

ARTICLE VI
RULES AND REGULATIONS

SECTION 1. Authority. The Board shall have the power and authority to adopt and enforce reasonable rules and regulations for the governance of the Condominium which may include, but shall not be limited to, regulation of decoration and/or furnishing of the exterior areas of Limited Common Elements and those areas or portions of Units visible from the exterior of the Building, maintenance and upkeep of the Special Limited Common Elements and use and enjoyment of the Common Elements and maintenance of the residential character of the Condominium as contemplated by the Declaration.

SECTION 2. Initial Rules and Regulations. Upon its formation, the First Board will adopt the Rules and Regulations annexed hereto as Exhibit "I" which shall remain in effect until modified or supplemented as provided herein.

SECTION 3. Procedure. Notice of any amendment or supplement to the Rules and Regulations setting forth in reasonable detail the proposed changes or additions shall be delivered to each Owner not less than thirty (30) days prior to the date of the meeting scheduled for action by the Board on such proposed modification or supplement. The proposed modification or supplement may be adopted by the Board in the form circulated or with such minor amendments as well not substantially alter its purpose or effect unless more than fifty (50%) percent of the Owners shall have delivered to the Board, prior to or at the scheduled meeting, written notification of their objection to proposed modification or supplement. If any proposed modification or supplement is rejected by vote of the Owners as set forth hereinabove, the issues presented by the proposed modification or supplement shall be made the subject of a special meeting of the Owners and shall be resolved by vote of a majority of the Owners present at such special meeting.

ARTICLE VII
CONFLICTS OF INTERST

No contract or other transaction between the Association and one or more of its Directors or between the Association and any corporation, firm or association in which one or more of the Directors of the Association are Directors, or are financially interested, is void or voidable because such Director or Directors are present at the meeting of the Board of a committee thereof which authorizes or approves the contract of transaction or because his or their votes are counted. If the circumstances specified in either of the following subparagraphs exist:

- (a) the fact of the common directorship or financial interest is disclosed or known the Board or committee and noted in the minutes and the Board or committee authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of such Director or Directors; or

- (b) the contract or transaction is fair and reasonable as to the Association at the time it is authorized or approved.

Common or interested Directors may be counted in determining the presence of a quorum at a meeting of the Board or a committee thereof which authorizes, approves or ratifies a contract or transaction.

ARTICLE VIII **AMENDMENTS**

These By-Laws may be amended only by the affirmative vote of sixty-six seven (67%) percent of the Votes at a regular or special meeting of the Owners of which written notice stating in detail the proposed changes have been delivered to each Owner and each Approved Mortgagee more than ten (10) days prior to the date of each meeting.

ARTICLE IX **INDEMNIFICATION**

SECTION 1. General. The Association shall indemnify and hold harmless each of its Directors and officers, each member of any committee appointed pursuant to the By-Laws of the Association and Declarant against all contractual and other liabilities to others arising out of contracts made by or other acts of such Directors, officers, committee members, or Declarant on behalf of the Owners or arising out of their status as Directors, officers, committee members of the Association or, as the Declarant, its exercise of any of the Administrative rights reserved to it in the Declaration, unless any such contract or act shall have been made fraudulently or with gross negligence or criminal intent, It is intended that the foregoing indemnification shall include indemnification against all costs and expenses (Including, but not limited to, counsel fees amounts of judgments paid and amounts paid in settlement) reasonably incurred in connection with the defense of any claim, action, suit or proceeding, whether criminal, administrative or other, in which any such Director, officer, committee member, or Declarant may be involved by virtue of such persons being or having been such Director, officer, committee member, or Declarant; provided, however, that such indemnity shall not be operative with respect to (a) any matter as to which such person shall have been finally adjudged in such action, suit or proceeding to be liable for gross negligence or fraud in the performance of his duties or (b) any matter settled or compromised, unless, in the opinion of independent counsel selected by or in a manner determined by the Board, there is not reasonable ground for such persons being adjudged liable for gross negligence or fraud in the performance of his duties.

SECTION 2. Success on Merits. To the extent that the Declarant or a member of the Board of Directors or an officer of the Association or a member of any committee appointed

pursuant to the By-Laws of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 1, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorney's fees) actually and reasonably incurred by him in connection therewith.

SECTION 3. Advance Payment. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding as authorized in this Article IX.

SECTION 4. Other Rights. The indemnification provided by this Article IX shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any statute, agreement, vote of members of the Association or disinterested members of the Board of Directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office. Such right to indemnification shall continue as to a person or entity who has ceased to be Declarant or a Director, officer of the Association or a member of such committee, and shall inure to the benefit of the heirs, executors, administrators, successors and assigns of such person or entity.

CERTIFIED AS THE ENTIRE ACCURATE BY-LAWS OF THE COLISEUM PARK CONDOMINIUM ASSOCIATION, INC. AS OF THE 24TH DAY OF MAY, 2005.

ALEXANDER F. EAGLE, IV
SECRETARY