

BY-LAWS

OF

OLD SAYBROOK HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME, LOCATION, MEMBERSHIP, APPLICABILITY

Section 1.01 Name. The name of this Association shall be OLD SAYBROOK HOMEOWNERS ASSOCIATION, INC. (hereinafter referred to as the "Association"), a Georgia nonprofit corporation.

Section 1.02 Membership. The membership of this Association shall be limited to Owners of Lots lying and being in DeKalb County Georgia, and being more particularly described in Exhibit "A" to the Articles of Incorporation.

Section 1.03 Registered Office and Agent. The Association shall maintain a registered office and shall have a registered agent whose business office is identical with such registered office. The Association may have offices at such place or places within reasonable proximity to the Development as the Board of Directors may from time to time designate.

Section 1.04 Applicability. These By-Laws are applicable to the Lots in the Development and are established pursuant to the Georgia Nonprofit Corporation Code and are binding on all present or future Owners, tenants, occupants, or other persons occupying or using the facilities of the

Development in any manner. The mere acquisition, rental, use, or other act of occupancy of any Lot will signify that these By-Laws are accepted and ratified.

## Article II

### MEMBERSHIP AND VOTING RIGHTS

Section 2.01 Membership. Every person who is the record owner of a fee or undivided fee interest in any Lot in the Development (including any Lots in any additions to or expansions of the Development) shall be a member of the Association, excluding persons who hold such an interest under a mortgage. The voting weight appurtenant to each Lot is equal and each Lot shall have one vote. The rights and privileges of membership in the Association, including the right to vote and hold an office in the Association, may be exercised by a member or a member's spouse, but in no event shall more than one vote be cast nor more than one office held for each Lot. Notwithstanding any of the foregoing to the contrary, no Owner, whether one or more persons, shall have more than one membership or vote per Lot. In the event of multiple Owners of a Lot, the vote appertaining thereto shall be exercised as those Owners of such Lot themselves determine and advise the Secretary of the Association prior to any meeting. In the absence of such advice, the Lot's vote shall be suspended in the event that more than one person seeks to exercise it. The vote appertaining to any Lot may, and shall in the case of any

Owner not a natural person or persons, be cast pursuant to a proxy or proxies duly executed by or on behalf of the Owner and delivered to the Secretary of the Association.

Section 2.02 Voting Rights. The Association shall have one class of voting membership which shall consist of all Owners, including Declarant. Such Owners shall be entitled to one vote for each Lot in which they hold the interest required for membership by Section 2.01 of these By-Laws; provided, however, that no vote shall be deemed to appertain to any Lot during the period that the Association is the Owner thereof. The vote attributable to a Lot shall be exercised as a whole, and when more than one person or a person other than a natural person owns such interest in any Lot, the vote therefor shall be exercised in accordance with the provisions of Section 2.01 of these By-Laws.

Section 2.03 Suspension of Voting Rights. During any period in which the Owner of a Lot shall be in default in the payment of any annual or special assessment or other charge levied by the Association, the voting rights of such Lot may be suspended by the Board of Directors, after notice and a hearing as provided in the Declaration, until such assessment or charge has been paid. Such rights may also be suspended, after notice and a hearing as provided in the Declaration, for a violation of any provisions of the Declaration, these By-Laws, or any of the published rules and regulations of the Association.

### ARTICLE III

#### MEETINGS, QUORUM, VOTING, PROXIES

Section 3.01 Place of Meeting. Membership meetings of the Association shall be held at a suitable place convenient to the members as may be designated by the Board of Directors.

Section 3.02 Annual Meeting. The Association shall meet not less frequently than annually, and the first annual meeting shall be called by the Board of Directors at least thirty (30) days prior to the close of the fiscal year of the Association as herein established. After the first annual meeting is called by the Board of Directors, the succeeding annual meetings shall be held on any day as may be set by the Board of Directors which is within one week of the anniversary date of the first annual meeting. At the annual meetings comprehensive reports of the affairs, finances, and budget projections of the Association shall be made to the Owners.

Section 3.03 Special Meetings. The Secretary of the Association shall be required to call a special meeting of the members (i) when directed by the President of the Association, (ii) upon the resolution of a majority of the Board of Directors, or (iii) upon the presentation to the Secretary of the Association of a petition signed by Owners entitled to cast at least one-fourth (1/4) of the votes of the Association. The call of a special meeting shall be by notice from the Secretary of the Association given at least five (5) days and not more

than thirty (30) days in advance of the meeting, and such notice shall state the date, the time, the place, and the purpose of such special meeting. Unless by consent of at least seventy-five percent (75%) of the votes of the Owners present in person or by proxy, only the business stated in the notice may be transacted at such a special meeting.

Section 3.04 Notice of Meetings. It shall be the duty of the Secretary of the Association to mail a notice of each annual or special membership meeting, stating the purpose thereof, as well as the date, time, and place where it is to be held. Such notice shall be delivered personally or sent by United States Mail, postage prepaid, to all Owners of record at such address or addresses as any of them may have designated, or if no address has been so designated, at the address of their respective Lots. Except as may be otherwise required by law, notice shall be given to each Owner at least <sup>five (5)</sup>~~ten (10)~~ days and not more than thirty (30), days in advance of any meeting. The mailing of a notice in the manner provided in this Section 3.04 shall be considered to be the giving of such notice. Any Owner (or any mortgagee of any Owner entitled to notice) may waive the notice of a meeting by doing so in writing before or after such meeting. Attendance at a meeting, either in person or by proxy, shall of itself constitute a waiver of notice and waiver of any and all objections to the place or time of such meeting or the manner in which it has been called or convened,

unless a member or other person entitled to notice attends such meeting solely for the purpose of stating, at the beginning of such meeting, any such objection or objections relating to such meeting. A recitation in the minutes of any membership meeting that notice of such meeting was properly given shall be prima facie evidence that such notice was so given.

Section 3.05 Conduct of Meetings. The President, or the Vice President in the absence of the President, shall preside over all meetings of the Association and the Secretary shall keep the minutes of all such meetings and shall record in a minute book all resolutions adopted at such meetings, as well as all transactions and proceedings occurring at such meetings.

Section 3.05 Order of Business. The order of business at all annual meetings shall be as follows:

- a. Roll call and certification of proxies.
- b. Proof of notice of meeting or waiver of notice.
- c. Reading of minutes of preceding meeting.
- d. Reports of officers, if any.
- e. Reports of committees, if any.
- f. Election or appointment of inspectors of election.
- g. Election of directors.
- h. Unfinished business.
- i. New business.

Section 3.07 Quorum. Except as otherwise provided in the Declaration or in these By-Laws, the presence in person or by proxy at the beginning of any meeting of the Owners entitled to cast sixty percent (60%) of the votes of the Association shall constitute a quorum for a meeting of the Association. Any provision in the Declaration concerning quorums is specifically incorporated herein.

Section 3.08 Adjourned Meetings. Any meeting of the Association which cannot be organized because a quorum has not attended may be adjourned from time to time by the vote of a majority of the Owners present in person or represented by proxy. When any membership meeting, either annual or special, is adjourned, notice of the time, place, and location of the adjourned meeting shall be given as in the case of the original meeting.

Section 3.09 Proxy. The vote appertaining to any Lot may, and shall in the case of any Owner not a natural person or persons, be cast pursuant to a proxy or proxies duly executed by or on behalf of the Owner and delivered to the Secretary of the Association. No such proxy shall be revocable except by written notice delivered to the Secretary of the Association by the Owner. Any proxy shall be void if it is not dated or if it purports to be revocable without notice as aforesaid. No proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in the proxy. The transfer

of title to any Lot shall void any outstanding proxy pertaining to the voting rights appurtenant to that Lot.

Section 3.10 Action Taken by Association. Except as otherwise provided by the Declaration or these By-Laws, any action taken at any meeting of members shall be effective and valid if taken or authorized by not less than a majority of all of the votes to which all of the members present in person or by proxy at a duly constituted meeting shall be entitled. In the event of any tie vote at any regular, special, or adjourned meeting of the Association, the President, or the Vice President in the absence of the President, shall cast a separate vote to break the tie. For purposes of these By-Laws, "majority" shall mean more than fifty percent (50%); provided, however, the foregoing provisions of this By-Law to the contrary notwithstanding, any action which by law or pursuant to the provisions of the Declaration or these By-Laws requires the assent of a specified number or percentage of the votes of the Owners greater than that herein specified, shall not be considered the act of the Owners unless such requisite number or percentage so prescribed by law or by the Declaration or these By-Laws is obtained.

Section 3.11 Voting. Except as otherwise provided in the Declaration or these By-Laws, voting on all matters shall be by voice vote or by a show of hands unless any Owner, prior to the voting on any matter, demands vote by ballot, in which

case each ballot shall state the name of the Owner voting, the Lot or Lots owned by such Owner, and the number of votes voted by such Owner, and if such ballot shall be cast by proxy, it shall also state the name of such proxy.

Section 3.12 Action by Association Without Meeting.

Any action which may be taken at a meeting of the Owners may be taken without a meeting if written approval and consent, setting forth the action authorized, shall be signed by each of the Owners entitled to vote on the date on which the last such Owner signs such approval and consent and upon the filing of such approval and consent with the Secretary of the Association. Such approval and consent so filed shall have the same effect as the unanimous vote of the Owners at a special meeting called for the purpose of considering the action authorized.

ARTICLE IV

BOARD OF DIRECTORS, NUMBER, POWERS, MEETINGS

*Board added  
to declaration*  
Section 4.01 Number. So long as Declarant shall have the right to appoint and remove members of the Board of Directors and officers of the Association as provided by the Declaration, the Board of Directors shall contain at least three (3) Directors and such Directors shall be appointed by and serve at the pleasure of the Declarant. After such right shall have terminated or have been relinquished, the Owners shall elect five (5) persons to the Board of Directors at the

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ARTICLE IV

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*Board voted  
to decrease to 3.*

special meeting of the Association described in Section 4.05 of these By-Laws. Except with respect to Directors appointed by Declarant, Directors must be Owners at all times during their service as Directors; provided, however, the term "Owner," for purposes of this Section 4.01 and Section 5.01 hereof, shall be deemed to include, without limitation, any shareholder, director, officer, partner in, or trustee of any entity or person which is, either alone or in conjunction with any other person or persons, an Owner. Any individual who would not be eligible to serve as a member of the Board of Directors were he not a shareholder, director, officer, partner in, or trustee of such an entity or person, shall be deemed to have disqualified himself from continuing as a Director if he ceases to have any such affiliation with that entity or person.

Section 4.02 Powers and Duties. The Board of Directors shall have the powers and duties necessary to administer the affairs of the Association, including, but not necessarily limited to, those powers and duties specifically assigned to the Board of Directors in the Articles of Incorporation and the By-Laws. Consistent therewith, the Board of Directors shall have the power to adopt rules and regulations which it deems necessary for the administration of the affairs of the Association and to impose sanctions for violations of the Declaration, the By-Laws, and the published rules and regulations of the Association, subject to the

provisions of the Declaration regarding the right to notice and a hearing.

Section 4.03 Other Duties. The Board of Directors shall exercise such duties and responsibilities as shall be incumbent upon it by law and the Declaration, together with such other duties and responsibilities as it may deem necessary or appropriate in the exercise of its powers. In addition to other duties which the Board of Directors may have, it shall be responsible for the following matters as set forth in the Declaration:

a. Maintenance, repair, renovation, restoration, replacement, care, and upkeep of the Common Areas and other portions of the Development maintained by the Association;

b. Collection of assessments levied by the Association;

c. Designation and dismissal of any personnel used for the maintenance and operation of the Common Areas and other portions of the Development which are the responsibility of the Association; and

d. Subject to the provisions of the Declaration, the promulgation of rules and regulations governing the use and enjoyment of the Common Areas.

Section 4.04 Management. Subject to the provisions of the Declaration, the Board of Directors may employ for the Association a management agent under such terms, compensation,

and duties as the Board may, in its sole discretion, authorize.

Section 4.05 Election of Directors and Term of Office. Declarant shall, for the period of time specified therein, have the right to appoint and remove at the pleasure of Declarant any member of the Board of Directors or any officer of the Association, until such right shall be relinquished by Declarant or until such right shall otherwise terminate as provided by the Declaration. Upon the termination of Declarant's right to appoint and remove members of the Board of Directors and officers, Declarant shall then give to each Owner at least seven (7) days' written notice of a special meeting to elect a new Board of Directors, such meeting to be held not more than thirty (30) days after the date of such termination. In the event of the failure of Declarant to call said special meeting within the period provided above, the other Owners may call such special meeting in accordance with the provisions of Section 3.03 of these By-Laws. At such meeting the members shall elect two (2) Directors for a term of three (3) years each, two (2) Directors for a term of two (2) years each, and one Director for a term of one year; provided, however, that the Directors elected at such meeting shall also serve for that portion of a calendar year between the commencement of their terms and the first annual meeting following such meeting so that their respective terms shall

expire at the time of an annual meeting. Except in the case of death, resignation, disqualification, or removal, each Director elected by the members shall serve until the annual meeting at which his term expires and until his successor has been duly chosen and qualified.

Section 4.06 Procedure for Election. At the second annual meeting following said special meeting called by Declarant as described in Section 4.05, and at each subsequent annual meeting, the members shall elect, in accordance with the procedures hereinafter set forth in this Section 4.06, Directors to succeed to the office of all Directors whose terms have expired at the time of such meeting. Such Directors so elected shall each serve for a term of three (3) years. Persons may be nominated for election to the Board of Directors by a nominating committee appointed by the incumbent Board of Directors prior to the annual meeting and by nominations made from the floor at the meeting for such election. Election to the Board of Directors shall be by secret written ballot, unless dispensed by unanimous consent, and at such election members or their proxies may cast, with respect to each vacancy, the votes of their respective Lots as provided in the Declaration. Cumulative voting shall not apply. The procedure for the election of the Board of Directors at a special meeting called by Declarant pursuant to Section 4.05 shall be as follows: nominations shall be

accepted for not less than five (5) Owners to serve on the Board of Directors of the Association; upon the closing of such nominations, each member present in person or by proxy shall cast a ballot listing thereon the names of the five (5) different nominees (no more and no less) for whom such member wishes to vote, together with the residence number of the Lot of such member; the ballots shall then be collected and tallied whereupon the two (2) persons receiving the greatest number of votes shall be elected to three (3) year terms, the two (2) persons receiving the next greatest number of votes shall be elected to two (2) year terms, and the person receiving the next greatest number of votes shall be elected to a one year term. In the event that only five (5) persons are nominated to serve on the Board of Directors at the special meeting called by Declarant pursuant to Section 4.05, such persons shall be elected by acclamation and the terms of such persons shall be determined as follows: the Owner or Owners of a Lot entitled to vote shall cast his ballot by writing thereon the name of the person thus elected whom such Owner wishes to serve for a term of three (3) years; the ballots shall then be collected and tallied whereupon the two (2) persons receiving the greatest number of votes shall serve three (3) year terms, the two (2) persons receiving the next greatest number of votes shall serve two (2) year terms and the person receiving the next greatest number of votes shall serve a one year term.

Section 4.07 Removal or Resignation. Subsequent to the termination of Declarant's right to appoint and remove Directors, any one or more of the Directors may be removed with or without cause by a majority vote of the total authorized vote of the Owners in the Development which is taken at any regular or special meeting of the Association, and a successor shall be elected by the Owners at such meeting in order to fill the unexpired portion of such Director's term. Any Director whose removal has been proposed by any Owner or Owners shall be given an opportunity to be heard at such meeting. Any Director may resign at any time by giving written notice to the members of the Board of Directors. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The sale of a Lot by a Director or any other termination of his interest in a Lot shall automatically terminate his directorship. Subsequent to the termination of the right of Declarant to appoint and remove Directors, vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Owners shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum, and each person so elected shall serve until a successor is elected and qualified at the next annual meeting of the Owners.

Section 4.08 Officers, Agents, or Employees of Declarant. With respect to Lots owned by Declarant, Declarant may appoint any of its officers, agents, or employees to act for Declarant as a member, Director, or officer of the Association and Declarant may, at any time, replace any such Director or officer acting for Declarant with any other officer, agent, or employee of Declarant.

Section 4.09 Fees and Compensation. No fee or compensation shall be paid by the Association to Directors for their services as Directors unless such fee or compensation is first fixed by a resolution adopted by a majority vote of the total vote of the Owners.

Section 4.10 Organizational Meeting. The first and organizational meeting of each Board of Directors shall be held without notice, other than this By-Law, immediately after, and at the same place as, the meeting of the Owners at which such Board of Directors or certain members of the Board of Directors have been elected.

Section 4.11 Regular Meetings. The Board of Directors may provide, by resolution, the time and place for the holding of regular meetings, in addition to the organizational meeting, and such regular meetings shall be held without notice other than such resolution.

Section 4.12 Special Meetings. Special meetings of the Board of Directors may be called by the President on at least three (3) days' notice to each Director, given personally

or by mail, telephone, or telegraph, which notice shall state the time, place, and purpose of the meeting. Special meetings of the Board of Directors may also be called by the Secretary of the Association in like manner and on like notice on the written request of at least a majority of the Directors.

Section 4.13 Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be deemed to be a waiver of notice of such meeting and waiver of any and all objections to the place or time of the meeting or the manner in which it has been called or convened, except when a Director states, at the beginning of the meeting, any such objection or objections.

Section 4.14 Entry of Notice. Whenever any Director has been absent from any special meeting of the Board of Directors, an entry in the minutes to the effect that notice has been duly given shall be prima facie evidence that due notice of such special meeting was given such Director, as required by law and the By-Laws of the Association.

Section 4.15 Board of Directors Quorum. At all meetings of the Board of Directors, a majority of the Directors then in office shall constitute a quorum for the transaction of business.

Section 4.16 Conduct of Meetings. The President, or the Vice President in the absence of the President, shall preside over all meetings of the Board of Directors and the Secretary shall keep the minutes of such meetings and shall record in a minute book all resolutions adopted at such meetings, as well as all transactions and proceedings occurring at such meetings.

Section 4.17 Action Taken by Directors. Except as otherwise provided in the Declaration and these By-Laws or by law, every act or decision by a majority of the Directors present in person or by proxy at a duly-held meeting at which a quorum is present shall be regarded as the act of the Board. In the event of any tie vote, the President, or the Vice President in the absence of the President, shall cast a separate vote to break the tie.

Section 4.18 Action Without Formal Meeting. Any action required or permitted to be taken at any meeting of the Board of Directors or of any committee appointed by the Board of Directors may be taken without a meeting if written consent, setting forth the action so taken, shall be signed by all members of the Board of Directors or of such committee, as the case may be, and such written consent is filed with the minutes of the proceedings of the Board or committee. Such consent shall have the same force and effect as a unanimous vote by the Board of Directors or by such committee, as the case may be.

Section 4.19 Special Committees. The Board of Directors shall have the power and authority to create special committees, including but not necessarily limited to, an Architectural Standards Committee, a Recreation Committee, a Maintenance Committee, an Insurance Committee, and an Audit Committee. Any such committee shall advise the Board of Directors on matters pertaining to the purpose for which any such special committee shall have been created and shall have and exercise such powers as may be provided by resolution of the Board of Directors. Each such committee shall be comprised of at least two (2) or more members of the Board of Directors and shall act by a majority of its members unless otherwise ordered by the Board of Directors. The members, including the chairman, of any such special committee shall be appointed by and shall serve at the pleasure of the Board of Directors. A majority of the members of any such committee shall constitute a quorum.

Section 4.20 Executive Committee. In furtherance and not in limitation of the powers conferred by law, the Board of Directors may establish an Executive Committee consisting of three (3) Directors. The Executive Committee shall be constituted and appointed by the Board of Directors from their number and shall meet when deemed necessary. The Executive Committee shall have authority to exercise all the powers of the Board of Directors at any time and when the Board of

Directors is not in session, so long as such powers are lawfully delegated and are not consistent with these By-Laws and the Declaration. The Executive Committee shall elect a chairman, and a majority of the members of the Executive Committee shall constitute a quorum. The act of a majority of the members present at a meeting at which a quorum is present shall be the act of the Executive Committee, and notice of meetings of the Executive Committee shall be the same as required for a special meeting of the Board of Directors as outlined above in this Article IV. The Board of Directors may designate one or more Directors as alternate members of the Executive Committee, and such alternate member may act in the place and stead of any absent member or members at any meeting of the Executive Committee. The designation of an Executive Committee shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed by law.

#### ARTICLE V

#### OFFICERS

3 Section 5.01 Enumeration of Officers. The officers of the Association shall be a President and ~~a Vice President~~, who shall be members of the Board of Directors, and a Secretary, a Treasurer, and such other officers as the Board may from time to time by resolution create. Any two or more offices may be held by the same person, excepting the offices of President and Vice President and President and Secretary.

Except with respect to officers appointed by Declarant, each officer must be an "Owner" as defined in Section 4.01 of these By-Laws.

Section 5.02 Election. For the period provided by the Declaration, the officers of the Association shall be appointed by and serve at the pleasure of Declarant. After the right of Declarant to appoint and remove such officers shall have terminated or shall have been relinquished, the Board of Directors shall elect the officers of the Association at each organizational meeting thereof. The Board of Directors at any time and from time to time may appoint such other officers as it shall deem necessary, including one or more Assistant Secretaries or Assistant Treasurers, who shall hold their offices for such terms as shall be determined by the Board of Directors and shall exercise such powers and perform such duties as are specified by these By-Laws or as shall be determined from time to time by the Board of Directors.

Section 5.02 Compensation. No fee or compensation shall be paid by the Association to any officer for his services as an officer unless such fee or compensation is first fixed by a resolution adopted by a majority vote of the total vote of the Owners.

Section 5.04 Term. Each officer of this Association shall be elected as the time of each organizational meeting of the Board of Directors, and each shall hold office until the

next organizational meeting of the Board and until his successor is duly elected and qualified, or until his earlier resignation, death, removal, or other disqualification. Any officer may be removed by the Board of Directors whenever in its judgment the best interests of the Association will be served thereby. The sale of his Lot by an officer or a termination of his interest in a Lot shall automatically terminate his term as an officer.

Section 5.05 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

Section 5.06 President. The President shall be a Director and the chief executive officer of the Association and, subject to the control of the Board of Directors, shall in general manage, supervise, and control all of the business and affairs of the Association and perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time. He shall, when present, preside at all membership meetings. He may sign, with the Secretary or any other proper officer of the Association authorized by the Board of Directors, any contracts, deeds, notes, mortgages, bonds, policies of insurance, checks, or other instruments which the Board of Directors has authorized to be executed and which are consented

to and approved by Declarant (if Declarant's consent and approval is required by the Declaration or by these By-Laws), except in cases where signing or execution thereof shall be expressly delegated by the Declaration or these By-Laws or by the Board of Directors to some other officer or agent of the Association, or shall be required by law to be otherwise signed or executed.

Section 5.07 Vice Presidents. In the absence of the President, or in the event of his death or inability or refusal to act, the Vice President (or in the event there is more than one Vice President, the Vice Presidents in the order designated at the time of their election, or in the absence of any designation, in the order of election) shall perform the duties of the President and, when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President may perform such duties as are set forth in these By-Laws or as shall from time to time be assigned to him by the Board of Directors.

Section 5.08 Secretary. The Secretary shall: (a) attend and keep the minutes of meetings of the members, of the Board of Directors and of any committees having any of the authority of the Board of Directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the Declaration or the provisions of these By-Laws or as required by law; (c) be custodian of the

Association records; and, (d) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the Board of Directors.

Section 5.09 Treasurer. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the Association, receive and give receipts for monies due and payable to the Association from any source whatsoever, and deposit all such monies in the name of the Association in such banks, trust companies, or other depositories as shall be from time to time selected by the Board of Directors; (b) authorize vouchers and sign checks for monies due and payable by the Association; (c) promptly render to the President and to the Board of Directors an account of the financial condition of the Association whenever requested; and (d) in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the Board of Directors.

Section 5.10 Assistant Secretaries and Assistant Treasurers. The Assistant Secretaries and Treasurers, in general, shall perform such duties as shall be assigned by the Secretary or Treasurer, respectively, or by the Board of Directors.

## ARTICLE VI

### FISCAL MATTERS AND BOOKS AND RECORDS

Section 6.01 Fidelity Bonds. The Board of Directors may require that any contractor or employee of the Association

handling or responsible for Association funds shall furnish an adequate fidelity bond. The premium for any such bond shall be paid by the Association as a common expense.

Section 6.02 Books and Records Kept by Association.

The Association shall keep (i) detailed, complete, and accurate financial records, including itemized records of all receipts and disbursements, (ii) detailed minutes of the proceedings of all meetings of the members and of the Board of Directors and committees having any of the authority of the Board of Directors, and (iii) such other books and records as may be necessary or required by law to reflect accurately the affairs and activities of the Association.

Section 6.03 Inspection. The books, records and papers of the Association shall, at all times during reasonable business hours and upon reasonable notice, be subject to inspection by any member or his agent or attorney for any proper purpose.

Section 6.04 Contracts. Subject to obtaining the consent and approval of Declarant if such consent and approval is required by the Declaration or these By-Laws, the Board of Directors may authorize any officer or officers, or agent or agents, of the Association, in addition to the officers so authorized by the Declaration and these By-Laws, to enter into any contract or execute and deliver any instrument in the name of, or on behalf of, the Association, and such authority may be general or confined to specific instances.

Section 6.05 Checks, Drafts, etc.. All checks, drafts or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Association shall be signed by such officer or officers, or agent or agents, of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer and countersigned by the President or Vice President of the Association.

Section 6.06 Deposits. All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the Board of Directors may elect.

Section 6.07 Gifts. The Board of Directors may accept, on behalf of the Association, any contribution, gift, bequest, or devise for the general purposes, or for any special purpose, of the Association.

Section 6.08 Fiscal Year. The fiscal year of the Association shall be the calendar year.

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#### ARTICLE VIII

#### MISCELLANEOUS

Section 7.01 Parliamentary Rules. Unless waived by a majority vote of the Owners in attendance in person or by proxy at any duly called membership meeting, or unless waived by a majority of the Directors present at any duly called meeting of

the Board of Directors, Roberts' Rules of Order (latest edition) shall govern the conduct of the proceedings of such meeting when not in conflict with Georgia law, the Declaration, or these By-Laws.

Section 7.02 Conflicts. If there are conflicts or inconsistencies between the provisions of Georgia law or the Declaration and these By-Laws, the provisions of Georgia law and the Declaration, in that order, shall prevail.

Section 7.03 Definitions. Unless the context shall otherwise require, words or phrases used herein which are defined in the Declaration shall have the same meaning as therein set forth.

Section 7.04 Amendment. The Articles of Incorporation and these By-Laws may be amended, at a regular or special meeting of the members duly called and held for such purpose, pursuant to a resolution of the Board of Directors adopting a proposed amendment. Such resolution must be approved by the Owners to which at least two-thirds (2/3rds) of the votes which the Owners present at such meeting in person or by proxy are entitled to cast; provided, however, that during such period Declarant shall have the right to appoint and remove members of the Board of Directors and officers of the Association pursuant to the Declaration, such resolution must also be approved by Declarant and by any mortgagee holding a first priority mortgage in Declarant's interest in the

Development. Notwithstanding the foregoing, any amendment to these By-Laws which would alter, modify, or rescind any right or privilege herein expressly granted to the holder of any mortgage affecting any Lot shall require the prior written approval of such holder.

Section 7.05 Agreements. Subject to the provisions of the Declaration and the obtaining of the consent and approval of Declarant if such consent and approval is required by the Declaration or these By-Laws, all agreements and determinations lawfully authorized by the Board of Directors of the Association shall be binding upon all Owners, their heirs, legal representatives, successors, assigns, or others having an interest in the Development, and in performing its responsibilities hereunder, the Association, through the Board of Directors, shall have the authority to delegate to such persons of its choice such duties of the Association as may be determined by the Board of Directors.

Section 7.06 Severability. Invalidation of any covenant, condition, restriction, provision, sentence, clause, phrase, or word of these By-Laws, or the application thereof in any circumstances, shall not affect the validity of the remaining portions thereof and of the application thereof, and such remaining portions shall remain in full force and effect.

Section 7.07 Gender and Grammar. The singular wherever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to

make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

Section 7.08 Headings and Captions. The article and section headings and captions herein are for convenience and reference only and in no way define or limit the scope and content of these By-Laws or in any way affect the provisions hereof.

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