

EXHIBIT D

BYLAWS OF
THE VICTORIAN ON COLISEUM SQUARE CONDOMINIUM ASSOCIATION, INC.

ARTICLE 1

Plan of Unit Ownership

Section 1. Applicability. These Bylaws provide for the governance of the Condominium pursuant to the requirements of LSA-R.S.9:1123.106. The Property, located in New Orleans, Orleans Parish, Louisiana, and more particularly described in the Condominium Declaration Creating and Establishing Condominium Property Regime, executed by G B Real Estate, LLC. (“Declarant”) dated as of July 24, 2002 (the “Declaration”), has been submitted to the provisions of the Condominium Act by recordation simultaneously herewith of the Declaration in the conveyance records of Orleans Parish, Louisiana. Capitalized terms used herein without definition shall have the meanings specified for such terms in the Declaration or, if not defined therein, the meanings specified for such terms in LSA-R.S. 9:1121.103.

Section 2. Compliance. Pursuant to the provisions of the LSA-R.S. 9:1124.115, every Unit Owner and all those entitled to occupy a Unit shall comply with these Bylaws.

Section 3. Office. The office of the Condominium, the Unit Owners Association, and the Board of Directors shall be located at the Property or at such other place as may be designated from time to time by the Board of Directors.

ARTICLE II

Unit Owners Association

Section 1. Composition. The Unit Owners Association shall consist of all of the Unit Owners acting as a group in accordance with the Condominium Act pursuant to the Declaration and these Bylaws. For all purposes the Unit Owners Association shall act merely as an agent for the Unit Owners as a group. The Unit Owners Association shall have the responsibility of administering the Condominium, establishing the means and methods of collecting assessments and charges, arranging for the management of the Condominium and performing all of the other acts that may be required or permitted to be performed by the Unit Owners Association by the Condominium Act and the Declaration. Except as to those matters which the Condominium Act specifically requires to be performed by the vote of the Unit Owners Association, the foregoing responsibilities shall be performed by the Board of Directors or Managing Agent as more particularly set forth in Article II of these Bylaws.

Section 2. Annual Meetings. The annual meetings of the Unit Owners Association shall be held each year within thirty (30) days before the beginning of the fiscal year. These meetings shall be held on the second Monday of December. At such annual meetings the Board of Directors shall be elected by ballot of the Unit Owners in accordance with the requirements of Section 4 of Article III of these Bylaws. So long as the Declarant shall own Units representing more than twenty-five (35%) percent of the Percentage Interests (but in no event after December

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31, 2003), the Declarant shall be entitled to designate the members of the Board of Directors. The Board of Directors may reschedule the annual meeting if the date is inconvenient, provided that the Board gives sixty (60) days notice of said rescheduling.

Section 3. Place of Meetings. Meetings of the Unit Owners Association shall be held at the principal office of the Unit Owners Association or at such other suitable place convenient to the Unit Owners as may be designated by the Board of Directors.

Section 4. Special Meetings.

(a) The President shall call a special meeting of the Unit Owners Association if so directed by resolution of the Board of Directors or upon a petition signed and presented to the Secretary by Unit Owners of not less than twenty-five (25%) percent of the aggregate Percentage Interests. The notice of any special meeting shall state the time, place and purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

(b) Not later than the earlier of (i) sixty (60) days after the day acts of transfer of Units representing seventy-five (75%) percent or more of the aggregate Percentage Interests shall have been delivered to Unit Owners by the Declarant, or (ii) after December 31, 2003, a special meeting of the Unit Owners Association shall be held at which all of the members of the Board of Directors designated by the Declarant shall resign, and the Unit Owners, including the Declarant if the Declarant owns one or more Units, shall thereupon elect successor members of the Board of Directors to act in the place and stead of those resigning.

Section 5. Notice of Meetings. The Secretary shall mail to each Unit Owner a notice of each annual or regularly-schedule meetings of the Unit Owners at least twenty-one (21) but not more than thirty (30) days, prior to such meeting, stating the time, place and purpose thereof. The mailing of a notice of meeting in the time manner provided in this Section and Section 1 of Article XI of the Bylaws shall be considered service of notice.

Section 6. Adjournment of Meetings. If at any meeting of the Unit Owners Association a quorum is not present, Unit Owners of a majority of the Percentage Interests who are present at such meeting in person or by proxy may adjourn the meeting to a time not less then forty-eight (48) hours after the time the original meeting was called.

Section 7. Order of Business. The order of business at all meetings of the Unit Owners Association shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Report of Board of Directors.
- (f) Reports of committees.
- (g) Election or appointment of inspectors of election (when so required).
- (h) Election of members of the Board of Directors (when so required).

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- (i) Unfinished business.
- (j) New business.

Section 8. Title to Units. Title to a Unit may be taken in the name of one or more Persons, in any manner permitted by law. The Unit Owners Association may acquire, hold and transfer full legal title to one or more Condominium Units in the Condominium in its own name.

Section 9. Voting. Voting at all meetings of the Unit Owners Association shall be on a percentage basis and the percentages of the vote to which each Unit Owner is entitled shall be (except as otherwise specified in the Declaration) the Percentage Interest assigned to his Unit in the Declaration/ (See Schedule II to the Declaration). Where the ownership of a Unit is in more than one person, the person who shall be entitled to cast the vote of such Unit shall be the person named in a certificate executed by all of the owners of such Unit and filed with the Secretary or, in the absence of such named person from the meeting, the person who shall be entitled to cast the vote of such Unit shall be person owning such Unit who is present. If more than one person owning such Unit is present then such vote shall be cast only in accordance with their unanimous agreement. Such certificate shall be valid until revoked by subsequent certificate similarly executed. Where the ownership of a Unit is held by a Corporation, the President of said corporation or other duly designated officer shall cast the vote of such Unit. Wherever the approval or disapproval of a Unit Owner is required by the Condominium Act, the Declaration or these Bylaws, such approval or disapproval shall be made only by the person who would be entitled to cast the vote of such Unit at any meeting of the Unit Owners Association. Except where a greater number is required by the Condominium Act, the Declaration or these Bylaws, the owners of more than fifty (50%) percent of the aggregate Percentage Interest in the Condominium voting in person or by proxy at one time at a duly convened meeting at which a quorum is present ("Majority of the Unit Owners") are required to adopt decisions at any meeting of the Unit Owners Association. Any specified percentage of the Unit Owners means the Unit Owners owning such Percentage Interests in the aggregate. If the Declarant owns or holds title to one or more Units, the Declarant shall have the right at any meeting of the Unit Owners Association to cast the votes to which such Unit or Units are entitled. No Unit Owner may vote at any meeting of the Unit Owners Association or be elected to or serve on the Board of Directors in the Unit Owners Association has perfected a privilege against this Unit and the amount necessary to release such privilege has not been paid at the time of such meeting or election.

Section 10. Proxies. A vote may be cast in person or by proxy. Such proxy may be granted by any Unit Owner in favor of only another Unit Owner, a relative of the Unit Owner, a Mortgagee or the Declarant. Proxies shall be duly executed in writing, shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting. Such proxy shall be deemed revoked only upon actual receipt by the person presiding over the meeting of notice of revocation from any of the persons owning such Unit. Except with respect to proxies in favor or a Mortgagee, no proxy shall in any event be valid for a period in excess of one hundred and eighty (180) days after the execution thereof.

Section 11. Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of Unit Owners of forty (40%) percent or more of the aggregate Percentage Interests shall constitute a quorum at all meetings of the Unit Owners Association.

Section 12. Conduct of Meetings. The President shall preside over all meetings of the Unit Owners Association and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting as well as a record of all transactions occurring thereat. The President may appoint a person to serve as parliamentarian at any meeting of the Unit Owners Association. The then current edition of Robert's Rules of Order shall govern the conduct of all meetings of the Unit Owners Association when not in conflict with the Declaration, these Bylaws or the Condominium Act. All votes shall be tallied by tellers appointed by the President or other officer presiding over the meeting.

ARTICLE III

Board of Directors

Section 1. Number and Qualification. The affairs of the Unit Owners Association shall be governed by a Board of Directors. ~~Until acts of transfer representing more than seventy-five (75%) percent of the aggregate Percentage Interests shall have been delivered to Unit Owners by the Declarant, and thereafter until their successors shall have been elected by the Unit Owners, the Board of Directors shall consist of such persons as may be designated by the Declarant; provided, however, that the foregoing power of designation shall not extend beyond December 31, 2003.~~ The Board of Directors shall be composed of three (3) persons, all of whom shall be Unit Owners or spouses of Unit Owners, Mortgagees (or designees of Mortgagees) ~~or designees of the Declarant; provided, however, that, anything in these Bylaws to the contrary notwithstanding, so long as the Declarant owns Units representing twenty-five (25%) percent of more of the aggregate Percentage Interests (but in no event after December 31, 2003) the Board of Directors shall be composed of two (2) persons designated by the Declarant. The Declarant shall have the right in its sole discretion to replace such Directors as may be so designated, and to designate their successors.~~

Section 2. Powers and Duties. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Unit Owners Association and may do all such acts and things as are not prohibited by the Condominium Act, the Declaration or by these Bylaws or required to be exercised and done by the Unit Owners Association. The Board of Directors shall have the power from time to time to adopt any Rules and Regulations deemed necessary for the benefit and enjoyment of the Condominium; provided, however, that such Rules and Regulations shall not be in conflict with the Condominium Act, the Declaration or these Bylaws. The Board of Directors shall delegate to one of its members or to a person employed for such purpose the authority to act on behalf of the Board of Directors on such matters relating to the duties of the Managing Agent as defined in Section 3 of this Article, if any, which may rise between meetings of the Board of Directors as the Board of Directors deems appropriate. In addition to the duties imposed by these Bylaws or by any resolution of the Unit Owners Association that may hereafter be adopted, the Board of Directors shall on behalf of the Unit Owners Association:

(a) Prepare an annual budget, in which there shall be established the assessments of each Unit Owner for the Common Expenses.

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(b) Make assessments against Unit Owners to defray the costs and expenses of the condominium, establish the means and methods of collecting such assessments from the Unit Owners and establish the period of the installment payment of the annual assessment for Common Expenses. Unless otherwise determined by the Board of Directors, the annual assessment against each Unit Owner for his proportionate share of the Common Expenses shall be payable in equal monthly installments, each such installment to be due and payable in advance on the first day of each month for such month.

(c) Provide for the operation, care, upkeep and maintenance of all of the Property and services of the Condominium.

(d) Designate, hire and dismiss the personnel necessary for the maintenance, operation, repair and replacement of the Common Elements and provide service for the Property and, where appropriate, provide for the compensation of such personnel and for the purchase of equipment, supplies and material to be used by such personnel in the performance of their duties, which supplies and equipment shall be deemed part of the Property.

(e) Collect the assessments against the Unit Owners, deposit the proceeds thereof in bank depositories designated by the Board of Directors and use the proceeds to carry out the administration of the Property.

(f) Make and amend the Rules and Regulations.

(g) Open bank accounts on behalf of the Unit Owners Association and designate the signatories thereon.

(h) Make, or contract for the making of, repairs, additions and improvements to or alterations of the Property, and repairs to and restoration of the Property, in accordance with these Bylaws, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.

(i) Enforce by legal means the provisions of the Declaration, these Bylaws and the Rules and Regulations including the levying of fines against the Unit Owners for violation of the Declaration, and act on behalf of the Unit Owners with respect to all matters arising out of any eminent domain proceeding.

(j) Obtain and carry insurance against casualties and liabilities, as provided in Article VII of the Declaration, pay the premiums therefor and adjust and settle any claims thereunder.

(k) Pay the cost of all authorized services rendered to the Unit Owners Association and not billed to Unit Owners of individual Units or otherwise provided for in Article V, Sections 1 and 2 of these Bylaws.

(l) Keep books with detailed accounts in chronological order of the receipts and expenditures affecting the Property, and the administration of the Condominium specifying the expenses of maintenance and repair of the Common Elements and any other expenses incurred.

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Such books and vouchers accrediting the entries thereupon shall be available for examination by the Unit Owners, their duly authorized agents or attorneys, during general business hours on working days at the times and in the manner set and announced by the Board of Directors for the general knowledge of the Unit Owners. All books and records shall be kept in accordance with good and accepted accounting practices.

(m) Notify a Mortgagee of any default hereunder by the Unit Owner of the Unit subject to such Mortgage, in the event such default continues for a period exceeding thirty (30) days.

(n) Borrow money on behalf of the Condominium when required in connection with any one instance relating to the operation, care, upkeep and maintenance of the Common Elements, provided, however, that the consent of at least two-thirds (2/3) in number and in Percentage Interest of all Unit Owners, obtained at a meeting duly called and held for such purpose in accordance with the provisions of these Bylaws, shall be required to borrow any sum in excess of Twenty-Five Thousand Dollars (\$25,000.00). This provision shall not apply to any initial debt contracted by Declarant, secured by a mortgage on the property of the Condominium, which shall require no approval hereunder, except that each conveyance of a Unit to a purchaser shall be free and clear of any such mortgage.

(o) Borrow money on behalf of the Condominium from any party ~~including Declarant~~, when required in connection with ongoing expenses, in order to maintain reasonable assessments, by deferring payment of any start-up expenses to a subsequent assessment period or fiscal year.

(p) Acquire, hold and dispose of Condominium Units and mortgage the same if such expenditures and hypothecations are included in the budget adopted by the Unit Owners Association.

(q) Furnish the statement required by [Section 1124.107](#) of the Condominium Act, within ten (10) days after the receipt of a written request therefor from any Unit Owner.

(r) Do such other things and acts not inconsistent with the Condominium Act, the Declaration or these Bylaws which the Board of Directors may be authorized to do by a resolution of the Unit Owners Association.

Section 3. Managing Agent. The Board of Directors may employ for the Condominium a "Managing Agent" at a compensation to be established by the Board of Directors. It is hereby agreed that, for a period of six (6) months commencing with the date of the first conveyance of a Unit by Declarant to a purchase, the Managing Agent shall be Declarant, who shall serve without compensation, except for the reimbursement of any expenses incurred by Declarant as Managing Agent.

(a) Requirements. The Managing Agent shall be a bona fide business enterprise. Such firm shall employ persons possessing a high level of competence in proper management of the Condominium. The Managing Agent must be able to advise the board of Directors regarding the administrative operation of the Condominium and shall employ personnel expert in the areas of commercial property management.

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(b) Duties. The Managing Agent shall perform such duties and services as the Board of Directors shall authorize, including but not limited to the duties listed in paragraphs 9a), (c), (d), (e), (h), (i), (j), (k), (l), (m), (p), and (q) of Section 2 of this Article III. The board of Directors may delegate to the Managing Agent all of the powers granted to the Board of Directors by these Bylaws other than the powers set forth in paragraphs (b), (f), (g), (n) and (o) of Section 2 of this Article III. The Managing Agent shall perform the obligations, duties and services relating to management of reserve funds in compliance with the provisions of these Bylaws.

(c) Standards. The Board of Directors shall impose appropriate standards of performance upon the Managing Agent. Unless the managing Agent is instructed otherwise by the Board of Directors:

- (1) the accrual method of accounting shall be employed;
- (2) two or more persons shall be responsible for handling cash to maintain adequate financial control procedures.
- (3) cash accounts of the Unit Owners Association shall not be commingled with any other accounts;
- (4) no remuneration shall be accepted by the managing Agent from vendors, independent contractors or others providing goods or services to the Unit Owners Association whether in the form of commission, finders fees, service fees or otherwise; any discounts received shall benefit the Unit Owners Association;
- (5) any financial or other interest which the Managing Agent may have in any firm providing goods or services to the Unit Owners Association shall be disclosed promptly to the Board of Directors; and
- (6) a quarterly financial report shall be prepared for the Unit Owners Association disclosing:
 - (a) all income and disbursements activity for the preceding quarter, as compared to the budget;
 - (b) the status of all accounts in an “actual” versus “projected” (budget) format; and

Section 4. Election and Term of Office.

(a) ~~At the first annual meeting of the Unit Owners Association following expiration of Declarant's control, the term of office of the three (3) members of the Board of Directors shall be as follows: one (1) member of the Board of Directors shall serve for three (3) years, one member shall serve for two (2) years, and the third member shall serve for one (1) year.~~ At the expiration of the initial term of office of each member of the initial Board of Directors, a successor shall be

elected to serve for a term of three (3) years. The members of the Board of Directors shall hold office until their respective successors shall have been elected by the Unit Owners Association.

(b) Persons qualified to be members of the Board of Directors may be nominated for election only as follows:

(1) Any Unit Owner may submit to the Secretary at least thirty (30) days before the meeting at which the election is to be held a nominating petition signed by Unit Owners owning at least one (1) Unit and a statement that the person nominated is willing to serve on the Board of Directors. The Secretary shall mail or hand-deliver the submitted items to every Unit Owner along with the notice of such meeting; or

(2) Nominations may be submitted from the floor at the meeting at which the election is held for each vacancy on the Board of Directors for which no more than one person has been nominated by petition.

Section 5. Removal or Resignation of Members of the Board of Directors. Except with respect to directors designated by Declarant, at any regular or special meeting duly called, anyone or more of the members of the Board of Directors may be removed with or without cause by a Majority of the Unit Owners and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the Unit Owners shall be given at least seven (7) days notice of the time, place and purpose of the meeting and shall be given an opportunity to be heard at the meeting. A member of the Board of Directors may resign at any time and shall be deemed to have resigned upon disposition of his Unit.

Section 6. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a director by a vote of the Unit Owners Association shall be filled by a vote of a majority of the remaining Directors at a special meeting of the Board of Directors held for such purpose promptly after the occurrence of any such vacancy, even though the directors present at such meeting may constitute less than a quorum. Each person so elected shall be a member of the Board of Directors for the remainder of the term of the member being replaced and until a successor shall be elected at the next annual meeting of the Unit Owners Association. Notwithstanding anything to the contrary in this Section or in the preceding Section 5, so long as the Declarant owns twenty-five (25%) percent or more of the aggregate Percentage Interests (but in no event after December 31, 2003), the Declarant shall designate the successor to any resigned or removed member previously designated by the Declarant.

Section 7. Organization Meeting. The first meeting of the Board of Directors following the annual meeting of the Unit Owners Association shall be held within thirty (30) days thereafter at such time and place as shall be fixed by the Unit Owners Association at the meeting at which such Board of Directors shall have been elected, and no notice shall be necessary to the newly elected members of the Board of Directors in order legally to constitute such meeting, providing a majority of the whole Board of Directors shall be present thereat.

Section 8. Regular Meetings. 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,

but such meetings shall be held at least once every four (4) months during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each director, by mail or telegraph, at least three (3) business days prior to the day named for such meeting.

Section 9. Special Meeting. Special meetings of the Board of Directors may be called by the President on three (3) business days notice to each director, given by mail or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) directors.

Section 10. Waiver of Notice. Any director may at any time, in writing, waive notice of any meeting of the Board of Directors, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board of Directors shall constitute a waiver of notice by him of the time, place and purpose of such meeting. If all directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

Section 11. Quorum of Board of Directors. At all meetings of the Board of Directors a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice. A member of the Board of Directors who participates in a meeting by means of telephone communication shall be deemed present at the meeting for all purposes.

Section 12. Fidelity Bonds. The Board of Directors may (within their discretion) obtain and maintain adequate fidelity bonds in an amount not less than one-half (1/2) the total annual condominium assessments for the year (in such form and such greater amounts as may be required by the Mortgagees) to protect against the dishonest acts on the part of officers, directors, and employees of the Unit Owners Association, including without limitation the Managing Agent, handling or responsible for Condominium funds. The premiums on such bonds shall constitute a Common Expense. Such fidelity bonds shall: (i) name the Unit Owners Association as an obligee; and (ii) contain waivers of any defense based upon the exclusion of person who serve without compensation from any definition of "employee" or similar expression.

Section 13. Compensation. No director shall receive any compensation from the Condominium for action as such.

Section 14. Conduct of Meetings. The President shall preside over all meetings of the Board of Directors and the Secretary shall keep a minute book of the Board of Directors recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings. The then current edition of Robert's Rules of Order shall govern the conduct of the meetings of the Board of Directors when not in conflict with the Declaration, these Bylaws or the Condominium Act.

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Section 15. Action with Meeting. Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Board of Directors shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the minutes of the proceedings of the Board of Directors.

Section 16. Liability of the Board of Directors, Officers, Unit Owners and Unit Owners Association.

(a) The officers and members of the Board of Directors shall not be liable to the Unit Owners Association for any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners Association shall indemnify and hold harmless each of the officers and directors from and against all contractual liability to others arising out of contracts made by the officers or the Board of Directors on behalf of the Unit Owners Association unless any such contract shall have been made in bad faith or contrary to the provisions of the Condominium Act, the Declaration or these Bylaws, except to the extent that such liability is covered by directors and officers liability insurance. Officers and members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Unit Owners Association. The liability of any Unit Owner (only as it relates to all other Unit owners in the Condominium) arising out of any contract made by the officers or Board of Directors, or out of the aforesaid indemnity in favor of the members of the Board of Directors or officers, or for damages as a result of injuries arising in connection with the Common Elements solely by virtue of his ownership of a Percentage Interest therein or for liabilities incurred by the Unit Owners Association, shall be limited to the total liability multiplied by his Percentage Interest. Every agreement made by the officers, the Board of Directors or the managing Agent on behalf of the Unit Owners Association shall, if obtainable, provide that the officers, the members of the Board of Directors or the Managing Agent, as the case may be, are acting only as agents for the Unit Owners Association and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to the total liability thereunder multiplied by his Percentage Interest.

(b) The Unit Owners Association shall not be liable for any failure of water supply or other services to be obtained by the Unit Owners Association or paid for as a Common Expense, or for the injury of damage to person or property caused by the elements or by the Unit Owner of any Condominium Unit, or any other person, or resulting from electricity, water, snow or ice which may lead or flow from any portion of the Common elements or from any pipe, drain, conduit, appliance or equipment. The Unit Owners Association shall not be liable to any Unit Owner for loss or damage, by theft or otherwise, of articles which may be stored upon any of the Common Elements. No diminution or abatement of any assessments, as herein elsewhere provided, shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the Common Elements or from any action taken by the Unit Owners Association to comply with any law, ordinance or with the order or directive of any municipal or other governmental authority.

Section 17. Common or Interested Directors. Each member of the Board of Directors shall exercise his powers and duties in good faith and with a view to the interests of the

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Condominium. No contract or other transaction between the Unit Owners Association and any of its directors, or between the Unit Owners Association and any corporation, firm or association (including the Declarant) in which any of the directors of the Unit Owners Association are directors or officers or are pecuniarily or otherwise interest, is either void or voidable because any such director is present at the meeting of the Board of Directors or any committee thereof which authorizes or approves the contract or transaction, or because his vote is counted for such purpose, if any of the conditions specified in any of the following subparagraphs exists:

(a) The fact of the common directorate or interest is disclosed or known to the Board of Directors or a majority thereof or noted in the minutes, and the Board of Directors authorizes, approves or ratifies such contract or transaction in good faith by a vote sufficient for the purpose; or

(b) The fact of the common directorate or interest is disclosed or known to at least a majority of the Unit Owners (by Percentage), and the Unit Owners approve or ratify the contract or transaction in good faith by a vote sufficient for the purpose; or

(c) The contract or transaction is commercially reasonable to the Unit Owners Association at the time it is authorized, ratified, approved or executed.

Any common or interested directors may be counted in determining the presence of a quorum of any meeting of the Board of Directors or committee thereof which authorizes, approves or ratifies any contract or transaction, and may vote thereat to authorize any contract or transaction with like force and effect as if such director were not such director or officer of such Unit Owners Association or not so interested.

ARTICLE IV

Officers

Section 1. Designation. The principal officers of the Unit Owners Association shall be President and Secretary/Treasurer, each of whom shall be elected by the Board of Directors. The Board of Directors may appoint an assistant treasurer, an assistant secretary and such other officers as in its judgment may be necessary. The President shall be a member of the Board of Directors.

Section 2. Election of Officers. The officers of the Unit Owners Association shall be elected annually by the Board of Directors at the organization meeting of each new Board of Directors and shall hold office at the pleasure of the Board of Directors.

Section 3. Removal of Officers. Upon the affirmative vote of a majority of all members of the Board of Directors any officer may be removed, either with or without cause, and a successor may be elected at any regular meeting of the Board of Directors or at any special meeting of the board of Directors called for such purpose.

Section 4. President. The President shall be the chief executive officer of the Unit Owners Association; preside at all meeting of the Unit Owners Association and of the Board of

Directors; and have all of the general powers and duties which are incident to the office of president of a not-for-profit corporation organized under the Louisiana Not-For-Profit corporation Act including without limitation the power to appoint committees from among the Unit Owners from time to time as the President may in his discretion decide is appropriate to assist in the conduct of the affairs of the Unit Owners Association.

Section 5. Secretary. The Secretary shall keep the minutes of all meetings of the Unit Owners Association and of the Board of Directors; have charge of such books and papers as the Board of Directors may direct; maintain a register setting forth the place to which all notices to Unit Owners and Mortgagees hereunder shall be delivered; and, in general, perform all the duties incident to the office of secretary of a non-profit corporation organized under the Louisiana Not-For-Profit Corporation Act. The Secretary shall take the place of the President and perform the duties of the President whenever the President shall be absent or unable to act. If neither the President nor the Secretary is able to act, the Board of Directors shall appoint some other member of the Board of Directors to act in the place of the President, on an interim basis. The Secretary shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors or by the President.

Section 6. Treasurer. The Treasurer shall have the responsibility for Unit Owners Association funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data; and be responsible for the deposit of all monies and other valuable effects in the name of the Board of Directors, the Unit Owners Association or the Managing Agent, in such depositories as may from time to time be designate by the Board of Directors; and, in general, perform all the duties incident to the offer of treasurer of a non-profit corporation organized under the Louisiana Not-For-Profit corporation Act. The same person may serve as both Secretary and Treasurer.

Section 7. Execution of Documents. With the exception of original developer renovation, all agreements, contracts, deeds, leases, checks and other instruments of the Unit Owners Association for expenditures or obligations in excess of Five Thousand Dollars (\$5,000.00) shall be executed by any two (2) persons designated by the Board of Directors. All such instruments for expenditures or obligations of Five Thousand Dollars (\$5,000.00) or less may be executed by anyone person designated by the Board of Directors.

ARTICLE V

Operation of the Property

Section 1. Determination of Common Expenses and Assessments Against Unit Owners.

(a) Fiscal Year. The fiscal year of the Unit Owners Association shall be the calendar year unless otherwise determined by the Board of Directors.

(b) Preparation and Approval of Budget.

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(i) At least forty-five (45) days before the beginning of the fiscal year, the Board of Directors shall adopt a budget for the Unit Owners Association containing an estimate of the total amount considered necessary to pay the cost of maintenance, management, operation, repair and replacement of the Common elements and those parts of the Units as to which it is the responsibility of the Board of Directors to maintain, repair and replace, and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Common Expenses by the Condominium Act, the Declaration, these Bylaws or a resolution of the Unit Owners Association and which will be required during the ensuing fiscal year for, the administration, operation, maintenance and repair of the Property and the rendering to the Unit Owners of all related services.

(ii) Such budget shall also include such reasonable amounts as the Board of Directors considers necessary to provide working capital, a general operating reserve and reserves for contingencies and replacements. At least thirty (30) days before the beginning of the fiscal year, the Board of Directors shall send to each Unit Owner a copy of the budget in a reasonably itemized form which sets forth the amount of the Common Expenses and any special assessment payable by each Unit Owner. Such budget shall constitute the basis for determining each Unit Owner's assessment for the Common Expenses of the Unit Owners Association.

(c) Assessment and Payment of Common Expenses. Subject to the provisions of Article IX of the Declaration, the total amount of the estimated funds required for the operation of the Property set forth in the budget adopted by the Board of Directors shall be assessed against each Unit Owner in proportion to this respective Percentage Interest and shall be a lien against each Unit Owner's Unit as provided in Article IX of the Declaration. On or before the first day of each fiscal year, and the first day of each of the succeeding eleven months in such fiscal year, each Unit Owner shall be obligated to pay to the Board of Directors or the managing Agent (as determined by the Board of Directors), one-quarter (1/4) of such assessment. Within ninety (90) days after the end of the each fiscal year, the Board of Directors shall supply to all Unit Owners an itemized accounting of the Common Expenses for such fiscal year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the budget adopted by the Board of Directors for such fiscal year, and showing the net amount over or short of the actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves shall, if the Board of Directors deems it advisable, be credited according to each Unit Owner's Percentage Interest to the next quarterly installments due from Unit Owners under the current fiscal year's budget, until exhausted. Any net shortage shall be assessed promptly against the Unit Owners in accordance with their Percentage Interests and shall be payable either: (1) in full with payment of the next assessment due; or (2) in not more than two (2) equal quarterly installments, as the Board of Directors may determine.

(d) Reserves. The Board of Directors shall build up and maintain reasonable reserves for working capital, operations, contingencies and replacements. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year shall be charged first against such reserves. If the reserves are inadequate for any reason, including non-payment of any Unit Owner's assessment, the Board of Directors may at any time levy a further assessment, which shall be assessed against the Unit Owners according to their respective Percentage Interests, and which may be payable in a lump sum or in installments as the

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Board of Directors may determine. The Board of Directors shall serve notice of any such further assessment on all Unit Owners by a statement in writing giving the amount and reasons therefor, and such further assessment shall, unless otherwise specified in the notice, become effective with the next monthly payment which is due more than ten (10) days after the delivery of such notice of further assessment. All Unit Owners shall be obligated to pay the adjusted monthly amount or, if such further assessment is not payable in installments, the amount of such assessment. Such assessment shall be a lien as of the effective date as set forth in the preceding paragraph (c).

(e) Initial Capital Payment.

(i) Upon taking office, the first Board of Directors elected or designated pursuant to these Bylaws shall determine the budget, as defined in this Section, for the period commencing thirty (30) days after such election and ending on the last day of the fiscal year in which such election occurs. Assessments shall be levied and become a lien against the Unit Owners during such period as provided in paragraph (c) of this Section.

(ii) The Declarant, as the agent of the Board of Directors, shall be empowered to collect from each initial purchaser at the time of settlement, an “initial capital payment” equivalent to the estimated quarterly assessment from Common Expenses for such purchaser’s Unit. The Declarant will deliver the funds so collected to the Board of Directors to provide the necessary working capital for the Unit Owners Association.

(f) Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Board of Directors to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of a Unit Owner’s obligation to pay his allocable share of the Common Expenses as herein provided whenever the same shall be determined and, in the absence of any annual budget or adjusted budget, each Unit Owner shall continue to pay each monthly installment at the monthly rate established for the previous fiscal year until notice of the monthly payment which is due more than ten (10) days after such new annual or adjusted budget shall have been delivered.

Section 2. Collection of Assessments. The Board of Directors, or the Managing Agent at the request of the Board of Directors, shall take prompt action to collect any assessments for Common Expenses due from any Unit Owner which remain unpaid for more than thirty (30) days from the due date for payment thereof.

Section 3. Statement of Common Expenses. The Board of Directors shall promptly provide any Unit Owner, contract purchaser or Mortgagee so requesting the same in writing with a written statement of all unpaid assessments for Common Expenses due from such Unit Owner. The Board of Directors may impose a reasonable charge for the preparation of such statement to cover the cost of preparation to the extent permitted by the Condominium Act.

ARTICLE VI

Mortgages

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Section 1. Notice to Board of Directors. A Unit Owner who mortgages his Unit shall notify the Board of Directors of the name and address of his Mortgagee and shall file a conformed copy of the note and Mortgage with the Board of Directors. This provision shall not apply to any initial debt contracted by Declarant, secured by a mortgage on the property of the Condominium.

Section 2. Notice of Default. Casualty or Condemnation. The Board of Directors when giving notice to any Unit Owner of a default in paying an assessment for Common Expenses or any other default, shall simultaneously send a copy of such notice to the Mortgagee of such Unit. Each Mortgagee shall also be promptly notified of any casualty giving rise to an possible claim under any insurance purchased by the Unit Owners Association of all actions taken under Article VIII of the Declaration with respect to reconstruction or repair of casualty damages and of any taking in condemnation or by expropriation and actions of the Unit Owners Association with respect thereto.

Section 3. Notice of Amendment of Declaration or Bylaws. The Board of Directors shall give notice to all Mortgagees seven (7) days prior to the date on which the Unit Owners, in accordance with the provisions of these Bylaws, materially amend the Condominium Instruments.

Section 4. Notice of Change in Managing Agent. The Board of Directors shall give notice to all Mortgagees thirty (30) days prior to undertaking self-management or changing the Managing Agent.

Section 5. Mortgagees' Approvals. Unless all Mortgagees shall have given their prior written approval, neither the Unit Owners Association nor any Unit Owner shall:

- (a) Change the Percentage Interest or obligations of any Unit;
- (b) Subdivide, partition or relocate the boundaries of any Unit encumbered by a Mortgage or the Common Elements of the Condominium; or
- (c) By act or omission withdraw the submission of the Property to the Condominium Act, except as provided by the Condominium Instruments or the Condominium Act.

Section 6. Other Rights of Mortgagees. All Mortgagees or their representatives shall be entitled to attend meetings of the Unit Owners Association and shall have the right to speak thereat. All such Mortgagees shall have the right to examine the books and records of the Condominium and to require the submission of annual financial reports and other budgetary information.

ARTICLE VII

Miscellaneous

Section 1. Notices. All notices, demands, bills, statements or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by registered or certified mail, return receipt requested,

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postage prepaid (or otherwise as the Condominium Act may permit), (i) if to a Unit Owner, at the address which the Unit Owner shall designate in writing and file with the Secretary or, if no such address is designated, at the address of the Unit of such Unit Owner, or (ii) if to the Unit Owners Association, the Board of Directors or to the Managing Agent, at the principal office of the Managing Agent or at such other address as shall be designated by notice in writing to the Unit Owners pursuant to this Section. If a Unit is owned by more than one Person, each such Person who so designates an address in writing to the Secretary shall be entitled to receive all notices hereunder.

Section 2. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these Bylaws or the intent of any provision thereof.

Section 3. Gender. The use of the masculine gender in these Bylaws shall be deemed to include the feminine and neuter genders and the use of the singular shall be deemed to include the plural, and vice versa, whenever the context so requires.

Section 4. Construction. These Condominium Instruments are intended to comply with all of the applicable provisions of the Louisiana Condominium Act and shall be so interpreted and applied.

Section 5. Amendments. These Bylaws may only be amended in the same manner and subject to the same percentage vote which is required for amendment to the Declaration.

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IN WITNESS WHEREOF, the Declarant has caused these Bylaws to be executed by the Secretary of the Victorian on Coliseum Square Condominium Association, Inc., this _____ day of _____, 2002.

THE VICTORIAN ON COLISEUM SQUARE
CONDOMINIUM ASSOCIATION, INC.

By: _____
Mary Ann Breen, Secretary

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