

**AMENDED AND RESTATED
BY-LAWS
OF
STURBRIDGE HOMEOWNERS ASSOCIATION, INC.**
(AL Entity #065-416)

ARTICLE 1

NAME, OFFICES, AND DEFINITIONS

- A. Applicability; Transition: These By-Laws provide for the self-governance of Sturbridge Homeowners Association, Inc., in accordance with the covenants, conditions and restrictions for the Declaration (as hereinafter defined) and residential plats filed or to be filed in the public records, as it may be amended, for residential lots in Sturbridge Subdivision in Montgomery, Alabama developed by Alfa Properties, Inc. (formerly known as Hope Hull Land Company) ("Developer"). As of the effective date of this Amendment, the Developer has relinquished all special voting rights and privileges in the Association reserved under the original Declaration and has turned over the governance and control of the Association to the Members of the Association ("Transition") to be governed by the Articles of Incorporation of the Association, these By-Laws, and the Declaration (collectively, referred to herein as the "Governing Instruments").
- B. Name: The name of the Association shall be Sturbridge Homeowners Association, Inc., (hereinafter referred to as the "Association").
- C. Registered Office: The registered office of the Association is 9015 Sturbridge Place, Montgomery, Montgomery County, Alabama, 36116 until otherwise relocated.
- D. Definitions: The words used in these By-Laws shall have the same meaning as set forth in or compatible with those recorded documents identified as "*Declaration of Covenants, Conditions and Restrictions of Sturbridge*" or "*Protective Covenants Sturbridge Plat No. ____*" (collectively said Declarations, as amended, renewed or extended from time to time, are hereinafter sometimes referred to as the "Declaration"), as shown on the recorded residential plats thereof, unless the context shall prohibit such interpretation, and shall otherwise be interpreted in accordance with their common meaning and in light of their context. Wherever the terms "owner", "property owner", or "Lot Owner" are used herein, they shall mean owners of lots within the residential maps and the Declaration.

ARTICLE 2

ASSOCIATION: MEMBERSHIP

- A. Membership: The Association shall have one (1) class of voting membership. The voting members will be the fee owners of each residential lot within the residential portions of the Sturbridge Subdivision, but will not include builders or developers who are constructing residences on said lots or who are holding said lots for future construction. Each said fee owner is subject to covenants, conditions and restrictions for their Neighborhood in Sturbridge as

reflected on the Declaration and various recorded plats for the residential portions of the Sturbridge Subdivision. Said members shall have such voting rights and such other rights and responsibilities as are more fully set forth in the Declaration, the terms of which, pertaining to membership, are specifically incorporated herein, by reference, except as further restricted herein or in the Articles of Incorporation for this Association.

B. Change of Membership: Change of membership in the Association shall be established by recording in the Office of the Judge of Probate of Montgomery County, Alabama, a deed or other instrument establishing record title to a lot within said Subdivision, subject to the aforementioned Declarations and written notice to the Association of such change in title ownership. The owner designated by such instrument thereby becomes a member of the Association, and the membership of the prior owner is terminated. There shall be only one ownership vote for each respective lot, regardless of the number of individual owners reflected in said title document.

C. Approval or Disapproval of Matters: Whenever the decision of the Lot Owners is required upon any matter, whether or not the subject of an Association meeting, such decision shall be expressed by the same person who would cast the vote of such owner if at an Association meeting.

ARTICLE 3

MEETINGS, QUORUMS, VOTING RIGHTS AND PROXIES

A. Place of Meetings: Meetings of the Association shall be held at such suitable place convenient to the voting members as may be designated by the Board of Directors.

B. Annual Meetings: Meetings of the Association shall be of the voting members or their alternates, as provided herein. There shall be an annual meeting at a time and place set by the Board. The same shall occur within thirteen (13) months after the date hereof. Subsequently annual meetings of the voting members shall be held annually, within thirty (30) days of the same day of the same month of each year thereafter, at an hour to be set by the Board. Subject to the foregoing, the annual meetings of the Association shall be held at a date, place, and time as set by the Board of Directors.

C. Special Meetings: The President may call special meetings. In addition, it shall be the duty of the President to call special meetings of the Association if so directed by resolution of a majority of a quorum of the Board of Directors or upon a petition signed (or approved by electronic ballot) by voting members representing at least twenty-five percent (25%) of the total votes of the Association. The notice of any special meeting shall state the date, time, and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice thereof.

D. Notice of Meetings: Written, electronic or printed, notice stating the place, day, and hour of any meeting of the Association shall be delivered, either personally, by mail, or by electronic email address on record with the Board or by electronic publication to the Association website, to each voting member entitled to vote at such meeting, not less than ten (10) days nor more than

thirty (30) days before the date of such meeting, by or at the direction of the President and/or the Secretary of the Association. If mailed, the notice of such meeting shall be deemed to be delivered when deposited in the United States Mail addressed to the voting member at his/her address as it last appeared on the records of the Association, with postage thereon prepaid. If mailed or published electronically, the notice of such meeting shall be deemed to be delivered when sent electronically to the voting member via the Association website or at his/her email address or text message address as it last appeared on the records of the Association.

In the case of a special meeting or when otherwise required by statute or these By-Laws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

E. Waiver of Notice: Waiver of notice of meetings of the Association shall be deemed the equivalent of proper notice. Any voting member may, in writing, waive notice of any meeting of the voting members, before or after such meeting. Attendance at a regular or special meeting by a voting member shall be deemed a waiver by such member, of notice of the time, date and place thereof, unless such voting member specifically objects to the lack of proper notice at the time said meeting is called to order.

F. Adjournment of Meetings: If any meeting of the Association cannot be held because a quorum is not present in person or by electronic ballot, a majority of the voting members who are present at such meeting, either in person, by their official alternate, by electronic ballot, or by proxy, may adjourn the meeting to a time not less than ten (10) nor more than thirty (30) days from the time the original meeting was called. At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted. When a new date and time is fixed for the adjourned meeting, notice of the time and place of the adjourned meeting shall be given to the voting members in the manner prescribed for notice for regular meetings.

The voting members present at a duly called or held meeting at which a quorum is present in person or by electronic ballot, may continue to do business until adjournment, notwithstanding the withdrawal of enough voting members to result in less than a quorum being present, provided that at least ten percent (10%) of the total votes of the Association remain present, in person or by electronic ballot, and provided further that any action taken shall be approved (including electronic ballots) by at least a majority of the voting members required to constitute a quorum.

G. Voting: Member in Good Standing: The voting and membership rights of the members shall be set forth in these By-Laws, the Articles of Incorporation, and the applicable Declaration, and such voting and membership rights provisions are specifically incorporated herein as though fully and completely set out. Builders and developers who are constructing homes on subject lots or who are holding lots for future construction shall not have voting privileges in the Association. Fee ownership of a residential lot entitles the owner thereof to the rights of one voting membership. In the event a lot is owned by multiple owners, said multiple ownership shall only be entitled to participate in or vote on any questions considered and acted upon at any meeting. In which case, the voting member shall be designated in writing by the various owners and presented to the

Secretary/Treasurer of the Association. In the absence of such written designation, the first owner who shall register the day of the meeting as representing such lot shall be recognized as the designated representative.

Members who are not in Good Standing may have their voting rights suspended by the Board after compliance with the notice and hearing procedures set forth herein. A "Member in Good Standing" is commonly defined as an Owner of a Lot who has, at least thirty (30) days prior to the date fixed for any meeting or other Association action, fully paid all installments due for assessments made or levied against him and his Lot by the Board, together with all interest, costs, attorney's fees, penalties, and other expenses, if any, properly chargeable to Owner and to Owner's Lot. Any Member of the Association must be a Member in Good Standing to be a nominee or appointee to a Committee or Officer or for service on the Board

H. Proxies: Voting members may vote by written proxy. Proxies shall be valid only for the particular meeting designated thereon and any adjournments of said meeting provided such adjourned meetings occur within thirty (30) days of the original meeting. Every proxy shall be in writing specifying the property for which it is given, signed by the voting member or such member's duly authorized attorney-in-fact, dated, and must be filed with the Secretary at or before the designated time of the meeting. Each proxy shall be revocable at any time at the pleasure of the Lot Owner executing it. A voting member may name his or her spouse or another co-owner of the property as his or her alternate voting member, in the event the voting member is not present at a meeting. Each member may name his or her official alternate, which can only be the spouse of or the co-owner with said voting member and same shall be reflected on the official records of the Association. In the event of any conflict between two (2) or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated as of the same date, both shall be deemed invalid. Every proxy shall be revocable and shall automatically cease upon conveyance of any property for which it was given, or upon receipt by the Secretary of the death or judicially declared incompetence of a voting member who is a natural person, or of written revocation, or eleven (11) months from the date of the proxy, unless a shorter period is specified in the proxy.

I. Majority: As used in these By-Laws, the term "Majority" shall mean that number of votes, lot owners, or official alternates as the context may indicate, in person or by electronic ballot totaling more than fifty percent (50%) of the total number of votes of qualified membership, attending said meeting wherein a vote is taken, so long as a quorum is present originally (in person or by electronic ballot) and so long as other provisions of these By-laws are adhered to.

J. Quorum: Except as otherwise provided in these By-Laws, the Articles of Incorporation or in the Declaration, the presence, in person, by official alternate, or by proxy, or by electronic ballot received from the Association, of voting members representing one-tenth (1/10) of the Association shall constitute a quorum at all meetings of the Association.

K. Conduct of Meetings: The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meetings and record in a minute book all resolutions adopted at said meetings, as well as recording of all other business transactions occurring thereat.

L. Actions Without a Meeting: Any action required by law to be taken at a meeting of the Association, or any action which may be taken at a meeting of the Association, may be taken without an official meeting if a consent, in writing, setting for the action so taken shall be signed by all of the voting members entitled to vote with respect to the subject matter thereof, and such consent shall have the same force and effect as a unanimous vote of the Association. Such consents shall be signed within sixty (60) days after receipt of the earliest dated consent, dated and delivered to the Association at its principal place of business in the State of Alabama.

ARTICLE 4

BOARD OF DIRECTORS: NUMBER, POWERS, MEETINGS

- A. Composition and Selection: The affairs of the Association shall be governed by a Board of Directors. Directors, or their replacements, must be Lot Owners within the Subdivision and members of the Association, provided, however, no person and his or her spouse may serve on the Board at the same time. No Owner or resident shall be eligible to serve as a director if any assessment for such Owner's or resident's property is delinquent or not in good standing (see Article 3.G). A "resident" shall be any natural person eighteen (18) years of age or older whose principal place of residence is a Unit within the residential subdivisions of Sturbridge Subdivision. In the case of a voting Member which is not a natural person, any officer, director, partner, member, manager, employee, fiduciary, or trustee of such Member shall be eligible to serve as a director unless otherwise specified by written notice to the Association signed by such Member, provided that no Member may have more than one (1) such representative on the Board at a time.
- B. Number of Directors: The number of Directors of the Association, who shall be elected or appointed, as the case may be, shall not be less than three (3) nor more than fifteen (15). The Board of Directors of the Association may, by resolution of a majority of the existing directors, change the number of directors from time to time.
- C. Nomination of Directors: Nominations for election to the Board of Directors shall be made by any voting member and shall be made to the President and/or to the Secretary of the Association at least ten (10) days prior to the annual meeting where said directors are to be elected, or ten (10) days prior to any special meeting where a director is to be elected to fill a vacancy on said Board. Nominations shall not be permitted from the floor, at any meeting. Any candidate for director may have access to the mailing and e-mail list of the Association for the purpose of communicating his or her qualifications to voting members and to solicit their votes, upon request for same to the Secretary of the Association.
- D. Election and Term of Office: The term of office of each elected director shall be three (3) years, except that the three elected directors at the first meeting of the members after the Transition shall be elected for one, two, and three year staggered terms respectively, and thereafter at each annual meeting, one (1) or two (2) as the case may be, directors will be elected to serve a full three-year term thus allowing continuity on the Board of Directors whether there always being a director who has served a term of at least two prior years and a director who has served a term of at least one prior year, in addition to the newly elected director. No director shall serve more than

two (2) successive terms, except that the two initial directors elected after the Transition to a one-year term and a two-year term respectively, may serve two additional successive three-year terms. A director's term shall automatically be terminated and the office of director vacated upon the death of a director, upon said director selling his or her lot or otherwise ceasing to be a Lot Owner and thus a member of the Association, or upon voluntary resignation by a director, or upon said director becoming delinquent in the payment of any assessment or indebtedness to the Association. In which case, that vacancy shall be filled by election at a specially called meeting of the membership, at the next special meeting of the membership, or at the next regular annual meeting of the membership, at the discretion of the President or the Board. There shall be no cumulative voting for new directors.

E. Removal of Directors: Directors may be removed for cause or without cause. Any director whose removal is sought will be given notice prior to any meeting called for that purpose or prior to a meeting where such action is contemplated to be taken. Such director may be removed from office by a majority vote of the voting members voting at a meeting where a quorum has been declared present, in the same manner as any other legal action of the Association is taken.

Any director elected to fill a vacancy is elected and shall serve only the remainder of the unexpired term of the predecessor director whose term is being filled, unless otherwise elected or reelected to an additional term.

Any director elected by the voting members who has four (4) or more consecutive unexcused absences from Board meetings, or who is more than thirty (30) days delinquent (or is the resident of a property that is delinquent or is an officer, director, partner, member, employee, or trust officer of a Member who is delinquent) in the payment of any assessment or other charge due the Association, may be removed by a majority vote of the directors, and the Board may appoint a successor to fill the vacancy until the next annual meeting, at which time the voting members entitled to fill such directorship may elect a successor for the remainder of the term.

F. [Reserved]

G. Regular Meetings: Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the directors, but at least four (4) such meetings shall be held during each fiscal year with at least one meeting being held per quarter. Notice of the time and place of the meetings shall be communicated to the directors not less than ten (10) days prior to these meetings, provided, however, that notice of such meetings need not be given to any director who has signed a waiver of notice or a written consent to the holding of said meeting, provided, however, if a meeting is scheduled by the Board at a prior Board meeting, then no formal notice of said meeting shall be required.

H. Special Meetings: Special meetings of the Board of Directors may be held when called by written notice signed by the President or by a majority of the directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. Such notice shall be given to each director at least forty-eight (48) hours prior to said special meeting and may be given by either of the following methods:

- (a) personal delivery;
- (b) telephone communication, directly and in person to the director; or
- (c) e-mails and/or text messages if the director has consented in writing to such method of delivery and has provided the Board with an e-mail address.

All such notice, if not in person, shall be given at the director's contact information shown on the records of the Association. All such notices must be given in such fashion as to be delivered at least forty-eight (48) hours before the time set for the meeting.

I. Waiver of Notice: Any regular or special meeting of the directors and action taken thereat shall be valid so long as properly held and notice properly given or so long as either before or after said meeting each director signs a written waiver of notice or a consent to the holding of said meeting or an approval of the minutes of said meeting. The waiver of notice or consent need not specify the purpose of said meeting. Notice of a meeting shall also be deemed to be given to any director who attends said meeting and who fails to protest lack of notice at the commencement of said meeting.

J. Quorum of Directors: At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute a proper decision of the Board. If a quorum is initially present the meeting may continue to transact business regardless of the withdrawal of a member, so long as any action taken is approved by at least a majority of the required quorum for that meeting. The chairman of the Board shall have a vote on all questions before the Board.

K. Adjourned Meetings: If any meeting of the Board cannot be held because a quorum is not present, a majority of the members of the Board who are present may adjourn the meeting to a time not less than three (3) nor more than thirty (30) days from the time such meeting was originally called. At such adjourned meeting, so long as a quorum is present, any business may be transacted that could have been transacted at the original meeting.

L. Compensation: No director shall receive any compensation from the Association as a director unless approved by a majority vote of voting members representing at least fifty-one percent (51%) of the total membership of the Association, taken at a regular or special meeting of the Association. Any director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other directors. Nothing herein shall prohibit the Association from compensating a director, or any entity with which a director is affiliated, for services or supplies furnished to the Association in a capacity other than as a director pursuant to a contract or agreement with the Association, provided that such director's interest was made known to the Board prior to entering into such contract and such contract was approved by a majority of the Board of Directors, excluding the interested director.

M. Conduct of Meeting: The President shall preside over all meetings of the Board of Directors and the Secretary shall keep a minute book of the meetings, recording therein all resolutions

adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meeting.

Members of the Board or any committee designated by the Board may participate in a meeting of the Board or committee by means of telephone conference, video conference or similar communications equipment, by means of which all persons participating in the meeting can converse with each other. Participation in a meeting pursuant to this Section shall constitute presence in person at such meeting.

N. Actions Without Formal Meeting: Any action of the directors may be taken without a formal meeting if a consent, in writing, setting forth the action so taken, shall be signed by all of the directors and such consent shall have the same force and effect as a unanimous vote.

O. Powers of Board: The Board of Directors shall be responsible for the affairs of the Association and shall have all the powers and duties necessary for the administration of the Association's affairs and may do all acts not otherwise prohibited by law or by the Declaration, Articles of Incorporation or By-Laws of the Association.

In particular, the Board shall have power and authority to:

- (a) contract with third parties to provide maintenance and repair to the common areas which are or will be managed and controlled by the Association and to provide or cause to be provided all goods and services required by the By-Laws or by law, or which the Board, in its discretion, deems necessary for the proper maintenance of the common areas, to the extent such goods and services shall not be otherwise provided;
- (b) shall have the power and authority to contract for insurance coverage on behalf of the Association to protect the Association and the Lot Owners from liability regarding said common areas, if they deem such to be advisable;
- (c) adopt and publish Rules and Regulations governing use of common areas and facilities, and in the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof.
- (d) levy and collect assessments from the Lot Owners; to render or cause to be rendered statements, when required or useful, of any assessments which remain unpaid by any Lot Owner; and to establish and impose penalties, fines, interest and collection costs for any deficiencies in payment or infractions thereof.
- (e) increase or decrease the amount of the annual assessment from time to time at an Annual Meeting.
- (f) suspend an Owner's right to vote or to suspend an Owner's right to serve as a director, officer or member of a Committee of the Association after compliance with the notice and hearing procedures set forth in these By-laws.

(g) maintain a class action, and to settle a cause of action, on behalf of the Lot Owners, with reference to the common areas

(h) Acquire, hold, sell, convey, transfer, mortgage, lease and license real and personal property for the benefit of the Association and its members, including the right to grant and accept easements.

(i) Subject to the provisions herein and the governing instruments of the Association. The right to borrow money for the purpose of acquiring additional common areas for constructing, repairing, maintaining, or improving the common areas or any portion thereof or for providing any of the services authorized herein

(j) Hire, retain and discharge managing agents, attorneys, accountants and other employees, agents and independent contractors.

(k) determine who shall be authorized to make and sign all instruments on behalf of the Association and the Board and to appoint one of the Directors to serve as an *ex officio* member of the Architectural Review Committee created under the Covenants for Sturbridge Subdivision if and only if no Board member is currently officially serving on the Architectural Review Committee.

(l) Covenants Committee: From time to time, this Board may appoint a Covenants Committee to perform such tasks and to serve for such periods of time as this Board may designate. The powers, duties, procedures, and operational parameters of the Covenants Committee shall be as established by this Board in its appointing resolutions.

(m) enter into agreement with individuals or entities for maintenance of the common areas and access roads and easement and to enter into agreements with other Associations having common areas on adjacent properties.

(n) take appropriate action to enforce the provisions of the Covenants for Sturbridge and the By-Laws, pursuant to the general law of Alabama. In connection with the same, the Board is authorized to file or defend appropriate suits or requests for arbitration filed under any of said instruments, acts or provided for by the laws of Alabama.

(o) employ attorneys, accountants, and other persons or firms reasonably necessary to carry out the provisions of the Covenants for Sturbridge and the Articles of Incorporation of Sturbridge Homeowners' Association, Inc. It is understood that these professional and legal fees will be paid for from Sturbridge Homeowners' Association, Inc.

These powers and authorities are examples and are not meant to be inclusive of the power and authority of the Board of Directors.

Except as otherwise specifically provided to the contrary herein, the Association's Articles of Incorporation or By-laws, the powers and authority granted to the Association may be exercised

by the Board, acting through the officers of the Association, without further consent or action on the part of the Owners, Occupants or Mortgagees.

P. Bookkeeping, Accounts and Reports: Through the Treasurer of the Association, the Board will see to it that the bookkeeping, accounts, and reports of the Association are appropriately and accurately handled. No remuneration will be paid for bookkeeping or accounting services unless approved by a vote of the membership of the Association. Accrual accounting as defined by AICPA guidelines and principles, shall be employed. Accounting and control should conform with established AICPA guidelines and principles, which require, without limitation, segregation of accounting duties, disbursements by check requiring at least two signatures, and cash disbursements being limited to Twenty-Five Dollars (\$25.00) or less. Cash accounts of the Association shall not be commingled with other accounts. Quarterly financial reports should be prepared for each regular Board meeting, including both income statements and expense statements, which statements shall be available for review by any member at any reasonable time upon request to the President or the Treasurer of the Association. An annual statement reflecting the financial condition of the Association in all material respects shall be completed annually within sixty (60) days following the end of the Association's fiscal year and shall be distributed to each Association member within thirty (30) days thereafter.

Q. Maintenance, Repair, Restoration: The Board of Directors shall have the power to borrow money for any legal purpose, including the purpose of repair, restoration or maintenance to the common areas and facilities without direct approval of the membership provided, however, that membership approval must be had if the total amount to be borrowed exceeds or would exceed ten percent (10%) of the budgeted gross expense for the Association for that fiscal year.

R. Hearing Procedure: Except pursuant to a Covenants Committee established and appointed by this Board pursuant to Paragraph C of Article 6 (Committees) and its duly authorized procedures, The Board, or any duly appointed committee of this Board, shall not impose a fine or suspend the voting rights of any member unless and until the following procedure is followed:

(a) A written demand is made to the member to cease and desist from the alleged violation which demand shall be served upon alleged violating member stating the alleged violation, the action required to abate the violation and the time period which shall not be less than ten (10) days during which the violation must be abated without further sanction, if such violation is a continuing one, or a statement that any further violation of the same rule may result in the imposition of a sanction after notice and hearing if the violation is not of a continuing nature.

(b) Notice of hearing at any time within twelve (12) months of such demand, if the violation continues past the period allowed in the demand for abatement without penalty or if the same rule is subsequently violated, the Board shall serve the violator with written notice of a hearing to be held by the Board in executive session. This notice shall contain the nature of the violation, the date, time, and place of the hearing, which time shall be not less than ten (10) days from the date the notice is given, an invitation to attend the hearing and present any statement,

evidence, or witnesses on behalf of the alleged violator with or without legal counsel, and the proposed sanctions to be imposed.

(c) The hearing shall be held by the Board in executive session pursuant to the notice, and the member shall be afforded a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of notice and the invitation to be heard shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the board member, officer of the Association, or an agent of same who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction imposed, if any.

(d) Following the hearing and the ruling of the Board, the alleged violator shall have the right to request a rehearing if further facts or evidence are determined to be available for presentation which were not presented at the original hearing. Other than reconsideration, there will be no appeal from the original board action. Reconsideration will be discretionary by the Board and if the Board does not act within thirty (30) days after a request for reconsideration, then the reconsideration will be deemed to have been denied. In the event reconsideration is allowed the Board will notify the alleged violator who has requested such reconsideration of the date, time, and place of the reconsideration hearing, which time shall not be less than ten (10) days from the date said notice is given.

ARTICLE 5 **OFFICERS**

A. **Officers:** The officers of the Association shall be a President, a Secretary, one or more Vice Presidents, and a Treasurer and will be elected by the Board. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Board. The President will also automatically be the Chairman of the Board and the Secretary will automatically be Secretary of the Board. The Board may elect such other officers as it may deem desirable and the officers will have such powers and authorities as are delegated to them by the Board. Any two or more offices, including the offices of Secretary and Treasurer, may be held by the same person excepting the offices of President and Secretary.

B. **Election, Term of Office, and Vacancies:** The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the voting members. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the respective term.

C. **Removal:** Any officer may be removed by the Board of Directors whenever, in the judgment of the Board, it is in the best interest of the Association.

D. Powers and Duties: The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, unless otherwise limited or restricted by the Board, as well as such powers and duties as the Board may delegate to them. The Treasurer shall have the primary responsibility for preparation of the budget, financial statements, and tax returns, and shall have custody of all property of the Association including funds, securities, and evidences of indebtedness. The Secretary shall be responsible for preparing minutes of meetings of the Voting Members and the Board and for authenticating records of the Association.

E. Resignation: Any officer may resign at any time by notifying the Board of Directors, the President, or the Secretary. Such resignation shall take effect either on the date stated or on the receipt of such notice whichever is later, and unless otherwise required, the acceptance of such resignation shall not be necessary to make it effective.

F. Agreements, Contracts, Deeds, Leases, and Checks, Etc.: All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least two officers or by the President and a board member or designee of the Board.

G. Gifts. The Board may accept, on behalf of the Association, any gift, contribution, bequest, or devise for the general purposes, or for any special purpose, of the Association.

ARTICLE 6

COMMITTEES

A. General: The Board may appoint committees to perform such tasks and to serve for such periods of time as the Board may designate. Committees shall be set up by resolution passed by the Board at a Board meeting and the powers, duties, and operational parameters of the committees shall be stated within each appointing resolution.

B. Architectural Review Board: There will be an Architectural Review Board (ARB). It shall be the function of the ARB to act within the ARB's discretion to supervise, monitor, and when the ARB deems appropriate, ensure compliance with the protective covenants of the Subdivision by all persons owning lots within said Sturbridge Subdivision or by any and all persons who reside within the Subdivision or who are carrying on any type construction or other activities within the Subdivision. The original membership of the ARB is established by the original owner of the property who was the original declarant in the filing of the protective covenants. At such time as the Association takes control of the ARB, the Board of Directors will select the membership of the ARB and will establish the number of board members and the terms thereof. The Board of Directors of the Association will also be responsible to approve rules, regulations, and procedures which the ARB might establish for its operations, at such time the Association assumes control of the ARB. Any enforcement or actions toward enforcement of the protective covenants shall be discretionary with the ARB. Upon becoming aware of any violation of the protective covenants, the ARB may choose within its sole discretion to enforce or attempt to enforce a particular protective covenant. An individual lot owner may exercise any right it may have under the laws of the State of Alabama to enforce any protective covenant shown on the lot

owner's respective plat and to obtain that relief to which said lot owner is entitled. Such action by the individual lot owner shall be against that individual or entity which is in violation of the particular covenant or restriction which the lot owner wishes to enforce.

C. Covenants Committee: The Board of Directors has the authority to establish and appoint and/or replace members of a Covenants Committee whose primary function will be to supervise, monitor, and ensure compliance with the protective covenants of the Subdivision by all persons who reside within said Sturbridge Subdivision. The Board of Directors will select the membership of the Covenants Committee and will establish the number of board members and the terms thereof. The Board of Directors of the Association will also be responsible to approve rules, regulations, and procedures which the Covenants Committee might establish for its operations, at such time the Covenants Committee is established.

ARTICLE 7 FISCAL MANAGEMENT; ASSESSMENTS

A. Budget: The Board of Directors shall determine the common expenses of the Association and adopt a budget for each calendar year of such estimated common expenses, including a reasonable allowance for contingencies and reserves less the unneeded fund balance on hand. Copies of the budget and proposed assessments will be transmitted (electronically or otherwise) to each member on or before fifteen (15) days preceding the year for which the budget is made.

The Board shall establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of improvements to the common areas, particularly including any detention ponds and private roads, which the Association will be obligated to maintain, and such maintenance funds reserved may, from time to time, be increased or reduced by a majority vote of the Board. In determining the total funds to be generated through the levy of annual assessments, the Board, in its discretion, may consider other sources of funds available to the Association, including any surplus from prior years, any assessment income expected to be generated from any additional Lots reasonably anticipated to become subject to assessment during the fiscal year. The proportionate interest of each Lot Owner in said funds cannot be withdrawn or separately assigned but shall be deemed to be transferred with such Lot even though not expressly mentioned or described in the conveyance thereof. In case the Association hereby created shall be terminated and the property removed from the Association's ownership, any part of the said funds remaining after full payment of all common expenses of the Association shall be distributed to all Lot Owners in their respective proportionate shares.

B. Assessments for Recurring Expenses: Each Lot Owner, by acceptance of a deed or other instrument conveying any interest therein, regardless of whether such deed or instrument contains a reference to the Declaration, has covenanted and agreed to pay to the Association: (a) annual assessments; (b) special assessments; and (c) individual assessments against any particular Lot which are established or assessed pursuant to the terms of the Declaration and these By-laws, including, but not limited to, any fines as may be levied or imposed against such Lot in accordance with the Governing Instruments. An assessment per Lot Owner for recurring common expenses

shall be made for the calendar year annually in advance, on or before ten (10) days preceding the year for which the assessments are made and shall be due in semi-annually installments on January 1 and July 1 of such year.

Failure of the Board to establish assessment amounts or rates or to deliver or mail each Owner an assessment notice shall not be deemed a waiver, modification, or a release of any Owner from the obligation to pay assessments. In such event, each Owner shall continue to pay annual assessments on the same basis as during the last year for which an assessment was made, if any, until a new assessment is levied, at which time the Association may retroactively assess any shortfalls in collections.

C. Special Assessments. The Association may, by majority vote of Lot Owners voting in person or by proxy at a meeting duly called for such purposes, levy special assessments for any costs in connection with the construction, reconstruction, repair, or replacement of areas in the Subdivision.

D. Assessment for Emergencies: Assessments for common expenses for emergencies which cannot be paid from the assessments for recurring expenses shall be made only after notice of the need therefore to the Lot Owners concerned. After such notice and upon approval in writing or electronic ballot of a majority of such Lot Owners concerned, the assessment shall become effective, and it shall be due after thirty (30) days' notice thereof in such manner as the Board of Directors of the Association may require.

E. Fund Usage: The primary usage of funds collected through annual assessments and dues paid by members of the Association will be used to meet the obligations of each calendar year's budget. Moreover, the annual and special assessments provided for herein shall be used for the general purposes of promoting the recreational, health, safety, welfare, common benefit, and enjoyment of the Owners and occupants of the Subdivision and otherwise for the general upkeep and maintenance of the Subdivision, including, specifically, the common area and detention pond(s), and any improvements thereto, all as may be more specifically authorized from time to time by the Board.

F. Default; Liens and Non-payment Remedies:

1. Lien in favor of Association. In addition to such other rights and assessments authorized herein, in accordance with the Declaration, all assessments and other charges, together with late charges and interest, and all costs of collection and attorneys' fees incurred by the Association to enforce or collect such assessments, shall be an equitable charge and a continuing lien created under the Declaration upon each Lot for which the owner thereof is responsible for the payment of the same until paid, which lien may be enforced in the manner provided herein unless expressly provided otherwise in the Declaration or by law. Each such assessment or other charges, together with interest, late charges, costs, and reasonable attorneys' fees, also shall be the personal obligation of the person who was the Owner of such Lot at the time the assessment arose. The Association may sue for unpaid assessments and other charges authorized hereunder without

foreclosing or waiving the lien securing the same. The lien provided for in the Declaration shall be in favor of the Association and shall be for the benefit of all Lot Owners. If a Lot Owner defaults in the payment of his assessment or failure to pay any fines levied by the Association or one of its Committees under the By-laws, the Board shall have the right to declare the Member to not be a Member in Good Standing subject to sanction pursuant to Article 3.G. of the By-laws. Non-use or abandonment of the Lot shall not constitute a defense against any action on account of any unpaid assessments.

2. Default. In the event an Owner of a Lot does not pay any sums, charges, or assessments required to be paid to the Association within thirty (30) days after the due date, the Lot Owner (s) shall be in default.

3. Interest; Administrative and Other Charges. If the assessment is not paid within thirty (30) days after the date due, the assessment and other outstanding charges (to the extent permitted by law) shall bear interest from the date due at the rate of twelve percent (12%) per annum, and the Association may bring suit to recover a money judgment for the unpaid assessments, fees, and charges against the Lot Owner without waiving the lien, and/or file a lien against such Lot. Finally, the Association may charge a delinquent Owner an administrative/late fee in an amount determined by the Board of Directors and permitted by law for each installment due to the Association which is delinquent. When either of the preceding remedies is exercised by the Association, interest, administrative/late fees, collection costs, and reasonable attorneys' fees and court costs shall be added to the amount of such assessment as may then be due. Further, if the assessment and other charges are not paid within thirty (30) days after the date of default, the Association may give notice of default to the holder of any first mortgage upon said Lot.

4. Foreclosure. In the event an Owner of a Lot does not pay any sums, charges or assessments required to be paid to the Association within sixty (60) days from the due date, the Association may foreclose any lien created under the Declaration encumbering the unit created by nonpayment of the required monies in the same fashion as mortgage liens are foreclosed; provided that sixty (60) days prior notice of the intention to foreclose shall be mailed, postage prepaid, to the Lot Owner and to all persons having a mortgage lien or other interest of record in such unit as shown in the Association's record of ownership. The Association shall be entitled to the appointment of a Receiver, if it so requests. The Association shall have the right to bid on the Lot at a foreclosure sale and to acquire, hold, mortgage, and convey the same. In any such foreclosure action, the lien of the Association shall be subordinate and inferior to tax liens of the State, county, any municipality, and any special district, and any first mortgage liens of record encumbering such unit at the time of the commencement of the foreclosure action by the Association. In any action either to foreclose its lien or to recover a money judgement, brought by or on behalf of the Association against Sturbridge Lot Owner, the Lot Owner shall pay the cost thereof together with a reasonable attorney's fee.

5. Foreclosure Costs and Proceeds. If the Association becomes the Owner of

a Lot by reason of foreclosure, it shall offer said Lot for sale and at such time as a sale is consummated it shall deduct from such proceeds all sums of money due it for monthly assessments and charges, all costs incurred in the bringing of the foreclosure suit, including reasonable attorney's fees, and any and all expenses incurred in the resale of the Lot, which shall include but not be limited to advertising expenses, real estate brokerage fees, abstract or title insurance costs, and expenses necessary for the repairing and refurbishing of the Lot in question. All monies remaining after deducting the foregoing items of expense shall be returned to the former Owner of the Lot in question.

6. Independent Covenant. The obligation to pay assessments and other charges under the Declaration and these By-Laws is a separate and independent covenant on the part of each Lot Owner. No diminution or abatement of assessments or set-off shall be claimed or allowed for any alleged failure of the Association or Board to take some action or perform some function required of it, or for inconvenience or discomfort arising from the making of repairs or improvements, or from any other action it takes.

G. Application of Payments Received by Association. All payments received from Lot Owners will be applied, until paid in full, in the following order: (1) current interest accrued to the date of payment; (2) any outstanding late charges; (3) any outstanding filing fees, court costs, and collection costs incurred, including attorney's fees and expenses; (4) any outstanding special dues, fines, administrative fees, and assessments; and lastly, (5) any outstanding annual dues and assessments.

H. Depository: The depository of the Association shall be such bank or banks as shall be designated from time to time by the Board and in which monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by such persons as are authorized by the Board pursuant to these By-Laws.

ARTICLE 8

[Reserved]

ARTICLE 9

MISCELLANEOUS

A. Fiscal Year: The fiscal year of the Association and any changes therein shall be set by resolution of the Board of Directors.

B. Parliamentary Rules: Except as may be modified by Board resolution establishing modified procedures, Robert's Rules of Order (current edition) shall govern the conduct of the Association's meetings when not in conflict with Alabama law, the Articles of Incorporation, the Declaration, or these By-Laws.

C. Conflicts of Law: If there are any conflicts or inconsistencies between the provisions of Alabama law, the Articles of Incorporation, the Declaration, and these By-Laws, then the provisions of Alabama law, the Declaration, the Articles of Incorporation, and these By-Laws (in this order) shall prevail.

D. Books and Records: The Declaration, Articles of Incorporation, By-Laws, membership roster, books of account, minutes of meetings of the Association, the Board and committees thereof, and any other legal documents of the Association shall be made available for inspection and copying by any mortgagee, any member of the Association, or by his or her duly appointed representative at reasonable times and for purposes reasonably related to interests of the requesting party, at the office of the Association or at such other place as the Board shall prescribe. The Board may establish reasonable rules for the inspection of such documents, the copying of such documents and the usage of such documents, but in no event will the membership roster be made available to any individual for commercial purposes. Every director shall have the absolute right, at any reasonable time, to inspect and/or copy any of said documents.

E. Notices: Unless otherwise provided in these By-Laws, all notices, demands, bills, statements, or other communications under these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by first class mail with postage prepaid or electronic mail as described herein.

- (1) If to a member, at the address to which the member has designated in writing and filed with the Secretary or, if no such address has been designated, at his or her lot address; or
- (2) If to the Association, the Board of Directors, or the President, then at the principal office of the Association, if any, or at such other address as shall be designated for said entities or individuals on the records of the Association.
- (3) If to a member of the Association or a member of the Board, electronic mail shall be deemed to have been duly given if delivered electronically to the email address on record with the Association.

F. Amendment to By-Laws : These By-Laws may be amended by proper action of the Board of Directors, as long as all legal requirements are complied with, however, the percentage of votes necessary to amend any specific clause or provision hereof shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

Except as provided above, these By-Laws may be amended only by the affirmative vote or written consent, or any combination thereof, of Voting Members representing sixty-seven percent (67%) of the total votes in the Association. Notwithstanding, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

G. Conflicts. In the event of a conflict between the terms of these By-Laws and the applicable Declaration with regards to an Owner, the terms of the Declaration, as may be amended from time to time, shall control.

H. Validity and Effective Date. Any amendment to these By-Laws shall become effective upon recordation in the public records, unless a later effective date is specified in the amendment. Any procedural challenge to an amendment must be made within six (6) months of its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of these By-Laws. If a Member consents to any amendment to the Declaration or these By-Laws, it will be conclusively presumed that such Member has the authority to consent and no contrary provision in any Mortgage or contract between the Member and a third party will affect the validity of such amendment.

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting secretary of Sturbridge Homeowners Association, Inc., an Alabama nonprofit corporation;

That the foregoing By-Laws constitute the original Amended and Restated By-Laws of said Association, as duly adopted at a meeting of the Board of Directors thereof held on the 29th day of May, 2020.


IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 29th day of May, 2020.

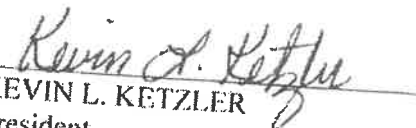
Secretary [SEAL]

These Amended and Restated By-Laws were adopted on the 29th day of May, 2020.

**STURBRIDGE HOMEOWNERS
ASSOCIATION, INC.,** an Alabama
Nonprofit Corporation

ATTEST :


KEITH S. MILLER
Its: Secretary

By: 
KEVIN L. KETZLER
Its: President

CERTIFICATION

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That I am the duly elected and acting secretary of Sturbridge Homeowners Association, Inc., an Alabama nonprofit corporation;

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IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this day of May 29, 2020.


Secretary

[SEAL]

