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BYLAWS OF KINGWOOD ASSOCIATION, INC.

A NONPROFIT CORPORATION

ARTICLE ONE

INTRODUCTION

Definition of Bylaws

1.01 These Bylaws constitute the code of rules adopted by Kingwood Association, Inc. for the regulation and management of its affairs.

Purposes and Powers

1.02 This Corporation will have the purposes or powers as may be stated in its Articles of Incorporation, and such powers as are now or may be granted hereafter by law. The primary purpose of this Corporation is social, cultural and political.

ARTICLE TWO

OFFICES AND AGENCY

Principal and Branch Offices

2.01 The principal place of business of this Corporation in Alabama will be located at P.O. Box 1715, 1724 King Charles Court, Alabaster, Alabama 35007. In addition, the Corporation may maintain other offices either within or without the State of Alabama as its business requires.

Location of Registered Office

2.02 The location of the initial registered office this Corporation is P.O. Box 1715, 1724 King Charles Court, Alabaster, Alabama 35007. In addition, the Corporation may maintain other offices either within or without the State of Alabama as its business requires.

ARTICLE THREE

MEMBERSHIP

Definition of Membership

3.01 The Members of this Corporation are those persons having membership rights in accordance with the provisions of these Bylaws.

Class(es) of Members

3.02 This Corporation will have one class of Members which is designated as Regular Members.

Qualification of Members

3.03 The qualifications and rights of the Members of the membership class of this Corporation are as follows:

- (1) Members must be residents of the community of Kingwood Subdivision, Alabaster, Alabama either as homeowners in title or as holders of written leases for the term of at least one (1) year.

Members' Dues

3.04 The annual dues payable to the Corporation by Members will be in such amount(s) as may be determined from time to time by resolution of the Board of Directors, but at no time in an amount over \$40.00. The first annual dues will be payable and submitted in full with the application for membership. Future annual dues will be payable quarterly on the first day of each quarter.

Assessments

- 3.05
- (1) Memberships will be nonassessable.
 - (2) The Board of Directors may, from time to time, determine the type of occasions for which fines may be assessed against Members, as well as the amounts thereof. The Board will have full authority to assess fines on the occasions specified.
 - (3) The amount of dues fixed by the Board of Directors shall become, on and after notice, an indebtedness to the Corporation collectible by due course of law. The failure to pay any dues or fines assessed shall render the member liable to expulsion.

Place of Members' Meetings

3.06 Meetings of members will be held at any place within the Kingwood Subdivision or any other place within or without the state as provided.

Richard C. Shulewa
P.O. Box 1401
A.A.A. - A.A.A.

Members' Meetings

- 3.07 Special meetings of the members may be called by either of the following:
- (1) The Board of Directors.
 - (2) The President.
 - (3) Secretary.
 - (4) Members have at least ten percent (10%) of the votes which all members are entitled to cast at such meeting.

Notice of Members' Meetings

3.08 Written or printed notice, stating the place, day, and hour of the meeting and [in the case of a special meeting] the purpose or purposes for which the meeting is called, must be delivered not less than five (5), nor more than forty (40) days before the date of the members' meeting, either personally, by [registered or certified] first class mail, or by telegram by or at the direction of the President, the Secretary-Treasurer, or the officers or other persons or Members calling the meeting to each Member entitled to vote at such meeting. If mailed, the notice will be deemed to be delivered when deposited in the United States mail addressed to the Member at his address as it appears on the records of the Corporation, with postage prepaid.

Votings Rights of Members

3.09 Each Member address (home) will be entitled to one (1) vote on each matter submitted to a vote of Members at which the member is present.

Cumulative Voting Rights

3.10 In all elections for directors each Member entitled to vote will have the right to cumulate such vote and to give one candidate a number of votes equal to such vote multiplied by the number of Directors to be elected, or to distribute the multiple votes on the same principle among as many candidates as the Member may think fit.

Members' Proxy Voting

3.12 A Member may vote either in person or by proxy executed in writing by the Member or by his duly authorized attorney-in-fact. No proxy will be recognized as valid after three (3) months from the date of its execution unless expressly provided otherwise in the proxy.

Quorum of Members

3.13 The number or percentage of [Members entitled to vote] represented in person [or by proxy] which constitutes a quorum at a meeting of Members will be Members holding one-third (1/3) of the votes entitled to be cast in such manner. The vote of a majority of the votes entitled to be cast by the members present or represented by proxy at a meeting at which a quorum is present is necessary for the adoption of any matter voted on by the members, unless a greater proportion is required by law, the Articles of Incorporation of this corporation, or any provision of these Bylaws.

Transferability of Membership

3.14 Membership in this Corporation is nontransferable and nonassignable.

Termination of Membership

3.15 Membership will terminate in this Corporation on either of the following events, and for no other reason:

- (1) Receipt by the Board of Directors of the written resignation of Member, executed by such Member or his duly authorized attorney-in-fact.
- (2) The death of a Member.
- (3) The failure of a Member to pay due, fines, or assessments on or before their due date.
- (4) For cause, inconsistent with membership, after notice, trial, and conviction.

Before a membership terminates for any reason other than the resignation or death of the Member, the member will be given an opportunity to be heard before the [Membership Committee of the] Board of Directors, unless he is absent from the County in which the Corporation is located. A member terminating membership status for reasons other than death may be completely and automatically reinstated if correcting the cause of termination before formal adoption by the [Membership Committee of the] Board of Directors of a resolution acknowledging such termination.

ARTICLE FOUR

DIRECTORS

Definition of Board of Directors

4.01 The Board of Directors is that group of persons vested with the management of the business and affairs of this Corporation subject to the law, the Articles of Incorporation, and these Bylaws.

Structure of Board

4.02 The Board of Directors of this Corporation will constitute a single class.

Qualifications of Directors

4.03 The qualifications for becoming and remaining a Director of the Corporation are as follows:

- (1) Directors must be residents of the State of Alabama.
- (2) Directors must be Members of this Corporation.
- (3) Directors must be residents of Kingwood Subdivision, Alabaster, Alabama.

Number of Directors

4.04 The number of Directors of this Corporation will not be less than three (3) at any time. Until further amendment of these Bylaws the number of Directors may vary from time to time between a minimum of three (3) and a maximum of six (6) to be determined by the vote of a majority of the Members.

Terms of Directors

4.05 The Directors constituting the first Board of Directors as named in the Articles of Incorporation will hold office as follows:

Steve Alverson, Denny Roysten, Starr Kellogg and Richard Shuleva

Directors will be elected for a period of two (2) years. Each Director will hold office for the term for which elected and until a successor has been elected and qualified.

4.06 Resignation of Directors will become effective immediately or on the date specified therein and vacancies will be deemed to exist as of such effective date. Any vacancy occurring in the Board of Directors, and any directorship to be filled by reason of an increase in the number of Directors, will be filled by election by the members at a special meeting to be called by the President. The new Director to fill the vacancy will serve for the unexpired term of the predecessor in office.

Place of Directors' Meetings

4.07 Meetings of the Board of Directors, regular or special, will be held at such place or places as the Board of Directors designates by resolution duly adopted.

Regular Directors' Meetings

4.08 Regular meetings of the Board of Directors will be held on the first Tuesday in January, April, July and October. This provision of the Bylaws constitutes notice to all Directors of regular meetings for all years and instances, and no further notice shall be required although such notice may be given.

Notice of Special Directors' Meetings

4.09 Written or printed notice stating the place, day, and hour of any special meeting of the Board of Directors will be delivered to each Director no less than two (2) nor more than five (5) days before the date of the meeting, either personally or by first class mail, by or at the direction of the President, or the Secretary, or the Directors calling the meeting. If mailed, such notice will be deemed to be delivered when deposited in the United States mail addressed to the Director at his address as it appears on the records of this Corporation, with postage prepaid. Such notice need not state the business to be transacted at, nor the purpose of, such meeting.

4.10 A special meeting of the Board of Directors may be called by either:

- (1) The President, or
- (2) Fifty percent (50%) of the Board of Directors.

Waiver of Notice

4.11 Attendance of a Director at any meeting of the Board of Directors will constitute a waiver of notice of such meeting except where such Director attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

Quorum of Directors

4.12 A majority of the whole Board of Directors will constitute a quorum; provided that in no event will a quorum consist of less than two-thirds (2/3) of the whole Board. The act of a majority of the Directors present at a meeting at which a quorum is present will be the act of the Board of Directors unless a greater number is required under the provisions of the Articles of Incorporation of this Corporation or any provision of these Bylaws.

ARTICLE FIVE

OFFICERS

Roster of Officers

5.01 The Officers of this Corporation will consist of the following personnel:

- (1) A President.
- (2) Vice President.
- (3) A Secretary-Treasurer.

Selection of Officers

5.02 Each of the Officers of this Corporation will be elected and appointed annually [or longer term not exceeding two years] by the Board of Directors. Each Officer will remain in office until a successor to such office has been selected and qualified. Such election will take place at the regular meeting of the Board of Directors taking place in July of each year.

Multiple Officeholders

5.03 No person may hold more than one (1) elected office at a time.

President

5.04 The President will be the Chief Executive officer of this Corporation and will, subject to the control of the Board of Directors or Directoral Committees, supervise and control the affairs of the Corporation. The President will perform all duties incident to such office and such other duties as may be provided in these Bylaws or as may be prescribed from time to time by the Board of Directors.

Vice President

5.05 The Vice President will perform all duties and exercise all powers of the President when the resident is absent or is otherwise unable to act. The Vice President will perform such other duties as may be prescribed from time to time by the Board of Directors.

Secretary-Treasurer

5.06 The Secretary will keep minutes of all meetings of Members and of the Board of Directors, will be the custodian of the corporate records, will give all notices as are required by law or by these Bylaws, and, generally, will perform all duties as may be required by law, by the Articles of Incorporation, or by these Bylaws, or which may be assigned from time to time by the Board of Directors.

The Treasurer will have charge and custody of all funds of this Corporation, will deposit funds as required by the Board of Directors, will keep and maintain adequate and correct accounts of the Corporation's properties and business transactions, will render reports and accountings to the Directors and to the Members as required by the Board of Directors or Members or by law, and will perform in general all duties as may be required by law, by the Articles of Incorporation, or by these Bylaws, or which may be assigned from time to time by the Board of Directors.

Removal of Officers

5.07 Any Officer elected or appointed to office may be removed by the person authorized under these Bylaws to elect or appoint Officers whenever in their judgment the best interests of this Corporation will be served.

ARTICLE SIX

INFORMAL ACT

Waiver of Notice

6.01 Whenever any notice whatever is required to be given under the provisions of the law, the Articles of Incorporation of this Corporation, or these Bylaws, a waiver of such notice in writing signed by the person or persons entitled to notice, whether before or after the time stated in such waiver, will be deemed equivalent to the giving of such notice. Such waiver must, in the case of a special meeting of Members, specify the general nature of the business to be transacted.

Action by Consent

6.02 Any action required by law or under the Articles of Incorporation of the Corporation or these Bylaws, or any action which otherwise may be taken at a meeting of either the Members or Board of Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the persons entitled to vote with respect to the subject matter of such consent, or all Directors in office, and filed with the Secretary of the Corporation.

ARTICLE SEVEN

OPERATIONS

Fiscal Year

7.01 The fiscal year of this Corporation will be the calendar year.

Execution of Documents

7.02 Except as otherwise provided by law, checks, drafts, promissory notes, orders for the payment of money, and other evidences of indebtedness of the Corporation will be signed by the Secretary-Treasurer and countersigned by the President. Contracts, leases, or other instruments executed in the name of and on behalf of the Corporation will be signed by the Secretary-Treasurer and countersigned by the President, and will have attached copies of the resolution of the Board of Directors certified by the Secretary authorizing their execution.

Books and Records

7.03 This Corporation will keep correct and complete books and records of account, and will also keep minutes of the proceedings of its Members, Board of Directors, and Directoral Committees. The Corporation will keep at its registered office a membership register giving the names, addresses, and showing classes and other details of the membership of each, and the original or a copy of its Bylaws including amendments to date certified by the Secretary of the Corporation.

Inspection of Books and Records

7.04 All books and records of this Corporation may be inspected by any Member, or his agent, or attorney, for any proper purpose at any reasonable time on written demand under oath stating such purpose.

Nonprofit Operations - Compensation

7.05 This Corporation will not have or issue shares of stock. No dividend will be paid, and no part of the income of this Corporation will be distributed to its Members, Directors, or Officers. However, the Corporation may pay compensation in a reasonable amount to Members, Officers, or Directors for services rendered.

Loans to Management

7.06 This Corporation will make no loans to any of its Directors or Officers or to any of its key management or other personnel.

7.07

(1) No Member or Incorporator of this Corporation may have any vested right, interest, or privilege of, in, or to the assets, functions, affairs, or franchise of the Corporation, or any right, interest, or privilege which may be transferable or inheritable, or which will continue if his membership ceases, or while he is not in good standing.

(2) Expelled Members shall have no property right to assets of the Corporation.

(3) On dissolution, assets of this Corporation remaining after the payment or discharge of all liabilities of the Corporation; the return, transfer, or conveyances of assets held on conditions requiring the same; and the transfer or conveyance of assets received and held subject to limitations permitting their use only for charitable, religious, eleemosynary, benevolent, educational, or similiar purposes shall be distributed as follows:

Members receive pro-rata share.

(4) The Directors of this Corporation may authorize secured transactions or other dispositions of corporate assets without approval by the Members.

ARTICLE EIGHT

AMENDMENTS

Amendment of Articles of Incorporation

8.01 The power to alter, amend, or repeal the Articles of Incorporation of this Corporation is vested in the Members. Such action must be taken pursuant to a resolution approved by a majority of the Directors and by a majority of the Members.

Modification of Bylaws

8.02 Any proposed amendments to these Bylaws must be introduced to the Board of Directors. The Board of Directors will review and present the amendments to the membership at a regular or special meeting. A majority vote of the members present will be necessary for approval.

ADOPTION OF BYLAWS


Adopted by the Board of Directors by resolution and vote of 4 to 0 on

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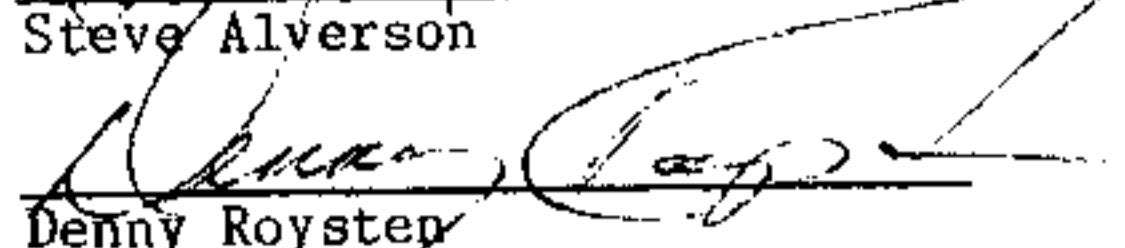
JUNE 7, 1987, at ALABASTER, ALABAMA.

DIRECTORS

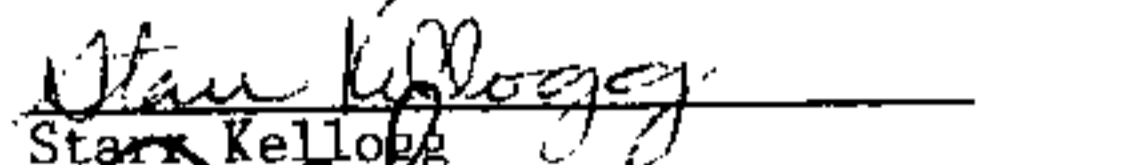
Approving:



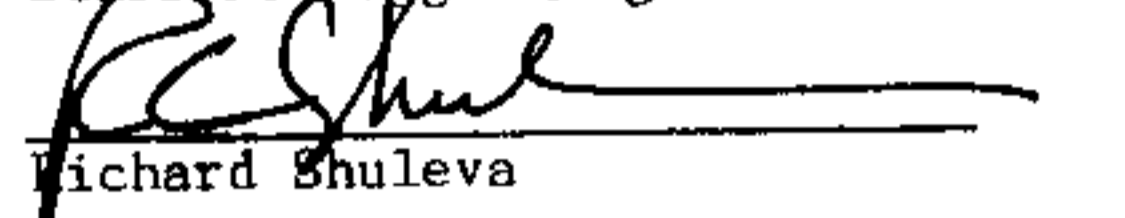
Steve Alverson



Denny Royster



Starr Kellogg



Richard Shuleva

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State of Alabama

SHELBY

County

CERTIFICATE OF INCORPORATION

OF

KINGWOOD ASSOCIATION, INC.

The undersigned, as Judge of Probate of SHELBY County, State of Alabama, hereby certifies that duplicate originals of Articles of INCORPORATION of KINGWOOD ASSOCIATION, INC., duly signed and verified pursuant to the provisions of Section NON-PROFIT of the Alabama Business Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY the undersigned, as such Judge of Probate, and by virtue of the authority vested in him by law, hereby issues this Certificate of INCORPORATION of KINGWOOD ASSOCIATION, INC., and attaches hereto a duplicate original of the Articles of INCORPORATION.

GIVEN Under My Hand and Official Seal on this the 8th day of JUNE, 1987

STATE OF ALABAMA
JUDGE OF PROBATE
INSTRUMENTS

1987 JUN -8 PM 2:52

Thomas A. Moulder, Jr.
JUDGE OF PROBATE

Thomas A. Moulder, Jr.
Judge of Probate

RECORDING FEES

Recording Fee \$ 25.00
Index Fee 1.00
TOTAL 26.00

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