

## BYLAWS

### FOR

#### RIVER'S END AT LAKE OCONEE HOME OWNER'S ASSOCIATION, INC. (the "Association")

### ARTICLE 1 INTERPRETIVE PROVISIONS

Capitalized terms used herein without definition shall have the meanings specified for such terms in the Declaration of Protective Covenants for River's End at Lake Oconee (the "Declaration") dated December 21, 2006 and recorded on December 27, 2006 in Book 418, pages 790-814 with the Clerk of Superior Court of Morgan County, Georgia, First Amendment to Declaration of Protective Covenants for River's End at Lake Oconee dated November 9<sup>th</sup>, 2010 and recorded on November 9, 2010 in Book 483, pages 943-944 with the Clerk of Superior Court of Morgan County, Georgia and Supplemental Declaration of Protective Covenants for River's End at Lake Oconee dated January 22, 2013 and recorded on January 23, 2013 in Book 510, pages 423-424 with the Clerk of Superior Court of Morgan County, Georgia. All other terms used herein without definition shall have the meanings specified for such terms in Section 14-3-140 of the Georgia Nonprofit Corporation Code (the "Act") and in the Declaration.

### ARTICLE 2 OFFICES

Section 2.1. Registered Office and Agent. The Association shall at all times maintain a registered office in the State of Georgia and shall have not more than one (1) registered agent, whose business office shall be identical with such registered office.

Section 2.2. Other Offices. The Association may have offices at such place or places, within or outside the State of Georgia, as the Board may from time to time appoint or the business of the Association may require or make desirable.

### ARTICLE 3 MEETINGS OF MEMBERS

Section 3.1. Annual Meetings. The annual meetings of the Members of the Association shall be held at such time and place as may be fixed by a resolution of the Board.

Section 3.2. Special Meetings. The Association shall hold a special meeting of Members: (a) upon the call of the President; (b) if so directed by resolution of the Board; (c) upon a petition presented to the Secretary and signed by Members entitled to cast at least twenty percent (20%) of the votes held by all Members other than the Declarant; or (d) upon request of the Declarant. The signatures on a petition requesting a special meeting shall be valid for a period of one hundred eighty (180) days after the date of the first such signature. Such resolution, petition or request must: (a) specify the time and place at which the meeting is to be held; (b) either specify a date on which the meeting is to be held which will permit the Secretary to comply with Section 3.3 hereof, or else specify that the Secretary shall designate the date of the meeting; (c) specify the

purposes for which the meeting is to be held; and (d) be delivered to the Secretary. No business other than that stated in such resolution, request or petition shall be transacted at such special meetings.

**Section 3.3. Notice of Meetings.**

(a) Written notice stating the place, date and time of each annual meeting and, in case of a special meeting, the purposes for which the meeting is called, shall be given by the Secretary to each Member entitled to vote at such meeting not less than ten (10) nor more than sixty (60) days in advance of any annual or regularly-scheduled meeting and not less than seven (7) nor more than sixty (60) days in advance of any other meeting. The giving of notice in the manner provided in this Section 3.3 and in Article 12 hereof shall be considered service of notice.

(b) Notwithstanding the provisions of subsection (a) above, notice of a meeting to act on an amendment to the Association's Articles of Incorporation, a plan of merger or consolidation or dissolution shall be given in the manner provided above not less than twenty-five (25) nor more than sixty (60) days before the date of the meeting. Any such notice shall be accompanied by a copy of the proposed amendment, plan of merger or consolidation or dissolution. Any such amendment, plan of merger or consolidation or dissolution shall not be effective unless notice of such matter was provided in accordance with this subsection (b).

**Section 3.4. Waiver of Notice of Meetings.**

(a) Whenever any notice is required to be given of any meeting of the Members of the Association, a waiver thereof in writing signed by a Member entitled to such notice, whether given before or after the meeting, shall be equivalent to the giving of such notice to that Member, and such waiver shall be delivered to the Secretary for inclusion in the minutes or filing with the Association records.

(b) A Member who attends a meeting shall be conclusively presumed to have had timely and proper notice of the meeting or to have duly waived notice thereof, unless such Member attends for the express purpose of objecting to the transaction of any business on the grounds that the meeting was not lawfully called or convened and so notifies the individual conducting the meeting at or prior to the commencement of the meeting or at or prior to consideration of the matter subject to objection, in the case of a special meeting.

**Section 3.5. Attendance by Conference Telephone.** A meeting of the Members may be held by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other at the same time, and participation by such means shall constitute presence in person at such a meeting.

**Section 3.6 Quorum.** A quorum shall be deemed to be present throughout any meeting of the Association if Members representing at least ten percent (10%) of the total number of votes entitled to be cast are present, in person or by proxy, at the beginning of such meeting. Once a Member is present at a meeting, such Member is deemed present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting unless a new Record Date (as

defined in Section 3.8 hereof) is or shall be set for that adjourned meeting. When voting on any matter requiring a vote by a specified percentage of each class of Members or of a specific class of Members, a quorum of each class of Members or the specific class of Members must be present in person or by proxy.

Section 3.7. Order of Business. Unless otherwise specified in the notice of the meeting, the order of business at all meetings of the Members shall be as follows: (a) roll call (proof of quorum); (b) proof of notice of meeting; (c) reading of minutes of preceding meeting; (d) reports of officers; (e) report of the Board; (f) reports of committees; (g) appointment of inspectors of election (when so required); (h) election of directors (when so required); (i) unfinished business; and (j) new business; provided, however, that balloting for election of directors may commence at any time at the direction of the presiding officer.

Section 3.8. Conduct of Meetings. The President shall preside over all meetings of the Members, and the Secretary shall keep the minutes of the meetings and record all resolutions adopted at the meetings and proceedings occurring at such meetings. The President may appoint a parliamentarian at any meeting of the Members. The then current edition of Robert's Rules of Order, Revised, shall govern the conduct of all meetings of the Association when not in conflict with the Act or the Declaration, the Articles of Incorporation or these Bylaws (the Declaration, Articles of Incorporation and Bylaws shall be referred to collectively hereinafter as the "Association Documents").

Section 3.9. Record Date to Determine Members; List of Members. The date for determining which Persons are Members and therefore entitled to vote ("Record Date") shall be the close of business on the day before the effective date of the notice to the Members of the meeting, unless the Board shall determine otherwise. The Board shall not fix a Record Date more than seventy (70) days before the date of the meeting or other action requiring a determination of the Members, nor shall it set a Record Date retroactively. No more than two (2) business days (excluding Saturdays, Sundays and legal holidays recognized as such in Georgia) after notice of a meeting is given, the Secretary shall make a complete list of Members and their addresses available for review by the Members before and during the meeting. The list shall be current as of the Record Date.

Section 3.10. Action by Members Without Meeting. In accordance with Section 14-3-708 of the Act, any action required or permitted to be taken at a meeting of the Members may be taken without a meeting if (a) the Association delivers a written ballot in the form established by Section 14-3-708(b) of the Act to every Member entitled to vote on the matter; (b) the number of Members present at the meeting, in person or by proxy, equals or exceeds the quorum required by Section 3.5 of these Bylaws; and (c) the number of approvals equals or exceeds the number of votes required to approve the matter at a meeting.

#### ARTICLE 4 MEMBERS AND VOTING

Section 4.1. Membership and Voting Rights. Each Owner (including Declarant, to the extent set forth herein) shall be a Member. There shall be only one membership per Lot and each

Member shall have one vote for each Lot owned, all in accordance with Article VI, Section 6.2 and Section 6.3 of the Declaration.

**Section 4.2. Additional Provisions Governing Voting.**

(a) **Association Votes.** If the Association is an Owner, the Association shall cast its votes with respect to any Lot it owns in accordance with the majority of the votes of all other Owners, and in any event the Association's votes shall be counted for the purpose of establishing a quorum.

(b) **Multiple Ownership.** Since a Member may be more than one Person, if only one of such Persons is present at a meeting of the Members, the Owners must notify the Secretary of the Association in writing prior to the vote being taken. If more than one of such Persons is present, the vote appertaining to such Member shall be cast only in accordance with unanimous agreement of such Persons, and such agreement shall be conclusively presumed if any of them purports to cast the vote appertaining to such Member without protest being made immediately by one of the other such Persons to the individual presiding over the meeting. If such protest is made, or if more than the appropriate number of votes are cast for a particular Lot, that Lot's votes shall be suspended; provided, however, that the presence of such Member shall in any event be counted for the purpose of establishing a quorum.

(c) **Voting Certificate.** If a Member is not a natural person, the vote by such Member may be cast by any natural person authorized by such Member. Such natural person must be named in a certificate signed by an authorized officer, partner or trustee of such Member and filed with the Secretary; provided, however, that any vote cast by such natural person on behalf of such Member shall be deemed valid unless successfully challenged prior to the adjournment of the meeting at which the vote was cast. Such certificate shall be valid until revoked by a subsequent certificate similarly executed and filed. Wherever the approval or disapproval of a Member is required by the Association Documents, such approval or disapproval may be made by any Person who would be entitled to cast the vote of such Member at any meeting of the Members.

(d) **Delinquency.** The Board may suspend the voting right of any Member who shall be delinquent in the payment of any financial obligation to the Association. Notwithstanding the foregoing, no Member shall be entitled to vote at any meeting of the Members or be elected to serve on the Board if payment by such Member of any financial obligation to the Association is delinquent more than sixty (60) days and the amount necessary to bring the account current has not been paid at the time of such meeting or election.

**Section 4.3. Manner of Voting.**

(a) **At a Meeting.** Voting by Members at a meeting shall be by voice vote (except for the election of directors, which shall be by written ballot) unless the presiding officer determines otherwise or any Member present at the meeting, in person or by proxy, requests, and a majority of the Members present consent to, a vote by written ballot

indicating the name of the Member voting, the number of votes appertaining to such Member, and the name of the proxy of such ballot if cast by a proxy. There shall be no cumulative voting.

(b) By Referendum. In the sole discretion of the Board, any matter requiring a vote of the Members may be submitted to a referendum of the Members on a ballot, by mail or at polling places in accordance with Section 14-3-708 of the Act. Ballots shall be returned to the Secretary by the date specified on the ballot. The Board shall determine the method of voting, the form of all ballots, the deadline for return of ballots and the number and location of polling places, if any.

Section 4.4. Proxies. A vote may be cast in person or by proxy. A proxy may be instructed (directing the proxy how to vote) or uninstructed (leaving how to vote to the proxy's discretion). Only instructed proxies may be granted by any Member to the managing agent, if any. No Person other than the Declarant, a Mortgagee, the managing agent or an officer shall cast votes as a proxy for more than five (5) Lots not owned by such Person. Proxies shall be in writing, shall be dated, shall be signed by the Member or a Person authorized by the Member (or in cases where the Member is more than one Person by or on behalf of all such Persons), shall be valid for eleven (11) months unless a longer time period is provided in the proxy and shall be filed with the Secretary. Any such proxy shall be deemed revoked only upon attendance at the meeting and voting in person by the Member appointing the proxy or upon actual receipt by the individual presiding over the meeting of written notice of revocation from such Member. A sample proxy is attached as Exhibit A to these Bylaws.

## ARTICLE 5 BOARD OF DIRECTORS

Section 5.1. Powers and Duties of the Board. The business and affairs of the Association shall be managed by the Board in accordance with the Association Documents. The members of the Board shall be elected in accordance with the procedures and for the terms set forth in Section 5.2 hereof. The Board shall have all of the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not required by the Act or the Association Documents to be exercised and done by the Members. The Board may delegate to one of its members or to a Person employed for such purpose the authority to act on its behalf on such matters relating to the duties of the managing agent (as described in Section 6.3 hereof), if any, which may arise between meetings of the Board as the Board deems appropriate. In addition to the duties imposed by any other provision of the Association Documents or by any resolution of the Members that may hereafter be adopted, the Board shall perform the following duties and take the following actions on behalf of the Association:

(a) Provide goods and services to the Members in accordance with the Association Documents, and provide for upkeep of the Area of Common Responsibility and, to the extent provided in the Association Documents, of the Lots.

(b) Designate, hire, dismiss and, where appropriate, compensate the personnel necessary to provide for the upkeep of the Area of Common Responsibility and, to the extent provided in the Association Documents, of the Lots, and to provide goods and

services to the Members, as well as purchase equipment, supplies and materials to be used by such personnel in the performance of their duties.

(c) Collect the assessments, deposit the proceeds thereof in depositories designated by the Board and use the proceeds to carry out the upkeep of the Property to the extent the Association is so authorized by the Association Documents.

(d) Adopt and amend any reasonable rules and regulations not inconsistent with the Association Documents.

(e) Open bank accounts on behalf of the Association and designate the signatories thereon.

(f) Enforce the provisions of the Association Documents.

(g) Act with respect to all matters arising out of any eminent domain proceeding affecting the Common Area owned in fee simple by the Association.

(h) Notify the Members of any litigation against the Association involving a claim in excess of twenty-five percent (25%) of the total annual assessment for Common Expenses.

(i) Obtain and carry insurance against casualties and liabilities, pay the premiums therefor and adjust and settle any claims thereunder.

(j) Pay the cost of all authorized goods and services rendered to the Association and not billed to Owners of individual Lots or otherwise provided for in the Declaration.

(k) Notify a Mortgagee of any default in paying assessments for Common Area by an Owner, or for any other default.

(l) Acquire, hold and dispose of Lots and mortgage the same without the prior approval of the Members if such expenditures and hypothecations are included in the budget.

(m) Charge reasonable fees for the use of the Area of Common Responsibility and for services.

(n) Prepare and adopt budgets and levy assessments in accordance with Article X of the Declaration and establish the means and methods of collecting assessments.

(o) Borrow money on behalf of the Association, when required for any valid purpose; provided, however, that (except during the Declarant Control Period (as defined in Section 5.2)), a vote by Members representing at least a majority of the total votes entitled to be cast shall be required in order to (1) borrow any sum in excess of twenty-five percent (25%) of the total annual assessment for Common Expenses for that fiscal year and (2) subject to Article V of the Declaration, mortgage any of the Common Area owned in fee simple by the Association. Notwithstanding the foregoing, the Board, by a vote of at

least two-thirds (2/3) of the total number of directors, shall have the right and power to assign and pledge all revenues to be received by the Association, including but not limited to annual and other assessments, in order to secure the repayment of any sums borrowed by the Association from time to time.

(p) Sign deeds, plats of resubdivision and applications for construction permits for the Common Area owned in fee simple by the Association, as may be necessary or desirable in the normal course of the orderly development of the Property, at the request of the Declarant or on the Board's own determination.

(q) Dedicate or transfer any portion of the Common Area owned in fee simple by the Association (if any) or grant easements, rights-of-way or licenses over and through all the Common Area in accordance with Article VIII of the Declaration.

(r) Suspend the right of any Owner or other occupant of a Lot, and the right of such Person's household, company, guests, employees, customers, tenants, agents and invitees to use the Common Area in accordance with Article V of the Declaration.

(s) Provide disclosures or statements with respect to a Lot.

(t) Cause the Association to accept conveyances of title to Common Area.

(u) Do anything else not inconsistent with the Act or the Association Documents.

Section 5.2. Election of Directors; Removal.

(a) Election, Term and Number. The Declarant shall be entitled to designate all members of the Board until the earlier to occur of (i) the date Declarant no longer owns any Lots or (ii) the date Declarant elects to terminate its right to designate all members of the Board. Any period of time during which Declarant is entitled to designate all members of the Board shall be referred to herein as the "Declarant Control Period." At the first annual meeting of the Members held following the conclusion of the Declarant Control Period, and at each annual meeting thereafter, the Members shall elect each member of the Board. Except as otherwise provided in Sections 5.2(b) and 5.3 hereof, each director shall be elected by the affirmative vote of a majority of the votes cast by the Members represented at an annual meeting, or at another meeting called for such purpose, at which a quorum is present. Members shall not have the right to cumulate votes for directors. Each director, except in case of death, resignation, retirement, disqualification, or removal, shall serve until the next succeeding annual meeting and thereafter until his successor shall have been elected and qualified. The Board shall consist of not fewer than three (3) nor greater than five (5) directors, the exact number of directors within said range to be set by the Board from time to time.

(b) Removal. Except during the Declarant Control Period, any director may be removed from office with or without cause by the affirmative vote of the Members representing at least a majority of the total votes entitled to be cast at a meeting called for such purpose, and a removed director's successor may be elected to serve the unexpired

term by such majority vote at the same meeting. During the Declarant Control Period, any director may be removed from office by the Declarant with or without cause.

Section 5.3. Vacancies. Except for vacancies by reason of removal of a director in accordance with Section 5.2(b), a vacancy occurring in the Board may be filled for the unexpired term and until the Members have elected a successor by an affirmative vote of a majority of the directors remaining in office. Such vote shall be effective even if the remaining directors constitute less than a quorum of the Board.

## ARTICLE 6 MANAGING AGENT

Section 6.1. Compensation. The Board may employ for the purpose of administering the Property a "managing agent" at a compensation to be established by the Board.

Section 6.2. Requirements. The managing agent shall be one of the following:

(a) a bona fide business enterprise which manages common interest communities. Such firm or its principals shall have a minimum of two (2) years experience in community management and shall employ Persons possessing a high level of competence in the technical skills necessary to properly manage the Property. Such managing agent must be able to advise the Board regarding the administrative operation of the Property and shall employ personnel knowledgeable in the areas of insurance, accounting, contract negotiation, labor relations and property management; or

(b) a full-time employee of the Association who shall organize, staff, train and administer in-house personnel solely to manage the Property.

Section 6.3. Duties. The managing agent shall exercise his or her powers and duties in good faith and in the best interests of the Association. The managing agent shall perform such duties and services as the Board shall direct. Such duties and services may include, without limitation, the duties listed in Paragraphs 5.1 (a), (b), (c), (f), (g), (h), (i), (j), (k), (n), (s), (t) and (u). The Board may delegate to the managing agent all of the powers granted to the Board by these Bylaws other than the powers set forth in Paragraphs 5.1 (d), (e), (l), (m), (o), (p), (q) and (r). The managing agent shall perform the obligations, duties and services relating to the management of the Property, the rights of Mortgagees and the maintenance of reserve funds in compliance with the provisions of the Act and the Association Documents.

Section 6.4. Standards. The Board shall impose appropriate standards of performance upon the managing agent. Unless the managing agent is instructed otherwise by the Board:

(a) expenses required by these Bylaws to be charged to one (1) or more but less than all Members shall be accounted for and reported separately;

(b) two (2) or more individuals shall be responsible for handling cash to maintain adequate financial control procedures;



(c) cash accounts of the Association shall not be commingled with any other entity's accounts;

(d) no remuneration shall be accepted by the managing agent from vendors, independent contractors or others providing goods or services to the Association whether in the form of commissions, finder's fees, service fee or otherwise; any discounts or rebates received shall benefit the Association;

(e) any financial or other interest which the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board; and

(f) a financial report shall be prepared for the Association at the direction of the Board (but in any case not less frequently than annually after the first Association meeting) and delivered to the Board for review and approval, containing: (1) an "income statement" reflecting all income and expense activity for the preceding period; (2) an "account activity statement" reflecting all receipt and disbursement activity for the preceding period; (3) an "account status report" reflecting the status of all accounts in an "actual" versus "projected"(budget) format; (4) a "balance sheet" reflecting the financial condition of the Association on an unaudited basis; (5) a "budget report" reflecting any actual or pending obligations which are in excess of budgeted amounts by an amount exceeding the operating reserves or ten percent (10%) of a major budget category (as distinct from a specific line item in an expanded chart of accounts); and (6) a "delinquency report" listing all Owners who are delinquent in paying assessments and describing the status of any actions to collect such assessments. Upon approval by the Board, such financial report shall be delivered to the Members.

Section 6.5. Limitations. The Board may employ a managing agent for an initial term not to exceed two (2) years; provided, however, that the terms of any such management agreement may be renewable by mutual agreement of the parties for successive one (1) year terms. Any contract with the managing agent must provide that it may be terminated by the Association without payment of a termination fee, without cause on no more than ninety (90) days written notice and with cause on no more than thirty (30) days written notice.

## ARTICLE 7 OFFICERS

Section 7.1. Designation and Duties of Officers. The principal officers of the Association shall be the President (who shall also serve as Chairman of the Board), the Vice President, the Secretary and the Treasurer, all of whom shall be elected by the Board. The Board may also elect an assistant treasurer, an assistant secretary and such other officers as in its judgment may be necessary. Each of the President and Vice President shall be a member of the Board and at least one of the following: (a) an Owner (or an officer, partner or employee of an Owner); (b) an officer, partner or employee of Declarant; or (c) a designee of Declarant. Any other officers may, but need not, be Owners, representatives of Owners and/or directors. Each officer shall perform such duties as are normally associated with such office in parliamentary organizations, except to the extent (if any) inconsistent with the Act or the Association Documents, and shall

perform such other duties as may be assigned to such officer by resolution of the Board. If any officer is unable for any reason to perform the duties of the office, the President (or the Board if the President fails to do so) may appoint another qualified individual to act in such officer's stead on an interim basis.

Section 7.2. Election of Officers. The officers of the Association shall be elected annually by the directors and shall hold office at the pleasure of the Board. Any officer may hold more than one position; provided, however, that the offices of President, Vice President and Secretary shall be held by three different individuals. Except for death, resignation or removal, the officers shall hold office until their respective successors shall have been elected by the Board.

Section 7.3. Resignation or Removal of Officers. Any officer may resign by delivering written notice to the Board. Unless otherwise specified, such resignation shall take effect upon the receipt thereof, and acceptance of such resignation shall not be necessary to make it effective. Upon the affirmative vote of a majority of the total number of directors, any officer may be removed, either with or without cause, and a successor may be elected at any regular meeting of the Board or at any special meeting of the Board called for such purpose.

Section 7.4. Vacancies. A vacancy in any office may be filled by appointment by the Board. The individual appointed to fill a vacancy shall serve for the remainder of the term of the officer such individual replaces.

Section 7.5. President. The President shall be the chief executive officer of the Association; preside at all meetings of the Association and of the Board; have general and active direction of the business of the Association, subject to the control of the Board; see to the execution of the resolutions of the Association and the Board; see that all orders and resolutions of the Board are carried into effect; and, in general, perform all the duties incident to the office of President.

Section 7.6. Vice President. The Vice President shall take the place of the President and perform the duties of the President whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board shall appoint a director to act in the place of the President, on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed by the Board or by the President.

Section 7.7. Secretary. The Secretary shall keep the minutes of all meetings of the Members and of the Board; have charge of such books and papers as the Board may direct and as may be required by the Act; keep the corporate seal of the Association and affix it to all documents requiring such seal; give or cause to be given all notices required to be given by the Association; give each Owner notice of assessment against such Owner's Lot as soon as practicable after such assessment is made; make available to each Member a copy of the rules and regulations, if any, promulgated by the Board as described in Article II of the Declaration, and any amendment thereof; maintain a register setting forth the place to which all notices to Members and Mortgagees hereunder shall be delivered; file or cause to be filed the annual report required by Section 14-3-1622 of the Act; make it possible for any Member or Mortgagee to inspect and copy at reasonable times and by appointment the records of the Association; and, in general, perform all the duties incident to the office of Secretary.

Section 7.8. Treasurer. The Treasurer shall be responsible for Association funds and securities; keep full and accurate financial records and books of account showing all receipts and disbursements; prepare or cause to be prepared all required financial data except as otherwise set forth in Section 6.5(f) hereof; deposit all monies and other valuable effects in the name of the Board or the Association in such depositories as may from time to time be designated by the Board; and, in general, perform all the duties incident to the office of Treasurer.

## ARTICLE 8 COMMITTEES

Section 8.1. Committees. The Board may create and abolish from time to time any committee consisting of two (2) or more Persons as the Board may deem appropriate to aid in the administration of the affairs of the Association. Such committees shall have the powers and duties fixed by resolution of the Board from time to time. The Board shall appoint the chair of each committee, and may either appoint the other members thereof or leave such appointment to the committee chair.

Section 8.2. Architectural Review Board. An Architectural Review Board shall be established to perform the duties set forth in Article III of the Declaration. The members of the Architectural Review Board shall be selected as set forth in Article III of the Declaration. For the purposes of Article 9 and Article 10, Section 3 hereof, the Architectural Review Board shall be treated as a committee of the Board; provided, however, that the decisions of the Architectural Review Board shall not require Board review or approval.

## ARTICLE 9 MEETINGS OF BOARD OF DIRECTORS AND COMMITTEES

Section 9.1. Types of Meetings. The first (organizational) meeting of the Board shall be held at such time and place as shall be determined by the Declarant, in order to elect officers, appoint committee members and establish the manner of operation of the Board for the ensuing year. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the directors; provided, however, that except during the Declarant Control Period, such meetings shall be held at least quarterly during each fiscal year. Special meetings of the Board may be called by the President, and shall be called by the President or Secretary upon the written request of at least two (2) directors. Meetings of any committee or subcommittee shall be held on an as-needed basis, as determined by the Board. The Board or any committee may hold their meetings within or outside the State of Georgia as the Board or such committee may from time to time determine.

Section 9.2. Notice. Notice of meetings shall be given to each director or committee member, as appropriate, personally or by mail, telegraph or telephone, orally or in writing, at least three (3) business days prior to the date named for such meeting. Such notice shall state the place, date and time and, in the case of special meetings, the purpose thereof.

Section 9.3. Waiver of Notice. Any director or committee member, as appropriate, may at any time, in writing, waive notice of any meeting, and such waiver shall be deemed equivalent to the giving of such notice. Attendance at any meeting shall constitute a waiver of notice of the

time, place and purpose of such meeting, unless the director or committee member attends for the express purpose of objecting to the transaction of any business on the grounds that the meeting was not lawfully called or convened and so notifies the individual conducting the meeting at or prior to the commencement of the meeting or at or prior to consideration of the matter subject to objection, in the case of a special meeting. If all directors or committee members, as appropriate, are present at any meeting of the Board or committee, no notice shall be required and any business may be transacted at such meeting.

Section 9.4 Attendance by Conference Telephone. A meeting of the Board of Directors may be held by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other at the same time, and participation by such means shall constitute presence in person at such a meeting.

Section 9.5. Quorum. At all meetings of the Board or a committee, a majority of the total number of directors or committee members, as appropriate, shall constitute a quorum for the transaction of business, and a majority vote while a quorum is present shall constitute the decision of the Board or committee, unless provided otherwise in the Act or the Association Documents. If at any meeting there is less than a quorum present, a majority of those present may recess or adjourn the meeting from time to time. When the meeting which was recessed or adjourned is reconvened, so long as a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice. A director or committee member, as appropriate, who participates in a meeting by any means of communication by which all directors or committee members may simultaneously hear each other during the meeting shall be deemed present at the meeting for all purposes.

Section 9.6. Conduct of Meetings. The President shall preside over meetings of the Board, and the Secretary shall keep the minutes of the meetings and record all resolutions adopted at the meetings and proceedings occurring at the meetings. The chairman of a committee shall preside over the meeting of the committee and may appoint any member of such committee to keep minutes. The then current edition of Robert's Rules of Order, Revised, shall govern the conduct of the meetings of the Board or committee when not in conflict with the Act or the Association Documents.

Section 9.7. Action Without Meeting. Any action by the Board or a committee required or permitted to be taken at any meeting may be taken without a meeting if a consent in writing setting forth the action taken shall be signed either before or after such action is taken by all of the directors or committee members, as appropriate. Any such written consent shall have the same force and effect as a unanimous vote and shall be effective when the last director or committee member signs the written consent, unless the written consent provides otherwise. The written consent shall be filed with the minutes of the Board or committee.

## ARTICLE 10 FIDUCIARY DUTIES

Section 10.1. Execution of Documents. Unless otherwise provided by resolution of the Board: (a) all agreements, contracts, deeds, leases, checks and other instruments of the Association

for expenditures or obligations in excess of twenty-five percent (25%) of the total annual assessment for Common Expenses for that fiscal year, and all checks drawn upon reserve accounts, shall be signed by any two (2) individuals designated by the Board; and (b) all such instruments for expenditures or obligations of twenty-five percent (25%) or less of the total annual assessment for Common Expenses for that fiscal year, except from reserve accounts, may be signed by any one (1) individual designated by the Board. Notwithstanding the foregoing, instruments creating or paying obligations for less than One Thousand Dollars (\$1,000.00), except for withdrawals from the reserve funds, may be signed by only one (1) individual.

Section 10.2. Conflicts of Interest.

(a) Interested Transactions. Each director and officer shall exercise his or her powers and duties in good faith and in the best interests of the Association. No contract or transaction between the Association and one or more of its directors or officers, or between the Association and any other corporation, partnership, association, or other organization in which one or more of its directors or officers are directors or officers or have a material financial interest, shall be enjoined, set aside or give rise to an award of damages or other sanctions, in an action by a Member or by or in the right of the Association, on the grounds of an interest in the transaction of the director or officer or any Person with whom or which he or she has a personal, economic, or other association, if:

(1) such transaction is approved by the Board in accordance with Section 14-3-862 of the Act;

(2) such transaction is approved by the Members in accordance with Section 14-3-863 of the Act; or

(3) the transaction, judged in the circumstances at the time of the commitment, is established to have been fair to the Association.

(b) Quorum. Except in the event the Board consists of fewer than three (3) directors, a majority (but not less than two) of all the "qualified directors" (as such term is defined in Section 14-3-862 of the Act) on the Board shall constitute a quorum for purposes of an action that complies with Section 10.2(a)(1) of these Bylaws. Board action that otherwise complies with the Act and the Association Documents is not affected by the presence or vote of a director who is not a "qualified director."

Section 10.3. Liability and Indemnification.

(a) No Personal Liability. No director, officer or member of any committee shall be liable to the Association or any Member for any mistake of judgment, negligence or otherwise, except for his or her own individual willful misconduct or bad faith. No director or officer shall have personal liability with respect to any contract made by him or her on behalf of the Association. No Member shall be liable for the contract or tort liability of the Association by reason of ownership or membership therein. Every agreement made by the Board or officers on behalf of the Association shall, if obtainable, provide that the directors or officers, as the case may be, are acting only as agents for the Association and shall have no personal liability thereunder.

(b) Indemnification. The Association shall indemnify the directors, officers and committee members to the extent that the Act contemplates such indemnification; provided, however, that before the Association uses Association funds for indemnification, all available insurance proceeds must be obtained and applied toward such indemnification. The foregoing right of indemnification shall not be exclusive of any other rights to which an individual may be entitled by law, agreement, vote of the Members or otherwise.

(c) Directors' and Officers' Liability Insurance. The Association shall have the power, pursuant to Article V, Section 5.1(i), of the Declaration, to purchase and maintain insurance on behalf of any individual who is or was a director or officer of the Association, or for any other Person deemed necessary or appropriate by the Board, against any liability asserted against such Person and incurred by such Person in any such capacity contemplated by the Board, or arising out of such Person's status as such, whether or not the Association would have the power to indemnify such Person against such liability under the provisions of this Section 10.3. Further, the availability of the Association's indemnity shall not relieve any insurer of any liability under an insurance policy held by the Association.

Section 10.4. Compensation of Directors and Officers. No salary or other compensation shall be paid by the Association to any director or officer of the Association for serving or acting as such; provided, that the foregoing provision shall not preclude the payment of salary or other compensation for the performance by such director or officer of other services to the Association nor shall it preclude the reimbursement of reasonable, ordinary and necessary expenses incurred in serving or acting as a director or officer.

## ARTICLE 11 BOOKS AND RECORDS

Section 11.1. Maintenance. The Association shall keep books and records as required by the Act. All books and records shall be kept in accordance with generally accepted accounting principles, and the same shall be audited at the request of the Board by an auditor retained by the Board who shall not be an Owner or an occupant of a Lot. The cost of such audit shall be a Common Expense. The Association shall also file and maintain the annual reports required to be filed with the Georgia Secretary of State's Office.

Section 11.2. Availability. The books and records of the Association shall be available for examination by the Members, their attorneys, accountants, Mortgagees and authorized agents during general business hours on business days at the times and in the manner established by the Board for the general knowledge of the Members in accordance with applicable Georgia law. The list of Members required by Section 3.9 hereof shall be available for inspection as set forth in Section 3.8. The Board may fix from time to time a reasonable charge to cover the direct and indirect costs of providing any documents.

Section 11.3. Fiscal Year. The first fiscal year of the Association shall begin on the date of incorporation and end on the last day of December in such year, unless otherwise determined

by the Board. Each subsequent fiscal year shall commence on January 1 and end on December 31, unless otherwise determined by the Board.

Section 11.4. Corporate Seal. The Association may have a corporate seal (of which there may be one or more exemplars) in such form as the Board may determine from time to time. In the event it is inconvenient to use such a seal at any time, the Association's signature followed by the word "SEAL" enclosed in parentheses or scroll shall be deemed the seal of the Association.

## ARTICLE 12 NOTICES

Except as specifically provided otherwise in the Act or the Association Documents, all notices, demands, bills, statements or other communications under the Act or the Association Documents shall be in writing and shall be deemed to have been duly given if hand delivered personally to the Member or the Member's address of record or delivered by electronic mail (email) transmission or by private carrier or sent United States mail, postage prepaid, or if notification is of a default, hearing or lien, sent by registered or certified United States mail, return receipt requested, postage prepaid: (a) if to a Member, at the address which the Member shall designate in writing and file with the Secretary or, if no such address is designated, at the address of the Lot of such Member; (b) if to the Association, the Board or to the managing agent, at the principal office of the managing agent or, if there is no such managing agent, at the principal office of the Association or at such other address as shall be designated by notice in writing to the Members pursuant to this Article 12; or (c) if to a Mortgagee, at the address indicated by the Mortgagee in a written notice to the Association or, if no such address is designated, at the principal office of such Mortgagee. If mailed, such notice shall be deemed to be given when deposited in the United States mail addressed to the Member's address shown in the Association records. If a Lot is owned by more than one Person, each such Person who so designates an address in writing to the Secretary shall be entitled to receive all notices hereunder; otherwise, the Person receiving the notice shall have the responsibility for notifying the other Persons comprising the Owner.

## ARTICLE 13 AMENDMENTS

These Bylaws may be amended only by a vote of two-thirds (2/3) of the votes held by all Members; provided, that the proposed amendment has been inserted in the notice of meeting or all of the Members are present in person or by proxy at a meeting at which such amendment is voted on. The Board shall send any amendment to the Members within thirty (30) days after adoption. Notwithstanding the foregoing, (a) amendment of these Bylaws is subject to the provisions of Article I of the Declaration, and (b) no amendment of these Bylaws may diminish or impair the rights of Mortgagees under the Association Documents.

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting Secretary of River's End at Lake Oconee Home Owner's Association, Inc., a Georgia nonprofit corporation; and

THAT the foregoing Bylaws constitute the original Bylaws of the Association, as duly adopted by the Board of Directors pursuant to the Organizational Minutes dated as of the 31<sup>st</sup> day of January 2017.

IN WITNESS WHEREOF, I have hereunto subscribed my name as of the 31<sup>st</sup> day of January 2017.

David J. Spill  
SECRETARY



Exhibit A  
to the Bylaws

**RIVER'S END AT LAKE OCONEE HOME OWNER'S ASSOCIATION, INC.**

**INSTRUCTIONS FOR PROXIES**

1. USE THE PROXY ONLY IF YOU DO NOT WISH TO VOTE IN PERSON.
2. A PROXY WILL NOT BE VALID UNLESS SIGNED BY ALL OWNERS OF RECORD OF THE LOT OR LOTS.
3. THE PROXY MAY BE REVOKED ONLY BY ACTUAL NOTICE TO THE PRESIDENT OF THE ASSOCIATION (OR OTHER PERSON PRESIDING OVER THE MEETING IF NOT THE PRESIDENT).
4. Print your name, address and Lot number(s).
5. Print the name of the person you wish to designate as your proxy.
6. If you wish to have someone else vote on your behalf (Uninstructed Proxy): Check appropriate box.
7. If you wish to indicate your vote (Instructed Proxy): Check the appropriate box and fill in the names of the candidates for the Board of Directors for whom you wish to vote or your vote for or against the question to be decided.
8. Insert the proxy form into an envelope. The proxy must be filed with the Secretary before commencement of the meeting on \_\_\_\_\_, 20\_ at \_\_\_\_\_ a.m./p.m. Someone will be available to accept the proxy during the registration period from \_\_\_\_\_ a.m./p.m. until \_\_\_\_\_ a.m./p.m.; however, if possible, please mail or deliver the envelope containing the proxy form to River's End at Lake Oconee Home Owner's Association, Inc., c/o \_\_\_\_\_, Secretary/Treasurer, at \_\_\_\_\_, no later than 5:00 p.m. on \_\_\_\_\_, 20\_.
9. Send a copy of the proxy form to the person you have designated as your proxy.

**RIVER'S END AT LAKE OCONEE HOME OWNER'S ASSOCIATION, INC.**

**PROXY FORM**

Address \_\_\_\_\_ Lot No. \_\_\_\_\_

(I) (WE) \_\_\_\_\_ AND \_\_\_\_\_

(Print)

(Print)

Under the provisions of Section 4.4 of the Bylaws, I/WE hereby grant(s) (MY) (OUR) proxy to \_\_\_\_\_ for the sole purpose of casting (my)(our) votes at the meeting on \_\_\_\_\_, 20\_\_ or any subsequent meeting called due to a failure to obtain a quorum at the first attempt to hold the meeting.

Check the appropriate box:

- The person named in this proxy may cast (my)(our) votes for any \_\_\_\_\_ candidates for the Board of Directors he or she chooses.
- The person named in this proxy must cast (my)(our) votes for the following candidates for the Board of Directors:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The person named in this proxy must cast my votes [Check one box]  
For  Against

\_\_\_\_\_  
[question to be decided]

The person named in this proxy may cast (my)(our) votes on any other matter that may arise at the meeting as he or she sees fit.

**ALL OWNERS OF RECORD MUST SIGN TO BE A VALID PROXY**

\_\_\_\_\_  
(Owner's Signature)

\_\_\_\_\_  
(Owner's Signature)

Date: \_\_\_\_\_  
AT \_\_\_ A.M./P.M., AT \_\_\_\_\_

Date: \_\_\_\_\_  
(LOCATION)

NOTE: THE PROXY MUST BE FILED WITH THE SECRETARY BEFORE THE COMMENCEMENT OF THE MEETING ON \_\_\_\_\_.