
BY-LAWS
OF
UNION STATION ASSOCIATION, INC.

Adopted as of _____, 2017

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ARTICLE I

Definitions

Certain Definitions. Defined terms used herein shall, unless the context otherwise requires, have the meanings specified below. Certain additional defined terms are set forth elsewhere in these By-laws.

- 1.1** “**ARC**” shall mean the Architectural Control Committee to be created pursuant to the Declaration of Protective Covenants.
- 1.2** “**Association**” shall mean Union Station Residential Association, Inc.
- 1.3** “**Blanket Mortgage**” means a Mortgage on all or any portion of the Property then owned by NSH Corp. and specifically including NSH Corp. rights, powers and privileges.
- 1.4** “**Board**” shall mean the Board of Directors of the Association.
- 1.5** “**Declarant**” shall mean NSH Corp., and its successors and assigns, and shall include any lender if such lender forecloses its Blanket Mortgage, and the deed under power of sale recites that the lender, as a purchaser at such foreclosure, has assumed the duties, obligations and liabilities of Declarant under the Declaration, or any Person designated by the then Declarant as a successor or assign by specific assignment of Declarant’s rights, powers and privileges who assumes Declarant’s duties, obligations and liabilities under the Declaration.
- 1.6** “**Declaration**” shall mean the Declaration of Protective Covenants for Chapel Creek and all amendments thereto, executed by NSH Corp. and filed in the Office of the Judge of Probate, Jefferson County, Alabama.
- 1.7** “**Lot**” shall mean: (a) any parcel of land shown on any plat (subdivision or otherwise hereafter recorded by Declarant in the Probate in the Probate Office of Jefferson County, Alabama (the “Jefferson County Records”) covering any portion of the Property to the extent it is within the Property; (b) any parcel of land in the Property to the extent it is within the Property; (b) any parcel of land in the Property, the size, boundaries and dimensions of which are established by the legal description of such tract contained in a recorded deed conveying title to such tract from the Declarant to any other Person; (c) any parcel of land (which may consist of a Lot to which has been added additional land contiguous thereto or which has been reduced in size), the size, boundaries and dimensions of which are established by the legal description of such parcel contained in a written amendment to the Declaration which amendment is executed by the Declarant and record in the Jefferson County Records, which expressly designates such tract as a then owned by Declarant, then such amendment must contain the written consent and joiner of the owner of such property; and (d) as to those portions of the Property then owned by Declarant and in the absence of specific

designation of separate Lot Status, all portions of the Property then owned by Declarant (which shall be deemed to be one Lot).

- 1.8** “**Mortgage**” shall mean (i) a mortgage, deed to secure debt, deed of trust, other similar security instrument hereafter duly recorded in the Jefferson County Records, conveying a lien upon or security title to any Lot of any other portion of the Property, or any improvements thereon, and (ii) any lease or other agreement providing for occupancy of any Lot of any other portion of the Property, or any improvements thereon by the obligor under a sale/leaseback, synthetic lease, tax retention operating lease or off balance sheet financing.
- 1.9** “**Mortgagee**” shall mean the obligee under any Mortgage.
- 1.10** “**Mortgagor**” shall mean any Owner who is an obligor under a Mortgage.
- 1.11** “**Owner**” shall mean any Person or Persons owning from time to time fee simple title to any portion of the Property, as shown by the Jefferson County Record, provide.

However, that:

- (a) The Mortgagor, not the Mortgagee, of a Lot or of any other portion of the Property shall be deemed to be the Owner of such Lot or other portion of the Property, unless the Mortgagee (i) is a “mortgagee in possession” following a default under such Mortgage or (ii) has excluded the Mortgagor from possession of the Lot or other portion of the Property by appropriate legal proceedings following a default under such Mortgage; provided, however, that such a Mortgagee shall not have voting rights until it has certified to the Declarant in writing that it has become the Owner of such Lot;
- (b) Individual tenants or lessees of any Lot or any portion of any Lot or any other portion of the property shall not be deemed to be an “Owner” thereof, provided, that such parties shall be deemed to be an Owner if otherwise agreed by the fee simple title holder of such Lot or portion of such Lot or of such other portion of the Property. Declarant shall rely upon the written certificate of the fee simple owner of the Lot designating such tenant or lessee as “Owner” unless and until such fee owner revokes such certificate in writing.
- (c) “Owner” shall include the Declarant so long as Declarant retains ownership of any portion of the Property.
- 1.12** “**Person**” shall mean an individual or a corporation, partnership, Limited Liability Company, trust, unincorporated organization, association or other entity.
- 1.13** “**Property**” shall mean that certain real property located in Jefferson County, Alabama known as Union Station.

ARTICLE II

The Board of Directors

- 2.1** **Number.** The property, business and affairs of the Association shall be managed by a Board of Directors (the “Board”). The number of members of the Board shall be three (3). Such number may be increased or decreased by resolution of the Board. However, in no event shall such number be reduced to less than three (3). Directors shall be elected at each annual meeting of the Members and shall hold office until the next annual meeting of the Members and until their successors are duly elected and qualifies. Vacancies in the Board shall be filled by election by the remaining members of the Board, the director or directors to hold office until the next annual meeting of the Members.
- 2.2** **Annual Meetings.** The annual meeting of the board shall be held on the first Thursday in March of each year if not a legal holiday, and if a legal holiday, the on the first subsequent day that is not a legal holiday, at the principal office of the Association in Jefferson County, Alabama, or, at such place within or without the State of Alabama as may be deemed advisable by the Board.
- 2.3** **Special Meetings.** Special meetings of the board may be held at any time, at such place as may from time to time be determined by the President of the Association or by the written or by the written request of two (2) directors. The purpose of special meetings of the Board need not to be state in the call for or notice of the meeting unless required by law; and unless otherwise indicated in the notice any and all business may be transacted at a special meeting.
- 2.4** **Meeting Time and Place.** Notice the time and place of holding all meetings of the Board shall be given as the Board shall from time to time determine. Whenever any notice is required to be given to any member of the Board, 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 equivalent to the giving of such notice.
- 2.5** **Quorum.** A majority of the directors in office shall constitute a quorum at any meeting of the Board for the transaction of business. Further, the act of a majority of the directors present at any meetings at which there a quorum shall be an act of the Board, except as may be otherwise specifically provided by law, by the Articles of Incorporation of the Association, by these By-laws, or by the Declaration. Members of the Board may participate in any meeting of the Board by means of a conference telephone or similar communications equipment by means of which all persons participating at the meeting can hear each other at the same time and participation by such means shall constitute presence in person at a meeting.
- 2.6** **Unanimous Consent.** Any action required to be taken or permitted to be taken by the Board, 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 of the Board entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as unanimous vote of the Board.
- 2.7** **Other Powers.** In addition to the powers and authority in these By-laws expressly conferred upon it, the Board may exercise all such powers of the Association.
- 2.8** **Transactions With Directors.** Except as may otherwise be provided by applicable law, these By-laws or the Articles of Incorporation, no contract or other transaction between the Association and one or more of its directors or any other corporation, firm, association entity in which one or more of its directors or officers are financially interested, shall be either void or voidable because of such relationship or interest or because such director or directors are present at the meeting of the Board or a committee thereof which authorizes, approves or ratifies such contract or transaction, if the contract or transaction is fair and reasonable to the Association and if the fact of such relationship or interest is disclosed to the Board or committee which authorizes, approves, or ratifies the contract or transaction by a vote or consent sufficient for the purpose without counting the votes or consents of such interested directors or considering such interested directors as present for purposes of constituting a quorum.

ARTICLE III

Officers

- 3.1 Officers.** The officers of the Association shall be chosen by the Board at its annual meeting each year and shall consist of a President, a Vice President, a Secretary, a Treasurer and such other officers and assistant officers as may be deemed necessary, two (2) or more offices may be held by the same person, excepts that the same person may not serve as President and as Secretary. The Board may appoint any other offices by such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.
- 3.2 Terms.** The officers of the Association shall hold office until their respective successors are chosen and qualified. Any officer elected or appointed by the Board may be removed at any time by the affirmative vote of a majority vote of the whole Board.
- 3.3 Vacancy.** A vacancy in any office because of death, resignation, removal, disqualification or otherwise may be filled by the Board for the unexpired portion of the term.
- 3.4 President.** The President shall be the chief executive officer of the Association and shall preside at the annual and special meetings of the Board. He shall exercise general supervision over the property, business affairs of the Association, shall perform such other duties as may be prescribed by these By-laws or assigned to him by the Association and shall coordinate the work of the other officers of the Association.
- 3.5 Vice President.** The Vice President, in the case of the death or absence of the President or his inability to act, shall perform the duties of the President and, in any such event, shall have and exercise all of the above-specified powers of the President. The Vice President shall be subject to the general direction of the President and the Board.
- 3.6 Secretary.** The Secretary shall record the minutes of the meetings of the Board and shall perform such other duties as may be delegated to the Secretary by the President or the Board. The Secretary shall have charge of the seal of the Association, if one is adopted, and shall have the authority to attest documents, contracts, deeds, and other instruments for the Association and to affix the corporate seal thereto.
- 3.7 Treasurer.** The treasurer shall have charge and custody of the funds, securities, and other like property of the Association and shall be responsible for the receipt, investment safeguarding, and disbursement of the funds of the Association. The Treasurer may endorse checks, drafts, and other instruments for the payment of money for deposit or collection by the Association, and shall deposit the same in such bank or banks as the Board may designate, and the same shall not be withdrawn therefrom except by checks, drafts, or orders to be signed in the manner designated below. The Treasurer also shall have authority to attest documents, contracts, deeds and other legal documents for the Association and affix the corporate seal thereto. The Treasurer shall be subject to the general direction of the President and the Board.
- 3.8 Contracts.** Contracts on behalf of the Association shall be executed by any two of the President, Vice President, Secretary and Treasurer.

ARTICLE IV

Membership

- 4.1** Qualifications. The Members of the Association shall consist of the Owners.
- 4.2** One Class. The Association shall have one class of membership, consisting of those Members meeting the applicable qualifications for membership.
- 4.3** Rights and Duties. The Members shall the rights, privileges, duties and obligations as set forth in the Declaration, the Articles of Incorporation and these By-laws.
- 4.4** Assessments. The rights of membership are subject to the payment of annual assessments and charges. The obligation of such assessments and charges is imposed against each Member of, and is a lien upon, the Member's Lot against which such assessment or charge is made, as provided by the Declaration. Assessments shall be determined by the Board of the Association and levied as set forth in the Declaration. Such assessments shall be used for the purposes set forth in the Declaration and for such other purposes as may be set forth in the Articles.
- 4.5** Suspension of Membership Rights. The membership rights of any Member, including the right to vote, may be suspended by the Board of Directors (a) for any period during which any assessment or charge owed to the Association by such Member remains unpaid, and (b) for a period not to exceed thirty (30) days for any infraction of the Association or the Architectural Control Committee's published rules and regulations. Any such suspension shall not affect such Member's obligation to pay assessments coming due during the period of suspension and shall not affect the permanent charge and lien on the Member's Lot in favor of the Association.
- 4.6** No Transfer. Membership in the Association shall not be transferable or assignable.
- 4.7** Limited Liability. No Member of the Association shall be individually or personally liable to the creditors of the Association for any indebtedness or liabilities of the Association, and any and all creditors of the Association shall look only to the assets of the Association for payment of any such indebtedness or liabilities.
- 4.8** Annual Meetings. The annual meeting of the Members shall be held on the first Thursday in March of each year if not a legal holiday, and if a legal holiday, then on the first subsequent day that is not a legal holiday.
- 4.9** Special Meetings. Special meetings of the Members may be called at any time by the Board or by the President and shall be called by the President upon the written request of any two directions or the request of Members entitled to cast at least ten percent (10%) of the votes which all Members are entitled to cast at the particular meeting. Any such request shall state the purpose or purposes for which the requested meeting is called.
- 4.10** Notice. Written 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, shall be delivered not less than ten (10) nor more than fifty (50) days before the date of the meeting, either personally or by mail, by or at the direction of the President, the Secretary, or the officer or persons who called the meeting, to each Member entitled to vote at such meeting. If mailed, such notice shall 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 Association, with postage prepaid. Whenever any notice is required to be given to any Member, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated herein, shall be the equivalent of giving notice.

- 4.11 One Vote per Lot.** Each Member shall be entitled to one vote for each Lot owned by such Member within the Property, but no Member shall be entitled to less than one vote. A Member entitled to vote may vote in person or by proxy.
- 4.12 Divided Ownership of Lots.** When more than one (1) person (or other entity) holds an ownership interest or interests in any Lot, the vote for such Lot shall be exercised as they among themselves shall determine, but in no event shall more than one (1) person be entitled to cast the vote with respect to any Lot. In the event of disagreement among such persons (or other entities) shall not be recognized and the vote with respect to such Lot shall not be counted.

ARTICLE V

NSH Corp.

Notwithstanding anything provided herein or in the Articles of Incorporation or the Declaration, for so long as NSH Corp. owns any Lot within the Property, NSH Corp. shall have the sole and exclusive right to (i) elect the Board of Directors (ii) remove and replace any member of the Board, (iii) amend these By-laws or the Articles of Incorporation of the Association and (iv) amend the Declaration. NSH Corp. may, however, in its sole discretion, cede some or all of such rights to the Members at prior time upon written notice by NSH Corp. to the Members

ARTICLE VI

Notes and Checks

All checks, drafts, or orders for the payment of money and all notes shall be signed by those persons so authorized and designated by the Board.

ARTICLE VII

Executive and Special Committees

- 7.1 Composition and Powers.** The Board may create such standing committees as it may deem necessary to promote the purposes and carry on the work of the Association provided that each committee consists of at least two (2) members of the Board. The committees can exercise the power of the Board, except that no committee shall have the power to: (1) amend or restate the Articles of Incorporation; (2) adopt a plan of merger or consolidation; (3) amend, alter, or repeal the By-laws; (4) elect, appoint, or remove any member of any such committee or any director or officer of the Association; (5) authorize the sale, lease, exchange, or mortgage of all or substantially all of the property and assets of the Association; (6) adopt a plan for the distribution of the assets of the Association; (7) amend, alter, or repeal any action or resolution of the Board unless by its terms it provides that it may be amended, altered, or repealed by such committee; or (8) effect a dissolution of the Association.
- 7.2 Term.** Each member of a committee shall continue as such until the next annual meeting of the Board and until his successor is appointed, unless the committee shall sooner be terminated.

- 7.3 **Chairman.** Except as otherwise provided herein, one member of each committee shall be appointed chairman by the person or persons authorized to appoint the members.
- 7.4 **Vacancies.** Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.
- 7.5 **Quorum.** Unless otherwise provided in the resolution of the Board establishing the committee, a majority of the whole committee shall constitute a quorum.
- 7.6 **Rules.** Each committee may adopt rules for its own government not inconsistent with the Articles of Incorporation of the Association, these By-laws, or rules adopted by the Board.

ARTICLE VIII

Principal Place of Business

The principal place of business of the Association shall be in Jefferson County, Alabama, or at such other place or places as may be designed from time to time by the Board.

ARTICLE IX

Fiscal Year

The fiscal year of the Association shall begin on January 1 and shall end on December 31, but may be changed by resolution of the Board.

ARTICLE X

Investments

The Association shall have the right to retain all or any part of any securities or property acquired by it in any manner whatsoever, and to invest and reinvest any funds held by it, according to the judgement of the Board without regard to restrictions which a director is or may be permitted to impose on a class of investments.

ARTICLE XI

Amendments

Subject to Article V, the By-laws may be amended, repealed, or altered in whole or in part at any regular or special meeting of the Board by majority vote whenever a quorum is present at such meeting.

ARTICLE XII

Exculpation

Pursuant to Sections 10-11-1, *et. seq.*, Code of Alabama (1975), all non-compensated officers of the Association shall be immune from suit and not subject to civil liability arising from the conduct of the affairs of the Association except when the act or omission of such officer, which gives rise to a cause of action, amounts to willful or wanton misconduct, intentional fraud, or gross negligence. For purposes of this Article XII, the term “officer” shall include the Association’s officers and directors, and the members of any other governing body of the Association.

ARTICLE XIII

Indemnification

- 13.1 Officers.** For purposes of this Article XIII, the term “officer” shall include the Association’s officers, directors and trustees, and the members of any other governing agents shall include former directors, trustees, officers, employees and agents and their respective heirs, executors and administrators.
- 13.2 By the Association.** The Association shall indemnify an officer of the Association who is or was the party to any proceeding by reason of the fact that he is or was such an officer or is or was serving at the request of the Association as director, trustee, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other profit or non-profit enterprise against all liabilities and expenses incurred in the proceeding except such liabilities and expenses as are incurred because of his willful misconduct or knowing violation of the criminal law. Unless a determination has been made that indemnification is not permissible, the Association shall make advances and reimbursements for expenses incurred by an officer of the Association in a proceeding upon receipt of an undertaking from him to repay the same if it is ultimately determined that he is not entitled to indemnification. Such undertaking shall be an unlimited, unsecured general obligation of the officer of the Association and shall be accepted to contract in advance to indemnify and advance the expenses of any officer of the Association.
- 13.3 Non-Officers.** The board is hereby empowered to cause the Association to indemnify or contract in advance to indemnify any person not specified in Section 13.2 who was or is a party to any proceeding, by reason of the fact that he is or was an employee or agent of the Association, or is or was serving at the request of the Association as a director, trustee, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other profit or non-profit enterprise, to the same extent as if such person was specified as one to whom indemnification is granted in Section 13.2.
- 13.4 Insurance.** The Association may purchase and maintain insurance to indemnify it against the whole or any portion of the liability assumed by it in accordance with this Article XIII and may also procure insurance, in such amounts as the Board may determine, on behalf of any person who is or was a director, trustee, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other profit or non-profit enterprise, against any liability asserted against or incurred by such person in any such capacity or arising from his status such, whether or not the Association would have power to indemnify him against such liability under the provisions of this Article XIII.

13.5 Changes in Board Membership. In the event of a change in the composition of a majority of the Board after the date of the alleged act or omission with respect to which indemnification is claimed, any determination as to indemnification and advancement of expenses with respect to any claim for indemnification made pursuant to Section 13.2 shall be made by special legal counsel agreed upon by the Board and the proposed indemnitee. If the Board and the proposed indemnitee each shall select a nominee, and the nominees shall select such special legal counsel.

13.6 Amendments and Modifications. The provisions of this Article XIII shall be applicable to all actions, claims, suits or proceedings commenced after the adoption hereof, whether arising from any action taken or failure to act before or after such adoption. No amendment, modification or repeal of this Article XIII shall diminish the rights provided hereby or diminish the right to indemnification with respect to any claim, issue or matter in any then pending or subsequent proceeding that is based in any material respect on any alleged action or failure to act prior to such amendment, modification or repeal.

Adopted as of _____, 2017.

Secretary