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PROPERTY OWNERS ASSOCIATION OF ONO ISLAND, INC.



BY-LAWS

MARCH 30, 2019

**PROPERTY OWNERS ASSOCIATION OF ONO ISLAND INC.
BY-LAWS AS AMENDED AND ADOPTED BY OWNERS OF RECORD AND FILED
ON**

**BY-LAWS OF
"PROPERTY OWNERS ASSOCIATION OF ONO ISLAND, INC.,
A NON PROFIT CORPORATION"**

ARTICLE I DEFINITIONS

- (a) "Association" shall mean and refer to the Property Owners Association of Ono Island, Inc., a non-profit corporation, organized and existing under the Laws of the State of Alabama.
- (b) "The Properties" shall mean and refer to all those parts of Ono Island located in Baldwin County, Alabama contained within the existing plats of Subdivision for the Ono Island Subdivision, as duly recorded in Baldwin County, Alabama, and such additions thereto as may hereinafter be brought within the jurisdiction of the association by annexation as provide in Article VI, Section 2 hereof lands not included within the perimeter boundaries of a recorded plat executed or approved by the original developer of the Subdivision, or by the association, as aforesaid shall not be included within the meaning of "The Properties" as used herein unless and until the same are annexed.
- (c) "Common Properties" shall mean and refer to those areas of land designated on any recorded plat of The Properties as "Common Properties" or "Common Properties (limited use)" and also any properties conveyed to the Association as or for "Common Properties" or "Common Properties (limited use)" and shall include any parks, playgrounds, commons, streets, footways, buildings, structures, recreation facilities and any other real and personal property owned and maintained by the Association for the common benefit and enjoyment of the residents of the properties.
- (d) "Common Properties (limited use)" shall refer to those Common Properties to which use or enjoyment is limited or restricted to residents of a given unit, block or area; or from which residents owning interest of a given type, or in a given location on the properties are excluded, or their use and enjoyment is in some way limited. Common Properties (limited use) is referred to in Article IV, Section 2 of the General Covenants and Restrictions. The designation "Common Properties" when used in said covenants is intended to and shall include both "Common Properties" and Common Properties (limited use)."
- (e) "Lot" shall mean any parcel of land shown upon any recorded subdivision map of the properties, with the exception of Common Properties as heretofore defined.
- (f) "Living Unit" shall mean and refer to any structure as hereinafter defined, situated upon a portion of The Properties and intended for use and occupancy as a residence by a single family.
- (g) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a vested interest in the fee simple title to any lot or living unit situated upon the properties. If said title is split between estates for life or years and remainder then the owner or owners of the estates having present rights to possession shall be considered the "owner" or "owners." Notwithstanding any applicable theory of the mortgage, the word "owner" shall not mean or refer to any mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu thereof whether subject to redemption or not. After any mortgagee or any other lienholder or purchaser at foreclosure sale acquires title by foreclosure of proceeding in lieu of foreclosure he shall be and become the owner within the meaning of these covenants, and the debtor or debtors so

foreclosed shall no longer be an owner regardless of whether or not there is outstanding a right of redemption.

- (h) "Member" shall mean and refer to all those owners who are members of the Association as provided in Article III, Section I hereof.
- (i) "General Covenants and Restrictions" shall mean and refer to the covenants and restrictions applicable to the real property described in Article II of said General Covenants and Restrictions, as originally recorded in Misc. Book 22, page 359 of the records in the Office of the Judge of Probate, Baldwin County, Alabama as amended.
- (j) "Local Covenants and Restrictions: shall mean and refer to those covenants and restriction which are applicable to an area which lies wholly within the boundaries of the area covered by the General Covenants and Restrictions, but which is limited in size to boundaries potentially smaller than those covered by the General Covenants and Restrictions and shall apply to such limited area only.

ARTICLE II LOCATION OF THE PRINCIPAL AND REGISTERED OFFICE

The Principal office of the Association shall be located at Ono Island, Baldwin County Alabama, and the registered office of the Association shall be 28491 Ono Boulevard, Orange Beach, Alabama 36561.

ARTICLE III MEMBERSHIP

SECTION I: Every person or entity who is a record owner of a vested interest in the fee simple title to any lot or living unit as herein defined, which is subject by covenants of records to assessment by this Association shall be a member of this Association, provided however, that any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a member, unless and until such security holder or mortgagee has acquired title, pursuant to foreclosure or any proceeding in lieu thereof, and provided further that any owner of any property that is exempted from assessment by the covenants of records shall not be a member unless such person or entity owns other land or living unit qualifying him for membership. The purchase at foreclosure or proceedings in lieu thereof shall be a member and the debtor's membership shall cease regardless of whether there is an outstanding right of redemption.

SECTION 2: The rights of membership are subject to the payment of annual and special assessments levied by the Association, the obligation of which assessments is imposed against each owner, such assessment becoming a lien upon the property against which they are made, as provided by Article V of the Declaration of General Covenants and Restrictions to which the properties are subject, Article V of which provides as follows:

"COVENANTS FOR MAINTENANCE ASSESSMENTS"

Section 1: *Creation of the Lien and Personal Obligations of Assessments.* Each owner of any Lot and Living Unit owned within the properties, hereby covenants and each owner of any lot or living unit, by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, is hereby deemed to covenant and agree to pay to the Association (1) Annual assessments or charges and (2) special assessments for capital improvements, such assessments to be fixed, established and collected from time to time as hereinafter provided. The annual, and any special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each shall also be the personal obligation of any person who was an owner of such property as herein above defined, at the time when the assessment fell due, and in the event there is more than one owner of any Lot or Living

Unit, each and every such owner shall be personally liable for the entire assessment due from such lot or living unit, said obligation being several and well as joint.

Section 2: *Purpose of Assessment.* The assessments levied by the Association shall be used for the purposes of promoting the recreation, health, safety, general welfare and convenience of the owners of the properties and Members of the Association, and in particular for the improvement and maintenance of properties, services and facilities devoted to these purposes and related to the use and enjoyment of the Properties and of the homes situated upon The Properties; including, but not limited to, the payment of taxes and insurance on the Common Properties and Common Properties (Limited Use), and repair, replacement and additions thereto, and for the cost of labor, equipment, materials, management and supervision thereof.

Section 3: *Basis and Maximum of Annual Assessments.* The annual assessment may be increased by vote of the members, as hereinafter provided. No increase in the annual assessment may take effect any sooner than thirty-six (36) months after the effective date of the last increase in the annual assessment. The Board of Directors of the Association may, after consideration of current maintenance costs and future needs of the Association, fix the annual assessment for any year at a lesser amount.

Section 4: *Special Assessments for Capital Improvements.* In addition to the annual assessments authorized by Section 3 hereof, the Association may levy in any assessment year, a special assessment, applicable to that year only, for the purpose of defraying in whole or in part the cost of any construction, reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Properties, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of a majority of the votes of members who are voting in person or by proxy at a meeting duly called for this purpose, written notice which shall be sent to all members at least thirty (30) days in advance, which notice shall set forth the purpose of the meeting.

Section 5: *Change in Basis and Maximum of Annual Assessment.* Subject to the limitation of Section 3 thereof, and for the period therein specified, the Association may change the maximum and basis of the assessment fixed by Section 3 hereof prospectively for any such period provided that any such change shall have the assent of a majority of the votes of members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all members at least thirty (30) days in advance, which notice shall set forth the purpose of the meeting, provided further that the limitation of Section 3 hereof shall not apply to any change in the maximum and basis of the assessment undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation and under Article II, Section 2 hereof.

Section 6: *Quorum for Any Action Authorized Under Sections 4 and 5.* The quorum required for any action authorized by Sections 4 and 5 hereof shall be as follows:

At any initial meeting called for the purposes provided in Sections 4 and 5 hereof, the presence at the meeting of members or of proxies entitled to cast a majority of all the votes of the membership shall constitute a quorum. If the required quorum is not forthcoming at any such meeting, one or more subsequent meetings may be called subject to ten (10) days written notice of each such subsequent meeting; provided that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 7: *Date of Commencement of Annual Assessment, Due Date.* The assessment for any year shall be for a fiscal year commencing March 1 and terminating on the last day of February of the following year. Each such annual assessment shall become due and payable on the first

day of March of each such fiscal year. The assessment year and due date may be changed from time to time by the Board of Directors.

The amount of the first assessment levied against any property which is hereinafter added to the properties now subject to assessment at any time other than the beginning of any assessment period, shall be prorated depending upon the portion of a twelve-month period affected by said assessment.

The due date of any special assessment under Section 4 hereof shall be fixed in the resolution authorizing such assessment.

Section 8: Duties of the Board of Directors With Regard To Assessment. Any change made by the Board of Directors of the Association in the date of commencement and the amount of the assessment against each Lot or Living Unit for any assessment period shall be made at least thirty (30) days in advance of the due date for said assessment. The Association shall prepare a roster of the properties and assessments applicable thereto, which shall be kept in the office of the Association and shall be open to inspection by any owner. Written notice of any assessment shall be sent to every owner subject thereto at least 30 days in advance of the due date.

The Association shall, upon demand at any time, furnish to any owner liable for any assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 9: Effect of Non Payment of Assessment. The Personal Obligation of the Owner. The Lien. Remedies of Association. If the assessments are not paid on the date due (being the dates specified in Section 7 hereof), then such assessments shall thereupon become delinquent and shall, together with such interest thereon and cost of collections thereof as hereinafter provided, become a continuing lien on the property which shall bind such property in the hands of the then owner, his heirs, devisees, personal representatives and assigns. The personal obligation of the then owner to pay such assessment, however, shall remain his personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them.

If the assessment is not paid within thirty (30) days after the date when due, the assessment shall bear interest from the date of delinquency at the rate of eight percent (8%) per annum, and the Association may bring an action at law against any owner personally obligated to pay the same, or the Association may foreclose the lien against the property; either or both, as it may determine, and there shall be added to the amount of such assessment the costs of preparing and filing any complaint in any such action; and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided, and a reasonable attorney's fees, to be fixed by the Court, together with the costs of the action, and the expenses of litigation, including the expenses of depositions, travel, and expert witnesses. If there be more than one owner personally liable for any such assessment, this liability shall be several as well as joint, and the Association, in its sole discretion, may elect to proceed against one or more of these owners for recovery of the entire sum due.

Section 10: Subordination of the Lien of Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the property subject to assessment. Provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or of transfer of such property pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such mortgagee or other purchaser at foreclosure or any grantee in a deed in lieu of foreclosure, or any successor in title from liability for any assessment

thereafter becoming due, nor release such property from the lien of any such subsequent assessments.

Section 11: *Exempt Property.* The following property subject to this Declaration shall be exempt from the assessments, charges and liens created herein: (a) all properties to the extent of any easement or other interest therein dedicated and accepted by the local public authorities and devoted to public use; (b) all Common Properties as defined in Article I, Section 1 hereof; (c) all properties exempted from taxation by laws of the State of Alabama upon the terms and to the extent of such legal exemption; (d) all private roads, bridges, streets, alleyways and easements.

Notwithstanding any provisions herein, no land or improvements, devoted to dwelling use shall be exempt from said assessments, charges or liens.

Section 12: *Suspension of Membership Rights.* The membership rights of any person whose interest in the properties is subject to assessments under Article III, Section 2, hereof, whether or not he be personally obligated to pay such assessments, may be suspended by action of the Directors during the period when the assessments remain unpaid; but, upon payment of such assessments, his rights and privileges shall be automatically restored in all cases where non-payment was the reason for such suspension. If the Directors have adopted and published rules and regulations governing the use of the Common Properties and facilities, and the personal conduct of any person thereon, as provided in Article VIII; Section I, they may, in their discretion, suspend the membership rights of any member for a period not to exceed thirty (30) days for each violation of such rules and regulations.

ARTICLE IV VOTING RIGHTS

The Association shall have one class of voting membership. All owners, as defined in Article I (g), shall be members of the voting class. All members of the voting class shall be entitled to one (1) vote for each lot or living unit in which they hold the interest required for membership by Article III, Section 1, hereof. When more than one person holds such interest or interests in any lot or living unit, all such persons shall be members and the one vote for such Lot or Living Unit shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast with respect to any such Lot or Living Unit.

ARTICLE V PROPERTY RIGHTS AND RIGHTS OF ENJOYMENT OF COMMON PROPERTY

Section 1. Each member shall be entitled to the use and enjoyment of the Common Properties and facilities as provided by deed, dedication, and Article IV of the Declaration of General Covenants and Restrictions applicable to the Properties, said Article IV providing as follows:

'PROPERTY RIGHTS IN THE COMMON PROPERTY AND PRIVATE ROADS'

Section I: *Members Easements of Enjoyment.*

- (a) "Private Roads." All roads, bridges, streets, alleyways, easements and other areas which are usually dedicated to the public by recording of a plat of subdivision, and which are hereinafter referred to as "Private Roads" are expressly reserved by the Association for the use and enjoyment of its members, and are NOT DEDICATED, NOT DONATED and NOT GRANTED to the public.

Each owner of a lot or living unit in the properties and each member is granted, subject to Article IV, Section 3 hereof, a right and easement of use and enjoyment in and to said private roads shown upon the plat of subdivision, which shall be appurtenant to and shall pass with the title to every lot and living unit.

The right and easement of use and enjoyment in said private roads may be exercised by any of said owners and members and their servants, agents, employees and guests. No owner or member shall have the right to grant or extend to others any right of access to the roads and bridges of the subdivision, except that they may invite their servants, agents, employees or guests to use the roads and bridges in order to gain access to their respective Lot(s) or Living Unit(s). Nothing herein contained shall constitute a public dedication of such private roads.

- (b) "Common Properties." Subject to Section 3 of this Article, every member shall have a right and easement of enjoyment in and to the Common Properties, subject to such restrictions as may be placed upon certain Common Properties restricting or limiting their use to residents of a certain Unit, Block, Area or type of properties as set out in Section 2 of this Article. Such easement shall be appurtenant to and shall pass with the title every lot and living unit.

Section 2. Title to Common Properties, Private Roads and Implied Easements. Any plat of subdivision placed of record shall designate the private roads and private easements, and also any properties which may be Common Properties. If the use of such Common Properties is limited or restricted to residents of any given Unit, Block, Area or type of ownership, the same shall be designated upon such plat or map as "Common Properties (Limited Use)." When any additions are made to the Ono Island Subdivision, the individual(s) or entity making the addition with the approval of the Association shall convey legal title by full warranty deed to all Private Roads, Common Properties and Common Properties (Limited Use) as are contained within the addition, and this conveyance shall take place before or contemporaneous with the recordation of the plat reflecting the addition to the subdivision. There shall be no right to use any recreation park, playground, street, easement, footway, building, structure, other recreational facility or personal property incident thereto unless the same is designated upon a recorded plat or map as "Private Roads" "Common Properties" or "Common Properties (Limited Use)." Or unless a written agreement executed by the Developer of the unit of the subdivision in which the property in question is located is recorded so designating such property, or unless the property is conveyed to the Association for such use. No part of the property is intended to be dedicated to any public agency, authority or utility for any public use except as herein provided and no dedication to the public or right of use by the public shall be implied from these covenants, or from the recorded plat of the properties or otherwise.

Section 3. Extent of Member's Easement. The rights and easements of enjoyment created hereby shall be subject to the following:

- (a) The right of the Association, in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the common properties and in aid thereof to mortgage said properties; and
- (b) The right of the Association to take such steps as are reasonably necessary to protect the above described properties against foreclosure; and
- (c) The right of the Association, as provided in its Articles and By-Laws, to suspend the enjoyment rights of any member for a period during which any assessment due by said member remains unpaid, and for any period not to exceed thirty (30) days for any infraction of its published rules and regulations; and
- (d) The right of the Association to charge reasonable admission and other fees for the use of the Common Properties; and

- (e) The right of the Association to dedicate or transfer all or any part of the private roads, private easements, and Common Properties, to any public agency, authority or utility for such purposes and subject to such conditions as may be stipulated in any such dedication or transfer. No such dedication or transfer, if made by the Association, shall be effective unless an instrument signed by members entitled to cast two-thirds (2/3) of the votes of the membership has been recorded, agreeing to such dedication or transfer, and unless written notice of the proposed action to be taken is sent to every member at least thirty days in advance of any meeting at which said members shall vote upon such action.
- (f) No member or owner shall have any right to use or grant to others the right to use any road, bridge, walk, common properties or any other part of the properties as access to any lands on Ono Island not subdivided, regardless of whether such other lands are owned by the Association or a member or other person having the right to use such roads, bridges, walks, and commons, except only as provided in Section (c) above. The right to extend the use of the roads, bridges, walks or commons to any lands within the Ono Island Subdivision is exclusively reserved by the Associations Common Properties to gain access to their respective Lot(s) or Living Unit(s).
- (g) No Member or Owner shall have the right to grant any road, bridge, walk, common property, or other part of the Properties except to the limited extent of each Member's right to invite their servants, agents, employees or guest to use the Private Roads and Common Properties to gain access to their respective Lot(s) or Living Unit(s).

SECTION 2. Any Member may delegate his rights of enjoyment in the common properties and facilities to the members of his family who reside upon the Properties, or to any of his tenants who reside thereon under a leasehold interest for a term of one year or more. Such Member shall notify the Secretary in writing of the name of any such person and of the relationship of the Member to such person. The rights and privileges of such person are subject to suspension under Article III, Section 3, hereof to the same extent as those of the Member.

ARTICLE VI ASSOCIATION PURPOSES AND POWERS

SECTION 1. The purposes for which the Association has been organized are to promote the recreation, health, safety, general welfare and convenience of the owners of the properties and members of the Association; and for these purposes, to:

- (a) Own, acquire, build, operate, and maintain recreational parks, playgrounds, and other recreational facilities, commons, streets, footways, buildings, structures, and personal property incident thereto, herein referred to as "Common Properties;"
- (b) Provide exterior maintenance upon lots and structures within the properties;
- (c) Provide garbage and trash collection;
- (d) Provide fire and police protection;
- (e) Maintain unkempt lands and trees;
- (f) Supplement municipal services;
- (g) Fix Assessments and/or charges to be levied against the properties;
- (h) Fix fees and charges, if any, that are to be made for the use of association facilities and equipment;
- (i) Enforce any and all covenants, restrictions, agreements, rules and regulations applicable to the properties;
- (j) Pay taxes, if any, and insurance on the "Common Properties" and any facilities thereon;
- (k) Provide private security services; and
- (l) Insofar as permitted by law, to do any other thing that, in the opinion of the Board of Directors, will promote the common benefit and enjoyment of the owners of the properties,

and to acquire, own, operate and dispose of property; both real and personal, for said purposes.

SECTION 2. *Additions to Property and Membership.* Additions to the lands comprising the properties as defined in Article II of the Articles of Incorporation may be made in accordance with the provisions of the recorded Declaration of General Covenants and Restrictions applicable to the properties. Any such additions, when property made under the applicable covenants, shall extend the jurisdiction, functions, duties and memberships of this corporation to such annexed properties. When and if the applicable covenants require that certain additions be approved this corporation, such approval must have the assent of 2/3 of the votes cast in person or by proxy at a meeting duly called for this purpose, written notice of which meeting shall be mailed to all members at least 30 days in advance, which notice shall set forth the purpose of the meeting.

SECTION 3. *Mergers and Consolidations.* Subject to the provisions of the recorded Declaration of General Covenants and Restrictions applicable to the properties described in Article II of the Articles of Incorporation, and to the extent permitted by law, the corporation may participate in mergers and consolidations with other non-profit corporations organized for the same purposes, provided that any such merger or consolidation shall have the assent of two thirds (2/3) of the vote of members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which meeting shall be mailed to all members at least thirty (30) days in advance, which notice shall set forth the purpose of the meeting.

SECTION 4. *Mortgages; Other Indebtedness.* The corporation shall have power to mortgage its properties only to the extent authorized under the recorded Declaration of General Covenants and Restrictions applicable to the Properties.

The total debts of the corporation, including the principal amount of such mortgages outstanding at any time, shall not exceed the total of one (1) year's assessment current at that time, provided that authority to exceed said maximum in any particular case may be given by an affirmative vote of two thirds (2/3) of the votes of members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which meeting shall be mailed to all members at least thirty (30) days in advance, which notice shall set forth the purpose of the meeting.

SECTION 5. *Quorum for any Action Governed by Sections 2, 3 and 4 of Article VI of the By-Laws.* The quorum required for any action governed by Sections 2, 3 and 4 of Article VI of the By-Laws shall be as follows:

At any initial meeting duly called as provided therein the presence at the meeting of members, or of proxies entitled to cast a majority of all of the votes shall constitute a quorum. If the required quorum is not forthcoming at any such meeting, one or more subsequent meetings may be called, subject to ten (10) days written notice of such subsequent meeting, provided that no such subsequent meeting shall be held more than sixty (60) days following such preceding meeting.

Online Voting. A secure online voting system may be implemented for future annual and special elections called by the Board of Directors.

SECTION 6. *Dedication of Properties or Transfer of Function to a Public Agency or Utility.* The corporation shall have power to dispose of its real properties only as authorized under the recorded Declaration of General Covenants and Restrictions applicable to The Properties.

ARTICLE VII BOARD OF DIRECTORS

SECTION 1. *Selection: Term of Office.* The affairs of the corporation shall be managed by a Board of Directors who must be members of the corporation. The Board of Directors shall consist of eleven (11) directors, who shall hold office for a term of three (3) years, or until the election of their successors. At each annual meeting, the members shall elect the number of persons needed to maintain the size of the Board at eleven (11) directors. No member may serve more than six (6) years consecutively without a three (3) year break between terms.

SECTION 2. *Resignations.* Any director or any member of any committee designated by the Board of Directors may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, and if no time be so specified, at the time of its receipt by the President or Secretary. The acceptance of a resignation shall not be necessary to make it effective.

SECTION 3. *Vacancies.* Vacancies in the Board of Directors shall be filled by the majority of remaining directors and any such appointed director shall hold office during the unexpired term of his predecessor.

SECTION 4. *Removal of Appointed or Elected Director.* The Board of Directors shall have the authority to remove an elected or appointed Director for just cause; such as dishonesty, misuse of funds, self-dealing in POA property and other serious offenses deemed improper and harmful to the POA. Removal of the offending Director shall require a quorum of two-thirds (2/3rds) of the Board membership at a regular or Special Board meeting, and two-thirds (2/3rds) vote for removal.

ARTICLE VIII POWERS AND DUTIES OF THE BOARD OF DIRECTORS

SECTION 1. The Board of Directors shall have power:

- (a) To call special meetings of the members whenever it deems necessary and it shall call a meeting at any time upon written request of one forth (1/4) of the voting membership, as provided in Article VII, Section 2.
- (b) To appoint and remove at pleasure all officers, agents and employees of the Association, prescribe their duties, fix their compensation, and require of them such security or fidelity bond as it may deem expedient. Nothing contained in these By Laws shall be construed to prohibit the employment of any member, officer or director of the Association in any capacity whatsoever.
- (c) To establish, levy and assess, and collect the assessments or charges referred to in Article III, Section 2, hereof.
- (d) To adopt and publish rules and regulations, together with their attendant fines and penalties, governing the use of the Common Properties and facilities and the personal conduct of the members and their guests thereon.
- (e) To exercise for The Association all powers, duties and authorities vested in or delegated to this Association, except those reserved to the members in the General Covenants.
- (f) In the event that any member of The Board of Directors of this Association shall be absent from three consecutive regular meetings of the Board of Directors, The Board may, by action taken at the meeting during which said third absence occurs, declare the officer of said absent Director to be vacant.

SECTION 2. It shall be the duty of the Board of Directors:

- (a) To cause to be kept a complete record of all its accounts and corporate affairs and to present a statement thereof to other members at the annual meeting of the members or at any special meeting when such is required in writing by one fourth (1/4) of the voting membership, as provided in Article XII, Section 2.
- (b) To supervise all officers, agents and employees of this Association, and to see that their duties are properly performed.
- (c) As more fully provided in Article V of the Declaration of General Covenants and Restrictions applicable to the properties.
 - 1. To fix the amount of the assessment against each Lot or Living Unit for each assessment period at least thirty (30) days in advance of such date or period, and, at the same time;
 - 2. To prepare a roster of the properties and assessments applicable thereto which shall be kept in the Office of the Association and shall be open to inspection by any member and, at the same time;
 - 3. To send written notice of each assessment to every owner subject thereto.
- (d) To issue, or to cause an appropriate officer to issue, upon demand by any person a certificate setting forth whether any assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

ARTICLE IX DIRECTOR'S MEETINGS

SECTION 1. A regular meeting of the Board of Directors shall be held each month at the date and time designated by the Board. The Board of Directors may, by resolution, change the day and hour of holding such regular meeting. Notice of such regular meeting is hereby dispensed with. If the day for the regular meeting shall fall upon a holiday, the meeting shall be held at the same hour on the first day following which is not a holiday, and no notice thereof need be given.

All meetings of the Board of Directors shall be conducted at the principal place of business of the Association located at 28491 Ono Boulevard, Orange Beach, Alabama 36561, unless the Board specifically designates a different location for such meetings.

Special meetings of the Board of Directors shall be held when called by any officer of the Association or by any two directors after not less than three days' notice to each director.

A director may attend Board meetings via telephone conference no more than two (2) meetings per year, per Board member with no more than two members of the Board attending by telephone during any meeting of the Board. Members who desire to attend Board meetings by telephone shall make such arrangements one week in advance of any Board meeting which they desire to attend by telephone.

SECTION 2. The transaction of any business at any meeting of the Board of Directors, however called and noticed, or wherever held, shall be as valid as though made at a regular meeting duly held after regular call and notice, if a quorum is present and, if either before or after the meeting, each of the directors present signs as written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records and made part of the minutes of the meeting.

The majority of the Board of Directors shall constitute a quorum thereof.

ARTICLE X OFFICERS

SECTION 1. The officers shall be a president, a vice president, a secretary and a treasurer. The president and the vice president shall be members of the Board of Directors.

- Officers shall be chosen by majority vote of the directors.
- All officers shall hold office during the pleasure of the Board of Directors.

SECTION 2. The president shall preside at all meetings of the Board of Directors, shall see that orders and resolutions of the Board of Directors are carried out, and shall sign all notes, checks, leases, mortgages, deeds and all other written documents.

SECTION 3. The vice president shall perform all of the duties of the president in his absence.

SECTION 4. The secretary shall be ex officio the secretary of the Board of Directors and shall record the votes and keep the minutes of all proceedings in a book to be kept for this purpose. He shall sign all certificates of membership. He shall keep the records of the Association. He shall record in a book kept for that purpose the names of all members of the Association together with their addresses as registers by such members. (See Article XII, Section 3).

SECTION 5. The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors, provided, however, that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board. The treasurer shall sign all checks and notes of the Association, provided that such checks and notes shall also be signed by the president or the vice president. The treasurer shall keep proper books of account and cause an annual audit of the Association books to be made by a certified public accountant at the completion of each fiscal year. He shall prepare an annual budget and an annual balance sheet statement, and the budget and balance sheet will be presented to the membership at its regular annual meeting.

ARTICLE XI COMMITTEES

SECTION 1. The standing committees of the Association shall be;

- (a) The Architectural Control Committee;
- (b) Such other committees as the Board deems necessary or desirable in its discretion

Unless otherwise provided herein, each committee shall consist of a Chairman and two or more members and shall include a member of the Board of Directors for Board contact.

The committees shall be appointed by the Board of Directors at a special meeting of the Board of Directors, which shall begin immediately following the conclusion of the annual membership meeting of the Association. Committee members shall serve until the next annual meeting of the membership, after which new appointments to the committees shall be made by the Board, or, until their successors have been appointed.

The Architectural Control Committee shall have the duties and functions described in Article VII, Declaration of General Covenants and Restrictions applicable to the properties. It shall obtain information upon and evaluate any proposals, programs or activities which may affect the value of the properties and shall advise the Board of Directors regarding Association action on such matters.

Should vacancies occur on any committee, the Board of Directors shall fill any such vacancies by its' appointment. Any person selected to fill a vacancy shall serve the unexpired term of the committee member whose position was vacated.

ARTICLE XII MEETING OF MEMBERS

SECTION 1. The regular meeting of the members shall be held in the month of March each year on the day and at the house designated by the Board of Directors. All members shall be provided written notice of the day and hour of the regular meeting of members at least thirty (30) days in advance of said meeting.

Section 2. Special meetings of the members for any purpose may be called at any time by the President, Vice President, Secretary or Treasurer, or by any two or more members of the Board of Directors, or upon written request of the members who have a right to vote one fourth (1/4) of the votes of the membership.

SECTION 3. Notice of any meetings shall be given to the members by the Secretary. Notice shall be given to the members, by sending a copy of the notice through the mail, postage thereon fully prepaid, to the member's address appearing on the books of the corporation. Each member shall register his address with the Secretary, and notices of meetings shall be mailed to him at such address. Notice of any meeting, regular or special shall be mailed at least thirty (30) days in advance of the meeting and shall set forth in general the nature of the business to be transacted, provided, however, that if the business of any meeting shall involve an election governed by Article VII or any action governed by the Articles of Incorporation or by the Declaration of General Covenants and Restrictions applicable to the properties, notice of such meeting shall be given or sent as therein provided.

SECTION 4. The presence at the annual meeting of members entitled to cast, or of proxies entitled to cast a majority of the votes of membership shall constitute a quorum for any action governed by these by-laws; provided however: The presence at the annual meeting of members constituting at least thirty (30) percent of the total membership of the Association, voting in person or by proxy, shall constitute a quorum for the conduct of business limited to the presentations of committee reports and comments by members to the Board. Directors shall be elected from all the valid votes cast by Members, even if less than a quorum, if at least twenty (20) percent vote in person or by proxy. Any action governed by the Articles of Incorporation or by the Declaration of General Covenants and Restrictions applicable to the properties shall require a quorum as therein provided.

ARTICLE XIII PROXIES AND BALLOTS

At all corporate meetings of members, each member may vote in person or by proxy.

All proxies shall be in writing and filed with the Secretary. No proxy shall extend beyond a period of eleven (11) months, and every proxy shall automatically cease upon sale by the member of his home or other interest in the properties.

All voting shall be on official ballots bearing the corporate seal of the Property Owners Association.

The board of Directors may, in its discretion, adopt, and modify from time to time, official ballots and/or proxies of the Association, which shall be used by the members at all elections, and which shall be in a form as prescribed by the Board.

ARTICLE XIV BOOKS AND PAPERS

The books, records and papers of the Association shall at all times during reasonable business hours be subject to the inspection of any members.

Certain books, records and papers of the Association shall not be subject to inspection by any of the members, but rather, will only be available for inspection by the officers and directors, the staff of the Association, together with its attorneys and accountants, and such others as the Board shall deem proper and necessary to view said books, records and papers; the restricted books, records and papers shall consist of those which fall into any of the following categories;

- (a) Wherein the character and good name of any individual having dealings with the Association, or who might potentially have dealings with the Association, is mentioned or discussed;
- (b) Wherein litigation, or potential or threatened litigation, involving the Association is discussed or mentioned by or between the Association's attorneys, accountants, directors, officers, or agents, servants or employees; and
- (c) Wherein the Association's bargaining position with any governmental authority, regulatory authority, or with any individual or entity relating to contractual affairs is mentioned or discussed.

Books, records and papers of the Association that should otherwise be available for inspection to any of the members, but which contain restricted information as described, shall, if at all possible, be redacted, so as to prohibit release of the restricted information to Ono Island authorized members, but so as to still allow inspection of the non-restricted, content of the books, records or papers.

ARTICLE XV CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: "PROPERTY OWNER'S ASSOCIATION OF ONO ISLAND, INC."

ARTICLE XV AMENDMENTS

SECTION 1: These by-laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy, provided that those provisions of these By Laws which are governed by the Articles of Incorporation of this Association may not be amended except as provided in the Articles of Incorporation or applicable law; and provided further that any matter stated herein to be or which is in fact governed by the Declaration of General Covenants and Restrictions applicable to the properties may not be amended except as provided in such Declaration of General Covenants and Restrictions applicable to the properties may not be amended except as provided in such Declaration of General Covenants and Restrictions.

SECTION 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control and in the case of any conflict between the Declaration of General Covenants and Restrictions applicable to the properties referred to in Section 1 and these By-laws, the Declaration of General Covenants and Restrictions shall control.

ARTICLE XVI LINE OF CREDIT OR OTHER TYPE LOAN IN THE EVENT OF A DISATER

The Association is authorized to obtain a line of credit or other type loan in the event of a disaster that causes major damage to the Association property. The proceeds of any such line of credit or loan obtained shall be used to pay the cost of restoration for the Association property only; and, to dispose of debris on the rights of way of the Association in accordance with deadlines and direction established by the Board of Directors.

IN WITNESS WHEREOF, the **PROPERTY OWNERS ASSOCIATION OF ONO ISLAND INC.**, an Alabama non-profit corporation, has caused these presents to be executed by its officers, all heretofore duly authorized, following the approval of those amendments to the By-Laws of the Association by a vote of a majority of a quorum of members present in person or proxy at a duly convened meeting of the membership of the Association. These amendments to the By-Laws of the Association shall take effect on the 30th day of March, 2019.

PROPERTY OWNERS ASSOCIATION OF ONO ISLAND, INC.



LARRY KERN, PRESIDENT



GEORGE R. SWIFT III, SECRETARY

Attest:



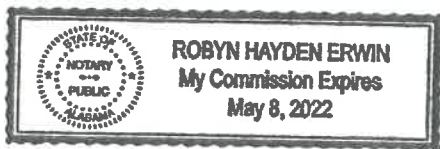
Shannon Harrison, Island Administrator

STATE OF ALABAMA)

COUNTY OF BALDWIN)

Before me, the undersigned Notary Public, in and for said county and state, personally appeared Larry Kern and George R Swift III, whose names as President and Secretary are set forth above, respectively, of the Property Owners Association of Ono Island, Inc., an Alabama non-profit corporation, are known to me, and who signed the foregoing Instrument in my presence and acknowledged that, being informed of the contents of the instrument, as officers with full authority, executed the same voluntarily on the day the same bears date, for and as the act of said corporation, following a vote of the membership of the corporation at a fully convened meeting wherein the membership approved adoption of the amendments to these By-Laws.

Sworn to and subscribed before me on this 30th day of March, 2019.



Notary Public:

Robyn Hayden Erwin

My Commission Expires:

5-8-22

THIS INSTRUMENT WAS PREPARED

By: Shannon Harrison, Island Administrator
Property Owners Association of Ono Island, Inc.
28491 Ono Boulevard
Orange Beach, AL 36561