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Madison County
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BYLAWS
OF
QUAIL LANDING HOMEOWNERS' ASSOCIATION, INC.

ARTICLE I
APPLICABILITY, PURPOSE AND BINDING EFFECT

1.01. Applicability and Purpose. These Bylaws of Quail Landing Homeowners' Association, Inc. (herein referred to as the "Bylaws"), promulgated pursuant to the Alabama Nonprofit Act of 1984, as last amended (Sections 10-3A-1 through 10-3A-225 of the *Code of Alabama* of 1975, as last amended) (herein referred to as the "Act"), are for the purpose of self-governance of Quail Landing Homeowners' Association, Inc., an Alabama nonprofit corporation (herein referred to as the "Association") as the entity responsible for the management, care, maintenance, repair and insurance of, the common area (herein referred to as the "Common Area") of Quail Landing Subdivision heretofore or hereafter respectively established by:

A. The Articles of Incorporation of Quail Landing Homeowners' Association, Inc. (herein referred to as the "Articles of Incorporation"); and

B. The Plat of Quail Landing Subdivision, filed for record on April 9, 2020 as Slide 0002719-F, Document No. 1822147 in the Office of the Judge of Probate of Baldwin County, Alabama (herein referred to as the "Plat"); and

C. All additional property subjected to the Declaration (as defined herein) by Supplementary Declarations filed by the Developer from time to time in the Office of the Judge of Probate of Baldwin County, Alabama;

all are applicable for the following purposes of the Association:

A. To provide an entity responsible for the management, care, maintenance, repair and insurance of, the Common Area of the Subdivision as established by the Plat;

B. For establishing the reasons for and the means and methods of collecting the contributions or Assessments (whether General, Special or Specific) for Association Expenses;

C. For enforcement of the provisions of the Articles of Incorporation of the Association and these Bylaws; and

D. For such other purposes as the Board may determine and as provided for by the Act.

Except as to those matters which the Act specifically require to be performed by the vote of the members of the Association, the administration of the Association shall be performed by the Board as more particularly set forth herein.

All present and future Owners, tenants and occupants of the Residences, as well as the holders of all mortgages and liens thereon, shall be subject to, and shall comply with, the provisions of the Articles of Incorporation, and these Bylaws, as they may be amended from time to time.

The acceptance of a deed or conveyance, or the entering into of a lease, or the entering into occupancy of, or the taking of a mortgage or any other lien on, any Residence shall constitute an agreement that the provisions of these Bylaws and the Articles of Incorporation, as they may be amended from time to time, are accepted and ratified by such Owner, tenant and occupant, or holder of a mortgage or lien, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any such Owner, tenant and occupant, mortgagee or lien holder, as if such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof, or mortgage or lien thereon.

ARTICLE II
DEFINITIONS

Any phrases, terms or words which are used herein shall have the same definitions attributed to them in the Articles of Incorporation and in the Act. In addition thereto, unless the context otherwise requires, the following phrases, terms or words as used herein are defined as follows:

2.01. "Act" shall mean the Alabama Nonprofit Act of 1984, as last amended (Section 10-3A-1 through 10-3A-225 of the Alabama Code of 1975, as last amended).

2.02. "Articles of Incorporation" means the articles of incorporation of the Association, as recorded in the Office of the Judge of Probate of Madison County, Alabama, and any subsequent amendments thereto.

2.03 "Assessments" means, individually and collectively, General Assessments, Special Assessments and Specific Assessments.

2.04. "Association" means Quail Landing Homeowners' Association, Inc., an Alabama nonprofit corporation, its successors and assigns.

2.05. "Association Expenses" include the expenses arising out of ownership of Common Area for which the Owners are liable to the Association in accordance with the Articles of Incorporation and these Bylaws, actual or estimated.

2.06. "Board" means the Board of Directors of the Association.

2.07. "Bylaws" means these duly adopted Bylaws of the Association, and any subsequent amendments thereto.

2.08. "Common Area" means the part or parts of the Subdivision, as such Subdivision may be re-subdivided from time to time, as set forth in the Declaration of Protective Covenants and Restrictions for Quail Landing, and as depicted on the Plat of the Subdivision, and shall include all parts of the Subdivision not included within the boundaries of any Residence except for streets and rights-of-way dedicated to the public. The Common Area shall include the part or parts of all future subdivisions subjected to the Declaration which are not included within the boundaries of any Residence.

2.09. "Common Surplus" means the excess of all receipts of the Association arising out of Assessments against the Residences for the Common Area over the amount of Association Expenses.

2.10 "Declaration" means the Declaration of Protective Covenants for Quail Landing, as such may be amended from time to time, and recorded with the Probate Court of Baldwin County, Alabama.

2.11. "Developer" means Breland Homes, LLC, a Delaware limited liability company.

212. "Director" means a member of the Board.

2.13. "Majority" shall mean those votes totaling fifty-one percent (51%) or more of the total number of eligible votes. Unless otherwise specifically stated, the words "Majority Vote" mean fifty-one percent (51%) or more of those voting in person or by proxy. Unless otherwise provided in the Articles of Incorporation, or in these Bylaws, all decisions shall be by a Majority Vote.

2.14. "Member" means a member of the Association, that is to say, an Owner. Membership in the Association shall be limited to, and is required of, those persons who hold and own a record title fee simple ownership interest in any Residence, but does not include a holder of a Mortgage or other lien on a Residence, and does not include a lessee or tenant of a Residence.

2.15. "Mortgage" shall refer to any mortgage, deed to secure debt, deed of trust, or other instrument given for the purpose of securing the performance of an obligation, including, but not limited to, a transfer or conveyance for such purpose of fee title to a Residence or Residences.

2.16. "Officers" shall mean those individuals named in the Articles of Incorporation and thereafter those individuals who are elected by the Board to serve the Association as President, Vice President, Secretary/Treasurer, or such other officers as the Board may, from time to time, determine are necessary, as provided for in Article VII hereof.

2.17. "Owner" means a record title holder of a fee-type ownership interest in a Residence, but does not include a holder of a Mortgage or other lien on the Residence, and does not include a lessee or tenant of a Residence. Owners are required to be members of the Association as a condition of their ownership of their respective Residence or Residences.

2.18. "Person" means any individual, corporation, partnership, association, trustee, fiduciary or other legal entity.

2.19. "Plat" means the plat of the Subdivision, filed for record April 9, 2020 as Slide 0002719-F, Document No. 1822147 in the Office of the Judge of Probate of Baldwin County, Alabama.

2.20. "Residence" means each portion of the Subdivision intended for fee simple ownership for single-family residential purposes as designated and shown on the Plat.

2.21. "Rules and Regulations" means such rules and regulations of the Subdivision as may be adopted by the Board.

2.22. "Subdivision" means "Quail Landing" according to the map of survey of Quail Landing Subdivision, filed for record on April 9, 2020 as Slide 0002719-F, Document No. 1822147 in the Office of the Judge of Probate of Baldwin County, Alabama and all additional real property subjected to the Declaration by supplementary declarations.

2.23. Other Terms. Terms not otherwise defined herein shall have their natural meanings, or the meanings given in the Articles of Incorporation or in the Act.

ARTICLE III
MEMBERSHIP

3.01. Qualifications. An Owner shall automatically become, and is required to become, a Member of the Association upon taking title to his Residence and shall remain a Member for his entire period of ownership, as may be more fully provided below. If title to a Residence is held by more than one person, the membership shall be limited to one who shall exercise voting rights for such Residence as provided for in Article IV of these Bylaws. Membership does not include persons who hold an interest merely as security for the performance of an obligation such as a Mortgage, and the giving of a security interest or a Mortgage shall not terminate the Owner's membership. Membership shall be appurtenant to the Residence to which it appertains and shall be transferred automatically by conveyance of that Residence.

3.02. Change of Membership. Change of membership in the Association shall be established by the recording in the Office of the Judge of Probate of Baldwin County, Alabama, of a deed or other instrument conveying a record title to a Residence in the Subdivision, and the delivery to the Secretary/Treasurer of the Association of a certified copy of such deed or other instrument, the Owner designated by such instrument thereby becoming a Member of the Association. The membership of the prior Owner shall be terminated thereby.

ARTICLE IV
VOTING

4.01. Voting Rights. The votes for a Residence shall be cast by the Owner, or by his proxy designated in the manner herein provided for. The number of votes to which an Owner is entitled is provided in the Articles of Incorporation and in these Bylaws.

4.02. Designation of Voting Representative and Eligibility to Vote. In the event a Residence is owned by one (1) person, an Owner's right to vote shall be established by the record title to such Owner's Residence. If a Residence is owned by more than one (1) person, the person entitled to cast the vote for the Residence shall be designated by a certificate of appointment signed by all of the record owners of the Residence and filed with the Secretary/Treasurer of the Association. If a Residence is owned by a corporation, partnership, trust or other legal entity, the officer or agent thereof entitled to cast the vote for the Residence shall be designated by a certificate of appointment signed by the duly authorized representative of the board of directors or other governing body of such entity and filed with the Secretary/Treasurer of the Association. If such a certificate is not filed with the Secretary/Treasurer of the Association for a Residence owned by more than one (1) person, or by a corporation, partnership, trust or other legal entity, the membership, or vote of the Owner concerned, shall not be considered in determining the requirement for a quorum nor for any purpose requiring the approval of the person entitled to cast the vote for the Residence. Such certificate shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the Residence concerned is effected. A certificate designating the person entitled to cast the vote of a Residence may be revoked by any owner thereof.

4.03. Voting in Person or by Proxy. An Owner may vote in person or by a dated proxy executed in writing by the Owner or his duly authorized attorney-in-fact. No proxy shall be valid except for the particular meeting designated therein, and no proxy shall be honored unless filed with the Secretary/Treasurer of the Association before the appointed time of the meeting. Except as provided by applicable law, no proxy may be revoked except by written notice delivered to the Secretary/Treasurer of the Association. No person other than the Owner shall act as proxy for more than one (1) Residence in addition to his own Residence.

ARTICLE V
MEETINGS OF MEMBERSHIP

5.01. Annual Meetings. Within the last ninety (90) days of the one (1) year period following the date the Subdivision is accepted by the County of Baldwin, Alabama, the Owners shall call and hold the first Owners' meeting. Thereafter, annual meetings shall be held within ninety (90) days after the end of each fiscal year at a day and at a time determined by the Board. Subject to the terms of Article VI, the annual meeting shall be held for the purpose of electing Directors and of transacting any other business authorized to be transacted by the Owners.

5.02. Special Meetings. Special meetings of the Owners may be called by the Board or the President, for any purpose or purposes, and shall be called by the Secretary/Treasurer at the request, in writing, of fifty-one percent (51%) or more of the Owners. Business transacted at all special meetings shall be confined to the object(s) stated in the notice thereof.

5.03. Notice of Meetings. Notice of all Owners' meetings stating the place, day, hour and purpose for which the meeting is called shall be personally delivered or mailed by the Secretary/Treasurer to each Owner at his Residence not less than ten (10) nor more than fifty (50) days prior to the date of such meeting. The mode of giving of such notice shall be governed by the provisions of Section 14.04 of these Bylaws.

5.04. Waiver of Notice. Waiver of notice of any meeting by an Owner made in writing before or at the meeting shall be deemed the equivalent of proper notice. Attendance at a meeting by an Owner, whether in person or by proxy, shall be deemed a waiver of notice of the meeting by such Owner, unless such Owner specifically objects to the form of notice at the time the meeting is called to order. Attendance at a Special Meeting shall also be deemed a waiver of notice of all business transacted thereat unless objection to the form of notice is raised before the purpose for which the meeting is called is put to a vote.

5.05. Quorum. Owners holding more than fifty-one percent (51%) of the votes entitled to be cast represented in person or by proxy shall constitute a quorum at all meetings of the Owners.

5.06. Vote Required to Transact Business. When a quorum is present at any meeting, the vote of a majority of the votes cast shall be necessary for the adoption of any matter voted upon by the Owners unless the question is one upon which, by express provision of the Act, the Articles of Incorporation, or these Bylaws, a different number is required, in which case the express provision shall govern and control the decision in question.

5.07. Adjourned Meetings. If any meeting of the Owners cannot be organized because a quorum has not attended, the Owners who are present, either in person or by proxy, may adjourn the meeting from time to time without notice other than announcement at the meeting, until a quorum is present. At such adjourned meeting at which a quorum shall later be present or represented, any business may be transacted which might have been transacted at the meeting originally called.

5.08. The Order of Business. The order of business at annual Owners' meetings shall be:

A. Call to order;
B. Calling of the roll and certifying of proxies;
C. Proof of notice of meeting or waiver of notice;
D. Reading and disposal of any unapproved minutes;
E. Reports of officers;
F. Reports of committees;

G. Election of Directors;
H. Unfinished business;
I. New business; and
J. Adjournment.

5.09. Place of Meeting. Meetings of the Owners shall be held at the Subdivision or at such other suitable place convenient to the Owners as may be designated by the Board in the notice thereof.

5.10. Unanimous Consent. Any action which may be taken by a vote of the Owners may be taken without a meeting if a waiver of notice and a consent, in writing, setting forth the action so taken, shall be signed by all of the Owners entitled to vote with respect to the subject matter thereof. Any such written waiver and consent, or a copy thereof, shall be filed with the minutes of the Association.

ARTICLE VI
BOARD OF DIRECTORS

6.01. Initial Board of Directors; Number. The initial Board of Directors shall consist of three (3) members who shall be designated in the Articles of Incorporation. The number of Directors shall thereafter remain in number and consist of three (3) members. The Directors elected at the annual meeting of the Owners shall be elected to serve for a term of one (1) year. One-third (1/3) of the terms of the members of the Board elected by the Owners shall expire annually. In any event, however, and except as otherwise provided in these Bylaws, a Director shall hold office for the term to which he is elected or appointed and until his successor shall have been elected or appointed and qualified.

6.02. Board while Developer Owns Residences. While the Developer owns any Residence in the Subdivision, the Developer shall have the right to appoint the Directors of the Board. Such Directors shall serve until removed by the Developer.

6.03. Board after Developer Sells All Interest in Residences. After the Developer sells all the Residences in the Subdivision, then the Association shall have a special meeting to elect a new Board of Directors (the "New Board").

6.04. Staggered Elections of Directors. At the First Annual Meeting of Owners following the election of the New Board, held pursuant to Section 5.01 of Article V of these Bylaws, the Director designated Place One in the Articles of Incorporation shall be replaced by a Director elected by the Owners. At the Second Annual Meeting, the Director originally designated Place Two in the Articles of Incorporation shall be replaced by a Director elected by the Owners. At the Third Annual Meeting following the election of the New Board, the Director originally designated Place Three in the Articles of Incorporation shall be replaced by a Director elected by the Owners. At each Annual Meeting subsequent thereto, the Director whose term of office then expires shall be replaced by a Director elected by the Owners. The foregoing notwithstanding, the right of the Owners to elect Directors shall be subject to the right reserved to the Developer to designate the Directors so long as the Developer owns a Residence in the Subdivision.

6.05. Procedures for Removal and Replacement of Directors after Developer Sells All Interest in Residences.

A. Removal. Any Director may be removed, either with or without cause, by an affirmative vote of two-thirds (2/3rds) of the votes eligible to be cast by Owners in person or by proxy at a meeting of Owners duly held for such purpose.

Any Director whose removal has been proposed by the Owners shall be given at least ten (10) days notice of the meeting and the purpose thereof and shall be given an opportunity to be heard at the meeting.

B. Vacancy and Replacement. If the office of any Director or Directors becomes vacant by reason of death, resignation, retirement, disqualification, removal from office, or otherwise, a majority of the remaining Directors, though less than a quorum, at a Special Meeting of Directors duly called for this purpose, shall choose a successor or successors; provided, however, a Director removed by a vote of the Owners may be replaced only by a Director nominated and confirmed by a vote of the Owners. Any successor Director or Directors shall hold office for the unexpired term of his predecessor in office.

6.06. Regular Meetings. The Annual Meeting of the Board shall be held immediately prior to the Annual Meeting of the Owners, provided a quorum shall be present, or as soon thereafter as may be practicable. The Directors may, by resolution duly adopted, establish that regular monthly, quarter-annual or semi-annual meetings of the Board shall be required.

6.07. Special Meetings. Special meetings of the Board for any purpose may be called by the President or upon the written request of any two (2) Directors upon at least five (5) days notice to each Director.

6.08. Notice of Meetings. Except as provided in Section 6.05 of Article VI of these Bylaws, notice of all Directors' meetings shall state the place, day, hour and purpose for which the meeting is called, and shall be personally delivered or mailed by the Secretary/Treasurer to each Director not less than one (1) day nor more than ten (10) days prior to the date of such meeting. The mode of giving of such notice shall be governed by the provisions of Section 14.04 of these Bylaws.

6.09. Waiver of Notice. Any Director may at any time waive notice of any meeting of the Board in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. If all Directors are present at any meeting of the Board, no notice shall be required to conduct the meeting and any business may be transacted at such meeting.

6.10. Quorum and Vote Required to Transact Business. At all meetings of the Board, a majority of the Directors elected and then serving shall constitute a quorum for the transaction of business, and the act of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board, except as may be otherwise specifically provided by the Articles of Incorporation, the Act, or these Bylaws. If all Directors are present at any meeting of the Board, no notice shall be required to conduct the meeting and any business may be transacted at such meeting.

If a quorum shall not be present in any meeting of Directors, the Directors present thereat may adjourn the meeting from time to time without notice other than announcement at the meeting, until a quorum shall be present.

If a quorum is present when the meeting is convened, the Directors present may continue to do business, taking action by a vote of a majority of those present, until adjournment, notwithstanding the withdrawal of enough Directors to leave less than a quorum present, or the refusal of any Director present to vote.

The President shall preside over all meetings of the Board and the Secretary/Treasurer shall keep a minute book, recording therein all resolutions adopted by the Board and a record of all transactions and proceedings occurring at such meeting. Roberts Rules of Order (latest edition) shall be the authority for the procedures to conduct the meetings of the Board when not in conflict with the Articles of Incorporation, the Act or these Bylaws.

6.11. Unanimous Consent. Any action which may be taken by the Board at a meeting may be taken without a meeting if a waiver of notice and a consent, in writing, setting forth the action so taken, shall be signed by all of the Directors. Any such written consent, or a copy thereof, shall be filed with the minutes of the Board.

6.12. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration and management of the affairs of the Association and of the Common Area of the Subdivision and may do all such acts and things except as by the Articles of Incorporation, the Act, these Bylaws or by other applicable law, may not be delegated to the Board by the Owners. The Board shall have the power to enforce obligations of the Owners and to do anything and everything necessary and proper for the sound management of the Association and of the Common Area of the Subdivision. The Board shall have the power to levy fines against the Owners for violations of reasonable rules and regulations established by it to govern the conduct of the Owners. No fine may be levied for more than Fifty and No/100 Dollars ($50.00) for any one violation but for each day a violation continues after written notice it shall be considered a separate violation. Collection of fines may be enforced against the Owner or Owners involved as if the fines were Association Expenses owed by the particular Owner or Owners.

In addition to the duties imposed by these Bylaws or by any resolution of the Association hereafter adopted, the Board shall have the power to do and shall be responsible for, the following, in way of explanation, but not limitation:

A. Authorizing the opening of bank accounts on behalf of the Association and designating the signatories required.

B. Enforcing, by legal means, the provisions of the Articles of Incorporation and these Bylaws.

C. Authorizing books and records to be kept with detailed accounts of the receipts and expenditures affecting the Association and its administration. The said books and records shall be available for examination by the Owners, as provided in the Act. All books and records shall be kept in accordance with generally accepted accounting practices.

D. Preparation and adoption of an annual budget, in which there shall be established the assessment or contribution of each Owner to the Association Expenses.

E. Making General, Special or Specific Assessments to defray the cost of the Association Expenses, establishing the means and methods of collecting such Assessments, and establishing the period for the installment payments of any such Assessment. Unless otherwise determined by the Board the General Assessment against the proportionate share of the Association Expenses shall be payable in equal monthly installments, with each installment to be due and payable on or before the fifteenth (15th) day of the month next following the month when made.

F. Providing for the management, care, maintenance, repair and insurance of the Common Area of the Subdivision, and for the purchase, maintenance and repair of street lamps and component parts for use in the Subdivision as required by the County of Baldwin, Alabama.

G. Designating, hiring and dismissing the personnel necessary for the management and operation of the Association and for the management, care, maintenance, repair and insurance of the Common Area of the Subdivision and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies and material to be used by such personnel in the performance of their duties.

H. Authorizing the collection of Assessments, depositing the proceeds thereof in a bank depository which it shall approve, and authorizing the use of the proceeds to administer the affairs of the Association.

I. Instituting legal proceedings on behalf of or against the Owners concerning the Association.

J. Altering, amending or repealing these Bylaws.

6.13. Compensation. No Director shall be compensated for his services as such. This provision shall not prohibit a Director from receiving compensation as an employee of the Association, nor preclude the contracting with a Director, or with any firm or corporation in which a Director may own an interest, for the management of the Common Area of the Subdivision for which such Director or Directors may receive compensation.

6.14. Liability of the Board of Directors. The members of the Board shall not be liable to the Owners for any mistake of judgment, negligence, or otherwise except for their own individual act or omission, which gives rise to a cause of action, amounts to willful or wanton misconduct or fraud, or gross negligence, and except for any personal injury to or death of another person or property damage arising out of an accident inflicted by that Director while acting within the line and scope of said Director's duties. It is intended that the members of the Board shall have no personal liability with respect to any contract made by them on behalf of the Common Area of the Subdivision. It is understood and permissible for the Board, whether Owners or employed by the Developer, to contract with the Developer or any affiliated firms or corporations, without fear of being charged with self-dealing.

ARTICLE VII
OFFICERS

7.01. Designation. The principal Officers of the Association shall be the President, the Vice President, and the Secretary/Treasurer. The President and Secretary/Treasurer shall be elected by and from the Board. The Vice President shall be elected by the Board, but may be either a Board or a Member. The Board may appoint such other subordinate officers as in its judgment may be necessary. Such subordinate officers shall not be required to be members of the Board. No person may hold more than one office.

7.02. Election of Officers. The Officers of the Association shall be elected annually by the Board at the meeting of the Board held immediately prior to each annual meeting of the Owners, and shall hold office for the term to which they are elected or appointed and until their successors shall have been elected or appointed and qualified.

7.03. President. The President shall be the chief executive officer of the Association and shall preside at all meetings of the Owners and of the Board. The President shall have all the general powers and duties which are incident to the office of the president of a corporation organized under the Act.

7.04. Vice President. In the absence of the President, or in the event of his death, inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. He shall perform such other duties as from time to time may be assigned to him by the President or by the Board.

7.05. Secretary/Treasurer. The Secretary/Treasurer shall keep the minutes of all meetings of the Owners and of the Board; shall see that all notices are duly given in accordance with the provisions of the Articles of Incorporation, these Bylaws, or as required by law; be custodian of the books and records of the Association; and keep a current list of Owners. The Secretary/Treasurer also shall have charge and custody of and be responsible for all funds and securities of the Association; receive and give receipts for moneys due and payable to the Association from any source whatsoever, and deposit all such moneys in the name of the Association, in such banks, or other depositories, as shall be selected in accordance with the provisions of these Bylaws; be responsible for the preparation of the annual budget of the Association in accordance with the Board's directions; and, in general, perform all of the duties incident to the office of Secretary/Treasurer, and such other duties as from time to time may be assigned to him by the President or by the Board. If required by the Board, the Secretary/Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety, or sureties, as the Board may determine.

7.06. Powers. In addition, but not contradiction, to their powers set forth above, the respective Officers shall have the general powers usually vested in such officer of a nonprofit corporation; provided that the Board may delegate any specific powers to any other officer or impose such limitations or restrictions upon the powers of any Officer as the Board may see fit; provided further, however, that all agreements, contracts, deeds, leases, promissory notes and other such legal instruments of the Association shall be executed by the President and the Secretary/Treasurer.

7.07. Term. Each Officer shall hold office for the term of one (1) year and until his successor shall have been elected or appointed and qualified.

7.08. Removal of Officers. Upon the affirmative vote of a majority of the members of the Board, any Officer may be removed whenever, in the judgment of a majority of the Board, the best interests of the Association will be served thereby.

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

7.10. Vacancies. If the office of the President, Vice President, or the Secretary/Treasurer, or one or more, becomes vacant by reason of death, resignation, disqualification or otherwise, the Directors, by a majority vote of the entire Board, may choose a successor or successors who shall hold office for the unexpired term of his predecessor in office.

7.11. Compensation. The Officers shall receive no compensation for their services.

7.12. Liability of Officers. The Officers shall not be liable to the Owners for any mistake of judgment, negligence, or otherwise except for their own individual act or omission, which gives rise to a cause of action, amounts to willful or wanton misconduct or fraud, or gross negligence, and except for any personal injury to or death of another person or property damage arising out of an accident inflicted by that Officer while acting within the line and scope of said Officer's duties. It is intended that the Officers shall have no personal liability with respect to any contract made by them on behalf of the Common Area of the Subdivision. It is understood and permissible for the Officers, whether Owners or employed by the Developer, to contract with the Developer or any affiliated firms or corporations, without fear of being charged with self-dealing.

ARTICLE VIII
ASSOCIATION RESPONSIBILITIES

8.01. Promulgation and Enforcement of Rules and Regulations. The Association is hereby granted the authority and power to promulgate and enforce such reasonable rules and regulations as are necessary for the efficient and sound operation of the Common Area of the Subdivision.

8.02. Liability and Indemnification of Officers and Directors. The Association shall indemnify every Officer and Director against any and all expenses or liabilities, including attorneys' fees, reasonably incurred by or imposed upon such Officer or Director in connection with any action, suit or other proceeding (including settlement of any such action, suit or proceeding, if approved by the Board) to which any such Officer or Director may be made a party by reason of being or having been an Officer or Director, whether or not such person is an Officer or Director at the time such expenses or liabilities are incurred. The Officers and Directors shall not be liable to the Owners for any mistake of judgment, negligence, or otherwise except for their own individual act or omission, which gives rise to a cause of action, amounts to willful or wanton misconduct or fraud, or gross negligence, and except for any personal injury to or death of another person or property damage arising out of an accident inflicted by that Officer or Director while acting within the line and scope of said Officer's or Director's duties. The Officers and Directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such Officers or Directors may also be members of the Association), and the Association shall indemnify and forever hold each such Officer and Director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other right to which any Officer or Director, or former Officer of Director, may be entitled.

8.03. Maintenance of Accounting Records: The Association shall maintain accounting records in accordance with generally accepted accounting principles, open to inspection by Owners at reasonable times. Such records shall include:

A. A record of all receipts and expenditures; and

B. An account for each Residence, setting forth any shares of Association Expenses or other charges due, the due dates thereof, the present balance due and any interest in Common Surplus.

8.04. Management, Etc. of Common Area: The Association shall be responsible for the management, care, maintenance, repair and insurance of the Common Area as provided in the Articles of Incorporation and these Bylaws.

ARTICLE IX
ASSESSMENTS

9.01. Purpose of Assessment. The assessments provided for herein shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefits, and enjoyment of the Owners and Occupants in the Community, including the maintenance of real and personal property, all as may be more specifically authorized from time to time by the Board of Directors.

9.02 Type of Assessments. Each Owner of any Residence, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Association: (a) General Assessments; (b) Special Assessments which are such assessments to be established and collected as hereinafter provided in this Article IX; and (c) Specific Assessments against any particular Residence and reasonable fines as may be imposed in accordance with the terms of the Declaration and Bylaws.

9.03 General Assessments. General Assessments may be established and levied by the Board at any time after the recording of the Declaration, provided; however that the initial General Assessments shall not be more than $50.00 per Lot or Residence per calendar year, due on October 1 of each calendar year and payable in advance. The first year's General Assessment, if any, shall be prorated through October 1 of that calendar year.

9.04 Special Assessments. In addition to the General and Specific Assessments authorized herein, the Board may levy Special Assessments in any year. So long as the total amount of Special Assessments allocable to each Residence does not exceed the amount of the current General Assessment in any one (1) calendar year, the Board may impose the Special Assessment. Any Special Assessment which would cause the amount of Special Assessments allocable to any Residence to exceed this limitation shall be effective only if approved by a majority of the total Association vote entitled to vote thereon and with the consent of the Developer, so long as the Developer has an option unilaterally to subject additional property to the Declaration. Special Assessments shall be paid as determined by the Board, and the Board may permit Special Assessments to be paid in installments extending beyond the fiscal year in which such Special Assessment is imposed.

9.05 Specific Assessments. The Board shall have the power to specifically assess pursuant to this Section as in its discretion, it shall deem appropriate. Failure of the Board to exercise its authority under this Section shall not be grounds for any action against the Association or the Board and shall not constitute a waiver of the Board's right to exercise its authority under this Section in the future with respect to any expenses, including an expense for which the Board has not previously exercised its authority under this Section.

A. The Association Expenses which benefit less than all of the Residences may be specifically assessed equitably among all of the Residences which are benefitted according to the benefit received.

B. The Association Expenses which benefit all Residences, but which do not provide an equal benefit to all Residences, may be specifically assessed equitably among all Residences according to the benefit received.

9.06 Creation of Lien and Personal Obligation for Assessments. All Assessments, with a late charge as set forth in Section 9.11, costs, and reasonable attorney's fees actually incurred, shall be a charge on the land and shall be a continuing lien upon the Residence against which each assessment is made unless such assessment is paid within thirty (30) days such assessment is due,

which due date is set forth in Section 9.03, or as may be otherwise determined by the Board when Special or Specific Assessments are made pursuant to Section 9.04, and Section 9.05, respectively. Each such Assessment, together with late charges, interest, costs, and reasonable attorney's fees actually incurred, shall also be the personal obligations of the Person who was the Owner of such Residence at the time the assessment fell due. Each such Owner shall be personally liable for his or her portion of each assessment coming due while he or she is the Owner of a Residence, and his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance; provided, however, the liability of a grantee for the unpaid assessments of its grantor shall not apply to any first Mortgage holder taking title through foreclosure proceedings or deed in lieu of foreclosure.

General Assessments and other assessments, unless otherwise provided by the Board, shall be paid in annual, semi-annual, or quarterly installments as the Board determines.

9.07. Acceleration. If an Owner shall be in default in payment of an Assessment installment, including, but not limited to, the monthly installments based on the annual budget, the Board may accelerate the remaining installments upon ten (10) days' prior written notice to such Owner, whereupon the entire unpaid balance of the installments due for the annual budget shall become due and payable upon the date stated in such notice.

9.08. Effect of Nonpayment of Assessments: Remedies of the Association. Any Assessments which are not paid in full by the date specified by the Board (the "Due Date"), shall be delinquent. Any Assessment delinquent shall incur a late charge of Five and No/100 Dollars ($5.00), per day, or in such amount as the Board may from time to time determine. If the Assessment is not paid by the Due Date, a lien, as herein provided, shall attach and, in addition, the lien shall include the late charge, interest on the principal amount due, and all late charges from the Due Date payable, all costs of collection, reasonable attorney's fees actually incurred, and any other amounts provided or permitted by law. In the event that the Assessment remains unpaid after ninety (90) days, the Association may, as the Board shall determine, institute suit to collect such amounts and to foreclose its lien. Each Owner, by acceptance of a deed or as a party to any other type of a conveyance, vests in the Association and its agents the right and power to bring all actions against him or her, personally, for the collection of such charges as a debt or to foreclose the aforesaid lien in the same manner as other liens for the improvement of real property. The lien provided for in this Article shall be in favor of the Association and shall be for the benefit of all other Owners. The Association, acting through the Board and on behalf of Owners, shall have the power to bid at any foreclosure sale or to acquire, hold, lease, mortgage, or convey foreclosed property. No Owner may waive or otherwise exempt himself from liability for the assessments provided for herein, including, by way of illustration, but not limitation, by non-use of Common Area, or abandonment of such Owner's Residence. No diminution or abatement of assessment or set-off shall be claimed or allowed by reason of any alleged failure of the Association or Board to take some action or perform some function required to be taken or performed by the Association or Board under the Declaration or the Bylaws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority, the obligation to pay assessments being a separate and independent covenant on the part of each Owner.

All payments shall be applied first to costs and attorney's fees, then to late charges, then to interest and then to delinquent assessments.

9.09 Date of Commencement of Assessments. An Owner shall become subject to assessment hereunder at the time of purchase of a lot in the Subdivision and as set forth in Section 9.03. The first General Assessment shall be prorated according to the number of months remaining in the calendar year during which the Owner became subject to assessment.

9.10 Assessment Obligation of the Developer; Advance Payment. After the commencement of annual assessment payments as to any Residence, the Developer, on behalf of itself and its successors and assigns, covenants and agrees to pay the full amount of the Assessments provided herein for each existing Residence that it owns after two (2) years from the date of the first conveyance to an Owner. The Board is specifically authorized to enter into such advance payment contracts with the Developer or other entities as may be mutually agreed to for the payment of some portion of the Association Expenses; provided, however, the Veterans Administration shall be advised of and approve any form of such contract entered into between the Developer and Association if the Veterans Administration is guaranteeing any Mortgage in the Community. Such contract or contracts shall be for the benefits of and enforceable by the Association.

9.11 Exempt Property. The following property shall be exempt from Assessments:

(a) all property dedicated to and accepted by any governmental authority or public utility, including, without limitation, public schools, public streets, public parks, roads, rights-of-way, streets and easements; and

(b) all property owned by non-profit organizations and restricted for use as private schools or churches; provided, however, the availability of the exemption for such non-profit organizations is contingent upon prior approval by the Board.

9.12 Annual Budget. It shall be the duty of the Board to prepare an annual budget covering the estimated costs of operating the Association during the coming year, which may include a capital contribution or reserve. The Board shall cause the budget and the Assessments to be levied against each Residence for the following year to be delivered to each Owner at least thirty (30) days prior to the end of the current calendar year. The Board may not, without the consent of the Developer (so long as the Developer has an option unilaterally to subject additional property to the Declaration) and the vote or written assent of at least a Majority of the total Association vote entitled to vote thereon, impose a General Assessment per Residence which is more than one hundred twenty percent (120%) of the General Assessment for the immediately preceding fiscal year. In the event that the Board fails for any reason so to determine the annual budget for the succeeding year, then and until such time as an annual budget shall have been determined, as provided herein, the annual budget in effect for the current year shall continue for the succeeding year.

9.13 Waiver of Assessments. The Board reserves the right to waive any Assessment as may come due from an owner for special circumstances shown.

9.14. Notice of Meetings. Written notice of any meeting called for the purpose of taking any action authorized under this Article IX shall be sent to all Owners at least ten (10) days prior to the meeting. Upon the written request of any owner of a Mortgage on a Residence, it shall be entitled to written notice of any such meeting and shall be permitted to designate a representative to attend and observe the meeting.

9.15. Annual Statements. Within ninety (90) days after the end of each year covered by an annual budget, or as soon thereafter as shall be practicable, the Board shall cause to be furnished to each Owner a statement for such year so ended, showing a summary of the receipts and expenditures

and such other information as the Board may deem desirable. Any holder of a Mortgage on a Residence shall be entitled, upon written request, to obtain a copy of the financial statement for the immediately preceding fiscal year.

9.16. Accounts. The Board shall cause to be kept a separate account record for each Owner, showing the Assessments charged to and paid by such Owner, and the status of his account from time to time. Upon fifteen (15) days written notice to the Board, any Owner shall be furnished a statement of his account setting forth the amount of any unpaid Assessments or other charges due and owing from such Owner.

9.17. Payment of Assessments. It shall be the duty of every Owner to pay his proportionate share of the Assessments assessed in the manner herein provided. If any Owner shall fail or refuse to make any such payments when due, the Board shall have the authority to exercise and enforce any and all rights and remedies as provided for in these Bylaws, or otherwise available at law or in equity, for the collection of all unpaid Assessments.

9.18. Records. The Board shall cause to be kept detailed and accurate records in chronological order of the receipts and expenditures affecting the Assessments and Common Area, specifying and itemizing the expenses incurred. Such records and financial statements and vouchers authorizing the payments of such expenses, shall be available upon reasonable prior notice for examination by the Directors, Officers and Owners during normal business hours at the office of the Association.

ARTICLE X
DEFAULT

10.1. Default in Payments. In the event an Owner does not pay any sums, charges or Assessments required to be paid to the Association within thirty (30) days from the due date, the Association, acting through the Board may foreclose the lien encumbering the Residence created by non-payment of the required moneys in the same fashion as mortgage liens are foreclosed. The Association shall be entitled to the appointment of a receiver if it so requests. The Association shall have the right to bid in the Residence at a foreclosure sale and to acquire, hold, mortgage and convey the same. In lieu of foreclosing its lien but without waiving the same, the Association may, on its own behalf, bring suit to recover a money judgment for sums, charges or Assessments required to be paid to the Association.

If an action of foreclosure is brought against an Owner for the non-payment of moneys due the Association, and as a result thereof the interest of the said Owner in and to his Residence is sold, then, at the time of such sale, the Owner's membership shall be cancelled and membership shall be issued to the purchaser at the foreclosure sale.

If the Association becomes the owner of a Residence by reason of foreclosure, it shall offer said Residence 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, including reasonable attorneys' fees, and any and all expenses incurred in the resale of the Residence, which shall include, but not be limited to advertising expenses, real estate brokerage fees and expenses necessary for the maintenance and insurance of the Residence in question. All moneys remaining after deducting the foregoing items of expense shall be returned to the persons, firms and/or entities legally entitled to the same. In the event any question exists as to entitlement to such monies, the Association may, but is not obligated to, interplead the same in an action filed in a court of competent jurisdiction, and in such interpleader action is entitled to recovery of its costs and expenses including a reasonable attorneys fee.

10.02. Violations. In the event of violation of the provisions of the Articles of Incorporation, and/or these Bylaws, as the same are now or may hereafter be constituted, the Association, on its own behalf, may bring appropriate action to enjoin such violation or to enforce the provisions of the documents last hereinabove enumerated, and/or sue for damages, or take all such courses of action at the same time, or for such other legal or equitable remedy it may deem appropriate.

10.03. Costs and Attorneys' Fees. In any action either to foreclose its lien, to recover a money judgment, for injunctive relief brought by or on behalf of the Association against an Owner, or for remedy of violations as set forth in Section 10.02 of this Article X, the Association, in the event it is the prevailing party, shall be entitled to recover the costs of such proceedings and a reasonable attorney's fee, including those incurred on appeal, if any.

ARTICLE XI
MORTGAGES

11.01. Notice to Association. An Owner who mortgages his Residence shall thereafter promptly notify the Secretary/Treasurer of the Association who shall maintain a record of such information.

11.02. Lender's Notices. Upon written request to the Association, identifying the name and address of such holder, insurer or guarantor and the Residence number or address, any Mortgage holder, (or insurer or guarantor thereof) of a Residence will be entitled to timely written notice of:

A. Any condemnation or casualty loss that affects either a material portion of the Common Area of the Subdivision or the Residence securing its Mortgage;

B. Any thirty (30) day delinquency in the payment of Assessments or charges owed by the Owner of any Residence on which it holds the Mortgage; and

C. A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association.

11.03. Examination of Books. The holder (or guarantor or insurer thereof) of a Mortgage on any Residence shall have the same right to examine the books and records of the Association afforded an Owner pursuant to these Bylaws.

ARTICLE XII
USE AND OCCUPANCY RESTRICTIONS

The Residences in the Subdivision shall be used only for those uses and purposes set out in the Declaration, as may be amended from time to time.

ARTICLE XIII
AMENDMENTS, ETC.

These Bylaws may be altered, amended or repealed by the Board.

ARTICLE XIV
MISCELLANEOUS

14.01. Seal. The seal of the Association shall be circular in form and shall contain the name of the Association. Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

14.02. Fiscal Year. The fiscal year of the Association shall be that period of twelve (12) months ending on the last day of December of each year.

14.03. Bank Accounts. The Board may, from time to time, by resolution authorize the maintenance of one or more deposit accounts by the Association. All checks, drafts, or other orders for the payment of money issued in the name of the Association shall be signed as provided for by the Board and these Bylaws.

14.04. Notices. Unless otherwise provided in these Bylaws, the Articles of Incorporation, the Act, or other applicable law, all notices, demands, bills, statements, or other communications provided for or required by these Bylaws, and/or the Articles of Incorporation, to Owners, Directors or Officers, shall be in writing and shall be deemed to be sufficient and to have been duly given if delivered personally or if sent by United States first class mail, postage prepaid, as follows:

A. If to an Owner, (i) at the address of his Residence or (ii) at the address which the Owner has designated in writing and filed with the Secretary/Treasurer; or

B. If to the Association, the Board, a Director, an Officer or the Manager or Managing Agent, at the principal office of the Association or the Manager or Managing Agent, if any, or at such other address as shall be designated in writing by the Association, the Board, a Director, an Officer, or the Manager, or Managing Agent, and filed with the Secretary/Treasurer, and such notice shall be deemed given on the day of such mailing, or such personal delivery to the recipient thereof.

14.05. Conflicts. These Bylaws are set forth to comply with the requirements of the Articles of Incorporation, and the Act. In case any provisions of these Bylaws conflict with the provisions of the Act, the Articles of Incorporation, or the Act, the provisions of the Articles of Incorporation, or the Act, as the case may be, shall control.

14.06. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of the Bylaws or the intent of any provision thereof.

ARTICLE XV
CONSTRUCTION

Whenever the masculine singular form of the pronoun is used in these Bylaws, it shall be construed to mean the masculine, feminine or neuter, singular or plural, whenever the context so requires.

These Bylaws are to be construed, controlled, enforced, governed and interpreted by the laws of the State of Alabama, without regard to principles concerning choice of law.

If, for any reason, any provision(s) or term(s) of these Bylaws should be declared null and void, or unconstitutional, by any final non-appealable order of any court of competent jurisdiction, the remainder of these Bylaws shall not be impaired and shall remain in full force and effect.

I, the undersigned, as Secretary/Treasurer of Quail Landing Homeowners' Association, Inc., do hereby certify that the foregoing Bylaws were adopted as the Bylaws of Quail Landing Homeowners' Association, Inc. at the first meeting of the Board of Directors of Quail Landing Homeowners' Association, Inc., held on this 13th day of April, 2021.

Secretary/Treasurer of
Quail Landing
Homeowners' Association, Inc.

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