

**BYLAWS
OF
THE LANDINGS ASSOCIATION, INC.**

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BYLAWS
OF
THE LANDINGS ASSOCIATION, INC.

ARTICLE 1. GENERAL

Section 1.1. Applicability. These Bylaws provide for the self-government of The Landings Association, Inc., in accordance with the Articles of Incorporation filed with the Georgia Secretary of State ("Articles of Incorporation") and the Declaration of Covenants, Conditions, and Restrictions for The Landings Association, recorded in the Chatham County, Georgia land records, as amended May 13, 2015 ("Declaration").

Section 1.2. Name. The name of the corporation is The Landings Association, Inc. ("Association").

Section 1.3. Definitions. The terms used herein shall have their generally accepted meanings or such meanings as are specified in Article 2 of the Declaration.

Section 1.4. Membership. An Owner of a Lot or Living Unit shall automatically become a Member of the Association upon taking title to the Lot or Living Unit and shall remain a Member for the entire period of ownership. As may be more fully provided below, a Member's spouse or domestic partner may exercise the powers and privileges of the Member. Notwithstanding the foregoing, the spouse or domestic partner of a Member shall not be a Member of the Association within the meaning of O.C.G.A. § 14-3-140(22); 740(2) and 741. If title to a Lot or Living Unit is held by more than one (1) person, the membership shall be shared in the same proportion as the title, but there shall be only one (1) membership and one (1) equal vote per Lot or Living Unit. Membership does not include persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the Owner's membership. Membership shall be appurtenant to the Lot or Living Unit and shall be transferred automatically by conveyance of that Lot or Living Unit and may be transferred only in connection with the transfer of title.

Section 1.5. Entity Members. In the event an Owner is a corporation, limited liability company, partnership, trust, or other legal entity not being a natural person or persons, then any natural person who is an officer, director, or other designated agent of such corporation, partner of such partnership, beneficiary or other designated agent of such trust, manager of a limited liability company or representative of such other legal entity shall be eligible to represent such entity or entities in the affairs of the Association, including, without limitation, serving on the Board of Directors of the Association. Such person's relationship with the Association shall terminate automatically upon the termination of such person's relationship with the entity or entities that are the Owner, and termination of the person's relationship with the Association will create a vacancy in any elected or appointed position within the Association in which such person may have been serving and such vacancy will be filled in accordance with these Bylaws.

Section 1.6. Voting. Each Lot or Living Unit shall be entitled to one (1) equal vote, which vote may be cast by the Member, the Member's spouse or domestic partner, or by a lawful proxy as provided below. When more than one (1) person owns a Lot or Living Unit, the vote for such Lot or Living Unit shall be exercised as the co-owners determine between or among themselves, but in no event shall more than one (1) vote be cast with respect to any Lot or Living Unit. If only one (1) co-owner attempts to cast the vote for a Lot or Living Unit, it shall be conclusively presumed that such co-owner is authorized on behalf of all co-owners to cast the vote for such Lot or Living Unit. In the event of disagreement between or among co-owners and an attempt by two (2) or more of them to cast such vote or votes, such Persons shall not be recognized and such vote or votes shall not be counted. No Member shall be eligible to vote, either in person or by spouse, domestic partner or proxy, or to act as a proxy for any other Member if that Member

is shown on the books or management accounts of the Association to be more than thirty (30) days delinquent in any regular or special assessment due the Association or if the Member's voting rights are suspended for the infraction of any provision of the Declaration, these Bylaws, or any rule of the Association. If the voting rights of a Member have been suspended, that Member shall not be counted as an eligible vote for purposes of establishing a Majority or a quorum. Only members of record in good standing as of the close of business ten (10) days before the date selected for mailing ballots shall be eligible to vote.

Section 1.7. Majority. Unless otherwise specifically stated, the term "Majority vote" means more than fifty percent (50%) of those voting in person or by proxy. Except as otherwise specifically provided in the Declaration or these Bylaws, all decisions shall be by Majority vote.

Section 1.8. Purpose. The Association shall have the responsibility of administering the community, establishing the means and methods of collecting the contributions to the common expenses, arranging for the management of the community and performing all of the other acts that may be required to be performed by the Association pursuant to the Georgia Nonprofit Corporation Code and the Declaration. Except as to those matters that the Georgia Nonprofit Corporation Code or the Declaration, Articles, and Bylaws specifically require to be performed by the vote of the Association membership, the administration of the foregoing responsibilities shall be performed by the Board of Directors as more particularly set forth below.

Section 1.9. Electronic Documents and Electronic Signatures.

(a) Electronic Documents. Whenever these Bylaws require that a document, record or instrument be "written" or "in writing," the requirement is deemed satisfied by an Electronic Document. An Electronic Document is defined as information created, transmitted, received, or stored by electronic means and retrievable in humanly perceivable form including, without limitation, email, web pages, electronic documents, and facsimile transmissions.

(b) Electronic Signatures. Whenever these Bylaws require a signature, an Electronic Signature satisfies that requirement only if: (i) the signature is easily recognizable as a Secure Electronic Signature that is capable of verification, under the sole control of the signatory, and attached to the electronic document in such a way that the document cannot be modified without invalidating the signature; or (ii) the Board reasonably believes that the signatory affixed the signature with the intent to sign the Electronic Document, and that the Electronic Document has not been modified since the signature was affixed. An Electronic Signature is defined as a signature created, transmitted, received, or stored by electronic means.

(c) Verification and Liability for Falsification. The Board may require reasonable verification of any Electronic Signature or Electronic Document. Pending verification, the Board may refuse to accept any Electronic Signature or Electronic Document that, in the Board's sole discretion, is not clearly authentic. Neither the Board nor the Association shall be liable to any Member or any other person for accepting or acting in reliance upon an Electronic Signature or Electronic Document that the Board reasonably believes to be authentic. Any Member or person who negligently, recklessly, or intentionally submits any falsified Electronic Document or an unauthorized Electronic Signature shall fully indemnify the Association for actual damages, reasonable attorneys' fees, and expenses incurred as a result of such acts.

ARTICLE 2. MEETINGS OF MEMBERS

Section 2.1. Annual Meetings. The regular annual meeting of the Members shall be held at the date, hour, and place to be set by the Board of Directors. No annual meeting of the Association shall be set on a federal legal holiday.

Section 2.2. Special Meetings. Special meetings of the Members may be called for any purpose at any time by the President, by resolution of the Board of Directors, or upon written petition of Members holding at least twenty-five percent (25%) of the total Association vote. Any such written petition

by the Members must be submitted to the Association's Secretary. The Secretary shall then verify that the required number of Members have joined in the petition and shall submit all proper petitions to the Association's President. The President shall then call a special meeting for the purpose stated in the petition setting the date, time and location of the meeting (which is not required to be the date, time or location requested in any petition submitted to the Association), and the Secretary shall send notice of the meeting in accordance with these Bylaws. Any special meeting called pursuant to written petition shall be set within sixty (60) days of the date of the receipt of the petition.

Section 2.3. Notice of Meetings. It shall be the duty of the Secretary to notify the record Owner of each Lot or Living Unit of each annual or special meeting of the Association at least twenty-one (21) days prior to each annual meeting and at least seven (7) days prior to each special meeting. The notice shall state the purpose of any special meeting, as well as the time and place where it is to be held. The notice of an annual meeting shall state the time and place of the meeting. If any Member wishes notice to be given at an address other than his or her Lot or Living Unit, the Member shall have designated by notice in writing to the Secretary such other address. The notification of meeting in the manner provided Section 7.1 shall be considered proper service of notice.

Section 2.4. Waiver of Notice. Waiver of notice of meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member, whether in person or represented by proxy, shall be deemed waiver by such Member of notice of the time, date, and place thereof unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted at such meeting unless objection to lack of notice is raised before the business, of which proper notice was not given, is put to a vote.

Section 2.5. Quorum. Except as may be provided elsewhere, the presence of Members, in person or by proxy, entitled to cast one-tenth (1/10) of the total Association vote shall constitute a quorum. Once a quorum is established for a meeting, it shall conclusively be presumed to exist until the meeting is adjourned and shall not need to be reestablished. Members whose voting rights have been suspended pursuant to the Declaration or these Bylaws shall not be counted as eligible votes toward the quorum requirement.

Section 2.6. Adjournment. Any meeting of the Members may be adjourned from time to time for periods not exceeding ten (10) days by vote of the Members holding the Majority of the votes represented at such meeting, regardless of whether a quorum is present. Any business that could be transacted properly at the original session of the meeting may be transacted at a reconvened session, and no additional notice of such reconvened session shall be required.

Section 2.7. Proxy. Any Member entitled to vote may do so by written proxy duly executed by the Member setting forth the meeting at which the proxy is valid. To be valid, a proxy must be signed, dated, and filed with the Secretary prior to the opening of the meeting for which it is to be used. Proxies may be delivered to the Board by personal delivery, U.S. mail, email or facsimile transmission to any Board Member or the General Manager. Proxies may be revoked only by written notice delivered to the Secretary, except that: (a) the presence in person by the giver of a proxy at a meeting for which the proxy is given shall automatically invalidate the proxy for that meeting; and (b) a later dated proxy shall automatically be deemed to invalidate any previously given proxy. A proxy holder may not appoint a substitute proxy holder unless expressly authorized to do so in the proxy. In the absence of the Member, the vote allocated to the Member's Lot or Living Unit may be cast by the Member's spouse or domestic partner who shall be conclusively deemed to be the Member's proxy.

Section 2.8. Action Taken Without a Meeting. In accordance with the Georgia Nonprofit Code, at the Board's discretion, any action that may be taken by the Association Members at any annual,

regular, or special meeting may be taken without a meeting if the Board delivers a written or electronic ballot to the last known address of every Member entitled to vote on the matter.

(a) **Ballot.** A written or electronic ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written or electronic ballot shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. A ballot for election to the Board must give the option to vote for or withhold a vote.

Section 2.9. Order of Business. The President shall establish the agenda for, and preside at, and the Secretary shall keep the minutes of, all membership meetings, consistent with Article 4 hereof. The Board of Directors may establish rules of conduct and the order of business for all membership meetings. When not in conflict with the Georgia Nonprofit Law, the Declaration, the Articles of Incorporation, these Bylaws, or meeting procedures adopted by the Board of Directors, Robert's Rules of Order Newly Revised (latest editions) shall govern all membership meetings. The Board may order the removal of anyone attending a membership meeting who, in the opinion of the Board, disrupts the conduct of business at such meeting.

ARTICLE 3. BOARD OF DIRECTORS

Section 3.1. Composition and Eligibility. The affairs of the Association shall be governed by a Board of Directors. The directors shall be Members or spouses or domestic partners of such Members; provided, however, no Member and his or her spouse or domestic partner may serve on the Board at the same time, and no co-owner may serve on the Board at the same time. Notwithstanding anything to the contrary herein, nothing in these Bylaws shall be deemed to prohibit any member that is a corporation, limited liability company, partnership, trust, or other legal entity not being a natural person or persons that owns more than one (1) Lot or Living Unit from appointing a different natural person as the designated agent for each of such Member's Lots or Living Units as contemplated in Section 1.5 hereof and each such designated Member shall be eligible to serve on the Board at the same time. No Member shall be eligible to be elected to or continue to serve on the Board of Directors if any assessment for such Member or such Member's Lot or Living Unit is shown on the books and records of the Association to be more than sixty (60) days delinquent.

Section 3.2. Number of Directors and Term of Office. The Board shall consist of nine (9) directors whose term shall run and expire in a staggered basis of three (3) years. Every year three (3), Directors shall be elected by the membership to serve a three (3) year term beginning on January 1 in the year immediately following their election. Directors shall be limited to serving no more than two (2) consecutive three (3) year terms. Such limits do not apply when filling a vacancy.

Section 3.3. Removal of Members of the Board of Directors. At any annual or special meeting of the Association duly called, any one (1) or more Board Members may be removed with or without cause by a Majority of all the Members, and a successor may then and there be elected to fill the vacancy thus created. Further, any director who is or whose Lot or Living Unit is shown to be more than sixty (60) days past due in the payment of any assessment or charge shall be automatically removed from the Board of Directors, even if the director subsequently pays the amount owed, and the vacancy shall be filled as provided in Section 3.4 below. Any director who has had three (3) consecutive unexcused absences from regularly scheduled Board meetings may be removed by the vote of a Majority of the other directors. A majority of the Board of Directors may also vote to remove a fellow Director for an act or omission not in good faith or which involves intentional misconduct or knowing violation of the law, the Association's governing documents or Board policy or where a fellow Director deriving improper personal benefit. Any director whose removal has been proposed shall be given at least ten (10) days' notice of the calling of the

meeting to consider his or her removal and the purpose thereof and shall be given an opportunity to be heard at the meeting.

Section 3.4. Vacancies. Vacancies in the Board caused by any reason, except the removal of a director by a Majority of the total Association vote, may be filled by a vote of the Majority of the remaining directors, even though less than a quorum, at any meeting of the Board of Directors. The successor so selected shall hold office to fulfill the term that is vacant for the remainder of that term. Notwithstanding anything to the contrary herein, any director who is an officer, director, or other designated agent of an entity Member and whose position becomes vacant for any reason, may be replaced by the entity who is the Member unless there has been a transfer of ownership of the Lot, in which case, the vacancy shall be filled by the remaining directors, even if less than a quorum at any meeting of the directors.

Section 3.5. Compensation. Directors shall not be compensated for services as such unless and only to the extent that compensation is authorized by a Majority of the Members voting at a duly called annual or special meeting of the Association. Directors may be reimbursed for the expenses incurred in carrying out their duties as directors upon approval of such expenses by the Board of Directors. Directors also may be given nominal gifts or tokens of appreciation by the Association for recognition of services performed, not to exceed a value of One Hundred Dollars (\$100) per calendar year. For purposes hereof, reasonable food and beverages purchased for Board meetings shall not be considered compensation.

Section 3.6. Director Conflicts of Interest. Nothing herein shall prohibit a director from entering into a contract and being compensated for services or supplies furnished to the Association in a capacity other than as director, provided that the director's interest is disclosed to the Board and the contract is approved by a Majority of the directors who are at a meeting of the Board of Directors at which a quorum is present, excluding the director with whom the contract is made. The interested director shall not count for purposes of establishing a quorum of the Board. The interested director shall be entitled to be present at any meeting at which the proposed contract is discussed but shall not be entitled to discuss the proposed contract during the discussion.

Section 3.7. Nominations. A Nominating Committee shall be appointed by the Board no later than the regular May Board meeting each year and shall consist of at least seven members, two of whom shall be a Board Member, who may be the chair, plus at least five members who shall not be members of the Board. The Nominating Committee's procedures will follow Guidelines established by the Board. These Guidelines will be kept by the General Manager and passed on to the Chair of the Nominating Committee.

The Nominating Committee shall serve until the new directors are elected and qualify. The Nominating Committee shall publish the vacancies on the Board, calling for resumes of those willing to stand for election. The Board of Directors shall establish the election day on a date not earlier than September 1 nor later than December 31.

The Nominating Committee shall review the resumes, interview the candidates, and select at least two to stand for election for each vacancy. The Nominating Committee may nominate only Members who meet the eligibility requirements. The names of the selected candidates shall be announced and published with accompanying photographs and biographies. Only Members of record *in good standing* as of the close of business ten (10) days before the date selected for mailing Ballots shall be eligible to vote.

Section 3.8. Election. Election to the Board shall be by secret paper or electronic ballot (in lieu of a meeting) delivered in person or by mail to the Association's office, or cast online, on or before 5:00 PM on the election day. Ballot packets shall be prepared and distributed to the Members not less than thirty (30) days no more than forty-five (45) days before election day. The packet shall include the following:

- a. Instructions for completing and returning the ballot, including details on how to vote online.
- b. The ballot describing the vacancies to be filled, a list of the candidates, and space for write-in votes. Candidates' names shall be rotated, rather than listed alphabetically, so that all candidates' names appear in the same position on approximately an equal number of ballots.

- c. An envelope marked "Ballot" in which to seal the ballot, if a paper ballot is included
- d. An envelope, addressed to the Association, in which to return the ballot, if a paper ballot is included. If a paper ballot is returned, this envelope must be signed by at least one Member of record.

An online voting system will be used to track results and to determine the outcome. The process will be reviewed with the President and Secretary. Should the vote also include a paper ballot, the Association will contract with its auditing firm to validate and manually enter those results into the online voting system. In either case, the Association will not have access to how a specific member has voted. At the conclusion of the voting process, the results will be reported to the President and Secretary, who promptly shall report the results to the Members.

Any paper ballots received by the Association shall be stored in a secure location until turned over to the auditing firm for tabulation. Prior to that time, Association staff may inspect the return envelopes for signatures. Unsigned returns shall be set aside unopened by staff or by the auditing firm and not included in the counting of ballots. The Association's auditing firm shall count the paper ballots within three (3) business days after election day in a manner that protects the confidentiality of the vote of a Member.

The three (3) candidates receiving the largest number of votes shall be elected. If there is a tie vote in the totals, and the tie remains after two recounts, such event shall be referred to the Board of Directors and the tie shall be broken by a majority vote of the Board. The vote by the Board shall be by secret ballot and verified by the President. The results shall be made public promptly.

If between election day and the following January 1 when the new Directors are elected and qualify, a Director-Elect is unable, or is otherwise ineligible, to serve, the candidate receiving the next largest number of votes, as verified by the President and Secretary, shall be deemed elected.

The auditing firm shall secure the vote returns until the new Directors are elected and qualify on the following January 1, after which date said returns shall be destroyed, unless the vote has been challenged.

Cumulative voting is prohibited.

Section 3.9. Regular Meetings. Regular meetings of the Board for the year shall be established at the first Board meeting in January and will be published as notification to the Members. No further notice of regular Board meetings shall be required, and such meetings may be held at such time and place as shall be determined from time to time by the Board, but such meetings shall be held at least once each quarter. The newly elected Board shall meet within thirty (30) days after January 1.

Section 3.10. Special Meetings. Special meetings of the Board may be called by the President on two (2) days' notice to each director given by regular first class or electronic mail, in person, by telephone, or by facsimile transmission, which notice shall state the time, place, and purpose of the meeting. Special meetings of the Board shall be called by the President, Vice President, Secretary, or Treasurer in like manner and on like notice on the written request of at least two (2) directors.

Section 3.11. Waiver of Notice. Any director may, at any time, in writing, waive notice of any meeting of the Board, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall also constitute a waiver of notice by him or her of the time and place of such meeting. If all directors are present at any Board meeting, no notice shall be required and any business may be transacted at such meeting.

Section 3.12. Quorum of Directors. A Majority of 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, unless otherwise specifically provided in these By-Laws or the Declaration. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a Majority of the

required quorum for that meeting. If any meeting of the Board cannot be held because a quorum is not present, a Majority of the directors present at such meeting may adjourn the meeting to a time not less than four nor more than 20 (twenty) days from the date of the original meeting. At the reconvened meeting, if a quorum is present, any business that might have been transacted at the meeting originally called may be transacted without further notice.

Section 3.13. Conduct of Meetings. Consistent with Article 4, the President shall preside over all meetings of the Board of Directors, and the Secretary shall keep a minute book recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings. The records of the Association may be kept in physical and/or electronic records.

Section 3.14. Open Meetings. All regular meetings of the Board shall be open to all Members. Members other than directors may not participate in any discussion or deliberation unless expressly so authorized by the Board. Notwithstanding the above, the Board may adjourn a meeting and reconvene in executive session to discuss personnel matters, litigation in which the Association is or may become involved, and confidential orders of business. The Board may order the removal of any meeting guest who, in the Board's opinion, either disrupts the conduct of business at the meeting or fails to leave the meeting upon request after an announcement of reconvening in executive session.

Section 3.15. Action Without a Meeting. Any action by the Board required or permitted to be taken at any meeting may be taken without a meeting if a Majority of the directors consent to such action in writing, sent via hand delivery, regular first class or electronic mail or facsimile. Such consents must describe the action taken and be signed by no fewer than a Majority of the directors, and such consents shall be filed with the minutes of the Board of Directors.

Section 3.16. Powers. The Board of Directors shall manage the affairs of the Association and shall have all of the powers necessary for the administration of the Association's affairs and for performing all responsibilities and exercising all rights of the Association as set forth in the Governing Documents and as provided by law. The Board may do or cause to be done all acts and things that the Governing Documents or Georgia law do not direct to be done and exercised exclusively by the membership.

In addition to the powers imposed by these Bylaws and the Declaration or by any resolution of the Association that may hereafter be adopted, the Board of Directors shall have the power to and authority for the following, in the way of explanation, but not limitation:

- (a) preparing and adopting, in accordance with the Governing Documents, an annual budget;
- (b) levying and collecting assessments from the Members;
- (c) providing for the operation, care, upkeep, and maintenance of the Common Properties;
- (d) designating, hiring, and dismissing the personnel necessary for the operation of the Association and to carry out the rights and responsibilities of the Association and the maintenance, repair and replacement of the Common Properties, and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;
- (e) depositing all funds received on behalf of the Association in a depository which it shall approve and using such funds to operate the Association, provided any funds may be deposited, in the directors' best business judgment, in depositories other than banks;
- (f) making and amending rules and regulations and imposing sanctions for violation thereof, including, without limitation, monetary fines;

- (g) opening of bank or other financial accounts on behalf of the Association and designating the signatories required;
- (h) making or contracting for the making of repairs, additions, and improvements to, or alterations of the Common Properties in accordance with the Declaration, Articles, Bylaws, and Rules and Regulations;
- (i) enforcing by legal means the provisions of the Declaration, Articles, Bylaws, and Rules and Regulations and bringing any proceedings which may be instituted on behalf of or against the Members concerning the Association;
- (j) obtaining and carrying property and liability insurance and fidelity bonds, paying the cost thereof, and filing and adjusting claims, as appropriate;
- (k) paying the costs of all services rendered to the Association or its Members and not directly chargeable to specific Members.
- (l) keeping books with detailed accounts of the receipts and expenditures of the Association;
- (m) making available to any Member, and the holders, insurers, and guarantors of any Mortgage on any Lot, current copies of the Governing Documents and other books, records, and financial statements of the Association in accordance with these Bylaws;
- (n) permitting utility suppliers to use portions of the Common Properties reasonably necessary to the ongoing development or operation of the Properties.

The Board may delegate any or all of the above powers to the General Manager.

Section 3.17. Borrowing. The Board of Directors shall have the power to borrow money on behalf of the Association, without Member approval, for the purpose of maintenance, repair, restoration, or improvement of the Common Properties and facilities, and for any other legal purpose; except that, if the proposed borrowing is for the purpose of making discretionary capital improvements and the total amount of such borrowing, together with all other debt incurred within the previous 12-month period, exceeds or would exceed 10% of the budgeted gross expenses of the Association for that fiscal year, the Board shall obtain the approval of at least two-thirds (2/3) of all of the Members.

Section 3.18. Liability and Indemnification of Officers, Directors and Committee Members. The Association shall indemnify every officer, director, and committee member against any and all expenses, including attorneys' fees, reasonably incurred by or imposed upon such officer, director or committee member in connection with any action, suit, or other proceeding (including settlement of any such action, suit, or proceeding, if approved by the then Board of Directors) to which he or she may be made a party by reason of being or having been an officer, director or committee member, whether or not such person is an officer, director or committee member at the time such expenses are incurred subject to the limitations below. The officers, directors and committee members shall not be liable for any mistake of judgment, negligent or otherwise, or for injury or damage caused by any such officer, director or committee member in the performance of his or her duties, except for his or her own individual willful misfeasance or malfeasance or as otherwise set forth in O.C.G.A. § 14-3-856. The Association, in determining whether to indemnify a director, officer or committee member, shall not impute knowledge to said director, officer or committee member from any source whatsoever; rather, any such determination shall be based on the actual knowledge of the director, officer or committee member. The officers, directors and committee members shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers, directors and committee members may also be Members of the Association), and the Association shall indemnify and forever hold each such officer, director, or committee member free and harmless against any and all liability to others

on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer, director or committee member or former officer or director may be entitled. The Association shall maintain, as a common expense, adequate general liability and, if obtainable, officers' and directors' liability insurance to fund this obligation. Notwithstanding anything in these Bylaws to the contrary, all duties, responsibilities or other obligations of the officers, directors, and committee members shall be deemed to be owed to the Association only, and nothing herein shall create any duty or obligation to any Member, group of Members, occupant, or spouse or domestic partner of any of the foregoing.

ARTICLE 4. OFFICERS

Section 4.1. Designation. The principal officers of the Association shall be the President, Vice President, Secretary and Treasurer, who must be Board Members. The Board may appoint such other officers, including one or more assistant secretaries and one or more assistant treasurers, as it shall deem desirable, such officers to have such authority and perform such duties as the Board prescribes. Any two or more offices may be held by the same person, except the offices of President and Secretary. The immediate past President, if his or her term as an elected Director has expired, shall remain on the Board for one year in a non-voting, advising capacity.

Section 4.2. Election of Officers. The Association officers shall be elected annually by the Board following the election of the new Directors and before December 31, and the officers shall hold office at the pleasure of the Board and until a successor is elected. The principal officers shall be chosen by secret written ballot during the executive session of a regular or special Board meeting held after the election of new Directors and prior to January 1 in the year immediately following the election of the new Directors.

A. At least 60 days in advance of December 31 in each year, the President shall appoint a nominating committee for Board officers, consisting of three members, who must be current active or ex-officio Directors of the Association, to nominate one or more candidates for each office to be filled. Individual Board members may also nominate from the floor.

B. The Directors Elect shall not vote in the election of officers. Only the Directors currently in office shall vote. Each candidate must receive a majority of the eligible votes to be elected; otherwise, further ballots must be conducted until a candidate receives a majority of the eligible votes.

Before balloting, any nominee may remove his or her name from consideration for the office for which the nominee was nominated. Balloting for President shall be completed before nominations are presented for Vice-President, and balloting for Vice-President shall be completed before nominations are presented for Secretary/Treasurer.

- C. The President-Elect shall become the President and, along with the other newly elected officers, shall take office as of the following January 1. The newly elected officers shall have no powers or responsibilities of office until January 1. The period between election and the following January 1 shall be used to prepare for assuming the office and to become familiar with the responsibilities and knowledge of the office. The outgoing and incoming officers will cooperate in effecting a smooth transition.
- D. The new officers shall serve until their successors are elected and take office January 1.

Section 4.3. Removal of Officers. Upon the affirmative vote of a Majority of the members of the Board, any officer may be removed, either with or without cause, and a successor may be elected.

Section 4.4. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall be necessary to make it effective.

Section 4.5. Vacancies. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board for the unexpired portion of the term. In the event of a vacancy in the office of President, the Vice-President shall become the President and the Board shall elect a new Vice-President.

Section 4.6. President. The President shall be the chief executive officer of the Association and shall preside at all meetings of the Members and of the Board. The President shall be the official spokesperson for both the Board of Directors and the Association for the purpose of communicating Board issues and decisions to external organizations; provided that the President shall have authority to delegate this responsibility to others. The President shall have all the general powers and duties that are incident to the office of the president of a corporation organized under the Georgia Nonprofit Corporation Code, including, but not limited to, the power to appoint committees from among the Members from time to time as he or she may in his or her discretion decide is appropriate to assist in the conduct of the affairs of the Association. The President may delegate all or a part of the preparation and notification duties associated with the above responsibilities to the General Manager.

Section 4.7. Vice President. The Vice President shall act in the President's absence and shall have all powers, duties, and responsibilities provided for the President when so acting. The Vice President may delegate all or a part of the preparation and notification duties associated with the above responsibilities to Association staff.

Section 4.8. Secretary. The Secretary shall keep the minutes of all meetings of the Members and of the Board of Directors and shall have charge of such books and papers as the Board of Directors may direct, and shall, in general, perform all duties incident to the office of the secretary of a corporation organized under Georgia law.

The Secretary may delegate all or a part of the maintenance of minutes, preparation and notification duties associated with the above responsibilities to Association staff.

Section 4.9. Treasurer. The Treasurer shall have the responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, for preparing all required financial statements and tax returns, and for the deposit of all monies and other valuable effects in the name of the Association in such depositories as may from time to time be designated by the Board of Directors. The Treasurer shall be responsible for the preparation of the budget as provided in the Declaration. The Treasurer may delegate all or a part of the foregoing duties associated with the above responsibilities to Association staff.

Section 4.10. Other Officers. Other offices may be created by the Board, and the Board members that hold such offices shall have such titles and duties as are defined by the Board.

Section 4.11. Agreements, Contracts, Deeds, Leases, Etc. All agreements, contracts, deeds, leases, checks, promissory notes, and other instruments of the Association for amounts or values in excess of \$25,000 shall be approved by and executed by at least one (1) officer and one other designated bank signatory, unless the Board approves exceptions to this section.

Section 4.12. Compensation. Compensation of officers shall be subject to the same limitations as compensation of directors under Section 3.5 of these Bylaws.

ARTICLE 5. COMMITTEES

Section 5.1. General. The Board may appoint such committees as it deems appropriate to perform such tasks and to serve for such periods as the Board may designate by charter. Each committee shall operate in accordance with the terms of its charter. No committee appointed by the Board shall be empowered to take any affirmative action without the consent of the Board. Committees of the Association

shall be of four types: Board, Regulatory, Standing, and Special depending upon the nature of their function. Committees shall meet as required and report their results and recommendations to the Board at regular Board meetings.

The provisions in these Bylaws which govern meetings, action without meetings, notice and waiver of notice, and quorum and voting requirements of the Board of Directors, apply to Board committees and their members as well.

ARTICLE 6. GENERAL MANAGER

Section 6.1 General Manager. The General Manager, who shall be the Association's chief operating officer, shall be selected by and report to the Board, and shall employ, supervise and terminate when necessary, Association employees, professional consultants, contractors and agents (except those appointed by the Board as set forth in Section 3.16 e.g., the independent accountants).

The General Manager shall administer Association affairs through the implementation of policy directives and shall administer and enforce the Declaration, Architectural Guidelines and Rules and Regulations, so as to accomplish Association goals and objectives.

The General Manager shall prepare, for Board approval, an operational plan and budget for the ensuing year and shall be given the authority to implement such approved plans and budget. The General Manager shall review the operational activities and performance against budget at each regular Board meeting and at the Annual Meeting.

The General Manager shall prepare an annual report for the Board, of existing and anticipated additional responsibilities with a forecast of expenses and income for each of the next five years.

The General Manager shall consult with the appropriate committees on the development of programs or procedures that directly affect the Members.

The General Manager shall be authorized to sign all commitments for capital expenditures and non-capital contracts for which authority to sign has been delegated.

ARTICLE 7. MISCELLANEOUS

Section 7.1. Notices.

(a) Method of Giving Notice. Unless otherwise prohibited in these Bylaws, all notices, demands, bills, statements, or other communications shall be in writing and shall be given in the manner determined in the discretion of the Board by:

- (i) Personal delivery to the addressee; or
- (ii) United States mail, first class, postage prepaid; or
- (iii) Electronic mail; or
- (iv) Facsimile; or

(b) Addressee. Notice sent by one of the methods described in subsection (a) above shall be deemed to have been duly given:

(i) If to a Member, at the address, electronic mail address or facsimile number which the Member has designated in writing and filed with the Secretary, or if no such address has been designated, at the address of the Lot of such Member;

(ii) If to an occupant, at the address, electronic mail address or facsimile number which the occupant has designated in writing with the Secretary or, if no such address has been designated, at the address of the Lot occupied; or

(iii) If to the Association, the Board or the General Manager, at the postal address, facsimile or electronic mail address of the principal office of the Association, if any, or at such other address as shall be designated in writing and filed with the Secretary. The Secretary shall promptly provide notice to all Members of any such change in address.

Section 7.2. Ballots.

The Board may deliver ballots and consent forms by personal delivery, U.S. Mail, facsimile transmission, e-mail, or other electronic means. Members shall deliver their vote by ballot or consent form by whatever means is specified by the Board.

Except for election of Directors under Section 3.8, all solicitations for votes by written ballot shall: (i) indicate the number of responses needed to meet the quorum requirements; (ii) state the percentage of approvals necessary to approve each matter other than election of directors; and (iii) specify the time by which a ballot must be received by the Board in order to be counted. A written ballot may not be revoked. The Association shall maintain such ballots in its file for at least ninety (90) days. If a paper ballot is included as an option and is used to cast a vote, that ballot must be returned in an envelope signed by at least one Member of record.

Section 7.3. Severability. The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability, or effect of the balance of these Bylaws or the Declaration.

Section 7.4. 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 7.5. Gender and Grammar. The use of the masculine gender in these Bylaws shall be deemed to include the feminine gender, and the use of the singular shall be deemed to include the plural whenever the context so requires.

Section 7.6. Fiscal Year. The fiscal year of the Association may be set by Board resolution, and, in the absence thereof, shall be the calendar year.

Section 7.7. Financial Review. A financial review of the accounts of the Association shall be performed annually in the manner provided by the Board and a financial statement prepared. However, after having received the Board's financial statement review at the annual meeting, the Members, by a Majority of the total Association vote, or the eligible mortgage holders of Association debt, by a vote of a Majority of the eligible mortgage holders, may require that the accounts of the Association be audited as a common expense by an independent accountant. Such statement shall be made available to any mortgage holder upon submission of a written request and must be available within one hundred twenty (120) days of the Association's fiscal year end or one hundred twenty (120) days after requested by a Majority vote of the eligible mortgage holders, whichever occurs later. If an audited financial statement by an independent accountant is not required, any mortgage holder may have an audited statement prepared at his/her own expense.

Section 7.8. Conflicts. The duties and powers of the Association shall be those set forth in the Georgia Nonprofit Corporation Code, the Declaration, the Articles of Incorporation, and these Bylaws, together with those reasonably implied to affect the purposes of the Association; provided, however, that if there are conflicts or inconsistencies between the Georgia Nonprofit Corporation Code, the Declaration, these Bylaws, or the Articles of Incorporation, then the provisions of the Georgia Nonprofit Corporation Code, as may be applicable, the Declaration, the Articles of Incorporation and these Bylaws, in that order, shall prevail, and each Member of a Lot, by acceptance of a deed or other conveyance therefor, covenants to vote in favor of such amendments as will remove such conflicts or inconsistencies.

Section 7.9. Amendment. These Bylaws may be amended by a two-thirds (2/3) vote of the Board of Directors at any regular or special meeting of the Board, except that amendments cannot contravene Georgia law, the Declaration, or Articles of Incorporation .

Section 7.10. Books and Records.

(a) Right to Inspect. All Members of the Association shall be entitled to inspect the following records at a reasonable time and location specified by the Association, upon written request at least five (5) business days before the date on which the Member wishes to inspect and copy:

(i) Association Articles of Incorporation and all amendments to them currently in effect;

(ii) Association Bylaws or restated Bylaws and all amendments to them currently in effect;

(iii) Association resolutions adopted by either its Members or Board of Directors increasing or decreasing the number of directors or the classification of directors, or relating to the characteristics, qualifications, rights, limitations, and obligations of Members or any class or category of Members;

(iv) the minutes of all meetings of Members and records of all actions approved by the Members for the past three (3) years;

(v) all general communications to Members within the past three (3) years, including the financial statements furnished for the past three (3) years;

(vi) a list of the names and business or home addresses of its current directors and officers; and

(vii) Association's most recent annual report delivered to the Georgia Secretary of State.

(b) Inspection. A Member may inspect and copy the following records upon written notice at least five (5) business days before the date on which the Member wishes to inspect and copy only if the Member's demand is made in good faith and for a proper purpose that is reasonably relevant to the Member's legitimate interest as a Member; the Member describes with reasonable particularity the purpose and the records the Member desires to inspect; the records are directly connected with this purpose; and the records are to be used only for the stated purpose:

(i) excerpts from minutes of any Board meeting, records of any action of a committee of the Board while acting in place of the Board on behalf of the Association, minutes of any meeting of the Members, and records of action taken by the Members or the Board without a meeting, to the extent not subject to inspection under Section 7.10;

(ii) accounting records of the Association; and

(iii) the membership list only if for a purpose related to the Member's interest as a Member. Without the consent of the Board, a membership list or any part thereof may not be: used to solicit money or property unless such money or property will be used solely to solicit the votes of the Members in an election to be held by the Association; used for any commercial purpose; or sold to or purchased by any person.

(iv) The Association may impose reasonable restrictions on the confidentiality, use, or distribution of these records.

The Association may impose a reasonable charge, covering the cost of labor and material, for copies of any documents provided to the Member.

Notwithstanding anything to the contrary, the Board may limit or preclude Member inspection of confidential or privileged documents, including attorney/client privileged communications, executive session meeting minutes, and financial records or accounts of other Members, and any Association employee or personnel records including personal information, salaries, and/or performance reviews. Minutes for any Board or Association meetings do not become effective and an official Association record until approved by the Board or Association membership, as applicable, at a subsequent meeting.