

[Proposed Amendment #6]

AMENDMENT TO THE BY-LAWS  
OF  
CHANDALAR SOUTH TOWNHOUSE ASSOCIATION, INC.

This X th Amendment to the by-laws of Chandalar South Townhouse Association, Inc., the original by-laws being recorded in Miscellaneous Book 6, Page 860, and first amended in Miscellaneous Book 21, page 164, both in the office of the Judge of Probate of Shelby County, Alabama, by the Secretary of said non-profit corporation:

WITNESSETH:

WHEREAS, on or about January 8, 1974, Articles of Incorporation of Chandalar South Townhouse Association, Inc. were filed in the Probate Office of Shelby County, Alabama, in Corporation Book 11, Page 665A, with by-laws relating thereto having been recorded as set out hereinabove; and

WHEREAS, at a duly called Annual Meeting of the shareholders and Board of Directors of the Chandalar South Townhouse Association, Inc., on November 1, 2004 at 7:00 p.m. it was determined that it would be in the best interest of the shareholders to more clearly define the power and the duty of the Board to assess fines for failure to comply with Association covenants and by-laws, and

WHEREAS, it has already been established in Article X, General Provisions, Section 1. ENFORCEMENT of the Chandalar South Townhouse Association, Inc. Declaration of Covenants, entitled DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF CHANDALAR SOUTH TOWNHOUSES, that "the Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration." and that "Failure by the Association or by an Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so hereafter." and

WHEREAS Association members express their belief that it is in the best interest of their members to assess penalties and appropriate suspension of privileges when Chandalar South Townhouse Association, Inc. members are non-compliant with Chandalar South Townhouse Association, Inc covenants and by-laws

WHEREAS, it was determined that a Xth Amendment to the by-laws would be necessary to effectuate this understanding.

WHEREUPON, after motion being duly made and seconded, and upon written consent of a majority of the members present or by proxy, it was



**RESOLVED**, that the Secretary, or the contracted Management Company in the Secretary's behalf, be instructed to amend the by-laws and have said Xth Amendment recorded in the Probate Office of Shelby County, Alabama, as follows:

1. To add to Article VII, Section 2 of the By-laws a section (d), which adds to the duties of the Board of Directors, as follows:

(d) Assess an appropriate fine by the Association, not to exceed 75% of 1/12 of that year's annual dues, as a financial penalty for covenant and by-law violations, so long as the Association has shown due diligence in the following:

- 1) Provided the member a warning letter, citing the violation and requesting that it be corrected within fifteen (15) business days.
- 2) If the violation is not corrected and a written response not received by CSTA or its management company postmarked within the fifteen (15) business days, then a second letter must be sent informing the member of the following:
  - A. Stating that they have failed to correct the violation of the covenant or by-law
  - B. Citing the exact covenant or by-law that was broken
  - C. Specifying the exact amount of the fine, when it is due and where it should be sent
  - D. Outlining the procedure by which a homeowner may contest a fine
  - E. Providing a deadline date by which their response must be postmarked
- 3) CSTA must give the homeowner no less than ten (10) business days and no more than (30) business days to pay the fine and respond in writing as to how the violation was corrected. If the homeowner wishes to dispute the fine, all contestations must be received in writing and postmarked no later than the deadline stated within the letter.
- 4) CSTA must give the homeowner no less than ten (10) business days and no more than (30) business days to dispute the violation in writing and present a written request for an audience before the Board to contest the violation. Only written requests for an audience before the Board will be accepted.
- 5) Should the homeowner opt for the right to dispute the violation at a board meeting, the time and date of the Board Meeting must be provided to the homeowner in writing no less than five (5) business days before that Board Meeting, which must occur no more than sixty (60) business days after the homeowner's written request to address the board was



postmarked. Failure of the Board to meet within this time frame will render the alleged violation of the homeowner null and void.

- 6) If at the prescribed Board Meeting, a member has been granted the right to address the board regarding his or her alleged violation, by way of their written request as outlined above, the Board must allow the member at least 10 minutes to state their case and then the Board must vote to determine the validity of the fine. The results of the Board's vote must be recorded in the meeting minutes. Should the Board vote that the fine was assessed in error, no payment shall be due by the homeowner. The Board must inform the member in writing no more than ten (10) days following the meeting of the result of the vote.

If the Board votes by majority that the fine is valid, the homeowner must pay the fine within ten (10) business days of the said Board Meeting. If payment is not received by the Association and postmarked by the eleventh (11)<sup>th</sup> business day following the Board Meeting, the Board must suspend the right to use the recreational facilities until the time the payment has been made in full and the member is subject to all forms of late payment penalties as prescribed in CSTA's By-laws for delinquent dues.

- 7) Should a homeowner be unable to attend the prescribed Board Meeting, they can present their objection to the violation in writing. The objection must be read aloud at the prescribed Board meeting and included in the minutes, after which time the Board will then vote to determine the validity of the fine. The results of the Board's vote must be recorded in the meeting minutes. Should the Board vote that the fine was assessed in error, no payment shall be due by the homeowner. The Board must inform the member in writing no more than ten (10) days following the meeting of the result of the vote.

If the Board votes by majority that the fine is valid, the homeowner must pay the fine within ten (10) business days of the said Board Meeting. If payment is not received by the Association and postmarked by the eleventh (11)<sup>th</sup> business day following the Board Meeting, the Board must suspend the right to use the recreational facilities until the time the payment has been made in full and the member is subject to all forms of late payment penalties as prescribed in CSTA's By-laws for delinquent dues.

- 8) Late fees, judgments and liens for fines related to violations of the covenants and by-laws shall be the same as for Association dues.
- 9) Failure of a homeowner who has requested an audience with the Board in writing to attend the prescribed Board meeting in person or present their



case in writing shall be deemed an admission of violation and will render the fine valid and due.

- 10) Members who have been fined for a violation may be again cited and fined for the same violation, if the violation has not been corrected within the fifteen (15) to thirty (30) day deadline they were afforded for the previous offense. If the offense was contested once and deemed valid, the member will not have the right to contest the validity of the fine again. If the violation is a new, previously uncontested violation, the homeowner may contest the fine in the manner prescribed above.

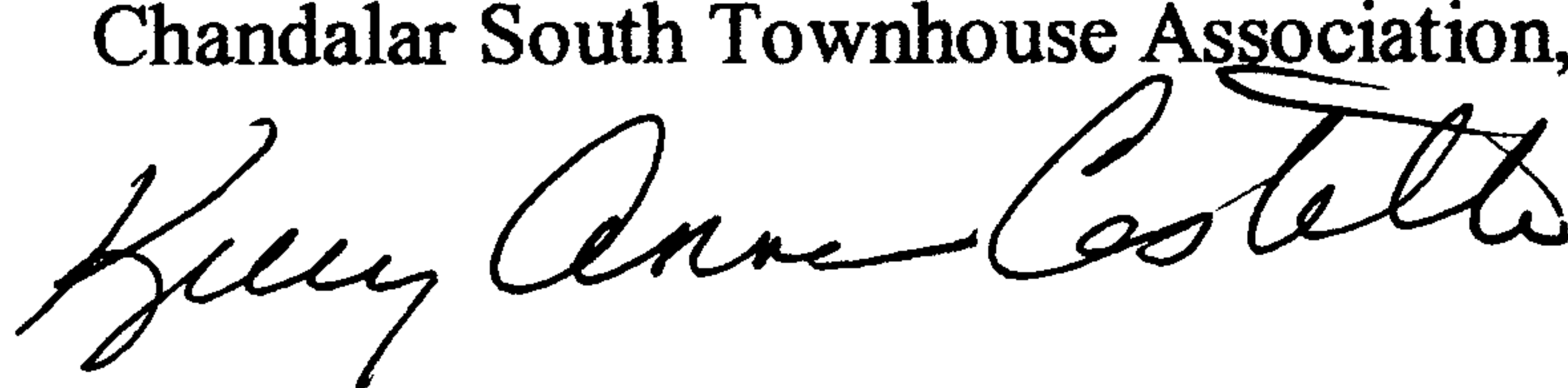
Failure by the Association or by an Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so hereafter.

The foregoing was adopted as a \_\_\_\_th Amendment to the by-laws of Chandalar South Townhouse Association, Inc., an Alabama non-profit corporation, at the Annual Meeting of the shareholders and Board of Directors on Monday, November 1, 2004 at 7:00 p.m.

Michael Barnes - Secretary

 11/02/04

This instrument was prepared by:  
Chandalar South Townhouse Association, Inc.

 President 2004 11/2/04