

AMENDED AND RESTATED BYLAWS
OF
COTTAGES AT ROMAR PROPERTY OWNERS
ASSOCIATION, INC.,

An Alabama Non-Profit Corporation

RECITALS:

BALDWIN COUNTY, ALABAMA
TIM RUSSELL PROBATE JUDGE
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A. An association of Owners for the operation of the Common Areas and facilities of the Cottages at Romar, a subdivision (the "Community") has been formed as a nonprofit corporation under the laws of the State of Alabama, pursuant to the Articles of Incorporation for the Association dated December 28, 2012 and recorded December 28, 2012 as Instrument Number 1375720, Pages 1 through 8 (the "Articles of Incorporation") known as Cottages at Romar Property Owners Association, Inc. (the "Association").

B. The ByLaws of the Association were recorded on December 28, 2012 as Instrument Number 1375721, Pages 1 through 7 (the "Original ByLaws").

C. Article VII Amendments of the Original ByLaws provides that the Original ByLaws may be altered, amended or repealed by the Board of Directors of the Association.

D. The Board of Directors of the Association desires to amend and restate the Original ByLaws as provided herein.

The recording references in this instrument are to the records in the Office of the Judge of Probate of Baldwin County, Alabama.

Now, therefore, the Original ByLaws are amended and restated as follows.

Article I
General

Section 1.01. Identity. The name of the Association shall be Cottages at Romar Property Owners Association, Inc. These are the ByLaws of the Association.

Section 1.02. Terms Defined.

A. "Amended and Restated Declaration" shall mean that certain Amended and Restated Declaration of Restrictions and Covenants of Cottages at Romar a Planned Unit Development dated May 16, 2013 and recorded May 20, 2013 as Instrument Number 1399375, Pages 1 through 44 (the "Amended and Restated Declaration") as the same may be amended from time to time in accordance with the terms thereof. All other terms used in these ByLaws shall have the meaning given to them in the Amended and Restated Declaration and are incorporated by reference and made a part of these ByLaws.

B. "Owners" shall mean and refer to all present and future Owners of a fee simple interest or undivided fee interest in any Lot in the Community.

C. "Period of Developer Control" shall mean so long as LAK at Romar, L.L.C. owns any Lot or other property in the Community LAK at Romar, L.L.C. shall have the exclusive right without obtaining the approval of any other Lot Owner to: (i) appoint members of the Architectural Committee, (ii) appointed members of the Board of Directors and officers of the Association, (iii) unilaterally amend this Second Amended and Restated Declaration, and (iv) take such actions or exercise any of the special rights and privileges reserved, or granted, to the Developer or LAK at Romar, L.L.C. as described throughout the

Second Amended and Restated Declaration. See the Second Amended and Restated Declaration which describes the right of LAK at Romar, L.L.C. to assign the special rights and privileges described in the Second Amended and Restated Declaration.

D. All references to LAK at Romar, LLC in these ByLaws shall mean and refer to its successors and assigns.

Section 1.03. Purpose. These are the ByLaws of the Association which is a Nonprofit Alabama Corporation organized pursuant to Ala. Code 1975, §10-3A-1, et seq. (the "Nonprofit Act"), for the purpose of administering the Community which is located in Baldwin County, Alabama in accordance with the provisions of the Amended and Restated Declaration. The Association shall not issue any shares of stock.

Section 1.04. Applicability of ByLaws. The provisions of these ByLaws are applicable to the Community and to the use and occupancy of the Community. All present and future Owners, mortgagees, lessees and occupants of Lots and their employees, guests or invitees, and any other person who may use the Community are subject to these ByLaws, the Amended and Restated Declaration, and the Rules and Regulations. The acceptance of a deed or conveyance or the entering into of a lease or the act of occupancy of a Lot shall constitute an agreement that these ByLaws, the Rules and Regulations, and the provisions of the Amended and Restated Declaration, as they may be amended from time to time, will be complied with and are accepted and ratified.

Section 1.05. Principal Office. The principal office of the Association shall be located in Baldwin County, Alabama, or at such other place as may be designated by the Board of Directors or as the business of the Association may require. All books and records of the Association shall be kept at the principal office of the Association.

Section 1.06. Registered Office. The registered office of the Association, required by the Nonprofit Act to be maintained in the State of Alabama, may be, but need not be, identical to the principal office in the State of Alabama, and the address of the registered office may be changed from time to time by the Board of Directors.

Section 1.07. Period of Developer Control and Powers Reserved to LAK at Romar, L.L.C. The operation and administration of the Community shall be subject to the Period of Developer Control and other powers and authority reserved in the Amended and Restated Declaration to LAK at Romar, L.L.C.

Article II Membership

Section 2.01. Qualification. The qualification for membership in the Association shall be ownership of a Lot in the Community. No membership may be separated from the Lot to which said membership is appurtenant. The qualification for membership is more fully set out in the Amended and Restated Declaration, the terms of which pertaining to membership are specifically incorporated in these ByLaws by reference.

Section 2.02. No Additional Qualifications. No initiation fees, costs or dues shall be assessed against any person as a condition of the exercise of the rights of membership except such Assessments, levies, fees and charges as are specifically authorized by the Amended and Restated Declaration.

Section 2.03. Succession. The membership of each Owner shall automatically terminate on the conveyance, transfer or other disposition of an interest of an Owner in the Lot. The membership of the Owner shall automatically be transferred to the new Owner succeeding to such ownership interest.

Article III Meetings of Members

Section 3.01. Annual Meeting. A meeting of the Members of the Association must be held at least once

each year. The annual meeting of Members shall be held on the first Saturday in the month of September in each year, at the hour of 10:00 a.m., or at such other time or such other day within such month as shall be fixed by the Board of Directors for the purpose of electing. If the day of said meeting is a legal holiday in the State of Alabama, such meeting shall be held at the same hour on the next succeeding business day. If the election of members of the Board of Directors shall not be held on the day designated herein for any annual meeting of the membership, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the membership as soon thereafter as may be convenient.

Section 3.02. Special Meetings. Subject to the rights reserved to LAK at Romar, L.L.C. during the Period of Developer Control as provided in the Amended and Restated Declaration, the President of the Board of Directors may call special meetings of Members for any purpose or purposes, unless otherwise prescribed by statute. In addition, special meetings of the Members may be called at any time by a majority of the Board of Directors, and must be called by the officers of the Association upon receipt of a written request from six (6) or more Lot Owners. The notice of any special meeting of the Members shall be given to each Member of record as provided for in Section 3.04. of these ByLaws. The business conducted at a special meeting of the Members shall be limited to that stated in the notice of the meeting.

Section 3.03. Place of Meeting. The Board of Directors may designate any place convenient to the Members as may be designated by the Board of Directors either in the Community or as convenient to the Community as possible and practicable, within or without the State of Alabama, as the place of meeting for any annual meeting or for any special meeting of the membership. If no designation is made, or if a special meeting is otherwise called, the place of the meeting shall be the principal office of the Association in the State of Alabama.

Section 3.04. Notice of Meetings. Not less than ten (10) days nor more than sixty (60) days in advance of any meeting, the Secretary or other officer specified by the Board of Directors shall cause written notice of any meeting of the Members to be hand-delivered or sent prepaid by United States mail to the mailing address of each Owner of each Lot or to any other mailing address designated in writing by the Owner. The written notice of any meeting of Members must state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Amended and Restated Declaration or ByLaws, any budget changes, and any proposed order to remove an officer or Director. Proof of such notice shall be given by the affidavit of the person giving the notice. If written notice is mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the Member at the address of the Member as it appears on the records of the Association, with postage thereon prepaid.

Section 3.05. Waiver of Notice. Any Member or Mortgagee may waive the right to receive notice of any meeting by sending a written waiver to the Board of Directors. Notice of any meeting may be waived before or after the meeting, orally or in writing. Attendance by a Member at any meeting, either in person or by proxy, shall constitute waiver of notice of such meeting.

Section 3.06. Fixing of Record Date. The Board of Directors may fix in advance a date as the record date for the purpose of determining the Members entitled to notice of or to vote at any meeting of Members or any adjournment thereof, or for any other proper purpose, such date in any case to be not more than thirty (30) days and, in case of a meeting of the membership, not less than ten (10) days prior to the date on which the particular action requiring such determination of Members is to be taken. If no record date is fixed for the determination of Members entitled to notice of or to vote at a meeting of the membership, the date on which notice of the meeting is mailed shall be the record date for such determination of Members. When a determination has been made, as provided in this section, such determination shall apply to any adjournment thereof.

Section 3.07. Voting Lists. The officer or agent having charge of the records of Members of the Association shall make, at least ten (10) days before each meeting of the membership, a complete list of the Members entitled to vote at such meeting, or any adjournment thereof, arranged in alphabetical order, with the address of each Member and the number of votes to which the Member is entitled, which list, for a period of ten (10) days prior to such meeting, shall be kept on file at the principal office of the Association

and shall be subject to inspection by any Member making written request therefore at any time during usual business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any Member during the whole time of the meeting.

Section 3.08. Quorum. A quorum of Members for any meeting shall be deemed present throughout such meeting if Members, represented in person or by proxy, owning at least 15 of the lots in the Community, at such meeting are present throughout such meeting, except as otherwise provided by the Articles of Incorporation, by the Amended and Restated Declaration or by these ByLaws. Any provision in the Amended and Restated Declaration concerning quorums is specifically incorporated in these ByLaws.

Section 3.09. Adjournment for Lack of Quorum. In the absence of a quorum at any meeting of Members, a majority of the total votes entitled to be cast by the Members of the Association, present in person or by proxy, shall have the power to adjourn the meeting, from time to time, without notice other than announcement at the meeting, until the requisite number of Members, present in person or by proxy, shall be present. At such adjourned meeting at which the requisite number of votes shall be present, any business may be transacted which might have been transacted at the meeting as originally noticed.

Section 3.10. Majority Vote. The vote of Members entitled to cast a majority of the votes represented at a meeting of the membership at which a quorum is present shall be the act of the Members of the Association, unless the vote of a greater number is required by law, the Amended and Restated Declaration, the Articles of Incorporation or these ByLaws.

Section 3.11. Action Without Meeting. Any action which may be taken at a meeting of the Members may also be taken without a meeting if a consent in writing setting out the action so taken is signed by the number of Members required to take such action at a meeting and is filed with the Secretary of the Association.

Section 3.12. Proxies. At all meetings of the membership, a Member may vote in person or by proxy executed in writing by the Member or by his duly authorized attorney-in-fact. A proxy is void if it is not dated or purports to be revocable without notice. Such proxy shall be filed with the Secretary of the Association before or at the time of the meeting. No proxy shall be valid after one (1) year from the date of its execution, unless a shorter term is provided in the proxy.

Section 3.13. Minutes of Meetings. The minutes of all meetings of Members shall be kept in a book available for inspection by Owners or their authorized representatives at any reasonable time during regular business hours.

Section 3.14. Open Meetings. All meetings of the Members shall be open to all Members of the Association.

Section 3.15. Voting Rights. Each Owner shall be entitled to one (1) vote which vote is not divisible. If only one of the multiple Owners of a Lot is present at a meeting of the Association, he is entitled to cast all the votes allocated to that Lot. If more than one of the multiple Owners are present, the votes allocated to that Lot may be cast only in accordance with the agreement of a majority in interest of the multiple Owners. There is a majority agreement if any one of the multiple Owners casts the votes allocated to that Lot without protest being made promptly to the person presiding over the meeting by any of the other Owners of the Lot.

Section 3.16. Informal Action by Members. Any action required to be taken at a meeting of the membership, or any other action which may be taken at a meeting of the membership, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Members entitled to vote with respect to the subject matter thereof.

Section 3.17. Order of Business. The order of business at annual meetings of Members and, as far as practical, at all other meetings of Members, shall be:

Call to order

Calling of the roll and certifying of proxies
Proof of notice of meeting or waiver of notice
Reading and disposal of any unapproved minutes
Reports of officers
Reports of committees
Election of the Board of Directors
Unfinished business
New business
Adjournment

Article IV
Board of Directors

Section 4.01. Governing Body and Number. The affairs of the Association shall be managed and governed by a Board of Directors. During the Period of Developer Control the Association shall have three (3) Directors, all of whom shall be appointed by LAK at Romar, L.L.C. After the Period of Developer Control, the Board shall consist of five (5) Directors. Except for Directors appointed by Developer, two (2) Directors shall be elected by the Beach Lot Owners, two (2) Directors shall be elected by the Pool Side Lot Owners, and one (1) Director shall be elected by the Cottage Lot Owners.

Section 4.02. Membership List. At least ten (10) days before every election of the Directors, a complete list of the Members of the Association, arranged alphabetically, shall be prepared by the Secretary. Such list shall be maintained by the Secretary of the Association and shall be opened to examination by any Member at any reasonable time and on reasonable notice.

Section 4.03. Qualification. Except for the Directors appointed by LAK at Romar, L.L.C. during the Period of Developer Control as provided in the Amended and Restated Declaration each Director shall be an Owner. If an Owner is a trust, then the beneficiary of the trust may be a Director; and if an Owner is a corporation, partnership or limited liability company, then an officer, partner, member, or employee of such Owner may be a Director. If a Director shall cease to meet such qualifications during the term of said Director, said Director shall cease to be a Director and the place of said Director on the Board of Directors shall be vacant.

Section 4.04. Appointment by LAK at Romar, L.L.C. So long as the Period of Developer Control exists as is provided for in the Amended and Restated Declaration, LAK at Romar, L.L.C. shall appoint the members of the Board of Directors and said Directors may be removed by LAK at Romar, L.L.C. at any time in accordance with the Amended and Restated Declaration. The Directors appointed by LAK at Romar, L.L.C. shall serve at the pleasure of LAK at Romar, L.L.C. The Board of Directors appointed by LAK at Romar, L.L.C. need not be Owners or occupants.

Section 4.05. Nomination for Election. Except with respect to the Directors appointed by LAK at Romar, L.L.C. during the Period of Developer Control as provided in the Amended and Restated Declaration, nomination for election to the Board of Directors shall be made from the floor at the annual meeting of Members or at any other meeting of Members called for the purpose of electing the Directors. Nominations shall also be made by a nominating committee appointed by the Board of Directors prior to the annual meeting of the Members or prior to any other meeting of Members called for the purpose of electing the Directors.

Section 4.06. Election of the Board of Directors. Except for the Board of Directors appointed by LAK at Romar, L.L.C. during the Period of Developer Control as provided in the Amended and Restated Declaration, the Board of Directors shall be elected at the annual meeting of Members or at a special meeting called for that purpose. Within thirty days after the Owners are entitled to elect one or more Directors, a special meeting of the Members shall be called in accordance with the notice provisions contained in Section 3.04. of these ByLaws for the purpose of electing said Director. The election shall be conducted in the manner specified in these ByLaws. The election of Directors shall be by secret ballot

(unless dispensed with by unanimous consent). There shall be no cumulative voting. Those candidates receiving the greatest number of votes cast either in person or by proxy shall be elected.

Section 4.07. Term. At the election of the Directors after the release of the Period of Developer Control as provided for in the Amended and Restated Declaration, the candidates receiving the most votes shall serve.

Section 4.08. Vacancies. So long as LAK at Romar, L.L.C. retains control during the Period of Developer Control as provided in the Amended and Restated Declaration, any vacancy in the position of a Director appointed by LAK at Romar, L.L.C. shall be filled by LAK at Romar, L.L.C. Any vacancy in the position of a Director elected by the Members shall be filled by a majority vote of the remaining Board of Directors, and any Director so elected shall hold office for a term equal to the unexpired term of the Director whom said Director succeeds.

Section 4.09. Removal. After release of control by LAK at Romar, L.L.C. as provided for in the Amended and Restated Declaration, any Director may be removed by the concurrence of twenty (20) Lot Owners at a meeting of Members called for that purpose. The vacancy in the Board of Directors so created shall be filled by the Members at the same meeting.

Section 4.10. Compensation. A Director shall not receive any compensation for any services said Director may render to the Association as a Director. Provided, however, that any Director may be reimbursed for actual out-of-pocket expenses incurred by said Director in the performance of the duties of said Director.

Section 4.11. Proviso. Provided, however, so long as the Period of the Developer Control exists LAK at Romar, L.L.C. shall have control of the Association as provided for in the Amended and Restated Declaration and the Directors shall be appointed by LAK at Romar, L.L.C. and there shall be no vote of the Members to elect the Directors. LAK at Romar, L.L.C. retains and shall have the right to appoint or remove, with or without cause, any member or members of the Board of Directors and any officer or officers of the Association until such time as the Period of Developer Control expires as provided for in the Second Amended and Restated Declaration. Each Owner, by acceptance of a deed to or other conveyance of a Lot, vests in LAK at Romar, L.L.C. such authority to appoint and remove members of the Board of Directors and officers of the Association as provided by the Second Amended and Restated Declaration.

Article V Meetings of the Board of Directors

Section 5.01. Regular Meetings. A regular meeting of the Board of Directors shall be held without other notice than these ByLaws immediately after, and at the same place as, the annual meeting of the membership; provided, however, any such regular meeting may be held at any other time or place which shall be specified in a notice given as hereinafter provided for special meetings, or in a consent and waiver of notice thereof, signed by all Directors. The Board of Directors may provide, by resolution, the time and place, within or without the State of Alabama, for the holding of additional regular meetings without other notice than such resolution.

Section 5.02. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President, Vice President or Secretary, and must be called by the Secretary at the written request of one-third (1/3) of the votes of the Board of Directors. Not less than three days' notice of the meeting shall be given by hand-delivery or sent by United States mail to the mailing address of each Director, or by telephone or electronic transmission. The notice of any meeting of the Board of Directors must state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to these ByLaws, any budget changes, and any proposed order to remove an officer or Director. Proof of such notice shall be given by the affidavit of the person giving the notice.

Section 5.03. Open Meetings. All meetings of the Board of Directors shall be open to all Members, and

notice of such meetings shall be posted conspicuously in at least forty-eight hours prior to the meeting, except in the event of an emergency. Provided, however, anything else contained in this Section 5.03, to the contrary notwithstanding, the meetings of the Board of Directors with its attorney to discuss confidential matters pertaining to any pending litigation or threat of pending litigation shall not be open to all Members and no notice of such meeting shall be posted.

Section 5.04. Waiver of Notice. Any Director may waive notice of a meeting either before or after the meeting, or may consent to the holding of a meeting without notice. Attendance by any Director at a meeting shall constitute waiver of notice of the meeting, except when attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business on the grounds that the meeting was not lawfully called. Provided, however, anything else contained in this Section 5.04, to the contrary notwithstanding, the meetings of the Board of Directors with the attorney for the Board of Directors to discuss confidential matters pertaining to any pending litigation or threat of pending litigation shall not be open to all Members and no notice of such meeting shall be posted.

Section 5.05. Quorum. A quorum shall consist of the number of Directors entitled to cast a majority of the votes of the entire Board of Directors. The acts of the Board of Directors approved by a majority of the votes present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors. The joinder of a Director in the action of a meeting by signing and concurring in the minutes of said meeting shall constitute the presence of such a Director for the purpose of determining a quorum.

Section 5.06. Informal Action Without Meeting. Any action permitted or required to be taken at a meeting of the Board of Directors may be taken without a meeting if written consent setting forth the action so taken shall be signed by all the Board of Directors and filed with the minutes of the proceedings of the Board of Directors.

Section 5.07. Minutes of Meetings. The minutes of all meetings of the Board of Directors shall be kept in a book available for inspection by the Owners, or their authorized representatives, or any Directors at any reasonable time during regular business hours.

Section 5.08. Presiding Officer. The presiding officer of meetings of the Board of Directors shall be the President. In the absence of the President, the Directors present shall designate one of their number to preside.

Section 5.09. Executive Session. The Board of Directors may adjourn a meeting and reconvene in executive session to discuss and vote upon personal matters, litigation in which the Association is or may become involved, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session of the Board of Directors.

Section 5.10. Vacancies. After release of control by LAK at Romar, L.L.C. as provided for in the Amended and Restated Declaration, any vacancy occurring in the Board of Directors and any directorship to be filled by reason of an increase in the number of Directors may be filled by a majority of the remaining Directors, except as otherwise provided in this Article V. A Director elected or appointed, as the case may be, shall be elected or appointed for the unexpired term of his predecessor in office.

Section 5.11. Resignations. Any Director of the Association may resign at anytime, either by oral tender of resignation at any meeting of the Board or by giving written notice thereof to the Secretary of the Association. Such resignation shall take effect at the time specified therefore, and the acceptance of such resignation shall not be necessary to make it effective.

Section 5.12. Place of Meeting. The Board of Directors may designate any place within or without the State of Alabama as the place of meeting for any regular or special meeting of the Board of Directors.

Section 5.13. Presumption of Assent. A Director of the Association who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to

the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Association immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

Section 5.14. Proviso. Provided, however, so long as the Period of Developer Control exists LAK at Romar, L.L.C. shall retain control of the Association as provided for in the Amended and Restated Declaration, and there shall be no meetings of the Board of Directors unless called by LAK at Romar, L.L.C.

Article VI
Powers and Duties of
the Board of Directors

Section 6.01. Powers Defined. The Board of Directors shall have the power to exercise all powers, duties and authority vested in the Association by the Amended and Restated Declaration, the Articles of Incorporation or these ByLaws, except for such powers and duties reserved to the Members or LAK at Romar, L.L.C.

Section 6.02. Committees. The Board of Directors may, by resolution, appoint such committees as deemed appropriate in carrying out the purpose of the Board of Directors, and such committees shall have the powers of the Board of Directors for the management of the affairs and business of the Association to the extent provided in the resolution designating said committee. Any committee shall keep regular minutes of the proceedings of the committee and shall report the same to the Board of Directors.

Section 6.03. Managing Agent. The Board of Directors shall be authorized to employ the services of a manager or managing agent, who may either be a Director, officer, or employee of the Association, or an independent person or firm qualified to manage the affairs of the Association under the supervision of the Board of Directors. The compensation paid to any such manager or managing agent shall be in the amount established from time to time by the Board of Directors.

Section 6.04. Order of Business. The order of business at the meetings of the Board of Directors shall be:

Call of roll
Proof of due notice of meeting
Reading and disposal of unapproved minutes
Reports of officers and committees
Election of officers
Unfinished business
New business
Adjournment.

Section 6.05. Borrowing. The Board of Directors shall have the power to borrow money pursuant to the terms and conditions of the Amended and Restated Declaration.

Section 6.06. Veto by LAK at Romar, L.L.C. So long as the Period of Developer Control exists LAK at Romar, L.L.C. retains control of the Association as provided for in the Amended and Restated Declaration, and LAK at Romar, L.L.C. shall have the veto power over all actions of the Board of Directors.

Section 6.07. Architectural Committee. The Board of Directors shall appoint an Architectural Committee in accordance with the provisions of the Amended and Restated Declaration.

Section 6.08. Maintenance of Common Area. The Board of Directors shall maintain the Common Area in the Community in accordance with the requirements of the Amended and Restated Declaration.

Article VII
Officers

Section 7.01. Executive Officers. The executive officers of the Association shall be a President, who shall be a Director; a Vice President, who shall be a Director; and a Secretary-Treasurer; who shall be a Director; all of whom shall be elected annually by the Board of Directors and who may be removed by majority vote of the Board of Directors at any meeting. Any person may hold two or more offices, except that the President shall not also be the Secretary. The Board of Directors shall from time to time elect such other officers and designate their powers and duties as the Board of Directors shall find to be required to manage the affairs of the Association.

Section 7.02. Term. Each officer shall hold office for a term of one (1) year and until the successor of said officer shall have been appointed or elected and qualified, provided that any officer may serve unlimited multiple terms of office.

Section 7.03. Resignation and Removal. Any officer may be removed from office either with or without cause by the vote of a majority of the Board of Directors present at any meeting. Any officer may resign at any time by giving written notice to the Board of Directors. Such resignation shall take effect on the date of receipt of said resignation or at any later time specified in said written notice, and, unless otherwise specified in said written notice, the acceptance of such resignation shall not be necessary to make said resignation effective.

Section 7.04. Vacancies. A vacancy in any office shall be filled by a majority vote of the Board of Directors at any meeting. An officer elected to fill a vacancy shall hold office for a term equal to the unexpired term of the officer that said officer succeeds.

Section 7.05. Compensation. An officer shall not receive any compensation for any services said officer may render to the Association as an officer. Provided, however, that any officer may be reimbursed for actual out-of-pocket expenses incurred by said officer in the performance of the duties of said officer.

Section 7.06. President. The President is the chief executive officer of the Association and shall have all the powers and duties that are usually vested in the office of President of a property owners' association including, but not limited to, the following powers:

To preside over all meetings of the Members and of the Board of Directors.

To sign as President all Deeds, contracts and other instruments that have been duly approved by the Board of Directors.

To call meetings of the Board of Directors whenever the President deems necessary.

To have the general supervision, direction and control of the affairs of the Association.

Section 7.07. Vice President. The Vice President shall have all the powers and duties that are usually vested in the office of the Vice President of a property owners association. The Vice President shall, in the absence of or disability of the President, exercise the powers and perform the duties of the President. The Vice President shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Board of Directors.

Section 7.08. Secretary. The Secretary shall have all the powers and duties that are usually vested in the Secretary of a property owners association. The Secretary shall keep the minutes of all proceedings of the Board of Directors and the Members. The Secretary shall attend to the giving and serving of all notices to the Members and the Board of Directors and other notices required by law. The Secretary shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed. The Secretary shall sign as Secretary all Deeds, contracts, and all other instruments which have been duly approved by the Board of Directors, if said instrument requires the signature or attestation of the Secretary. The Secretary shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of the Secretary of an Association as may be required by the Board of

Directors or the President.

Section 7.09. Treasurer. The Treasurer shall be the financial officer of the Association and shall have all the powers and duties that are usually vested in the Treasurer of a property owners association. The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. The Treasurer shall keep the financial records and books of account of the Association in accordance with good accounting practices. The Treasurer shall keep detailed, accurate records in chronological order of the receipts and expenditures affecting the Common Areas and common facilities, specifying and itemizing the maintenance and repair expenses of the Common Areas and common facilities and any other expenses incurred; and the Treasurer shall perform all other duties incident to the office of the Treasurer. The records, books of account and the vouchers authorizing payments shall be available for examination by a Member at reasonable times during regular business hours.

Section 7.10. Seal. The corporate seal shall be circular in form and shall contain the name of the corporation and the words "Corporate Seal". Said seal may be used by causing it or a facsimile thereof to be impressed, affixed, reproduced, inscribed, or otherwise.

Section 7.11. Salaries. The salaries of the officers, if any, shall be fixed from time to time by the Board of Directors, and no officer shall be prevented from receiving such salary by reason of the fact that he is also a Director of the Association.

Article VIII Books and Records and Fiscal Management

Section 8.01. The Fiscal Year. The fiscal year of the Association shall be such as shall from time to time be established by the Board of Directors.

Section 8.02. Accounting. The Association shall keep correct and complete books and records of account and shall keep minutes of the proceedings of the Members, Board of Directors and committees thereof and shall keep at its registered or principal office in Alabama a record of the names and addresses of the Members entitled to vote for directors and officers. The accounting records shall be maintained in accordance with generally accepted account principles. All books and records of the Association shall be open to inspection by the Members or their authorized representatives for any proper purpose at any reasonable time in Baldwin County, Alabama. Such records shall include:

A. Association Accounts. The receipts and expenditures of the Association shall be credited and charged to the appropriate account as set forth below.

(i) Current Expenses. All funds to be expended during the year for the maintenance of the Common Areas (as defined in the Amended and Restated Declaration) and the operation and working capital of the Association shall be held in the Current Expense Account. Any balance in this fund at the end of each year may be used to pay Common Expenses incurred in any successive year or may be placed in the reserve fund account.

(ii) Reserve Funds. All funds to be expended for replacement, acquisition and repair of capital improvements which are a part of Common Areas shall be held in the reserve fund account.

B. Member Accounts. An account for each Member shall be maintained setting forth the name and address of the Member, the interest percentage in the Common Areas, if any, the amount of each Assessment, the amounts and dates on which the Assessments become due, the amounts paid upon the account and the balance due.

Section 8.03. Budget. At least forty-five (45) days prior to the beginning of each calendar year, the Board of Directors shall adopt a proposed budget for each calendar year that shall include the estimated funds required to defray the Common Expenses and to provide and maintain funds for the foregoing

accounts and reserves according to good accounting practices. Within thirty (30) days of adoption of the proposed budget, copies of the budget and proposed Assessments shall be transmitted to each Member of the Association and a date set for a meeting of the Lot Owners to consider ratification of the budget, not less than fourteen (14) days nor more than thirty (30) days after delivery of the budget to the Lot Owners. Unless, at the meeting, a majority of the total votes entitled to be cast by the Members of the Association present in person or by proxy reject the budget, the budget is ratified, whether or not a quorum is present. In the event the proposed budget is rejected, the budget for the last year shall continue in effect until such time a new budget is ratified.

Section 8.04. Assessments. Assessments for Common Expenses shall be established as provided for in the Amended and Restated Declaration and these ByLaws. Assessments shall be collected by the Association on a monthly basis as follows: On or before the first day of each month for which the Assessments are made each Owner shall pay the share of said Owner in the Common Expenses as shown by the budget. The Board of Directors may cause to be sent to each Owner, on or before the first day of each month, a statement of the monthly Assessments. However, the failure to send or receive such monthly statement shall not relieve the Owner of the obligation of the Owner to make timely payment of the Assessments. If the Board of Directors shall not approve an annual budget or shall fail to determine new Assessments for any year, or shall be delayed in doing so, each Owner shall continue to pay the amount of the Assessment of said Owner as last determined. Provided, however, the Board of Directors shall have the power to amend the period of the installment payments to be due and payable to provide for annual, quarterly, monthly or any other period of installment payment.

Section 8.05. Assessments for Emergencies. Subject to the terms and conditions of the Amended and Restated Declaration, Assessments for Common Expenses for emergencies that cannot be paid from the annual Assessments for Common Expenses shall be made only after notice of the need for such is given to the Members concerned, and it shall be due thirty (30) days after such notice in such manner as the Board of Directors may require in the notice of Assessment. Such Assessments shall constitute a lien as provided for in the Amended and Restated Declaration.

Section 8.06. Reserves for Replacements. The Association shall establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of improvements to the Common Areas. The fund shall be maintained out of Assessments.

Section 8.07. Audit or Compilation. An audit or compilation of the accounts of the Association shall be made annually by a certified public accountant, and a copy of the audit report shall be made available for examination by each Member in Baldwin County, Alabama.

Section 8.08. Lien for Assessments. If any Owner shall fail or refuse to make any payment of the Assessments when due, the amount due, together with costs, reasonable attorney's fees and interest thereon at a rate to be set by the Board of Directors but in no event greater than eighteen percent rate per annum from and after the date said Assessments became due and payable in accordance with the Amended and Restated Declaration and shall constitute a lien on the interest of the Owner in the Lot.

Section 8.09. Acceleration of Assessment Installments Upon Default. If an Owner shall be in default in the payment of an installment upon any Assessment, the Board of Directors may accelerate the remaining installments of such Assessment upon notice to the Owner, and thereupon the unpaid balance of the Assessment shall come due upon the date stated in the notice, but not less than ten days after hand-delivery to the Owner, or not less than twenty (20) days after posting such notice in the United States mail to said Owner by registered or certified mail, postage prepaid, whichever shall first occur. Upon default in the payment of an installment upon any Assessment, the Board of Directors shall be entitled to charge interest and service charges at the highest available rate allowable under Alabama law.

Section 8.10. Default. In the event an Owner of a Lot does not pay any sums, charges or Assessments required to be paid to the Association, the Association may foreclose the lien encumbering the Lot created by non-payment of the required monies in accordance with the Amended and Restated Declaration; provided that thirty days prior notice of the intention to foreclose shall be by United States mail, postage

prepaid, to the Owner and to all mortgagees as shown in the records of ownership of the Association. The Association shall be entitled to the appointment of a receiver, if the Association so requests. The Association shall have the right to bid-in the Lot at a foreclosure sale and to acquire, hold, obtain a Mortgage and convey the Lot. In any such foreclosure action, the lien of the Association shall be as stated in the Amended and Restated Declaration. In lieu of foreclosing the lien of the Association, the Association may bring suit to recover a money judgment for any sums, charges or Assessments required to be paid to the Association without waiving the lien of the Association securing same. In any action either to foreclose the lien of the Association or to recover a money judgment, brought by or on behalf of the Association against an Owner, the defendants shall pay the cost together with a reasonable attorney's fee.

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

Section 8.11. Supplemental Assessments. If during the course of any fiscal year, the Board of Directors determines that the Assessments, as established in the annual budget, are insufficient or inadequate to cover the estimated Common Expenses for the remainder of such year, then the Board of Directors shall prepare and approve a supplemental budget covering the estimated deficiency. Copies of the supplemental budget shall be delivered to each Owner, and a supplemental Assessment shall be made to each Owner for the share of the supplemental budget of said Owner.

Section 8.12. Annual Statement. Within sixty days after the end of each fiscal year, the Board of Directors shall cause to be furnished to each Owner, a statement for the year so ended showing the receipts and expenditures of the Association, and such other information as the Board of Directors may deem desirable.

Section 8.13. Accounting Records. The Board of Directors shall cause to be kept, in accordance with generally accepted accounting principles, a record of all receipts and expenditures; and a separate account for each Lot showing the Assessments or other charges due, the due dates of said Assessments or charges and the present balance due. Such accounting records shall be open to inspection by Owners at reasonable times during regular business hours.

Section 8.14. Fidelity Bonds. Fidelity bonds may be required by the Board of Directors from all officers and employees of the Association and from any manager handling or responsible for Association funds and from any employee, agent or subcontractor of a manager handling or responsible for the Association funds. The amount of such bonds shall be determined by the Board of Directors, but shall be at least the amount of one hundred and fifty percent of the total annual Assessments against Members for recurring expenses. The premiums on such bonds shall be paid by the Association.

Section 8.15. Records of the Association. The Association shall make available to the Members copies of the records of the Association.

Section 8.16. Notices to Lenders. The Association shall provide notices to lenders required by the Amended and Restated Declaration.

Section 8.17. Fiscal Management. The terms and provisions of the Amended and Restated Declaration pertaining to fiscal management are incorporated in these ByLaws as if fully set out as an exhibit.

Article IX
Contracts, Loans, Checks and Deposits

Section 9.01. Contracts. The Board of Directors may authorize any officer or officers, agent or agents to

enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

Section 9.02. Loans. No loans shall be contracted on behalf of the Association and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

Section 9.03. Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association, shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 9.04. Deposits. All funds of the Association not otherwise employed 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 9.05. Attorney or Agent. Unless otherwise provided by resolution of the Board of Directors, the President may from time to time appoint an attorney or agent of the Association, in the name and on behalf of the Association, to cast the votes which the Association may be entitled to cast as the holder of stock or other securities in any other corporation any of whose stock or other securities may be held by the Association, at meetings of the holders of the stock or other securities of such other corporation, or to consent in writing, in the name and on behalf of the Association, as such holder, to any action by such other corporation, and may instruct the person or persons so appointed as to the manner of casting such votes or giving such consent, and may execute or cause to be executed, in the name and on behalf of the Association and under its corporate seal or otherwise, all such written proxies or other instruments as he may deem necessary or proper in the premises.

Article X Obligations of the Owners

Section 10.01. Assessments. Every Owner of any Lot shall contribute toward the expense of administration of the Association, as provided in the Amended and Restated Declaration and in these ByLaws. Each Assessment against a Lot shall also be the personal obligation of the Owner at the time the Assessment fell due.

Section 10.02. Maintenance and Repair. Every Owner of any Lot shall promptly perform all maintenance and repair work, as provided in the Amended and Restated Declaration or these ByLaws. An Owner shall reimburse the Association for any expenditures incurred in repairing or replacing any Common Areas or common facilities damaged through the fault of the Owner or the fault of the family, guests, or invitees of the Owner.

Section 10.03. Use of Lots. All Lots shall be used in accordance with the provisions of the Amended and Restated Declaration, these ByLaws and the Rules and Regulations.

Section 10.04. Applicability. The provisions of these ByLaws are applicable to the Community Property as described and limited in the Amended and Restated Amended and Restated Declaration.

Article XI Rules and Regulations

Section 11.01. Rules and Regulations. LAK at Romar, L.L.C. or the Board of Directors may from time to time and subject to the rights of LAK at Romar, L.L.C. during the Period of Developer Control as provided in the Amended and Restated Declaration, adopt, modify, amend or add to Rules and Regulations concerning the use of the Community. Copies of such Rules and Regulations shall be hand-delivered or posted by United States mail, postage prepaid, to each Owner not less than fourteen days prior to the effective date of

said Rules and Regulations. No Rules or Regulations may be adopted by the Association that conflicts with the Amended and Restated Declaration, the Articles of Incorporation or these ByLaws.

Section 11.02. Hearing Procedure. The Board of Directors shall not impose a fine, suspend voting or infringe upon any of the rights of a Member or other Occupant for violations of the Rules and Regulations or the Amended and Restated Declaration, these ByLaws or Articles of Incorporation, unless and until the following procedure is followed:

A. Demand. Written demand to cease and desist from an alleged violation shall be hand-delivered or posted by United States mail, postage prepaid, to the alleged violator specifying: (i) the alleged violation; (ii) the action required to abate the violation; and (iii) a time period not less than ten days, but in the case of an emergency immediate notice may be given, during which the violation may be abated without further sanction, if such violation is a continuing one, or a statement that any further violation of the same rule may result in the imposition of a sanction after notice and a hearing that the violation is not continuing.

B. Notice. At any time within twelve months of such demand, if the violation continues past the period allowed in the demand for abatement without penalty or if the same is subsequently violated, the Board of Directors or a delegate of the Board of Directors shall hand-deliver or by United States mail written notice to the violator of a hearing to be held by the Board of Directors or a committee appointed by the Board of Directors. The notice shall contain: (i) the nature of the violation; (ii) the time and place of the hearing, which time shall not be less than ten days from the giving of the notice, but in the case of an emergency immediate notice may be given; (iii) an invitation to attend the hearing and produce any statement, evidence and witness on behalf of the violator; and (iv) the proposed sanction to be imposed.

C. Hearing. The hearing shall be held in executive session pursuant to the notice affording the Member a reasonable opportunity to be heard. Prior to the effectiveness of any sanction under these ByLaws, proof of notice and the invitation to be heard shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, Director or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

D. Appeal. If a hearing is before a committee of the Board of Directors, following said committee hearing, the violator shall have the right to appeal the decision to the Board of Directors. To perfect this right, written notice of appeal must be received by the President or Secretary within thirty days after the hearing date.

Article XII Amendments to the ByLaws

These ByLaws may be altered, amended or repealed and new ByLaws may be adopted by the Board of Directors, provided, however, that the Board of Directors may not alter, amend or repeal any bylaw establishing what constitutes a quorum at Members meetings and provided further that during the Period of Developer Control as provided in the Amended and Restated Declaration no amendment shall be valid without the consent of LAK at Romar, L.L.C.

Article XIII Miscellaneous

Section 13.01. Construction. Wherever the context so permits, the singular shall include the plural; the plural shall include the singular; and the use of the gender shall be deemed to include all genders.

Section 13.02. Captions. The captions in these ByLaws are inserted only as a matter of convenience for

reference, and in no way define, limit or describe the scope of these ByLaws or the intent of any provision of these ByLaws.

Section 13.03. Conflicts. If there are conflicts or inconsistencies between the provisions of Alabama law, the Articles of Incorporation, the Amended and Restated Declaration and these ByLaws, the provisions of Alabama law, the Amended and Restated Declaration, the Articles of Incorporation and these ByLaws (in that order) shall prevail.

Section 13.04. Compliance. These ByLaws are intended to comply with the requirements of Alabama law which shall be considered an appendage to the Amended and Restated Declaration and the Articles of Incorporation filed with these ByLaws.

Section 13.05. Right of Entry. The manager and any person authorized by the Board of Directors shall have the right to enter each Lot, Dwelling, structure or Improvement in case of any emergency originating in or threatening such Lot, Dwelling, structure or Improvement whether or not the Owner or occupant is present at the time.

Section 13.06. Parliamentary Rules. Roberts Rules of Order (latest edition) shall govern the conduct of the meetings of the Association or the Board of Directors when not in conflict with the Amended and Restated Declaration or these ByLaws.

Section 13.07. Waiver of Notice. Whenever any notice is required to be given to any Member or Director of the Association under the provisions of these ByLaws, the Articles of Incorporation, the Amended and Restated Declaration, the provisions of the Nonprofit Act, and any act amendatory thereof, supplementary thereto or substituted therefore, or the Alabama Constitution, 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 deemed equivalent to the giving of such notice.

Section 13.08. Indemnification. The Association shall have the right to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, by reason of the fact that he is or was a Director, officer, employee or agent of the Association. The indemnification provided for herein shall not be deemed exclusive of and shall be in addition to any other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of Members or disinterested Directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 13.09. Registered Office and Agent.

The location and the mailing address of the registered office is:

Location Address:

1557 Gulf Shores Parkway
Gulf Shores, Alabama 36542

Mailing Address:


Post Office Box 2254
Gulf Shores, Alabama 36547

The name of the registered agent of the Association is Leonard A. Kaiser.

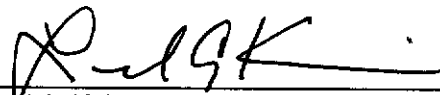
These are the ByLaws of the Cottages at Romar Property Owners Association, Inc., adopted by the Board of Directors on the 16th day of MAY, 2013.



Paul A. Stewart (Seal)
Director of the Association



Steve Hicks (Seal)
Director of the Association



Leonard A. Kaiser (Seal)
Director of the Association

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