

BYLAWS
OF
CREEKSHIRE HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

GENERAL

1.01 Applicability. These Bylaws provide for the self-government of Creekshire Homeowners Association, Inc., in accordance with the Articles of Incorporation filed with the Secretary of State, and the Declaration of Covenants, Conditions and Restrictions for Creekshire recorded in the real estate records of Cobb County, Georgia.

1.02 Name. The name of the corporation is Creekshire Homeowners Association, Inc. ("Association").

1.03 Membership. The Association shall be comprised of Class A Members and a Class B Member as set forth in the Declaration of Covenants, Conditions and Restrictions for Creekshire ("Declaration"). Every Owner shall automatically be a Member of the Association and shall remain a Member until such time as provided in the Declaration.

1.04 Voting. Each Owner, as a Member, shall be entitled to cast votes as set forth and subject to the provisions of Section 3.03 of the Declaration; provided, however, the votes of a Class A Member may be cast by that Owner's spouse, and as further provided below the vote of any Member may be cast by a lawful proxy. When more than one Person is a Class A Member by virtue of an ownership interest in the same Lot, the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot. In the event of disagreement among such Persons and an attempt by two or more of them to cast the vote of such Lot, such Persons shall not be recognized and the vote of such Lot shall not be counted. If any one of them purports to cast the votes pertaining to that Lot without protest being immediately made by the others, the consent of the others shall be conclusively presumed to have been given for the vote as cast. If only one such Person is present at a meeting, that Person shall be entitled to cast the votes pertaining to that Lot. No Owner shall be eligible to vote, either in person or by proxy, or to be elected to the board of Directors, if the voting rights of said Owner have been suspended by the Board of Directors.

1.05 **Majority.** As used in these Bylaws, the term "majority" shall mean those votes, Owners, or other group as the context may indicate, totalling more than fifty (50%) percent of the total number of eligible votes, Owners, or other groups. Unless otherwise specifically stated, the words "majority vote" mean more than fifty (50%) percent of those voting in person or by proxy. Unless otherwise provided in the Declaration or these Bylaws, all decisions shall be by a majority vote; and further, where the required percentage of Member's votes shall be obtained, the same shall constitute the act of the Members.

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

1.07 **Definitions.** Generally, terms shall have their natural meanings or the meanings given in the Declaration, the Articles of Incorporation, or the Georgia Nonprofit Corporation Code.

1.08 **Registered Office and Agent.** The corporation shall maintain a registered office and shall have a registered agent.

1.09 **Other Offices.** The corporation may have offices at such place or places within reasonable proximity to the Development as the Board of Directors may from time to time determine or the business of the corporation may require or make desirable.

ARTICLE II

Meetings of Members

2.01 **Annual Meetings.** The regular annual meeting of the Members shall be held during the month of November or

December each year on a day and at an hour set by the Board. Meetings shall be at the Development or at some other suitable place set by the Board.

2.02 Substitute Annual Meeting. If the annual meeting is not held during the time period designated in Section 2.01, any business, including the election of Directors, which might properly have been acted upon at that meeting may be acted upon at any subsequent Owner's meeting held pursuant to these Bylaws or to a court order requiring a substitute annual meeting.

2.03 Special Meetings. Special meetings of the Members for any purpose may be called at any time by the Declarant, the Builder, the President, the Secretary, or Treasurer, or by request of any two or more members of the Board of Directors, or upon written request of the Members who have a right to vote one-half (1/2) of the votes of the Class A Members.

2.04 Notice of Meetings. It shall be the duty of the Secretary to mail to each Owner or cause to be delivered to the Owner's Lot a notice of each annual, substitute annual, or special meeting of the Members. Such notice shall be mailed or delivered at least twenty-one (21) days prior to each annual meeting, and at least ten (10) days prior to each special meeting. All such notices shall state the time and the place where any such meeting is to be held and shall contain all such other information as is required by applicable provisions of the Georgia Nonprofit Corporation Code; and with regard to all annual meetings, the notice shall include a description of any matter or matters to be discussed at any such annual meeting which requires the approval of the Members under the provisions of the Georgia Nonprofit Corporation Code; and with regard to all special meetings, such notice shall state the purpose or purposes of any such special meeting. If any Owner wishes notice to be given at an address other than his or her Lot, the Owner shall have designated by notice in writing to the Secretary such other address. The mailing or delivering of a notice of meeting in the manner provided in this Section shall be considered service of notice. Upon request, any institutional holder of a first mortgage shall be entitled to written notice of all meetings and shall be permitted to designate a representative to attend and observe any such meeting.

2.05 Waiver of Notice. Waiver of notice of meeting of the Owners shall be deemed the equivalent of proper notice. Any Owner may, in writing, waive notice of any meeting of the Owners, either before or after such meeting. Attendance at a meeting by an Owner, whether in person or by proxy, shall be deemed waiver by such Owner of notice of the time, date, and place thereof unless such Owner 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 thereat unless objection to lack of notice is raised before the business, for which proper notice was not given, is put to a vote.

2.06 Quorum. Except as may be provided elsewhere, the presence of Owners, in person or by proxy, entitled to cast one-third (1/3rd) of the eligible votes of the Association 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.

2.07 Adjournment. Any meeting of the Owners may be adjourned from time to time to reconvene at a specific time and place by vote of the Owners holding the majority of the votes represented at such meeting, regardless of whether a quorum is present. Any business which 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.

2.08 Proxies. The votes 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. To be valid, a proxy must be filed with the Secretary prior to the opening of the meeting for which it is to be used. Proxies must be dated and may be revoked only by written notice delivered to the Association. Presence in person by the giver of a proxy at the meeting for which a proxy is given shall automatically invalidate the proxy. 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 more than thirty (30) days after its date of execution, unless otherwise provided in the proxy.

2.09 Presiding Officers. The president, or in his absence the vice president, shall serve as a chairman of every Owners' meeting unless some other person is elected to serve

as chairman by a majority vote of the votes represented at the meeting. The chairman shall appoint such persons as he deems required to assist with the meeting. Notwithstanding the foregoing, the chairman shall not be replaced by a vote of the Owners during the period in which the Declarant is entitled to appoint members to the Board of the Association (as provided in the Declaration), without the prior consent of the Board of Directors.

2.10 Order of Business. At all meetings of the association, Roberts Rules of Order (latest edition) shall govern when not in conflict with the Declaration or these Bylaws; however, no business conducted at any meeting shall be held invalid for failure to comply with said rules unless objected to by a majority at such meeting. Unless otherwise provided in the notice calling the meeting, the order of business shall be: Roll Call, Proof of Notice, Reading of Minutes, Officers' Reports, Old Business, Elections (if any), New Business, Adjournment.

2.11 Action of Owners Without a Meeting. Any action which may be taken at a meeting of the Members may be taken without a meeting if one or more written consents, setting forth and describing the action authorized, shall be signed by the requisite number of Members as set forth hereinbelow, and such consent or consents are filed with the officer of the corporation having custody of its books and records. In order to be effective, such consent or consents must be signed by the minimum number of Members which would be necessary to approve, authorize or take any such contemplated action (in accordance with applicable provisions of these Bylaws, the Articles of Incorporation, the Declaration, or the Georgia Nonprofit Corporation Code) at a meeting at which all Members entitled to vote were present and voted; provided that, such number shall in no event be less than a majority of all such Members. Such consent or consents as so filed shall have the same effect as a vote of the Members at a meeting called for the purpose of considering the action authorized, at which meeting enough affirmative votes are cast so as to approve such action.

ARTICLE III

THE BOARD OF DIRECTORS

3.01 General Powers. The business and affairs of the corporation shall be managed by the Board of Directors.

In addition to the powers and authority expressly conferred upon it by these Bylaws, the Board of Directors may exercise all such powers of the corporation and do all such lawful acts and things as are not by law or by the Declaration or Articles of Incorporation directed or required to be exercised or done by the Members. The Board shall have the power to adopt such rules and regulations as it deems necessary and appropriate and to impose sanctions for violations thereof, including, without limitation, monetary fines and liens for the nonpayment thereof, suspension of voting rights and the prohibiting of use of the Common Property.

3.2 **Express Powers.** In addition to the powers authorized by these Bylaws or by any resolution of the Association that may hereafter be adopted, the Board of Directors shall have the power to conduct the affairs of the Association, which shall include, by way of explanation, but not limitation, the following:

(a) preparation and adoption of an annual budget in which there shall be established the contribution of each Owner to the common expenses of the Association;

(b) making assessments to defray the common expenses, establishing the means and methods of collecting such assessments, and establishing the period of the installment payments of the annual assessment (unless otherwise determined by the Board of Directors, the annual assessment for the proportionate share of the Common Expenses shall be payable in equal monthly installments, each such installment to be due and payable in advance on the first day of each month for said month);

(c) overseeing and causing by reasonable means, and/or providing for, the operation, care, upkeep, and maintenance of all of the Common Property;

(d) designating, hiring, and dismissing the personnel necessary for the operation of the Association, and the maintenance, repair, and replacement of the Common Property and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and material to be used by such personnel in the performance of their duties;

(e) collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using proceeds to administer the Association;

(f) opening of bank accounts on behalf of the Association and designating the signatures required;

(g) making and amending rules and regulations;

(h) enforcing by legal means the provisions of the Declaration, these Bylaws, and the rules and regulations adopted by the Board of Directors, and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association;

(i) keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, and as appropriate, specifying the maintenance and repair expenses and any other expenses incurred. The said books and vouchers accrediting the entries thereupon shall be available for examination by the Owners and Mortgagees, their duly authorized agents, accountants, or attorneys, during general business hours on working days at the times and in a manner that shall be set and announced by the Board of Directors for the general knowledge of the Owners;

(j) where not specifically prohibited by law, delegating its powers and responsibilities, including but not limited to the foregoing, to any officers, committees or subcommittees of the Association, and hiring professional managers, accountants, independent contractors or others for the purpose of operating the Association and maintaining the Common Property.

3.03 Number, Election and Term of Office. Until the right of the Declarant to appoint members of the Board of Directors expires or terminates, the Board of Directors shall consist of three (3) members. Following expiration or termination of the right of the Declarant to appoint members of the Board of Directors, the Board of Directors shall increase to five (5) members, the same being the President or Chief Executive Officer ("CEO"), the Vice President or Assistant Executive Officer ("AEO"), the Treasurer or Chief Financial Officer ("CFO"), the Secretary and the Assistant Secretary. At the first election of Directors, and at each

annual meeting thereafter, the Members shall elect the five (5) officers described in the preceding sentence, who shall serve for a term of one (1) year.

3.04 Removal. Until the expiration of the right of the Declarant to appoint and remove Directors, Directors may be removed only by the Declarant. Upon expiration of the Declarant's right to appoint and remove Directors, any Director may be removed from office with or without cause by affirmative vote of the holders of a majority of the votes at any election of Directors. Removal action may be taken at any Owners' meeting with respect to which notice of such purpose has been given, and a removed Director's successor may be elected at the same meeting to serve the unexpired term.

3.05 Vacancies. Upon expiration of the Declarant's right to appoint, remove and replace Directors, a vacancy occurring in the Board of Directors, except by reason of removal of a Director, may be filled for the unexpired term and until the Owners shall have elected a successor, by affirmative vote of a majority of the Directors remaining in office though less than a quorum of the Board of Directors.

3.06 Compensation. Directors shall not be compensated for services as such unless and to the extent the compensation is authorized by the Members. 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. 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 known and the contract is approved by a majority of the Board of Directors.

3.07 Management Agent. The Association may, but shall not be required to, hire a professional management agent or agents, at a compensation established by the Board, to perform such duties and services as the Board of Directors shall authorize. Moreover, any management contract shall contain a termination clause permitting termination for cause upon no more than thirty (30) days written notice; provided, however, no contract shall be for more than (3) years, and, provided further, any such agreement must provide for termination by either party without cause and without payment of a termination fee on ninety (90) days written notice.

3.08 Insurance and Fidelity Bonds. The Board of Directors shall utilize every reasonable effort to procure and maintain adequate liability and hazard insurance on property owned by the Association. In addition, it shall cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate.

3.09 Annual Budget. The Board of Directors shall adopt an annual budget for each fiscal year of the Association in accordance with the Declaration. The annual budget may also provide for a reserve for contingencies and a reserve for replacements, in reasonable amounts as determined by the Board of Directors. Written notice of any increase in assessments shall be sent to each Owner.

3.10 Partial Year or Month. For the first fiscal year of the Association, the annual budget shall be approved by the Board of Directors. If such fiscal year, or any succeeding fiscal year, is less than a full year, then the monthly assessment for each Owner shall be proportionate to the number of months and days in such period covered by such budget.

3.11 Supplemental Assessments. In the event that during the course of any year, it shall appear to the Board of Directors that the monthly assessments, determined in accordance with the estimated annual budget for such year, are insufficient or inadequate to cover the estimated Common Expenses for the remainder of such year, or if there shall be any nonrecurring Common Expenses or any Common Expenses not set forth in the annual budgets adopted, then the Board of Directors shall prepare and approve a supplemental budget covering the estimated deficiency for the remainder of the year, or such nonrecurring Common Expenses or other Common Expenses, copies of which supplemental budget shall be furnished to each Owner, and thereupon a Special Assessment shall be made against each Owner for his proportionate share thereof.

3.12 Committees of the Board of Directors. The Board of Directors by resolution adopted by a majority of the full Board of Directors may designate from among its members one or more committees, each consisting of one or more Directors. Any executive committee must be designated by the affirmative vote of all Directors during that period of time in which the Declarant has the right to appoint, remove and replace Directors. Except as prohibited by law, each

committee shall have the authority set forth in the resolution establishing said committee.

3.13 Committees of Owners. The Board of Directors, by resolution adopted by a majority of the full Board of Directors, may appoint committees of Owners, each of which committees shall contain at least one member of the Board of Directors and shall consist of one or more members. Except as prohibited by law, each such committee shall have the authority set forth in the resolution establishing said committee.

3.14 Regular Meetings. Regular meetings of the Board of Directors shall be held immediately after the annual meeting of Owners or any meeting held in lieu thereof. In addition, the Board of Directors may schedule other meetings to occur at regular intervals throughout the year. During such time as the Declarant has the right to appoint and replace members of the Board of Directors it shall not be necessary to have regular meetings.

3.15 Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the president, or in his absence by the secretary of the corporation, or by any two Directors in office at that time.

3.16 Place of Meetings. Directors may hold their meetings at any place within or without the State of Georgia as the Board of Directors may from time to time establish for regular meetings or as is set forth in the notice of special meetings or, in the event of meeting held pursuant to waiver of notice, as may be set forth in the waiver.

3.17 Notice of Meetings. No notice shall be required for any regularly scheduled meeting of the Directors of the corporation. Unless waived or unless action is taken without a meeting as contemplated in Section 3.20, the president or secretary of the corporation or any Director thereof shall give notice to each Director of each special meeting stating the time, place and purposes of the meeting. Such notice shall be given by mailing a notice of the meeting at least two (2) days before the date of the meeting, or by telephone, telegram, cablegram, or personal delivery at least one (1) day before the date of the meeting. Notice shall be deemed to have been given by telegram or cablegram at the time notice is filed with the transmitting agency. Attendance by a Director at a meeting shall constitute waiver of notice of

such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of business because the meeting is not lawfully called. During such time as Declarant may appoint and replace members of the Board of Directors no formal notice must be given for any meetings.

3.18 Quorum. A quorum shall be deemed present throughout any meeting of the Board of Directors if persons entitled to cast a majority of the votes in that body are present at the beginning of the meeting.

3.19 Vote Required for Action. Except as otherwise provided in this Section or by law, the action of a majority of the Directors present at a meeting at which a quorum is present at the time shall be the act of the Board of Directors. Vacancies in the Board of Directors may be filled as provided in Sections 3.04 and 3.05 of these Bylaws.

3.20 Action by Directors Without a Meeting. Any action which may be taken at a meeting of the Board of Directors may be taken without a meeting if one or more written consents, setting forth and describing the action authorized, shall be signed by the requisite number of Directors as set forth hereinbelow, and such consent or consents are filed with the officer of the corporation having custody of its books and records. In order to be effective, such consent or consents must be signed by the minimum number of Directors which would be necessary to approve, authorize or take any such contemplated action (in accordance with applicable provisions of these Bylaws, the Articles of Incorporation, the Declaration, or the Georgia Nonprofit Corporation Code) at a meeting at which all Directors entitled to vote were present and voted; provided that, such number shall in no event be less than a majority of all such Directors. Such consent or consents as so filed shall have the same effect as a vote of the board of Directors at a meeting called for the purpose of considering the action authorized, at which meeting enough affirmative votes are cast so as to approve such action.

3.21 Adjournments. A meeting of the board of Directors, whether or not a quorum is present, may be adjourned by a majority of the directors present to reconvene at a specific time and place. It shall not be necessary to give notice of the reconvened meeting or of the business to be transacted, other than by announcement at the meeting which

was adjourned. At any such reconvened meeting at which a quorum is present, any business may be transacted which could have been transacted at the meeting which was adjourned.

3.22 Board Appointed by Declarant. Notwithstanding anything to the contrary contained in these Bylaws, the composition and appointment of the Board of Directors shall be governed by the Declaration for so long as the Declarant maintains the right to appoint members to the Board of Directors.

ARTICLE IV

OFFICERS

4.01 Number. The executive officers of the corporation shall consist of a President or Chief Executive Officer ("CEO"), a Vice President or Assistant Executive Officer ("AEO"), a Treasurer or Chief Financial Officer ("CFO"), a Secretary and an Assistant Secretary. Said officers shall also serve as the Board of Directors of the corporation and in addition to those responsibilities set forth in this Article IV, they shall have the responsibilities described for members of the Board of Directors. The President shall serve as the Chairman of the Board of Directors. Until such time as the Declarant no longer has the right to appoint, remove and replace Directors and officers of the Association, more than one office may be held by the same person, except that the offices of President and Secretary may not be held by the same person.

4.02 Election and Term. Until the right of Declarant to appoint members of the Board of Directors expires or terminates, all executive officers of the Corporation shall be appointed by the Declarant. Following expiration or termination of the right of the Declarant to appoint members of the board of Directors, all executive officers shall be elected by the members of the Association and shall serve for a term of one (1) year or until their successors have been elected or until their earlier death, resignation, removal, retirement or disqualification.

4.03 Compensation. The compensation of all executive officers of the corporation shall be fixed by the Members of the Association; provided, however, that no

officers appointed by the Declarant shall receive any compensation from the corporation other than expenses.

4.04 Removal. Any officer or agent appointed by the Declarant may be removed by the Declarant. Any officer or agent elected by the Members of the Association may be removed by the Members, at any meeting with respect to which notice of such purpose has been given to the Members thereof.

4.05 President. The president shall be the chief executive officer of the corporation and shall have the general supervision of the business of the corporation. He shall see that all orders and resolutions of the Board of Directors are carried into effect. The president shall perform such other duties as may from time to time be delegated to him by the Board of Directors.

4.06 Vice President. The vice president shall, in the absence or disability of the president, or at the direction of the president, perform the duties and exercise the powers of the president. Vice presidents shall perform whatever duties and have whatever powers the Board of Directors may from time to time assign.

4.07 Secretary. The secretary shall keep accurate records of the acts and proceedings of all meetings of Owners, directors and committees of directors. He shall have authority to give all notices required by law or these Bylaws. He shall be custodian of the corporate books, records, contracts and other documents. The secretary may affix the corporate seal to any lawfully executed documents requiring it and shall sign such instruments as may require his signature. The secretary shall perform whatever additional powers the Board of Directors may from time to time assign him.

4.08 Treasurer. The treasurer shall be the chief financial officer of the corporation and shall have custody of all funds and securities belonging to the corporation and shall receive, deposit or disburse the same under the direction of the Board of Directors. The treasurer shall keep full and true accounts of all receipts and disbursements and shall make reports of the same to the Board of Directors and president upon request. The treasurer shall perform all duties as may be assigned to him from time to time by the Board of Directors.

4.08 Assistant Secretary. The assistant secretary shall, in the absence or disability of the secretary, perform the duties and exercise the powers of that office, and shall, in general, perform such other duties as shall be assigned to him by the Board of Directors. Specifically, the assistant secretary may affix the corporate seal to all necessary documents and attest the signature of any officer of the corporation.

4.09 Agreements, Contracts, Deeds, Leases, Etc. All agreements, contracts, deeds, leases, promissory notes, and other instruments of the Association shall be executed by at least two (2) officers or by such other person or persons as may be designated by resolution of the Board of Directors.

ARTICLE V

INDEMNIFICATION

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

fraud in the performance of his duties as such Director, officer, Board, or committee member. In addition, no indemnification may be provided for hereunder (a) in connection with a proceeding by or in the right of the corporation in which the Director was adjudged liable to the corporation, or (b) in connection with any other proceeding in which the Director was adjudged liable on the basis that personal benefit was improperly received by the Director.

5.02 Success on Merits. To the extent that the Board, a Director, officer of the Association or member of any committee appointed pursuant to these Bylaws has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 5.01 hereof, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

5.03 Advance Payment. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding as authorized by the Board in the specific case, upon receipt of an undertaking by or on behalf of the person or entity seeking such indemnification or payment in advance to repay such amount unless it shall ultimately be determined that such person or entity is entitled to be indemnified by the Association as authorized in this Article V.

5.04 Miscellaneous. The Association and the Board of Directors shall have the power to raise and the responsibility for raising, by special assessment or otherwise, any sums required to discharge its obligations under this Article; provided, however, that the liability of any Owner arising out of any contract made by or other acts of the Directors, Board, officers, or members of such committees, shall be limited to such proportion of the total liability thereunder as is determined by dividing the total liability by the then existing number of Owners. Every agreement made by the Directors, Board, officers, members of such committees, or by the Managing Agent, on behalf of the Owners, shall provide that the Directors, Board, officers, members of such committees, or the Managing Agent, as the case may be, are acting only as agent for the Owners and shall have no personal liability thereunder (except as Owners), and that each owner's liability thereunder shall be limited to such

proportion of the total liability thereunder as set forth in this Section 5.04. The indemnification provided by this Article V shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any statute, agreement, vote of members of the Association of disinterested Directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office. Such right to indemnification shall continue as to a person or entity who has ceased to be a Director, an officer of the Association or a member of such committee, and shall inure to the benefit of the heirs, executors, administrators, personal representatives, successors and assigns of such person or entity.

ARTICLE VI

MISCELLANEOUS

6.01 Notices. Unless otherwise provided in these Bylaws all notices, demands, bills, statements, or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States mail, first class postage prepaid:

(a) If to an Owner at the address which the Owner 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 Owner;

(b) If to the Association, the Board of Directors or the Managing Agent, at the principal office of the Association or the Managing Agent, if any, or at such other address as shall be designated by the notice to the Owners and Declarant, if required, pursuant to this Section; or

(c) If to the Declarant, as specified in the Declaration or at such other address as shall be designated by a notice to the Owners and the Association pursuant to this Section.

6.02 Waiver. Whenever any notice is required to be given to any Owner or Director by law or by the Declaration, Articles of Incorporation or these Bylaws, a waiver thereof in writing signed by the Director or Owner entitled to such

notice or by the proxy of such Owner, whether before or after the meeting to which the waiver pertains, shall be deemed equivalent thereto.

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

6.04 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.

6.05 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.

6.06 Conflicts. In the event of conflicts between the Georgia Nonprofit Corporation Code, the Declaration, the Articles of Incorporation, and these Bylaws, the order of control shall be the order listed above.

6.07 Amendment. The provisions of the Declaration applicable to amendment of that instrument shall apply to any amendment of these Bylaws; provided, however, that any amendment to these Bylaws need not be recorded in the Superior Court of the county in which the property lies.

6.08 Fiscal Year. The Board of Directors is authorized to fix the fiscal year of the corporation and to change the same from time to time as it deems appropriate.

6.09 Seal. The corporate seal shall be in such form as the Board of Directors may from time to time determine.

6.10 Books and Records. All Members of the Association and any institutional holder of a first Mortgage shall, upon written request, be entitled to inspect all books and records of the Association during normal business hours at the office of the Association or other place designated reasonably by the Board of Directors as the depository of such books and records.