuant to foreclosure or execution upon any judgment obtained for such assessment obligation shall extinguish the lien of such assessments which were the basis for such foreclosure or judgment. Such sale or transfer shall not relieve such lot or its owner from liability for any assessments thereafter becoming due or from the lien hereof.

10.9 Exempt Property. Only the common areas of the innovative subdivision and planned unit development shall be exempt from the assessments, charge and lien created herein.

10.10 Annual Budget. The Board of Directors of the Association shall, by a two-thirds (2/3) vote of the directors, adopt an annual budget for the subsequent fiscal year, which shall provide for the allocation of expenses in such a manner that the obligations imposed by the Declarations and all supplementary Declarations will be met.

ARTICLE XI

LIABILITY

SECTION 11.1 The Association assumes no responsibility for injuries sustained by or damages resulting from the acts or omissions of members or contractors of the Association.

ARTICLE XII

AMENDMENT OF BY-LAWS

SECTION 12.1 By Laws. The By-Laws of the corporation may be altered, amended or repealed by a majority vote of the Directors.

ARTICLE XIII

CONDUCT OF MEETING


SECTION 13.1 All meetings of the Members and of the Board shall be governed by Robert's Rules of Order.

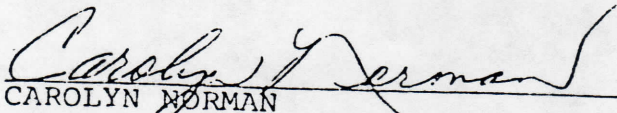
ARTICLE XIV

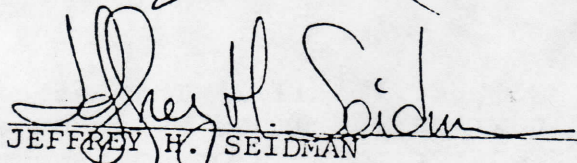
PARLIAMENTARIAN

SECTION 14.1 Parliamentarian. A parliamentarian shall be appointed to act as parliamentarian at all meetings of the Board of Directors of the Association and a parliamentarian shall be appointed to act as parliamentarian at all meetings of the Members. He shall see that all meetings are conducted in an orderly manner in accordance with Section 14 of these By-Laws.

IN WITNESS WHEREOF, we, being all of the directors of the Inverness Subdivision Home Owners' Association, Inc., have hereunto set our hands this 2nd day of Dec., 1982.


JAY P. ALTMAYER, MI


CAROLYN NORMAN


JEFFREY H. SEIDMAN


CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of the Inverness Subdivision Home Owners' Association, Inc., and

THAT the foregoing By-Laws constitute the original By-Laws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 2nd day of Dec., 1982.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 2nd day of Dec., 1982.



INVERNESS SUBDIVISION HOMEOWNERS' ASSOCIATION

AMMENDMENT TO BY-LAWS

JANUARY 8, 1990

BE IT RESOLVED THAT ARTICLE III, SECTION 3.8 BE CHANGED TO ALLOW A PERSON, WHO IS A MEMBER OF THE ASSOCIATION, TO CAST MORE THAN ONE PROXY VOTE, ON BEHALF OF OTHER MEMBERS, AT MEETINGS OF MEMBERS OF THE ASSOCIATION.

SECTION 3.8 WILL READ AS FOLLOWS:

3.8 PROXIES. AT ANY MEETING OF THE MEMBERS OF THE ASSOCIATION, EACH MEMBER SHALL BE ENTITLED TO VOTE IN PERSON OR BY PROXY. PROVIDED, THAT NO PROXY SHALL BE VALID UNLESS IT IS FILED WITH THE SECRETARY AT LEAST THREE (3) DAYS PRIOR TO A MEETING, NOR SHALL ANY PROXY BE VALID UNLESS IT IS GRANTED TO A PERSON WHO IS ALSO A MEMBER. NO PROXY VOTE MAY BE CAST ON BEHALF OF A MEMBER WHO IS PRESENT AT A MEETING.

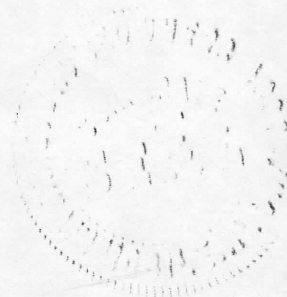
IN WITNESS WHEREOF, WE, BEING DIRECTORS OF THE INVERNESS SUBDIVISION HOME OWNERS' ASSOCIATION, INC., HAVE HEREUNTO SET OUR HANDS THIS EIGHT DAY OF JANUARY, 1990.

Allen A. Diant

Lynda L. Bone

Carolyn Norman
Chad Hodges

RLD
Paul Morsha



INVERNESS SUBDIVISION HOME OWNERS' ASSOCIATION, INC.

AMENDMENT TO BY-LAWS

OCTOBER 24, 1991

BE IT RESOLVED THAT ARTICLE IV, SECTION 4.5 BE AMENDED TO ADD THE FOLLOWING PARAGRAPH:

ANY DIRECTOR WHO FAILS TO ATTEND THREE OR MORE CONSECUTIVE, REGULARLY SCHEDULED BOARD OF DIRECTORS MEETINGS MAY BE REMOVED BY A MAJORITY VOTE OF THE OTHER DIRECTORS. SUCH VOTE MAY OCCUR DURING A REGULARLY SCHEDULED MEETING OR ANY SPECIAL MEETING OF THE BOARD OF DIRECTORS.

IN WITNESS WHEREOF, WE, BEING DIRECTORS OF THE INVERNESS SUBDIVISION HOME OWNERS' ASSOCIATION, INC., HAVE HEREUNTO SET OUR HANDS THIS FOURTEENTH DAY OF OCTOBER, 1991.

*Chali has
original*