

AMENDED AND RESTATED BYLAWS
OF
DEER VALLEY HOMEOWNERS ASSOCIATION, INC.

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**ARTICLE I
THE ASSOCIATION**

SECTION 1.01 NAME. The name of this Association shall be Deer Valley Homeowners Association, Inc. (the "Association"), which was formed under the Alabama Nonprofit Corporation Act [Code of Alabama 1975 §§ 10-3A-1 et seq.] by filing the Articles of Incorporation of Deer Valley Homeowners Association, Inc. dated as of November 5, 1999, and recorded in the Office of the Judge of Probate of Jefferson County, Alabama in Book 9914, Page 9408.

SECTION 1.02 DECLARATION. The provisions of these Bylaws are expressly subject to the terms and provisions of the Consolidated, Amended and Restated Declaration of Protective Covenants and Restrictions for Deer Valley Subdivision, dated as of November 18, 2011, which has been recorded in the Office of the Judge of Probate of Jefferson County, Alabama in instrument number 20111118001137470 (which, together with all subsequent amendments thereto, is hereinafter referred to as the "Declaration"). *Capitalized terms not otherwise expressly defined herein shall have the same meanings given to them in the Declaration.*

SECTION 1.03 PRINCIPAL OFFICE. The principal office of the Association in the State of Alabama shall be located in Jefferson County, Alabama, or such other location designated by the Board of Directors. The Association may have such other offices, either within or without the State of Alabama, as the Board of Directors may designate from time to

SECTION 1.04 REGISTERED OFFICE. The registered office of the Association required by the Alabama Nonprofit Corporation Act to be maintained in the State of Alabama shall be the same as the principal office of the Association, provided the address of the registered office may be changed from time to time by the Board of Directors.

**ARTICLE II
MEMBERS**

SECTION 2.01 MEMBERSHIP. Each person who is the Owner of any Lot within the Property shall be a member of the Association ("Member"). If a Lot is owned by more than one person and if only one of those persons is present at a meeting of the Association, that person shall be entitled to cast the vote appertaining to such Lot; provided, however, that if more than one of those persons is present, the vote appertaining thereto shall be cast only in accordance with their unanimous agreement, and, if no unanimous agreement is reached, the vote appurtenant to such Lot shall be suspended. Membership in the Association shall be appurtenant to, and may not be separated from, ownership of a Lot. The voting rights of any Member who has violated the Declaration or who is in default in the payment of any assessments due under the Declaration may be limited and suspended in accordance with the provisions of the Declaration, these Bylaws or any rules and regulations adopted from time to time by the Association.

SECTION 2.02 ANNUAL MEETING. Annual meetings of the Members of the Association shall be held on the third Thursday of January of each year. If the day fixed for the annual meeting shall be a legal holiday, such meeting shall be held on the next succeeding business day. Subject to the provisions of Section 2.09 below, at each annual meeting, the Members of the Association shall, subject to the terms of Sections 2.01 and 3.03 of these Bylaws, elect the Board of Directors of the Association and otherwise transact such other business as may come before such meeting. Subject to the provisions of Section 2.09 below, if the election of Directors shall not be held on the day designated herein for any annual meeting of the Members of the Association, or any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the Members of the Association as soon thereafter as may be convenient.

SECTION 2.03 SPECIAL MEETINGS. Subject to the provisions of Section 2.09 below, special meetings of Members, for any purpose or purposes, unless otherwise prescribed by statute, may be called (a) by the Board of Directors, (b) by the President, Vice President, Secretary or Treasurer of the Association, or (c) upon the petition of at least ten percent (10%) or more of the total votes in the Association.

SECTION 2.04 PLACE OF MEETING. Subject to the provisions of Section 2.09 below, the Board of Directors may designate any place, either within or without the State of Alabama, as the place of meeting for any annual or special meeting. In the absence of any designation, all meetings shall be held at the principal office of the Association in the State of Alabama.

SECTION 2.05 NOTICE OF MEETING. Subject to the provisions of Section 2.09 below, written or printed notice (or wireless transmission via facsimile or electronic mail) stating the place, day and hour of the meeting and, in case of a special meeting, or of a meeting which is required by statute to be held for any special purpose, or of any annual meeting at which special action is to be taken, the purpose or purposes for which the meeting is called, or the special action which is proposed to be taken, shall be delivered not less than ten (10) nor more than fifty (50) days before the date of the meeting, either personally or by mail, by or at the direction of the Board of Directors, the President, the Secretary, or the officer or persons calling the meeting, to each Member of the Association. All notices shall be deemed given or served upon any Member when given as provided in the Declaration.

SECTION 2.06 QUORUM. Subject to the provisions of Sections 2.09 and 2.10 below, with respect to the annual or any special meeting of the Members of the Association, a quorum shall be deemed to exist if members of the Association entitled to cast at least ten percent (10%) of all votes of the Association are present, in person or by proxy, at such meeting. If the required quorum is not present, another meeting may be called subject to the same notice requirements but the required quorum at the subsequent meeting shall be the presence, in person or by proxy, of Members entitled to cast at least five percent (5%) of the total votes of the Association. At such time that a quorum is obtained, the vote of a majority in interest of the Members who are voting, in person or by proxy, at such meeting shall be required to approve

any matter submitted to the Members of the Association for approval. The Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of Members therefrom leaving less than a quorum.

SECTION 2.07 PROXIES. At all meetings of the Members of the Association and in all ballot votes of the Members of the Association held pursuant to Section 2.09 below, a Member may vote either in person or by proxy executed in writing by the Member or by his duly authorized attorney-in-fact. Such proxy shall be filed with the Secretary of the Association before or at the time of the meeting or at the time of any ballot vote held pursuant to Section 2.09 below. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.

SECTION 2.08 VOTING BY MEMBERS.

(a) Subject to the provisions of Section 2.01 above, the remaining terms and provisions of this Section 2.08 and Sections 2.10 and 3.03 below, each Member of the Association shall be entitled to one (1) vote for each Lot in which he holds the interest required for Membership. When one or more persons hold such interest, all such persons may be Members, but in no event shall more than one vote be cast with respect to any Lot. If an Owner is a corporation or other entity, the person entitled to cast the vote for the Lot shall be designated by a certificate duly executed by such corporation or other entity and filed with the Secretary of the Association. Such certificate shall be valid until revoked or until superseded by a subsequent certificate or a change in the ownership of the Lot concerned. A certificate designating the person entitled to cast the vote of a Lot may be revoked at any time by any Owner of a Lot. There shall be no fractional voting. The votes of an Owner of more than one Lot cannot be divided for any issue and must be voted as a whole. Except where otherwise required under the provisions of the Declaration, the Articles or these Bylaws, the affirmative vote of Owners who own at least twenty-five percent (25%) of the total Lots within the Property which is represented at any meeting of Members duly called, and at which a quorum is present, shall be binding upon the Members. Voting may take place by proxy executed and delivered in the manner set forth herein.

(b) Any Member whose voting rights in the Association are then currently suspended shall not be (1) entitled to vote on any matters submitted to the Members for approval, (2) included in any determination as to whether a quorum exists, (3) included in the determination of whether the minimum number of votes are cast in a ballot vote and (4) included in the calculation of the total number of votes in the Association at the time of any such vote. Unless a greater proportion is specified in the Declaration, these Bylaws or the Articles of incorporation and, subject to the terms and provisions of this Section 2.05 and Sections 2.10 and 3.03 of these Bylaws, any matter which requires the vote of, approval, disapproval or consent of the Members in good standing of the Association or of the Owners shall be deemed to have been given if the percentage required by Section 2.08(a), at a duly constituted meeting or at a ballot vote held in accordance with the terms and provisions of Section 2.09 below, either in person or by proxy, affirmatively vote for, approve, disapprove or consent to the same. No fractional voting shall be permitted. When more than one person is the Owner of a Lot, the provisions of Section 2.01 of these Bylaws shall be applicable to the exercise of such voting rights.

SECTION 2.09 BALLOT VOTING IN LIEU OF MEETINGS.

(a) Notwithstanding anything provided to the contrary in the Declaration, the Articles of Incorporation or these Bylaws, any matter which is required or permitted to be approved by the Members of the Association, including, without limitation, amendments to the Declaration, the Articles of Incorporation and the Bylaws which require any consent or approval of the Members, the election and removal of members of the Board of Directors and the approval of Special Assessments, may, be submitted to the Members of the Association by a ballot vote, without any requirement that either an annual or special meeting of the Members of the Association be held, subject to the satisfaction of the following terms and conditions:

(i) Any matters to be submitted to the Members for approval pursuant to a ballot vote shall (1) be set forth on a ballot, the form of which must be approved by the Board of Directors, (2) subject to the provisions of Section 2.10 below, be mailed to all Members of the Association (utilizing the notice provisions set forth in Section 5.10 hereof) not less than ten (10) days nor more than fifty (50) days before the date such ballots shall be counted by the Board of Directors and (3) specify that all such ballots must be returned to and received by the Association no later than 12:00 p.m. on the date specified on such ballot as the date on which the ballots will be counted by the Board of Directors; and

(ii) Any matter submitted to the Members for approval by ballot vote shall be deemed approved only if (1) at least thirty percent (30%) of the total number of votes in the Association entitled to vote on such matter (i.e., Members "in good standing", as defined in Section 2.10 below) cast ballots with respect to such proposal (regardless of whether such ballots are cast for or against such matter) and (2) a majority of all votes cast in such ballot vote by Members entitled to vote on such matter (i.e., Members "in good standing", as defined in Section 2.10 below) approve such matter (or such higher percentage of votes as may be required by the Declaration).

(b) The ballot voting procedures set forth above may be utilized in lieu of the holding of any annual or special meeting of the Members of the Association.

SECTION 2.10 SUSPENSION OF VOTING RIGHTS. Any Member who has not timely paid any Assessments due to the Association pursuant to any of the provisions of the Declaration, or that has a violation of the Declaration that is open and has been ongoing for more than sixty (60) days, shall not be entitled to vote on any matters submitted to the Members for a vote and shall not be included in determining whether a quorum exists or whether the requisite number of Members have voted in a ballot vote. Member shall be deemed "in good standing" so long as all Assessments payable by such Member have been paid in full and that Member has no open violations of the Declaration that have been ongoing for more than sixty (60) days.

SECTION 2.11 PROXIES AND VOTES PRIVACY

Proxies and actual documents signed by homeowners including ballots and votes shall only be viewed by designated vote-tabulators on election day. Proxies and Ballots are considered private and homeowners or members are not entitled to see them. Homeowners or members can request a recount to be performed by a third-party professional to check the validity of the proxies and vote counts and therein he/she will be considered a tabulator of votes. The inspection of votes or a recount cannot disclose how individual owners voted unless required to do so by court order. Reasonable costs for hiring a third-party professional should be paid in advance or during the visit by the requesting homeowner.

**ARTICLE III
BOARD OF DIRECTORS**

SECTION 3.01 GENERAL POWERS. The business and affairs of the Association shall be managed by or under the direction of its Board of Directors (individually a "Director" and collectively, the "Directors"). All actions required or permitted to be taken by the Association under the Declaration shall be taken by the sole action of the Board of Directors without any requirement that any Owners or mortgagees' consent to such actions.

SECTION 3.02 NUMBER, TENURE AND QUALIFICATIONS.

(a) The number of Directors of the Association shall be nine (9). Each Director shall hold office until his or her successor shall have been elected or appointed and qualified. Directors need not be residents of the State of Alabama or Members of the Association.

(b) At the first meeting (or ballot vote) of the Members of the Association following the adoption of these Amended and Restated Bylaws, the Members shall elect four (4) members of the Board of Directors to serve the following terms: two (2) candidates shall serve two (2) year terms on the Board of Directors, two (2) candidates shall serve a one (1) year term on the Board of Directors. Such candidates shall be nominated pursuant to the provisions of Sections 3.03 (a) and 3.03(b) below and shall be elected for the following terms: (i) the two (2) candidates receiving the first and second highest number of votes shall each be elected to two (2) year terms, (ii) the candidates receiving the third and fourth highest number of votes shall be elected to a one (1) year term. The four (4) elected Directors shall appoint five (5) Directors to represent each of the Cove, the Cottages, the Village, the Trails, and Reilly Glen (collectively, the "Sectors"). Three (3) of such appointed Directors shall be appointed to two (2) year terms with the remaining two (2) appointed Directors appointed to a one (1) year term. All such members of the Board of Directors shall serve until such time as their respective successors have been duly elected or appointed, as applicable. At each subsequent annual meeting of the Members (or any ballot of vote held in lieu of any annual meeting), the Members shall elect Directors for terms of two (2) years each to fill the position of any expired terms of any elected Director, and, as applicable, the Directors shall appoint replacement Directors for each Sector as necessary to fill the position of any expired terms of appointed Directors, with such appointments to be for terms of two (2) years each.

SECTION 3.03 ELECTION, REMOVAL AND REPLACEMENT OF DIRECTORS.

(a) Nomination for the Board may be made by petition of the person to be nominated, at any time up to and including at the meeting at which the vote for Directors is to be held, provided that the member to be nominated is in good standing with the Association (as defined in Article II

Section 10 of these Bylaws). No person who has been removed from a position on the Board for cause, pursuant to the power granted to the Members in the Articles of Incorporation, shall be eligible for nomination to the Board. No Member that is not in good standing, as per Section 2.10, shall be eligible for nomination to the Board.

(b) At each annual meeting of the Members (or any ballot vote held in lieu of any annual meeting), the Members will have the right to nominate from the floor (or write-in on any ballot) the name(s) of any such eligible individual(s) as a candidate for any position on the Board of Directors which will be vacated and filled by the vote of the Members at such annual meeting (or any ballot vote held in lieu of any such annual meeting).

(c) The Members of the Association shall elect at each annual meeting of the Members (or in any ballot vote held in lieu of any annual meeting) from and among the individuals nominated pursuant to Sections 3.03(a) or 3.03(b) above the members of the Board of Directors to fill the expired terms of any Director(s).

(d) Any member of the Board of Directors of the Association may be removed, with or without cause, at any time or from time to time by the majority vote of the Members in good standing at an annual or a special meeting (or any ballot vote held in lieu of any annual meeting) of the Members held pursuant to the provisions of Article II hereof. In the event of the death or resignation of a member of the Board of Directors or the removal of any Director pursuant to Section 3.03(e) below, then the remaining members of the Board of Directors shall appoint a substitute Director to fill the vacancy of such deceased or resigned member of the Board of Directors who shall serve for the remainder of the term of such former member of the Board of Directors.

(e) Any Director who fails to attend three (3) or more consecutive meetings of the Board of Directors may be removed from the Board of Directors by the vote of a majority of the Directors, as defined in Section 3.08 below.

SECTION 3.04 ANNUAL AND REGULAR MEETINGS. An annual meeting of the Board of Directors shall be held, without further notice, immediately after, and at the same place as, the annual meeting of the Members of the Association; provided, however, that any such annual meeting may be held at any other time or place as determined by a majority of the members of the Board of Directors. The Board of Directors may provide, by resolution, the time and place, either within or without the State of Alabama, for the holding of regular meetings without further notice other than as set forth in such resolution.

SECTION 3.05 SPECIAL MEETINGS AND VIRTUAL MEETINGS. Special meetings of the Board of Directors may be called by or at the request of the President, any Vice President or any two (2) Directors. the person or persons authorized to call special meetings of the Board of Directors may fix any place, email, conference call (by phone) or virtual meeting via approved application(s), either within or without the State of Alabama, as the place for holding any special meeting of the Board of Directors called by them.

SECTION 3.06 **NOTICE.** No notice of any annual, regular or special meeting of the Board of Directors shall be given so long as a quorum is present at any such meeting.

SECTION 3.07 **QUORUM.** Subject to the provisions of Section 3.14 below, a Majority of the existing Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. If a quorum is present when the meeting is convened, the Directors present may continue to do business until adjournment, taking action by a vote of a majority of the quorum as fixed above present at the beginning of such meeting, notwithstanding the withdrawal of Directors leaving less than a quorum as fixed above, or the refusal of any Director present to vote.

SECTION 3.08 **MANNER OF ACTING.** The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by statute, the Articles of Incorporation or these Bylaws. As used herein, the term "majority of the Directors" or "a majority of the number of Directors" or similar terms relating to any action to be taken by the Directors shall mean at least fifty-one percent (51%) of all of those Directors present at a duly convened meeting of the Board of Directors have approved or consented to such proposed action or matter.

SECTION 3.09 **ACTION WITHOUT A MEETING.** Any action required or permitted to be taken by the Board of Directors may be taken without a meeting of the Board of Directors if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors.

SECTION 3.10 **VACANCIES.** Any vacancy occurring in the Board of Directors shall be filled as provided in Section 3.03 above. A Director elected or appointed to fill a vacancy shall be elected to serve for the unexpired term of his predecessor in office.

SECTION 3.11 **COMPENSATION.** By resolution of the Board of Directors, each Director may be paid his or her expenses, if any, of attendance at each meeting of the Board of Directors. No such payment shall preclude any Director from serving the Association in any other capacity and receiving compensation therefor.

SECTION 3.12 **COMMITTEES.** The Board of Directors, by resolution adopted by a majority of the Directors, may designate any individual (who need not be a Member or Persons who constitute officers, directors, shareholders, partners, members or managers of a Member or who are employees of a Member), to serve on one or more committees. No such committee shall have the authority of the Board of Directors. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Directors. The designation of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors or any Director of any responsibility imposed upon it or such Director by law.

SECTION 3.13 **RESIGNATIONS.** Any Director of the Association may resign at any time either by oral tender of resignation at any meeting of the Board of Directors or by giving written notice thereof to the Secretary of the Association. Any such resignation shall take effect upon receipt of such notice or at any later time specified therein. Unless otherwise specified in the notice, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 3.14 PARTICIPATION IN MEETINGS BY CONFERENCE

TELEPHONE. Members of the Board of Directors or any committee designated thereby may participate in a meeting of such Board or committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time and participation by such means shall constitute presence in person at such meeting.

SECTION 3.15 ARC MEMBERS. The Board of Directors of the Association shall appoint and remove, with or without cause, all members of the ARC. The persons designated by the Board of Directors to serve on the ARC shall, notwithstanding anything provided in these Bylaws to the contrary, (a) be deemed agents and representatives of the Association, (b) need not be Members (or Persons who constitute officers, directors, shareholders, partners, members or managers of a Member or who are employees of a Member) of the Association and (c) have no personal liability with respect to either any actions taken by the ARC pursuant to the terms and provisions of the Declaration or with respect to any contract or other commitment made by them, in good faith, on behalf of the Association with respect to the ARC. The Association shall and does hereby indemnify, defend and agree to forever hold each person designated by the Board of Directors to serve on the ARC harmless from and against any and all liability on account of any (i) contract or commitment entered into by such persons, in good faith, on behalf of the ARC under the Declaration, and (ii) other actions undertaken by such persons in furtherance of their respective duties and responsibilities under the Declaration.

ARTICLE IV
OFFICERS

SECTION 4.01 PRINCIPAL OFFICERS. The principal officers of the Association shall be elected by the Board of Directors and shall include a President, one or more Vice Presidents, a Secretary and a Treasurer and may, at the discretion of the Board of Directors, also include a Chairman of the Board and such other officers as may be designated from time to time. Any number of offices may be held by the same person, except the offices of President and Secretary. None of the principal officers need be Directors of the Association.

SECTION 4.02 ELECTION OF PRINCIPAL OFFICERS: TERM OF OFFICE. The principal officers of the Association shall be elected annually by the Board of Directors. Each principal officer shall hold office until his or her successor shall have been duly elected and qualified or until such officer's death or until such officer shall resign or shall have been removed in the manner hereinafter provided. If the Board of Directors shall fail to fill any principal office at an annual meeting of the Board of Directors, or if any vacancy in any principal office shall occur, or if any principal office shall be newly created, such principal office may be filled at any regular or special meeting of the Board of Directors.

SECTION 4.03 SUBORDINATE OFFICERS, AGENTS AND EMPLOYEES. In addition to the principal officers, the Association may have such other subordinate officers, agents and employees as the Board of Directors may deem advisable each of whom shall hold office for such period and have such authority and perform such duties as the Board of Directors, the Chairman of the Board or the President may from time to time determine. The Board of Directors at any time may appoint and remove or may delegate to any principal officer the power to appoint and to remove, any subordinate officer, agent or employee of the Association.

SECTION 4.04 **DELEGATION OF DUTIES OF OFFICERS.** The Board of Directors may delegate the duties and powers of any officer of the Association to any other officer or to any Director for a specified period of time for any reason that the Board of Directors may deem sufficient.

SECTION 4.05 **REMOVAL OF OFFICERS OR AGENTS.** Any officer or agent of the Association may be removed by the Board of Directors at any time, either with or without cause, and the Board of Directors may appoint a successor to such removed officer and agent. Election or appointment of any officer or agent shall not of itself create contract rights.

SECTION 4.06 **RESIGNATIONS.** Any officer may resign at any time by giving written notice of resignation to the Board of Directors, to the Chairman of the Board, to the President or to the Secretary. Any such resignation shall take effect upon receipt of such notice or at any later time specified therein. Unless otherwise specified in the notice, the acceptance of a resignation shall not be necessary to make the resignation effective.

SECTION 4.07 **VACANCIES.** A vacancy in any office, the holder of which is elected or appointed by the Board of Directors, because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term of such office. A vacancy in any other office for any reason shall be filled by the Board of Directors, or any committee, or officer to whom authority for the appointment, removal or filling of vacancies may have been delegated by these Bylaws or by resolution of the Board of Directors.

SECTION 4.08 **CHAIRPERSON OF THE BOARD.** The Chairperson of the Board, who must be a Director, shall preside at all meetings of the Members of the Association and of the Board of Directors at which he or she is present. The Chairperson of the Board shall have such other powers and perform such other duties as may be assigned to him from time to time by the Board of Directors.

SECTION 4.09 **PRESIDENT.** The President shall, in the absence of the Chairman of the Board, preside at all meetings of the Members of the Association at which he or she is present. The President shall be the chief executive officer of the Association and subject to the control of the Board of Directors, shall have general supervision over the business and affairs of the Association. The President shall have all powers and duties usually incident to the office of the President except as specifically limited by resolution of the Board of Directors. The President shall have such other powers and perform such other duties as may be assigned to him or her from time to time by the Board of Directors.

SECTION 4.10 **VICE PRESIDENTS.** In the absence or disability of the President or if the office of President be vacant, the Vice Presidents, in the order determined by the Board of Directors, or if no such determination has been made, in the order of their seniority as a Vice President of the Association, shall perform the duties and exercise the powers of the President, subject to the right of the Board of Directors at any time to extend or confine such powers and duties or to assign them to others. Any Vice President may have such additional designation in his or her title as the Board of Directors may determine. Each Vice President shall generally assist the President in such manner as the President shall direct. Each Vice President shall have such other powers and perform such other duties as may be assigned to him or her from time to time by the Board of Directors or the President.

SECTION 4.11 **SECRETARY.** The Secretary shall act as Secretary of all meetings of the Members of the Association and of the Board of Directors at which he or she is present, shall record the proceedings of all such meetings in a minute book to be kept for that purpose, shall have supervision over the giving and service of notices of the Association, and shall have supervision over the care and custody of the records and seal of the Association. The Secretary shall be empowered to affix the corporate seal to documents, the execution of which on behalf of the Association under its seal is duly authorized, and when so affixed may attest the same. The Secretary shall have all powers and duties usually incident to the office of Secretary, except as specifically limited by a resolution of the Board of Directors, including, without limitation, the right and authority to designate other persons who shall have the right to exercise any of the rights, duties and authority of the Secretary set forth in this Section 4.11. The Secretary shall have such other powers and perform such other duties as may be assigned to him or her from time to time by the Board of Directors or the President.

SECTION 4.12 **TREASURER.** The Treasurer shall have general supervision over the care and custody of the funds and over the receipts and disbursements of the Association and shall cause the funds of the Association to be deposited in the name of the Association in such banks or other depositories as the Board of Directors may designate. The Treasurer shall have all powers and duties usually incident to the office of Treasurer except as specifically limited by a resolution of the Board of Directors. The Treasurer shall have such other powers and perform such other duties as may be assigned to him or her from time to time by the Board of Directors or the President.

SECTION 4.13 **SALARIES.** The officers of the Association shall not be entitled to any salaries or other compensation except for expenses incurred on behalf of the Association which shall be reimbursed; provided, however, that members of the ARC may be compensated for their services rendered to the Association.

ARTICLE V

FISCAL MATTERS AND BOOKS AND RECORDS

SECTION 5.01 **FISCAL YEAR.** The fiscal year of the Association shall be the calendar year.

SECTION 5.02 **ANNUAL BUDGETS AND ASSESSMENTS: ANNUAL STATEMENTS.**

(a) The Board of Directors shall determine and approve annually an annual budget covering the estimated Common Expenses for the Property for the upcoming year, such budget to include a capital contribution or reserve account, if necessary, for the capital needs of the Association. The amount set forth in such budget shall constitute the aggregate amount of all Annual Assessments for all of the Property for the then applicable year and each Member shall pay his or her prorata share of the same in accordance with the terms and provisions of the Declaration. Furthermore, the Board of Directors shall also have the right, pursuant to Section 8.5 of the Declaration, to levy Special Assessments. Furthermore, Individual Assessments may be levied by the Association against any Member in accordance with the terms and provisions of Section 8.9 of the Declaration.

(b) Not later than four (4) months after the close of each fiscal year, the Board of Directors shall prepare or cause to be prepared a balance sheet showing in reasonable detail the financial condition of the Association as of the close of its fiscal year and an income and expense statement showing the results of its operations during its fiscal year. Such statements may, in the discretion of the Board, be audited statements. Upon receipt of written request, the Treasurer shall promptly mail to any Member copies of the most recent such balance sheet and income and expense statement upon payment by such Member of a reasonable charge therefor.

SECTION 5.03 **CONTRACTS.** The Board of Directors may authorize any officer or officers, or agent or agents of the Association, in addition to the officers so authorized by the Declaration and these Bylaws, to enter into any contract or execute and deliver any instrument in the name, and on behalf of the Association, and such authority may be general or confined to specific instances.

SECTION 5.04 **DEPOSITS.** All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board of Directors may select.

SECTION 5.05 **FINES.** The Board of Directors shall have the right to levy fines against Members for violations of the Declaration and other governing documents. Notices of violations and an opportunity to correct the violation in a timely manner will be provided prior to the levy of the initial fine and any subsequent fines. The Board of Directors shall have the authority to adopt rules, regulations, and policies to fully implement the fining authority.

ARTICLE VI **INSURANCE**

SECTION 6.01 **TYPES OF COVERAGE.** The Association shall maintain in effect at all times as a *Common Expense* the types of insurance coverage required by the Declaration and any other insurance required by law or which the Board of Directors may from time to time deem appropriate. The Board of Directors shall review the amount and terms of such insurance annually.

SECTION 6.02 **INDEMNIFICATION INSURANCE.** The Association shall have the power and authority to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Association (including any person appointed by the Board to serve on the ARC) or is or was serving at the request of the Association as a director, officer, partner, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity *of* arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under applicable law.

ARTICLE VII
GENERAL PROVISIONS

SECTION 7.01 **WAIVER OF NOTICE.** Whenever any notice is required to be given under any provision of law, the Declaration, the Articles of Incorporation or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice, Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Members, the Board of Directors or members of any committees established by the Board of Directors need be specified in any written waiver of notice unless otherwise required by these Bylaws. Attendance of a Director at a meeting of the Board of Directors 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.

SECTION 7.02 **INCORPORATION BY REFERENCE.** All of the terms, provisions, definitions, covenants, and conditions set forth in the Declaration are hereby expressly incorporated herein by reference as if fully set forth herein. In the event of any conflict or ambiguity between the terms, provisions, definitions, covenants and conditions set forth herein in these Bylaws and in the Declaration, then the provisions of the Declaration shall at all times control.

SECTION 7.03 **AMENDMENTS.** These Bylaws may be amended by following the same procedure found in Article XII of the Declaration of the Association.

SECTION 7.04 **SEAL.** The Board of Directors may, but shall not be obligated to, provide a corporate seal which shall be circular in form and have inscribed thereon the name of the Association, the state of incorporation and such other words as the Board of Directors may prescribe; provided, however, that the use of the seal of the Association on any contract or agreement shall not be required to evidence the validity, authenticity or approval of such contract or agreement.

Done on the same date as above stated.

DEER VALLEY HOMEOWNERS' ASSOCIATION, INC.,
an Alabama Non-Profit Corporation

By Kacy Bawlin

Kacy Bawlin
Board Member, Deer Valley Homeowners' Association. Inc.

By Joanna Nix

Joanna Nix
Board Member, Deer Valley Homeowners' Association. Inc.

By Stacy Arant

Stacey Avant

Board Member, Deer Valley Homeowners' Association. Inc.

By Destiny Baxter

Destiny Baxter

Board Member, Deer Valley Homeowners' Association. Inc.

By Stevan Roberts

Stevan Roberts

Board Member, Deer Valley Homeowners' Association. Inc.

By Amanda Knight

Amanda Knight

Board Member, Deer Valley Homeowners' Association. Inc.