

BY-LAWS OF WELLINGTON PLACE CONDOMINIUM ASSOCIATION

All present or future owners, tenants, future tenants or their employees, or any other person who might use the facilities of this Condominium Project, in any manner are subject to the regulations set forth in these By-Laws. The mere acquisition, rental or occupancy of any of said dwelling units of the project will signify and constitute a ratification and acceptance of these By-Laws by any such Owner or person.

1. This condominium dwelling unit project established under the foregoing and attached Declaration shall be governed by "Wellington Place Condominium Homeowner's Association, Inc."

2. Members:

(1) Members shall be the owners of the units and said persons shall be entitled to one vote for each unit owned. The annual members' meeting shall be held at the office of the corporation at 8:00 o'clock P.M. Central Standard Time, on the second Monday in January of each year for the purpose of electing Directors and officers and of transacting any other business authorized to be transacted by the members; provided however, if that day is a legal holiday, the meeting shall be held at the same hour on the next succeeding day.

(2) Special members' meeting shall be held whenever called by the President or Vice-President or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from one-third of the entire membership.

(3) Notice of all members' meetings stating the time and place and the objects for which the meeting is called shall be given by the President or Vice-President or Secretary unless waived in writing. Such notice shall be in writing to each member at his address as it

appears on the books of the Association and shall be mailed not less than ten (10) days nor more than sixty (60) days prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice. Notice of meeting may be waived before or after meetings.

(4) A quorum at members' meetings shall consist of persons entitled to cast a majority of the votes of the entire membership. The joinder of a member in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such member for the purpose of determining a quorum.

(5) The vote the owners of a dwelling unit owned by more than one person or by a corporation or other entity shall be cast by the person named in a certificate signed by all of the owners of the dwelling units, and filed with the Secretary of the Association. Such certificate shall be valid until revoked by a subsequent certificate. If such a certificate is not on file the vote of such owners shall not be considered in determining the requirement for a quorum nor for any other purpose.

(6) Proxies: Vote may be cast in person or by proxy. Proxies shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting.

(7) Approval or disapproval of the dwelling unit owner upon any matter, whether or not the subject of an Association meeting, shall be by the same person who would cast the vote of such owner if in an Association meeting.

(8) Adjourned meetings: If any meeting of members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

(9) The order of business at annual members' meetings, and, as far as practical at all other members' meetings, shall be:

- (a) Election of chairman of the meeting.
- (b) Calling of the roll and certifying of proxies.
- (c) Proof of notice of meeting or waiver of notice.
- (d) Reading and disposal of any unapproved minutes.
- (e) Reports of officers.
- (f) Election of inspectors of election.
- (g) Election of Directors.
- (h) Election of Officers.
- (i) Unfinished business.
- (j) New Business.
- (k) Adjournment.

3. Directors.

(1) The Board of Directors shall consist of not less than three (3) persons nor more than nine as is determined from time to time by the members. Each member of the Board of Directors shall be either the owner of a dwelling unit, have an interest therein or in the event of corporate ownership, any officer or designated agent thereof.

(2) Election of Directors shall be conducted in the following manner:

- (a) Members of the Board of Directors shall be elected by a plurality of the votes cast at the annual meeting of the members of the Association.

(b) Vacancies in the Board of Directors may be filled until the date of the next annual meeting by the remaining directors.

(c) Anything herein contained to the contrary notwithstanding, for so long as Southern Mortgage Services Corp., a Mississippi Corporation, owns more than 25% of the Dwelling Units, it shall elect a majority of the directors who need not be residents of the Condominiums.

(3) The term of each director's service shall extend until the next annual meeting of the members and thereafter until his successor is duly elected and qualified or until he is removed in the manner elsewhere provided.

(4) The organization meeting of a newly elected Board of Directors shall be held within ten (10) days of their election at such place and time as shall be fixed by the directors at the meeting at which they are elected, and no further notice of the organization meeting shall be necessary providing a quorum shall be present.

(5) Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time, by a majority of the directors. Notice of regular meetings shall be given to each director, personally or by mail, telephone or telegraph at least three (3) days prior to the date named for such meetings unless such notice is waived.

(6) Special meetings of the directors may be called by the President and must be called by the Secretary at the written request of one-third of the votes of the Board. Not less than three (3) days notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.

(7) Waiver of notice: Any director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.

(8) A quorum of directors' meetings shall consist of the directors entitled to cast a majority of the votes of the entire board. The acts of the board 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 as specifically otherwise provided in the Declaration of Condominium. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At an adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such director for the purpose of determining a quorum.

(9) The presiding officer of directors' meetings shall be the chairman of the board if such officer has been elected; and if none, then the President shall preside. In the absence of the presiding officer the directors present shall designate one of their number to preside.

(10) Directors' fees, if any, shall be determined by the members.

4. Powers and duties of the Board of Directors: All of the powers and duties of the Association shall be exercised by the Board of Directors, including those existing under the common law and statutes, the Articles of Incorporation of the Association, and the documents establishing the condominium. Such powers and duties of the governors shall be exercised in accordance with the provisions of the Declaration of Condominium which governs the use of the land, and shall include but shall not be limited to the following:

- (1) To make and collect assessments against members to defray the costs of the condominium.
- (2) To use the proceeds of assessments in the exercise of its powers and duties.
- (3) The maintenance, repair, replacement and operation of the condominium property.
- (4) The reconstruction of improvements after casualty and the further improvement of the property.
- (5) To make and amend regulations respecting the use of the property in the condominium.
- (6) To enforce by legal means the provision of the Condominium Documents, the Articles of Incorporation, the By-Laws of the Association, the Regulations for the use of the property in the Condominium.
- (7) To contract for management of the condominium and to delegate to such contractor all powers and duties of the Association except such as are specifically required by the condominium documents to have approval of the Board of Directors or the membership of the Association. Any contracts, leases or contracts for management of the Association shall be in writing and shall be cancellable by the association or the other party without cause or cancellation fee, upon not more than ninety (90) days written notice and the term of any management agreement will not be less than one year nor more than three years in duration and be renewable by agreement of the Association and the other party. No contracts for management or services required for proper administration of the purposes of the Association negotiated by the Developer will exceed one year in term, commencing from the date the first Dwelling Unit is conveyed.
- (8) To pay taxes and assessments which are liens against any part of the condominium other than individual apartments and the appurtenances thereto, and to assess the same against the apartment subject to such liens.

(9) To carry insurance for the protection of dwelling unit owners and the Association against casualty and liabilities.

(10) To pay the cost of all power, water, sewer and other utility services rendered in the condominium and not billed to owners of individual dwelling units.

(11) To employ personnel for reasonable compensation to perform the services required for proper administration of the purposes of the Association.

5. Officers.

(1) The executive officers of the Association shall be a President, who shall be a Director, a Vice President, who shall be a Director, a Treasurer, a Secretary and an Assistant Secretary.

(2) The President shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of President of an association, including, but not limited to the power to appoint committees from among the members from time to time, as he may in his discretion determine appropriate, to assist in the conduct of the affairs of the Association.

(3) The Vice President shall in the absence or disability of the President exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such powers and perform such other duties as shall be prescribed by the directors.

(4) The Secretary shall keep the minutes of all proceedings of the directors and the members. He shall attend to the giving and serving of all notices to the

members and directors and other notices required by law. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of Secretary of an association and as may be required by the Directors or the President. The Assistant Secretary shall perform the duties of the Secretary when the Secretary is absent.

(5) The Treasurer shall have custody of all property of the Association, including funds, securities and evidence of indebtedness. He shall keep the assessment rolls and accounts of the members; he shall keep the books of the Association in accordance with good accounting practices; and he shall perform all other duties incident to the office of Treasurer.

(6) The compensation of all officers and employees of the Association shall be fixed by the directors. This provision shall not preclude the contracting with the director for the management of the condominium.

6. The officers shall be elected for first year term by the members in the same manner as the election of Directors as set forth in Section 3(2) above.

7. Removal of Directors and Officers.

(1) Removal of Directors. At a regular meeting, or special meeting duly called for such purpose, any governor may be removed with or without cause by the affirmative vote of the majority of the Dwelling Unit Owners of record and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been presented shall be given an opportunity to be heard at the meeting. The term of any director who becomes more than sixty (60) days delinquent in payment of any assessment or related charges due the Association shall be automatically terminated and the remaining directors shall appoint his successor.

(2) Removal of Officers. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed with or without cause, and his

successor elected at any regular meeting of the members or at any special meeting of the members called for such purpose.

8. Fiscal Management: The provisions for fiscal management of the association set forth in the Declaration of Condominium shall be supplemented by the following provisions:

(1) Assessment roll: The assessment roll shall be maintained in a set of accounting books in which there shall be an account for each dwelling unit. Such an account shall designate the name and address of the owner or owners, the amount of each assessment against the owners, the dates and amounts in which the assessments come due, the amounts paid upon the account and the balance due upon assessments.

(2) Budget:

(a) The Board of Directors shall adopt a budget for each calendar year which shall contain estimates of the cost of performing the functions of the Association, including, but not limited to the following items:

(1) Common Expenses Budget:

(i) Maintenance and operation of common elements;

Landscaping

Gas Grills

Street and walkways

Swimming Pool

Laundry house

(ii) Utility services

(iii) Casualty insurance

(iv) Liability insurance

(v) Administration

(vi) All Taxes

(2) Proposed assessments against each member.

(b) Copies of the proposed budget and proposed assessments shall be transmitted to each member on

or before January 1st of the year for which the budget is made. If the budget is subsequently amended before the assessments are made, a copy of the amended budget shall be furnished to each member concerned.

(3) The depository of the Association shall be such financial institution as shall be designated from time to time by the directors and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by such persons as are authorized by the directors.

(4) An audit of the accounts of the association shall be made annually by a certified public accountant, and a copy of the report be furnished to each member not later than April 1st of the year following the year for which the report was made.

(5) Fidelity bonds shall be required by the Board of Directors from all officers and employees of the Association and from any contractor handling or responsible for Association funds. The amount of such bonds shall be determined by the directors, but shall be at least 150 per cent of the amount of the total annual operating expenses, including reserves. The fidelity bonds shall name the Association as obligee. The premiums on such bonds shall be paid by the Association.

9. Parliamentary rules: Roberts Rules of Order (latest edition) shall govern the conduct of corporate proceedings when not in conflict with the Articles of Incorporation and By-Laws of the corporation or with the Statutes of the State of Mississippi.

10. Amendments: Amendments to the By-Laws shall be proposed and adopted in the following manner:

(1) Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

(2) A resolution adopting a proposed amendment must receive approval of two-thirds of the votes of the entire membership of the Board of Directors and 75% of the votes of the entire membership of the Association. Directors and members not present at the meetings considering the amendment may express their approval in writing.

(3) Initiation: An amendment may be proposed by either the Board of Directors or by the membership of the Association, and after being proposed and approved by one of such bodies, it must be approved by the other.

(4) Effective date: An amendment when adopted shall become effective only after being recorded in the Office of the Chancery Clerk of the First Judicial District of Harrison County, Mississippi.

(5) These By-Laws shall be amended, if necessary so as to make the same consistent with the provisions of the Declaration of Condominium.

RULES AND REGULATIONS

1. The sidewalks, entrances, passages, vestibules, stairways and corridors must not be obstructed or encumbered or used for any purpose other than ingress and egress to and from the premises.

2. No sign, advertisement, notice or other lettering shall be exhibited, inscribed, painted or affixed by any Dwelling Unit Owner on any part of the outside or inside of the demised premises or building without the prior written consent of the Association.

3. No awnings or other projections shall be attached to the outside walls of the building, and no blinds, shades or screens shall be attached or hung in, or used in connection with, any window or door of the demised premises, without the prior written consent of the Association.

4. No baby carriages or bicycles shall be allowed to stand in the entrances or sidewalks of the building.

5. No Dwelling Unit Owner shall allow anything whatsoever to fall from the windows or doors of the premises, nor shall sweep or throw from the premises any dirt or other substance into any of the ventilators or elsewhere in the building or upon the grounds.

6. No Dwelling Unit Owner shall make or permit any disturbing noises in the building by himself, his family, servants, employees, agents, visitors and licensees, nor do or permit anything by such persons that will interfere with the rights, comforts or convenience of other Dwelling Unit Owners.

7. No radio or television antenna installation shall be made without the written consent of the Association. Any aerial erected on the roof or exterior walls of the building without consent of the Association, in writing, is liable to removal without notice.

8. Leasing of the Dwelling Unit by Dwelling Unit Owner is not prohibited.

9. Children under twelve (12) years of age shall not be allowed in the pool area unless accompanied by an adult.

STATE OF MISSISSIPPI

BOOK 928 54

COUNTY OF HARRISON

FIRST JUDICIAL DISTRICT

CONDOMINIUM DEED

FOR AND IN CONSIDERATION of the sum of Ten Dollars (\$10.00), cash in hand paid and other valuable considerations, the receipt and sufficiency of all of which is hereby acknowledged, SOUTHERN MORTGAGE SERVICES CORP., A Mississippi Corporation, does hereby sell, convey and warrant unto

that certain property situated and being in the County of Harrison, State of Mississippi, described as follows, to-wit:

Dwelling Unit No. _____ (_____), Wellington Place Condominium, according to the Amended Declaration thereof dated _____, 1983, recorded in Deed Book _____ at Page _____, and the Amended Plat recorded in Book 33 at Page 30, of the public records on file and of record in the office of the Chancery Clerk of the First Judicial District of Harrison County, Mississippi.

Together with all of the tenements, hereditaments, and appurtenances with every privilege, right, title, interest, estate, revision, remainder and easement thereto belonging or in anywise appertaining, all according to said Declaration of Condominium.

Subject however, to all of the provisions of said Declaration of Condominium, which the Grantee assumes and agrees to observe and perform, including but not limited to, the payment of the assessments for the maintenance and operation of said dwelling unit and condominium.

Further subject to such covenants, conditions, restrictions and easements of record, if any, which may now affect the above described property and all facts which are shown on plat of survey of the subject condominium project.

Taxes for the current year are to be prorated and assumed by the Grantee herein.

Executed this the _____ day of _____, 1983.

SOUTHERN MORTGAGE SERVICES CORP.

BY: _____

STATE OF MISSISSIPPI

COUNTY OF HARRISON

BOOK

908

55

PERSONALLY appeared before me, the undersigned Notary Public,
in and for the jurisdiction aforesaid, _____

a _____ of the above named Southern Mortgage
Service Corp., a Mississippi corporation, who acknowledged that
for and on behalf of said corporation, he signed and delivered
the above and foregoing instrument of writing on the day and year
therein written as the act and deed of said corporation, being
thereunto first duly authorized so to do.

GIVEN under my hand and official seal office, this the
_____ day of _____, 1983.

NOTARY PUBLIC

My Commission Expires:

6531

STATEMENT OF FEES

First Page _____ \$2.00

Add. Page at \$1.00 _____

Abstracting/Section
at \$1.00 _____

Marginal Entry at .50 _____

Other _____

Total Fees _____

STATE OF MISSISSIPPI, COUNTY OF HARRISON, FIRST JUDICIAL DISTRICT.

I hereby certify that this instrument was received and filed for record at _____ o'clock
and _____ minutes _____ M. on _____ day of _____, A.D. 1983
and recorded _____ In Records of Deeds

Book 908 Pages 1-55

By _____ G. N. Creel, Chancery Clerk, D.C.