

**RESTATED BYLAWS OF  
CLIPPER ESTATES MASTER HOMEOWNERS' ASSOCIATION, INC.  
A LOUISIANA NONPROFIT CORPORATION**

**ARTICLE I  
NAME AND LOCATION**

**SECTION 1. NAME:** The name of the corporation is **CLIPPER ESTATES MASTER HOMEOWNERS' ASSOCIATION, INC.**, hereinafter sometimes referred to as "CEMHOA", a Louisiana nonprofit corporation.

**SECTION 2. ARTICLES OF INCORPORATION:** The CEMHOA was incorporated in the State of Louisiana by Articles of Incorporation ("the Articles") dated February 10, 1995 and filed in the office of the Louisiana Secretary of State on February 13, 1995.

**SECTION 3. OFFICE LOCATION:** The principal office of the CEMHOA is located at 1303 Cutter Cove, Slidell, Louisiana 70458, or at such other location as the Board of Directors of the CEMHOA may from time to time determine.

**ARTICLE II  
DEFINITIONS**

**SECTION 1. GENERAL:** Unless separately defined herein or the context otherwise requires, the names, words, and phrases used herein shall have the meanings as set forth in the Declaration of Covenants, Conditions and Restrictions, Clipper Estates Subdivision, St. Tammany Parish, Louisiana, registered in the conveyance records of St. Tammany Parish, Louisiana, on January 17, 1995, in CIN 935464 (the "Declaration").

**ARTICLE III  
RIGHT OF ASSOCIATION MEMBERSHIP**

**SECTION 1. ELIGIBILITY FOR MEMBERSHIP AND VOTING RIGHTS:**

**A. Eligibility For Membership.** Membership shall be appurtenant to the Lot or Unit giving rise to such membership, and shall not be assigned, transferred, pledged, hypothecated, conveyed or alienated in any way except as provided in the Governing Documents. Subject to the additional terms of this Article III, each Member shall be entitled to cast one vote for each Unit owned by such Member. If the ownership of a Unit is shared by two or more Owners, said Owners shall collectively be entitled to cast only one vote in connection with their ownership of said Unit.

**B. Exercise of Vote.** The vote for any membership that is held by more than one person may be exercised by any one of them, unless any objection or protest by any co-holder of such membership is made prior to the completion of a vote, in which case the Board may decide which

co-holder of any membership may exercise such vote; provided, however, that if no such decision of the Board is made, the vote for such membership shall not be counted.

**C. Suspension of Voting Rights.** Only those Members in good standing, with no outstanding amounts due to the Association, or any subassociation, and with no violations of the Declaration or any Supplementary Declaration or any supplements or amendments thereto are eligible to vote in any meeting of the Owners or Members. The Board has the authority to suspend the rights of any Owner to vote in any such meeting of the Owners or Members, it being understood that any suspension for nonpayment of any amounts due or for any violation shall not constitute a waiver or discharge of the Owner's obligation to pay Assessments provided for herein.

#### **ARTICLE IV MEETINGS OF THE MEMBERSHIP**

**SECTION 1. PLACE:** Annual and special meetings of the Members shall be held at the principal office of the corporation, or at such other place, within St. Tammany Parish, Louisiana, as may be designated by notice of the Board.

**SECTION 2. ANNUAL MEETINGS:** Annual meetings of the Members shall be held on the third Monday of October of each calendar year at 7:00 p.m. or at such other reasonable date and time, not more than thirty (30) days before or after such date, as may be designated by the Board, for the purpose of electing directors, receiving all committee and financial reports, and for the transaction of such other business as may be properly brought before the meeting. A quorum of Members, which is defined as a minimum of twenty-five percent (25%) of the number of lots in the CEMHOA, must either be present or represented by proxy at such meeting for the meeting to be either conducted or for votes to be taken. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or represented. In the event that the CEMHOA is unable to schedule an annual meeting, then the CEMHOA is authorized to adopt an annual budget for the CEMHOA and conduct such other business as deemed necessary.

**SECTION 3. NOTICE:** Written notice for either regular and/or special meetings or ballot polls where action by Members is required shall be provided to Members at least ten (10) days (but no more than thirty {30} days) before such meeting by depositing the same in the United States Mail, postage prepaid, at the last provided address of the Member on the books of the CEMHOA. Notice may also be posted at the office of the CEMHOA or at such other office or place designated by the CEMHOA. Notice of all meetings or ballot polls shall specify the place, day and hour of the meeting. In the case of a special meeting, the Notice shall state the purpose of the meeting. In the case of the ballot poll, the Notice shall include the matter(s) to be voted upon.

**ARTICLE V**  
**BOARD OF DIRECTORS**

**SECTION 1. NUMBER AND QUALIFICATIONS:** All powers and duties of the CEMHOA, including but not limited to, all those powers and duties existing under applicable law and the Governing Documents, shall be vested in, exercised by, and under the authority of a Board of Directors consisting of not less than five (5) nor more than nine (9) Directors.

(a) **Appointed Members of the Board.** Appointed Members of the Board shall be appointed by the Declarant and shall serve at the pleasure of the Declarant. No Director appointed by Declarant need be a Member. The Declarant shall appoint all members to the Board as long as Declarant owns any Lot or property subject to the provisions of the Restrictions, or as long as Declarant is developing properties in the subdivision or to be added to the subdivision, unless Declarant in its sole discretion relinquishes the right to appoint one or more Directors.

(b) **Elected Members of the Board.** Each Unit Class shall elect one member to the Board when determined by the Declarant. At the time Declarant no longer appoints Members to the Board or relinquishes the right to appoint one or more Directors to the Board, each Unit Class shall elect two (2) Members to the Board. Elected CEMHOA Directors must be Members in good standing of the CEMHOA, which is defined as having no outstanding amounts due to the CEMHOA and with no violations of the Declaration, any Supplementary Declarations, or any supplements or amendments thereto, the Architectural Design Guidelines or the rules and regulations of the Association. CEMHOA Directors shall not reside with any other Member of the current Board of Directors. The person receiving the largest number of votes for that position shall be elected. Only one Member per Lot can qualify to be a director, even if there is more than one owner of record. Further if these Members own more than one Lot, only one of the Members can qualify to run as a director, and can only qualify for one directorship.

**SECTION 2. NOMINATIONS:** Nominations for election of the Unit Class Directors to the CEMHOA Board shall be made by the Nominating Committee, which can consist of as many as three (3) directors, one of whom shall be elected the Chairman, and may include one or more Members of the CEMHOA. Such nominating committee shall be limited to three (3) Members in good standing, as defined in **Section 1. Number and Qualifications.** The Nominating Committee shall be appointed by the Board prior to each annual meeting of the Members to serve during such annual meeting and until the next annual meeting or until their successors have been duly designated and qualified. The members of the Nominating Committee shall be announced at each annual meeting of the Members. The Nominating Committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not less than the number of vacancies to be filled. Nominations shall be placed on a written ballot as provided in Section 3 below and shall be made in advance of the time fixed in Section 3 below for the mailing of such ballots to the Members.

**SECTION 3. ELECTION:** At each annual meeting of the Members, the Members shall elect those directors designated to be elected as Unit Class directors. Votes may be in-person or proxy. Each directorship must be voted on separately by the Members. No Member shall be allowed to

cumulate the vote or votes the Member has for each separate directorship and cast those votes for only one candidate for director. The candidate receiving the highest number of votes for each directorship shall be elected a director. Voting for the Board shall be conducted according to the following procedure: all elections to the Board shall be made on written ballots in person or by proxy, which shall describe the vacancies to be filled, set forth the names of those nominated by the Nominating Committee for such vacancies, and contain a space for a write-in vote by the Members for each vacancy. Notice of the meeting to elect Members to the Board shall be prepared and mailed by the Secretary to the Members at least ten (10) days (but no more than thirty {30} days) in advance of the date set for the Meeting in accordance with Article IV, Section 3 herein. Said notice may also be posted in accordance with Article IV, Section 3 herein. Said notice shall contain a list of the nominees.

**SECTION 4. TERM OF DIRECTORS:** At the 2004 annual meeting, each elected director, beginning January 1, 2005, shall be elected for a term of two (2) years, except if the two (2) Board positions scheduled to be elected in even years. If there are five (5) elected positions, then two (2) Board positions will be filled in even years and three (3) Board positions will be filled in odd years. For the two (2) Board positions elected in even years, they shall serve for a one (1) year term initially. Thereafter, these two (2) Board positions shall revert to two (2) year terms. If the Board consists of more fewer than five (5) elected directors, then the Board shall determine how the terms of the elected directors shall be staggered.

**SECTION 5. VACANCIES/REMOVAL IN/FROM OFFICE:** If any elected director of the CEMHOA, fails to perform their duties, including the failure to enforce the Declaration, the Supplementary Declarations, the Founding Documents, the Governing Documents and/or the rules and regulations of the CEMHOA, or otherwise fails to perform their duties and obligations, is negligent in their acts or omissions or commits a criminal act, then either the CEMHOA, or the Declarant, or the Membership of the CEMHOA can call for a special meeting of CEMHOA Board to remove said director and replace them with either appointed or duly elected directors, who can govern the affairs of the CEMHOA. Appointed directors need not be Members of the CEMHOA. Elected directors must be Members in good standing, as defined in Section 1. Number and Qualifications.

Any director may resign at any time by giving written notice to the President or Secretary of the Association. The remaining directors following the death, resignation or removal of an appointed or elected director, even though not constituting a quorum, may, by a majority vote, fill any vacancy on the Board for the unexpired term, provided that the Members shall have the right, at any special meeting called for that purpose prior to such appointment by the Board, to fill the vacancy.

Notwithstanding the above, any appointed director may be replaced at any time by the Declarant and only by the Declarant.

Any duly elected director may be removed from his position on the Board, prior to the expiration of his term of office, upon the vote of two-thirds (2/3) of the Members present at a meeting called to consider such removal. A minimum of twenty-five percent (25%) of the Members of the

CEMHOA must be present in person and/or represented by a specific proxy at such meeting for the vote to be conducted. Only a proxy specifically stating that the proxy is to remove the designated named elected director or directors and the reasons why that absent Member is agreeing to vote to remove the elected director or directors, will be acceptable and authorized to grant the proxy for the Member to cast the absent Member's vote for removal. A general proxy that does not contain the specific information is invalid and cannot be used to cast the absent Member's vote. Notice of the purpose, place, date and time of such meeting shall be given to all such Members no less than seven (7) days (but no more than fourteen {14} days) in advance of such meeting in accordance with Article IV, Section 3 herein. In the event the removal of more than one director is being considered at that meeting, no Member shall be entitled to cumulate votes (as defined in Article V, Section 1 herein.) Any director whose removal has been proposed by the Members shall be given an opportunity to be heard at the meeting at which the question of removal shall be put to vote.

**SECTION 7. COMPENSATION:** No Director, who is also a property owner in CEMHOA, shall receive compensation from the CEMHOA for any service or services the Director may render to the CEMHOA, unless a resolution authorizing such compensation shall have been unanimously adopted by the Board, excluding the director to be so compensated, before the service or services are undertaken. The Board may authorize a Director or officer to be reimbursed for documented expenses incurred in the business of the CEMHOA.

## **ARTICLE VI**

### **POWERS OF THE BOARD OF DIRECTORS**

**SECTION 1. POWERS:** The duly elected and/or appointed Board shall have the exclusive right and responsibility to manage and administer the affairs of the CEMHOA and to exercise the powers and authority of the CEMHOA as designated in the Articles of Incorporation, these Bylaws, and the Declaration. Directors are allowed to vote by proxy or by telephone. In addition, but not limited to, the Board shall have the power:

- (a) To use and account for any and all sums of money received or collected by the CEMHOA in the exercise of its powers and duties as more particularly described in the Restated Declaration;
- (b) To borrow against the reserves of the CEMHOA without the approval of the membership; and to borrow against the assets, other than cash reserves, of the CEMHOA without the approval of the membership.
- (c) To borrow money, purchase immovable property, or sell, lease, transfer, donate, mortgage, grant servitudes on, over, across or under immovable property, or otherwise alienate any or all of the immovable property of the CEMHOA only with the approval of the Board of Directors. Neither the approval of the membership nor a resolution of the voting members is required.

(d) To fully exercise such powers and duties as are allowed to directors of corporations under the laws of the State of Louisiana.

**SECTION 2. POWERS AND DUTIES:** Without limiting the generality of its powers, the Board has the duty, power and authority to:

- (a) exercise its powers in accordance with the Governing Documents;
- (b) cause to be kept a complete record of all of its corporate affairs including the Book of Resolutions, if kept, and make such records available for inspection by any Member, its agent or Institutional Lender who has an interest in the Properties, and present an annual statement thereof to all Members;
- (c) adopt and follow procedures for adoption and publication of board resolutions to be included in the Book of Resolutions, including the provision for hearing and notice to Members for resolution on rules, the annual budget of the CEMHOA, and other matters affecting the rights of Members. The annual budget of the CEMHOA must be submitted to the CEMHOA on or before September 30th of the calendar year. If the budget is not adopted or submitted timely, the CEMHOA may use the prior year's budget of the CEMHOA to determine the assessments for the subsequent year;
- (d) adopt and publish rules and regulations including fees, if any, governing the use of the Common Areas and other facilities, if any, and the personal conduct of the Members and their guests thereon, and to include these in the Book of Resolutions;
- (e) establish and enforce architectural standards for the Properties located in the Clipper Estates Subdivision in accordance with the Book of Resolutions, the Declaration, the Supplementary Declarations, the Architectural Design Guidelines, and any amendments or supplements thereto;
- (f) establish and enforce covenants and restrictions for the Properties located in the Clipper Estates Subdivision in accordance with the Book of Resolutions, the Declaration, the Supplementary Declarations, the Architectural Design Guidelines, and any amendments or supplements thereto; such enforcement can include, but not be limited to, the establishment and collection of monetary fines and penalties from CEMHOA property owners failing to comply with any and all current and future covenants and restrictions;
- (g) borrow money, purchase, sell, donate, transfer, lease, mortgage, encumber, grant servitudes on, over, under or affecting or otherwise alienate any of its immovable property. The approval or authorization of the voting members of the above or of a resolution approving or authorizing the same is not required and is hereby waived;
- (h) supervise all officers, agents, and employees of the CEMHOA and see that their duties are properly performed;

(i) designate federally insured depositories for the CEMHOA funds, and designate those directors who shall have authority to withdraw funds from such accounts on behalf of the CEMHOA, and cause such persons to be bonded, as it may deem appropriate;

(j) appoint such committees as prescribed herein; and

(k) exercise their rights, powers and duties in good faith, with a view to the interests of the CEMHOA and to this end adopt appropriate guidelines for action on matters where a potential conflict of interest may exist.

## **ARTICLE VII** **OFFICERS AND THEIR DUTIES**

**SECTION 1. ENUMERATION:** The officers of the CEMHOA shall be a President, Vice President, Secretary, Treasurer, and such other officers as may be appointed by the Board. If necessary, one Director may hold two or more offices. The offices of President and Treasurer shall not be held by the same person.

**SECTION 2. ELECTION AND TENURE:** The officers of the CEMHOA, except such officers as may be appointed in accordance with the provisions of **Sections 3 or 5** herein, shall be chosen annually by the Board. Each officer shall hold office until resigning or being removed or otherwise being disqualified to serve, or until a successor has been elected and qualified. Those officers who are Members of the Corporation **must** be Members in good standing, with no outstanding amounts due to the CEMHOA, and with no violations of the Declaration and the Supplementary Declarations or any supplements or amendments thereto.

**SECTION 3. REMOVAL AND RESIGNATION:** Any officer elected or appointed by the Board may be removed with or without cause by a vote of a majority of the Board. Any officer may resign at any time by giving written notice to the Board. Any such resignation shall either take effect on the date of receipt of such notice or at any later date specified therein. The acceptance of such resignation shall not be necessary to make it effective.

**SECTION 4. VACANCIES:** A vacancy in any office shall be filled by appointment by a majority vote of the Board, if deemed necessary by the Board. The person appointed to such vacancy shall serve for the remainder of the term of the officer being replaced.

**SECTION 5. PRESIDENT:** The President shall be elected by the Board. The President shall be the principal executive officer of the CEMHOA and shall, subject to the control of the Board, supervise, direct, and control all of the business and affairs of the CEMHOA and the officers thereof and shall see that all orders and resolutions of the Board are carried into effect. The President shall preside at all meetings of the Members, and at all meetings of the Board, and shall have the general powers to perform all of the duties usually vested in the office of President of a corporation, together with such other powers and duties as may from time to time be prescribed in the Governing

Documents.

**SECTION 6. VICE-PRESIDENT:** The Vice President shall be elected by the Board. In the absence of the President or in the event of the President's inability or refusal to act, the Vice President shall perform all of the duties of the President and when so acting, shall have all the powers, rights and duties of and be subject to all of the restrictions upon the President. The Vice President shall have such other powers and perform such other duties as from time to time may be assigned to him in the Governing Documents.

**SECTION 7. SECRETARY:** The Secretary shall be elected by the Board. The Secretary shall keep or cause to be kept, at the principal office, or such other place as the Board may order, a book of minutes of all meetings of the Board, or Members, with the time and place of meeting, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at the Board meetings, the number of Members present in person or by proxy at Members' meetings and the number of total votes held by such Members, and the proceedings thereof. The Secretary shall cause all notices to be duly given to the Members, Owners, and to the Board required by these Bylaws, the Articles, the Declaration, any Supplementary Declarations, or by law to be given. The Secretary shall keep appropriate current records of the names and post office address of each Member, director and officer, shall keep the records and seal of the CEMHOA in safe custody, and shall have such other powers and perform such other duties as may be prescribed in the Governing Documents.

**SECTION 8. TREASURER:** The Treasurer shall be elected by the Board. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct records of the properties and business transactions of the CEMHOA, including accounts of its assets, liabilities, receipts, and disbursements, and shall cause all financial statements required herein to be prepared and maintained. The Treasurer shall deposit any monies received and other valuables in the name and to the credit of the CEMHOA with such federally insured depositories as may be designated by the Board. The Treasurer shall disburse the funds of the CEMHOA as may be ordered by the Board, shall render to the President and directors, whenever they request it, an account of all of his transactions as Treasurer and of the financial condition of the CEMHOA, and shall have such other powers and perform such other duties as may be prescribed by the Board or the Bylaws.

**ARTICLE VIII  
MEETINGS OF BOARD**

**SECTION 1. BOARD MEETINGS:** Meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the directors, provided that not less than one (1) Board meeting shall be held during each fiscal year. Notice of the time and place of such meeting may be mailed in accordance with the notice provisions of Article IV, Section 3 herein; but such mailing is not required. Notice may also be posted at the office of the CEMHOA, or at such other office or place designated by the CEMHOA, not less than seven (7) days prior to the date of such meeting.



**SECTION 2. OPEN TO MEMBERS:** Meetings of the Board may be open to all Members; provided, however, that Members who are not on the Board may not participate in any deliberation discussion, or presentation unless expressly so authorized by the Board. The Board may, with the approval of a majority of its Directors, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the CEMHOA is or may become involved, and orders of business of a similar nature.

**SECTION 3. SPECIAL MEETING:** A special meeting of the Board may be called by written notice signed by the President of the CEMHOA or by any two (2) members of the Board other than the President. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be mailed to all directors in accordance with Article IV, Section 3 herein, and may also be posted in the manner prescribed for notice of regular meetings not less than seventy-two (72) hours prior to the scheduled time of the meeting.

**SECTION 4. QUORUM OF DIRECTORS:** At all meetings of the Board, a majority of the directors in person or by proxy shall be necessary to constitute a quorum for the transaction of business. Except as otherwise provided by law, the acts of the majority of the directors present at a meeting either in person or by proxy at which a quorum is present shall constitute the acts of the Board.

**SECTION 5. WAIVER OF NOTICE:** Before or at any meeting of the Board, any director may, in writing, waive personal notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall be a waiver of personal notice by him of the time and place thereof. If all the directors are present at any meeting of the Board, no notice to directors shall be required and any business may be transacted at such meeting. The transactions of any meeting of the Board, however called and noticed or wherever held, shall be as valid as though transacted at a meeting duly held after regular call and notice, if (a) a quorum is present, (b) notice to the directors of such meeting was posted as provided in these Bylaws, and (c) either before or after the meeting, each of the directors not present signs a written waiver of notice, a consent to holding such meeting, or an approval of the minutes thereof. All such waivers, consents, and approvals shall be filed with the records of the CEMHOA or made a part of the minutes of the meeting.

## **ARTICLE IX** **ACCOUNTING**

**SECTION 1. ACCOUNTING STATEMENTS AND AUDIT:** The Board is to maintain a full and accurate set of books and records showing the financial condition of the CEMHOA in a manner consistent with generally accepted accounting principles. The following financial statements for the CEMHOA are to be regularly prepared and copies may be distributed to each Member of the CEMHOA at the times stated below as follows:

- (a) An annual operating budget for each fiscal year distributed at the annual meeting.

Copies of the most recent bank statements for any and all checking accounts, savings accounts, reserve accounts or other type accounts of the CEMHOA may also be distributed at the annual meeting along with the annual budget, but are not required.

(b) If deemed necessary by a majority vote of the CEMHOA Board of Directors, a balance sheet as of the last day of the CEMHOA's fiscal year and an operating statement for said fiscal year may be distributed within ninety (90) days after the close of each fiscal year. The operating statement shall also include a schedule of assessments received and receivables identified by the Lots so assessed;

(c) If deemed necessary by a majority vote of the CEMHOA Board of Directors, an external audit by an independent public accountant, who shall not be a current Director of the Board, may be conducted for fiscal year financial statements (other than budgets) for each fiscal year. A copy of the audited statements shall be made available to the Membership no later than one hundred and twenty (120) days after the end of the fiscal year. The Board has the authority to assess the cost of said audit as a Regular or Special Assessment if so determined by the Board.

**SECTION 2. CHECKS:** All checks shall always be signed by at least two (2) authorized signatory parties as the Board may from time to time designate. Until such authority is either relinquished or assigned by Declarant, one (1) of the two (2) signatory parties must be appointed by the Declarant. The other signatory party must be an CEMHOA Board member or officer appointed by the CEMHOA Board. After the Declarant relinquishes or assigns its signatory responsibility, then at least two (2) CEMHOA Board members or officers shall be required as signatory parties on all checks.

## **ARTICLE X** **COMMITTEES**

**SECTION 1. ARCHITECTURAL REVIEW COMMITTEE (ARC):** The CEMHOA Board may name an Architectural Review Committee, which shall consist of at least one (1) CEMHOA Director and no more than three (3) CEMHOA Members. Any vacancy occurring in the ARC committee shall be filled by the Board, but the President may designate another Director to serve on the committee pending action by the Board. The ARC committee members shall hold their committee membership until they resign or are replaced by a majority vote of the Board. The ARC Committee members shall abstain from voting or ruling on those matters pertaining to or involving the ARC member or the ARC member's relatives.

**SECTION 2. OTHER COMMITTEES:** By a majority vote of the Board, the Board may designate one or more other committees. Such committee or committees shall have such name or names as may be stated in the Governing Documents, or as may be determined, from time to time, by the Board. Any vacancy occurring in any such committee shall be filled by the Board, but the President may designate another director to serve on the committee pending action by the Board. Each such committee member shall hold their committee membership during the term of the Board constituting it, unless a shorter term is ordered by the Board, or until they resign or are replaced by a majority vote of the Board.

**ARTICLE XI**  
**MISCELLANEOUS**

**SECTION 1. AMENDMENT OF BYLAWS:** At any meeting of the CEMHOA Board, these Bylaws may be adopted, amended or repealed. Such action shall be accomplished by an affirmative vote of a majority of the Directors of the CEMHOA. These Bylaws may also be adopted, amended, or repealed by the Declarant. The approval of the CEMHOA Board or the Members is not required for the Declarant to make such amendments and is hereby expressly waived.

**SECTION 2. CONFLICTS:** If there are any conflicts or inconsistencies between the provisions of the Restated Declaration and these Bylaws, the terms and provisions of the Declaration shall prevail. If there are any conflicts or inconsistencies between the provisions of the Supplementary Declarations and these Bylaws, the terms and provisions of the Supplementary Declarations shall prevail. If there are any conflicts or inconsistencies between the provisions of the Articles of Incorporation and these Bylaws, the terms and provisions of the Articles of Incorporation shall prevail.

**SECTION 3. FISCAL YEAR:** The Board shall adopt for and on behalf of the CEMHOA a fiscal year.

**SECTION 4. INSPECTION OF BYLAWS:** The CEMHOA shall keep in its principal office a true and correct copy of these Bylaws as the same may from time to time be amended, which shall be open to inspection by the Members as provided for under Section 7, herein.

**SECTION 5. SEAL:** The Board may adopt a corporate seal, which seal shall have inscribed thereon the name of the corporation. Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise. Failure to affix the seal, however, shall not affect the validity of any instrument.

**SECTION 6. INDEMNITY INSURANCE:** The CEMHOA shall indemnify any duly elected and/or appointed director or officer (or former ones) for expenses and costs, including attorney's fees, which are actually and necessarily incurred in connection with any claim asserted by reason of being or having been a director and/or officer. In regard to criminal proceedings, the CEMHOA must find that there was no reasonable cause to believe the conduct was unlawful. The intent of this Bylaw provision is to allow the CEMHOA, by majority vote of its Board of Directors, to indemnify its directors and officers to the maximum extent allowed by law without the necessity of a vote of the membership.

Furthermore, the Board of Directors of the CEMHOA can purchase and maintain insurance against any liability, whether or not the CEMHOA has the power to indemnify against that liability, to the extent that the majority of the Board determines that such insurance is reasonable and necessary. The CEMHOA may, in its sole discretion, also procure errors and omission insurance, or such insurance coverage, on behalf of any person who is or was a director, officer, committee appointee, employee or agent of the CEMHOA.

**SECTION 7. REVIEWING AND COPYING RECORDS:** The membership register, books of account, the Governing Documents, and minutes of meetings of the Board and of committees of the Board of the CEMHOA shall be made available for inspection to any Member of the CEMHOA, or to his/her legally appointed representative. The Board shall establish reasonable rules with respect to reviewing the CEMHOA records, which rules shall include, but not be limited to, the following: (a) written notice must be given to the Board by the Member desiring to make the inspection; (b) the place, hours and days of the week when such an inspection may be made shall be given in writing to the Member requesting such inspection.

Upon any Member's written request, copies of any and all CEMHOA documents and/or records shall be furnished to any Member. The Member shall pay all costs for copying the documents and records. Copying costs shall not exceed the costs of the Association.

Every current Director shall have the absolute right at any reasonable time to inspect all books, records, and other documents of the CEMHOA and the physical properties owned or controlled by the CEMHOA.

**SECTION 8. WAIVER:** No restriction, condition, obligation or provision contained in these Bylaws shall be deemed to have been waived by reason of any one or more failures to enforce the same.

IN WITNESS whereof, we being all the Directors of Clipper Estates Master Homeowners' Association, Inc. do hereby sign our names, this 23<sup>rd</sup> day of ~~SEPTEMBER~~, 2004, and do hereby amend and Restate the Bylaws of the Clipper Estates Master Homeowners' Association, Inc.

Witnesses:

Ludy P. Pittman

Jay Sackman

James D. Jugo  
Director

Leslie J. Jufan  
Director

Jay RQ  
Director

Kimi Kelly  
Director

Kimi Wells  
Director

Shelby Pittman  
Director

**UNANIMOUS WRITTEN CONSENT  
OF THE BOARD OF DIRECTORS OF  
CLIPPER ESTATES MASTER HOMEOWNERS' ASSOCIATION, INC.**

The undersigned, constituting all of the members of the Board of Directors of CLIPPER ESTATES MASTER HOMEOWNERS' ASSOCIATION, INC., a nonprofit corporation, hereby unanimously consents to the adoption, effective immediately, of and hereby adopts the following resolutions, without a meeting of said Board of Directors:

I.

RESOLVED, that the Board of Directors hereby approves and ratifies and reaffirms the servitude granted by the Association and executed by its Vice President, Joseph S. Tufaro, on its behalf to Bellsouth Telecommunications, Inc. registered in the office of the Clerk of Court for the Parish of St. Tammany, State of Louisiana on August 6, 2004 in CIN 1447490 and the release of easement (servitude) of the existing servitude registered in the office of the Clerk of Court for the Parish St. Tammany, State of Louisiana on April 30, 1996 in CIN 994126. The Board of Directors approves of this servitude and the services provided by Bellsouth Telecommunications, including DSL service.

II.

BE IT FURTHER RESOLVED, that the Board of Directors also authorizes its Vice President, Joseph S. Tufaro, to enter into and execute on behalf of the Association any and all agreements or other documents for DSL services or any other services under this servitude.

III.

BE IT FURTHER RESOLVED, that the Board of Directors ratifies and reaffirms each and every act, including all prior acts, and including the execution of any and all agreements or documents, of the Corporation, or pertaining to or affecting the property of the Corporation, by Joseph S. Tufaro, Vice President, as entered into and executed with the authority of its Board of Directors, binding upon the Corporation, and to be the free acts and deeds of the Corporation.

THIS DONE AND EXECUTED AS OF THE 23<sup>rd</sup> DAY OF September, 2004.

Joseph Tufaro  
Kim Wells  
Ken Kelly

Joseph S. Tufaro  
Sheila [unclear]  
[unclear]

**EXHIBIT** Wells "B"