

BY-LAWS  
OF  
PORT ESPLANADE CONDOMINIUM ASSOCIATION, INC.  
Amended April 14, 2001

ARTICLE I

Definitions

1.01. Unless the context shall clearly indicate some other meaning, all words and terms used in these By-Laws which are defined in the Declaration of Condominium Ownership for PORT ESPLANADE CONDOMINIUM, recorded in the office of the Registrar of Conveyances for the Parish of Orleans, State of Louisiana, shall for all purposes of these By-Laws, have the respective meanings given to them in said Declaration.

ARTICLE II

Members (Unit Owners)

2.01. As provided in the Articles of Incorporation (the "Articles") of the PORT ESPLANADE CONDOMINIUM ASSOCIATION, INC., (the "Association") each Unit Owner shall be a member of the Association. Each such Unit Owner's respective membership interest in the Association shall be in accordance with his respective percentage of ownership interest in the Common Elements.

2.02. The membership in the Association of each Unit Owner shall automatically terminate when he ceases to be a Unit Owner and upon the conveyance, transfer or other disposition of a Unit Owner's ownership in the Property, said Unit Owner's membership in the Association shall automatically be transferred to the new Unit Owner succeeding to such ownership interest.

2.03. There shall be one person with respect to each Unit Ownership who shall be entitled to vote at any meeting of the Unit Owners. Such person shall be known (and hereinafter referred to) as a "voting member". Such voting member may be the Owner or one of the group composed of all the Owners of a Unit Ownership, or may be some person designated by such Owner or Owners to act as proxy on his or their behalf and who need not be an Owner. Such designation shall be made in writing to the board and shall be revocable at any time by actual notice to the Board of the death or judicially declared incompetence of any designator, or by written notice to the Board of the Owner or Owners. Any or all of such Owners may be present or represented by proxy at any meeting of the voting members and (those constituting a group action as they among themselves determine) may vote or take any other action as a voting member either in person or by proxy, but in no event shall more than one (1) vote be cast with respect to any one Unit.

2.04. (a) Meetings of the voting members shall be held at the Property, at such other place as may be designated in any notice of a meeting or by means of a conference telephone or similar communications equipment by which all persons participating can hear each other at the same time, and participation by such means shall constitute presence in person at such a meeting. The presence in person or by proxy at any meeting of the voting members having a majority of the total votes shall constitute a quorum. Unless otherwise expressly provided herein, any action may be taken at any meeting of the voting members at which a quorum is present upon the affirmative vote of the voting members having a majority of the total present at such meeting.

(b) Any action of the voting members may be taken without a meeting, without prior notice and without a vote, if a consent in writing setting forth the act so taken is signed by all members entitled to vote.

2.05 (a). The initial meeting of the voting members shall be held not less than thirty (30) nor more than sixty (60) days after Developer has sold Units comprising at least eighty (80%) percent of the total square footage of the Property and upon ten (10) days written notice given by

the Developer to the voting members. In each succeeding year after the year in which the initial meeting is held, there shall be an annual meeting of the voting members on the second Monday in January, or within thirty (30) days thereafter, and written notice of the date, time and place of each annual meeting shall be mailed or delivered to the voting members not less than ten (10) days prior to the date fixed for said meeting.

2.05 (b). Special meetings of the voting members may be called at any time for the purpose of considering matters which, by the terms of the Declaration require the approval of all or some of the voting members, or for any other reasonable purpose. Said meeting shall be called by written notice, authorized by a majority of the Board, or by the voting members having one-fourth (1/4) of the total votes, and delivered not less than ten (10) days or, in the case of a meeting called to fill a vacancy on the Board, five (5) days prior to the date fixed for said meeting. The notices shall specify the date, time and place of the meeting and the matters to be considered.

2.05 (c). Notices of meeting required to be given herein may be delivered either personally or by mail or by email with return acknowledgment requested, to the persons entitled to vote at such meetings, addressed to each such person at the address or email address given by him to the Board for the purpose of service of such notice, or to the Unit of the Owner with respect to which such voting right appertains, if no address has been given to the Board.

### ARTICLE III

#### Board of Directors

3.01. The operation, maintenance, repair and administration of the Property shall be vested in a Board of Directors consisting of three (3) persons who shall be elected in the manner hereinafter provided. Each member of the Board shall be a Unit Owner; provided, however, that in the event a unit Owner is a corporation, partnership, trust or other legal entity other than a natural person or persons, then any officer or director of such corporation, partner of such partnership, beneficiary of such trust, or manager of such other legal entity, shall be eligible to serve as a member of the Board.

3.02. At the initial meeting, the voting members shall elect a Board to consist of three (3) persons to replace the initial Board provided for in the Articles. Subject to such limitations, if any, as may be set forth in the Articles, in all elections for members of the Board, each voting member shall be entitled to vote, with each member's vote being weighted according to his percentage interest of the undivided ownership of the Common Elements as set forth in the Declaration. The candidates) who shall receive the highest number of all the votes cast at said or any election for such offices) shall be declared elected. A majority of the total number of members on the Board shall constitute a quorum. Members of the Board elected at the initial meeting shall serve until the first annual meeting or until their successors have been duly elected and qualified. At the first annual meeting, and at each successive annual meeting thereafter, members of the Board shall be elected for a term of one (1) year. The voting members having at least two-thirds (2/3) of the total votes may from time to time increase or decrease such number of persons on the Board or may increase the term of office of Board members at any annual or special meeting, provided that such number shall be not less than three (3), and that the terms of at least one-third (1/3) of the persons on the Board shall expire annually. Members of the Board shall receive no compensation for their services unless expressly authorized by the Board. Any vacancy occurring on the Board as selected by the voting members, by death, resignation or otherwise, shall be filled by election for the unexpired term, at a special meeting of the Board to be called upon five (5) days written notice. Any vacancy occurring on the Board as selected by the Developer, by death resignation or otherwise, shall be filled by election for the unexpired term, at a special meeting of the Developer and the Board to be called upon five (5) days written notice. Should the number of directors be reduced below three (3), by virtue of death, resignation, sale of property or otherwise, the terms of the remaining directors) so elected shall expire on the date of the next special meeting called for the purpose of filling vacancies on the Board. Except as otherwise provided in these By-Laws, the Property shall be managed by the Board and the Board shall act by majority vote of those present at its meetings when a quorum, which a majority of the directors in person or by proxy, exists. Meetings of the Board may be called, held and conducted in accordance with such regulations as the Board may adopt.

3.03. The Board shall elect from among its members a President who shall preside over both its meeting and those of the voting members and who shall be the chief executive officer of the Board, a Vice President who, in the absence or inability of the President, shall perform the duties and exercise the powers of the President, a Secretary who shall keep the minutes of all meetings of the board and of the voting members and who shall, in general, perform all the duties incident to the office of Secretary, and a Treasurer to keep the financial records and books of account, and such additional officers as the board shall see fit to elect. One person may hold any two offices except the offices of President and Vice President and the offices of President and f Secretary. The Board may elect an Assistant Secretary and/or an Assistant Treasurer who need not be members of the Board to hold office for such period, have such authority and perform such duties as the Board may determine and shall be subject to removal at the pleasure of the Board.

3.04. Any Board member may be removed from office by affirmative vote of the voting members having at least two-thirds (2/3) of the total votes, at any special meeting called for that purpose. A successor to fill the unexpired term of a Board member removed may be elected by the voting members at the same meeting or any subsequent meeting called for that purpose.

3.05. All agreements, contracts, deeds, leases, vouchers for payment of expenditures and other instruments shall be signed by such officer or officers, agent or agents of the Board and in such manner as from time to time shall be determined by written resolution of the Board. In the absence of such determination by the Board, such documents shall be signed by the President or any Vice President and countersigned by the Secretary or any Assistant Secretary of the Board.

3.06. The Board shall have the following additional powers and duties:

(a) to engage the services of a manager or managing agent who shall manage and operate the Property for all the Unit Owners upon such terms and with such authority as the Board may approve;

(b) to formulate policies for the administration, management and operation of the Property;

(c) to adopt rules and regulations, with written notice thereof to all Unit Owners, governing the administration, management, maintenance, operation, use, conservation and beautification of the Property and for the health, comfort, safety and general welfare of the Unit Owners, and to amend such rules and regulations from time to time;

(d) to provide for any construction, alteration, installation, maintenance, repair, painting and replacement for which the Board is responsible under the Declaration and By-Laws and for such purposes to enter and to authorize entry in to any Unit' and/or Common Elements, causing as little inconvenience to the Unit Owners as practicable;

(e) to provide for the designation, hiring and removal of employees and other personnel, including lawyers and accountants, and to engage or contract far the services of others, and to make purchases for the maintenance, repair, replacement, administration, management and operation of the Property and to delegate any such powers to the manager or managing agent (and any such employees or other personnel as may be employees of the managing agent);

(f) to estimate the amount of the annual budget, and to provide the manner of assessing and collecting from the Unit Owners their respective shares of such estimated expenses as hereinafter provided;

(g ) to pay out the maintenance fund hereinafter provided for the following:

(i) water, cleanup, waste removal, electricity and other necessary utility services for the Common Elements,

(ii) the services of a manager or managing agent or any other person or firm engaged or employed by the Board,

(iii) maintenance, repair and replacement of the Common Elements;  
(h) to bid for and purchase any Unit Ownership at a sale pursuant to a mortgage foreclosure, or a foreclosure of the lien for common expenses under the Act, or a sale pursuant to an order of direction of a court, or other involuntary sale, upon the consent or approval of remaining Unit Owners, exclusive of the interest of the Unit Owner in question; to comply with the instructions of a majority of the Unit Owners, as expressed in a resolution duly adopted at any annual or special meeting of the Unit Owners;  
(k) to exercise all other powers and duties of the Board or Unit Owners as a group referred to in the Declaration, these By-Laws or the Act of the State of Louisiana.

#### ARTICLE IV

##### Assessments

4.01. Each year on or before the first Monday in December, the Board shall estimate the total amount necessary to pay the cost of wages, materials, insurance, services and supplies which will be required during the ensuing calendar year for the rendering of all services, together with a reasonable amount considered by the Board to be necessary for a reserve for contingencies and replacements, and shall, on or before December 31 st, notify each Unit Owner in writing as to the amount of such estimate, with reasonable itemization thereof. Said "estimated cash requirement's shall be assessed to the Unit Owners according to each Unit Owner's percentage of ownership in the Common Elements as set forth in Exhibit "E" attached to the Declaration. On or before the first day of each month of the ensuing year, each Unit Owner shall pay to the Board or as the Board may direct, the assessment made pursuant to this paragraph. No later than January 31st of each year the Board shall supply to all Unit owners an itemized accounting of the maintenance expenses for the preceding calendar year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the estimates provided, 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 be credited according to each Unit Owner's percentage of ownership in the Common Elements to the next installment due from Unit Owners under the current year's estimate, until exhausted, any net shortage shall be added, according to each Unit Owner's percentage of ownership in the Common Elements to the installments due in the succeeding six months after rendering of the account.

4.02. The Board shall establish and maintain a reasonable reserve for contingencies and replacements. Extraordinary expenditures not originally included in the annual estimate, which may become necessary during the year, shall be charged first against such reserve. If said estimated cash, proves inadequate for any reason, including non-payment of any Unit Owner's assessment, the Board may at any time levy a further assessment, which shall be assessed to the Unit Owners according to each Unit Owner's percentage ownership in the Common Elements. The Board shall serve notice of such further assessment on all Unit Owners by a statement in writing giving the amount and reasons therefore, and such further assessment shall become effective with the next monthly maintenance payment which is due more than ten(10) days after the delivery or mailing or such notice of further assessment. All Unit Owners shall be obligated to pay the assessed amounts.

4.03. Notwithstanding any other provisions of these By-Laws to the contrary, the following shall be applicable to assessments for the year in which the Association first commences operations. The estimated cash requirement as described and defined in Article 4.01 hereof shall be determined by the initial Board prior to the conveyance of any Unit to a purchaser. If there shall be less than twelve (12) months remaining in such year until December 31, then the estimated cash requirement shall be for such lesser period of time remaining in such year. On the date that a Unit Owner acquires title to his Unit he shall deposit with the Association an amount equal to one-third (1/3) of the estimated assessment for his Unit based upon the entire period covered by such estimated cash requirement The balance of the Unit Owner's estimated assessment after deducting the amount of his deposit shall be paid to the Board or as the Board may direct on such terms as the Board may require.

4.04 The failure or delay of the Board to prepare or serve the annual or adjusted estimate

of the Unit Owners shall not constitute a waiver or release in any manner of the Unit Owner's obligations to pay the maintenance costs and necessary reserves, as herein provided, whenever the same shall be determined, and in the absence of any annual estimate or adjusted estimate, the Unit Owners shall continue to pay the maintenance charge at the then existing monthly rate established for the previous period until the next maintenance payment with is due more than ten (10) days after such new annual or adjusted estimate shall have been mailed or delivered.

4.05. The Board shall keep full and correct books of account in chronological order of the receipts and expenditures affecting the Common Elements, specifying and itemizing the maintenance and repair expenses of the Common Elements and any other expenses incurred. Such records and the vouchers authorizing the payment shall be available for inspection by any Unit Owner or any representative of a Unit Owner duly authorized in writing, at such reasonable time or times during normal business hours as may be requested by the Unit Owner. Upon ten (10) days notice to the Board and payment of a reasonable fee, any Unit Owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such Owner.

4.06. If a Unit Owner is in default in the payment of the aforesaid charges or assessments for thirty (30) days, the members-of the Board may bring suit for and on behalf of the Association to enforce collection thereof or to foreclose the lien therefore as hereinafter provided; and H there shall be added to the amount due the costs of said suit, and other fees and expenses together with legal interest and reasonable attorney's fees to be fixed by the Court. To the extent permitted by any decision or any statute or law now or hereafter effective, the amount of any delinquent and unpaid charges or assessments, and interest, costs and fees as above provided shall be and become a lien or charge against the Unit Ownership of the Unit Owner involved then payable and may be foreclosed by any action brought in the name of the Board as in the case of foreclosure of liens against real estate. Said lien shall take effect and be in force when and as provided in the Act. Any mortgagee of a Unit Ownership may from time to time request in writing a written statement from the Board setting forth the unpaid common expenses with respect to the Unit Ownership encumbered by such mortgage and unless the request shall be complied with within twenty (20) days, all unpaid common expenses which become due prior to the date of the making of such request shall be subordinate to the lien of such encumbrance.

4.07. No Unit Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Elements or abandonment of his Unit.

## ARTICLE V

### General Provision - Rules and Regulations

5.01. The use, maintenance and operation of the Common Elements shall not be obstructed, damaged or unreasonably interfered with by any Unit Owner, nor shall anything be placed or stored in or upon the Common Elements without the prior consent of the Board except as hereinafter expressly provided. Each Unit Owner shall be obligated to maintain and keep in good order and repair his own Unit.

5.02 Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance on the Building, or contents thereof, applicable for the intended uses thereof, without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will result in the cancellation of insurance on the Building, or contents thereof, or which would be in violation of any law. No waste shall be committed in the Common Elements.

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

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

5.05. No awnings or other projections shall be attached to the outside walls of the Building, without the prior written consent of the Association.

5.06. No personal property such as baby carriages, velocipedes or motor bikes shall be allowed to stand in the Common Elements or Limited Common Elements areas of the Building or grounds

5.07. Servants and domestic help of the Unit Owners may not gather or lounge in the public areas of the Building or grounds.

5.08. The Association may retain a pass key to the premises. The Association is authorized to enter into the Unit of any Unit Owner, when the Unit Owner is absent from his Unit, the case of emergency. No Unit Owner shall alter any lock or install a new lock or a knock r on any door of the premises without the written consent of the Association or the Association's agent. In case such consent is given, the Unit Owner shall provide the Association with an additional key for the use. of the Association pursuant to its right of access to the demised premises.

5.09. No servants or employees of the Association shall be sent out of the Building by any Unit Owner at any time for any purpose.

5.10. No Unit Owner shall allow anything whatever 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 corridors or halls, ventilators or elsewhere in the Building or upon the grounds.

5.11. No garbage cans, supplies, milk bottles or other articles shall be placed in the halls or on the staircase landings.

5.12. No 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 apartment residence owners. No Unit Owner shall play upon, or suffer to be played upon, any musical instrument or operate or suffer to be operated a, phonograph, television set or radio in the demised premises at any time if the manner of operation of same shall disturb or annoy occupants of the

5.11 Building. No Unit Owner shall conduct or permit to be conducted, vocal or instrumental practice, nor give nor permit to be given vocal or instrumental instruction at any time.

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

5.14. No animals shall be raised, bred or kept in any Unit for any commercial purpose. Household pets of Unit Owners are welcome as long as they are well behaved and kept on premises of Unit Owner (within the boundaries of Owner's Unit and limited common elements.)

5.15 Trash, garbage and other waste shall be kept only in sanitary containers and shall be disposed of in a clean and sanitary manner in strict accordance with the rules and regulations adopted or approved by the Board from time to time.

5.16 No Unit Owner shall overload the electrical wiring in the Building, or operate any machines, appliances, accessories or equipment in such manner as to cause, in the judgment of the Board, an unreasonable disturbance to others, or connect any machines, appliances, accessories or equipment to the heating or plumbing system, without the prior written consent of the Board or the prior written consent of the managing agent, acting in accordance with the Board's direction.

5.17. Leasing of the Unit by Unit Owner is not prohibited, provided it is done according to the laws and ordinances of the City of New Orleans. No "For Sale" or "For Rent" signs,

advertising or other displays shall be maintained or permitted on any part of the Property except at such location and in such form as shall be determined by the Board.  
The foregoing regulation shall not apply to the Developer.

#### ARTICLE VI

##### Amendments

6.01. These By-Laws maybe amended or modified from time to time by action of the Board with the approval of the voting members having at least two-thirds (2/3) of the total votes, or such greater share of the total votes where these By-Laws specify, provided, however, that no provision in these By-Laws may be amended or modified so as to conflict with the provisions of the Act. Such amendments shall be registered in the Office of the Registrar of Conveyances of the Parish of Orleans.

6.02. In the event there is any dispute among the Unit Owners or among the members of the Board which is not reconciled by a vote pursuant to these By-Laws, such dispute shall be submitted to arbitration under the Louisiana Arbitration Act (LA R.S. 9:4201, et seq.)

#### ARTICLE VII

##### Indemnification

7.01. Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a director or officer of the Association, or any settlement thereof, whether or not he is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement the indemnification herein shall apply only when the Board approves such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

The foregoing By-Laws were duly Amended at a meeting of the members of the Association this 14th day of April, 2001

/s/ Michael S Sommers  
Michael S Sommers, Secretary