

AMENDMENT NUMBER TWO

TO BY-LAWS OF SEASCAPE CONDOMINIUM

KNOW ALL MEN BY THESE PRESENTS that by resolution unanimously adopted by the Board of Directors of the Seascape Condominium Owners' Association, Inc. on Friday, July 22, 2005, the By-Laws of Seascape Condominium, which were dated December 27, 1983, and recorded on December 28, 1983, in the office of the Judge of Probate of Baldwin County, Alabama in Miscellaneous BOOK 47, PAGES 1650 – 1620, and amended on July 19, 1984, said amendment being recorded on July 19, 1984 in the office of the Judge of Probate of Baldwin County, Alabama in Miscellaneous BOOK 50, PAGES 670 – 672, ARE HEREBY AMENDED as follows:

INDEMNIFICATION BY THE SEASCAPE CONDOMINIUM OWNERS ASSOCIATION, INC.

33. Any person made a party to or involved in any litigation, or threatened litigation, including any civil, criminal or administrative action, suit or proceeding, by reason of the fact that such person is or was a Director, officer, or member of a committee established by the Board of Directors, or by reason of such person's alleged negligence or misconduct in the performance of his or her duties as such Director, officer, or member of a committee established by the Board of Directors shall be indemnified by the Seascape Condominium Owners Association, Inc., as fully and completely as permitted by law, against any and all liability and the reasonable expenses, including attorneys' fees, actually and necessarily incurred by him or her in connection with any action therein, except in relation to matters as to which it is adjudged that such Director, officer, or member of a committee established by the Board of Directors is liable for willful misconduct in the performance of his or her duties, for illegal or unlawful acts, or for conduct or alleged misconduct which clearly was not performed in the capacity of or furtherance of said Director, officer or committee member's duties as a Director, officer or committee member of Seascape Condominium Owners' Association, Inc.

34. A conviction or judgment entered in connection with a compromise or settlement of any such litigation or threatened litigation shall not by itself be deemed to constitute an adjudication of liability for such willful misconduct. The right to indemnification will include the right to be reimbursed by the Seascape Condominium Owners Association, Inc. for expenses reasonably and necessarily incurred in defending a proceeding in advance of its final disposition in the manner and to the extent permitted by the Board of Directors in its sole discretion. In addition to the indemnification described above, the Seascape Condominium Owners Association, Inc. may, upon approval by the Board of Directors, in its sole discretion, indemnify a Director, officer, or committee member under such other circumstances, against liability and reasonable expenses, including attorneys' fees, incurred in connection with any claim asserted against him or her in said party's capacity as a Director, officer, or committee member, subject to any limitations that exist by law. Any indemnification by the Seascape Condominium Owners Association, Inc. pursuant to this amendment shall be evidenced by a resolution of the Board.

35. As used herein, the term "expenses" includes, but is not limited to, fines or penalties imposed and amounts paid in compromise or settlement of any such litigation only if:

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(a) independent legal counsel designated by a majority of the Board of Directors, excluding those Directors who have incurred expenses in connection with such litigation for which indemnification has been or is to be sought, shall have advised the Board of Directors that, in the opinion of such counsel, such Director, officer, administrator, or committee member is not liable to the Seascape Condominium Owners Association, Inc. for gross negligence or willful misconduct in the performance of his or her duties with respect to the subject of such litigation; and

(b) a majority of the Board of Directors shall have made a determination that such compromise or settlement was or will be in the best interests of the Seascape Condominium Owners Association, Inc.

36. Any amount payable by way of indemnity under these By-Laws may be determined and paid pursuant to an order of or allowance by a court under the applicable provisions of the laws of the State of Alabama in effect at the time and pursuant to a resolution of a majority of the Directors, other than those who have incurred expenses in connection with such litigation for which indemnification has been or is to be sought. In the event that all of the Directors are made parties to such litigation, a majority of the Board shall be authorized to pass a resolution to provide for legal expenses for the entire Board.

37. The right of indemnification provided by these By-Laws shall not be deemed exclusive of any right to which any Director, officer, administrator, or committee member may be entitled, as a matter of law, and shall extend and apply to the estates of deceased Directors, officers, administrators, and committee members.

IN WITNESS WHEREOF, Seascape Condominium Owners' Association, Inc., a corporation duly organized under the laws of the state of Alabama, has caused this amendment to the By-Laws of Seascape Condominium to be executed, under oath, by its President, and recorded in the office of the Judge of Probate of Baldwin County, Alabama, on this the 5th day of August, 2005.

SEASCAPE CONDOMINIUM OWNERS'
ASSOCIATION, INC.

By: _____

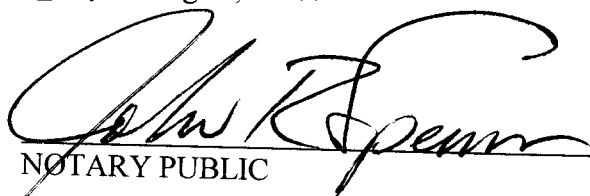
Kenneth Gaspard, President

STATE OF ALABAMA)

COUNTY OF BALDWIN)

I, a Notary Public in and for said County and State, hereby certify that Kenneth Gaspard, President of Seascope Condominium Owners' Association, Inc., whose name is signed to the foregoing Amendment, and who is known to me, acknowledged before me on this day that being informed of the contents of the forgoing amendment number two to the By-Laws of Seascope Condominium, executed the same voluntarily for and as the act of the said corporation on the day the same bears date.

Given under my hand and seal on this the 5th day of August, 2005.


NOTARY PUBLIC

My commission expires:

NOTARY PUBLIC STATE OF ALABAMA AT LARGE
MY COMMISSION EXPIRES: Sept 15, 2008
BONDED THRU NOTARY PUBLIC UNDERWRITERS

State of Alabama, Baldwin County
I certify this instrument was filed
and taxes collected on:

2005 August - 5 2:47PM

Instrument Number 912939 Pages 3
Recording 9.00 Mortgage
Deed Min Tax
Index DP 5.00
Archive 5.00
Adrian T. Johns, Judge of Probate