

BYLAWS OF THE FALLS AT BUTLER BRIDGE HOMEOWNERS  
ASSOCIATION, INC.

A Nonprofit Corporation

Article 1

OFFICES

The principal office of the Corporation shall be in the State of Georgia. The Corporation shall designate a registered office in accordance with law and shall maintain it continuously.

Article 2

MEMBERS

**Section 1. Qualification.** Membership is open to all persons who are owners of record of a Lot in THE FALLS AT BUTLER BRIDGE, a subdivision located in Newton County, Georgia.

**Section 2. Manner of Admission.** Each member shall be automatically admitted upon acquiring record title ownership to a Lot in THE FALLS AT BUTLER BRIDGE. The initial Voting Members are those persons named as such in the Articles of Incorporation.

**Section 3. Membership Classes.** There shall be only one class of membership, i.e., voting members. However, membership votes shall be determined by lot ownership, and each lot so owned shall entitle the owner(s) thereof to only one vote.

**Section 4. Annual Meetings.** The purpose of the annual meeting of Members is to elect Trustees and to transact such other matters as may properly come before the Members. The annual meeting of the Members of the Corporation shall be held at the times and places designated by the Board of Trustees or the President of the Corporation. The annual meeting of Members for any year shall be held no later than thirteen (13) months after the last annual meeting of Members. However, failure to hold an annual meeting timely shall in no way affect the terms of Officers or Trustees of the Corporation or the validity of actions of the Corporation.

**Section 5. Special Meetings.** Special meetings of Members may be called by the President or by a majority of the Board of Trustees then in office or by Members having one-fourth (1/4) or more of the outstanding votes of the Corporation. The purpose of each special meeting shall be stated in the notice and may only include purposes which are lawful and proper for Members to consider.

**Section 6. Place of Meeting.** The Board of Trustees may designate any place within the

State of Georgia, as the place of meeting for any meeting of Members. If no designation is made, then the place of meeting shall be the principal office of the Corporation in the State of Georgia.

**Section 7. Notice of Meeting.** Written or printed notice stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered personally or by first class mail (to the address of the lot owned or the last address furnished to the Corporation by the owner in writing) not less than ten (10) days nor more than sixty (60) days before the date of the meeting. Notice shall be given by or at the direction of the President or the Secretary or the persons calling the meeting to each Member of record entitled to vote at the meeting. If mailed, such notice shall be deemed to have been delivered when deposited in the United States Mail addressed to the Member at his address as it appears on the records of the Corporation with postage thereon prepaid.

**Section 8. Waiver of Notice.** A written waiver of notice signed by a Member, whether before or after a meeting, shall be equivalent to the giving of such notice. Attendance of a Member at a meeting shall constitute a waiver of notice of such meeting, except when the Member attends for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

**Section 9. Action Without Meeting.** Any action of the Members may be taken without a meeting, without prior notice and without a vote, if a consent in writing setting forth the action so taken is signed by a majority of Members of the Corporation. Within ten (10) days after obtaining such authorization by written consent, notice must be given to those Members who have not consented in writing. The notice shall fairly summarize the material features of the authorized action.

**Section 10. Voting Record.** If the Corporation has six (6) or more Members of record, the officers having charge of the membership records of the Corporation shall make, at least ten (10) days before each meeting of Members, a complete list of the Members entitled to vote at such meeting or any adjournment thereof. The list shall be kept on file at the registered office of the Corporation or at the principal place of business of the Corporation, and any Member shall be entitled to inspect the list at any time during usual business hours. The list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any Member at any time during the meeting. If the requirements of this section have not been substantially complied with, then upon demand of any Member in person or by proxy, the meeting shall be adjourned until the requirements are complied with. If no such demand is made, failure to comply with the requirements of this section shall not affect the validity of any action taken at such meeting.

**Section 11. Member Quorum and Voting.** Unless otherwise required in the Articles of Incorporation, a majority of the Members appearing in person or by proxy shall constitute a quorum at a meeting of Members. When a specified item of business is required to be voted

on by a class of Members, unless otherwise required in the Articles of Incorporation, a majority of the Members of such class shall constitute a quorum for the transaction of such items of business by that class. If a quorum is present, unless otherwise provided by law or in the Articles of Incorporation, the affirmative vote of a majority of the Members at the meeting entitled to vote on the subject matter shall be the act of the Members. After a quorum has been established at a Members' meeting, the subsequent withdrawal of Members, so as to reduce the number of Members entitled to vote at the meeting below the number required for a quorum, shall not affect the validity of any action taken at the meeting or any adjournment thereof. If a quorum is not present when a meeting starts, then a majority of the Members at the meeting may adjourn the meeting from time to time without further notice until a quorum is present.

**Section 11. Votes.** Each Voting Member shall be entitled to one vote per lot owned on each matter submitted to a vote at a meeting of Members.

**Section 12. Proxies.** Every Member entitled to vote at a meeting of Members or to express consent or dissent without a meeting may authorize another person or persons to act for him by proxy. Every proxy shall be in writing and shall be signed by the Member or his otherwise duly authorized attorney-in-fact. No proxy shall be valid after the expiration of eleven (11) months from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the Member executing it, except as otherwise provided by law.

### Article 3

#### BOARD OF TRUSTEES

**Section 1. General Powers.** Subject to the limitations of the Articles of Incorporation, these Bylaws, and the nonprofit corporation statutes concerning corporate action that must be authorized or approved by the Members of the Corporation, all corporate powers shall be exercised by or under the authority of the Board of Trustees, and the management and affairs of the Corporation shall be controlled by the Board of Trustees.

**Section 2. Number, Qualification, Election and Tenure.** The number of Trustees shall be the number of Trustees elected from time to time in accordance with these Bylaws, but shall never be less than three. The number of Trustees may be increased or decreased from time to time by election in accordance with these Bylaws. The Trustees need not be Members of this Corporation or residents of Georgia. Trustees shall be elected by the Members at the annual meeting of Members and shall serve until the next succeeding annual meeting and until their successors have been elected and qualified.

**Section 3. Annual Meetings.** The Board of Trustees shall hold its annual meeting at the same place as and immediately following each annual meeting of Members for the purpose of the election of Officers and the transaction of such other business as may come before the

Incorporation. A Trustee elected to fill a vacancy shall hold office only until the next election of Trustees by the Members. Any directorship to be filled by reason of an increase in the number of Trustees shall be filled by election at an annual meeting of Members or a special meeting of Members called for that purpose.

**Section 11. Removal.** At any meeting of Members called expressly for that purpose, any Trustee or Trustees may be removed from office, with or without cause, by vote of holders of a majority of the outstanding shares then entitled to vote at an election of Trustees. New Trustees may be elected by the Members for the unexpired terms of Trustees removed from office at the same meetings at which such removals are voted. If the Members fail to elect persons to fill the unexpired terms of removed Trustees, and if the Members did not intend to decrease the number of Trustees to serve on the Board, then the vacancies unfilled shall be filled in accordance with provisions in these Bylaws for vacancies.

**Section 12. Presumption of Assent.** A Trustee of the Corporation who is present at a meeting of the Board of Trustees at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless he votes against such action or abstains from voting because of an asserted conflict of interest.

#### Article 4

### OFFICERS

**Section 1. Officers.** The Officers of this Corporation shall be a President, Secretary and Treasurer, each of whom shall be elected by the Board of Trustees. A Chairman of the Board, Vice President, and such other officers and assistant officers as may be deemed appropriate may be elected by the Board of Trustees from time to time. Any two or more offices may be held by the same person. A failure to elect a President, Secretary or Treasurer shall not affect the existence of the Corporation. The Treasurer, who shall be elected for a three-year term shall not be permitted to succeed himself or herself at the expiration of any term of office.

**Section 2. Election and Term of Office.** The Officers of the Corporation shall be elected annually by the Board of Trustees at its meeting after each annual meeting of Members. If the election of Officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each Officer shall hold office until his successor shall have been duly elected and shall have qualified, or until his death, or until he shall resign or shall have been removed in the manner hereinafter provided. Terms of office shall be one year except in the case of the Treasurer, who shall be elected for a three-year term.

**Section 3. Removal.** Any Officer may be removed from office at any time, with or without cause, on the affirmative vote of a majority of the Board of Trustees whenever, in its judgment, the best interests of the Corporation will be served thereby. Removal shall be without prejudice to any contract rights of the person so removed, but election of an Officer

shall not of itself create contract rights.

**Section 4. Vacancies.** Vacancies in offices, however occasioned, may be filled at any time by election by the Board of Trustees for the unexpired terms of such offices.

**Section 5. Duties.** The Chairman of the Board, or the President if there is no Chairman of the Board, shall preside at all meetings of the Board of Trustees and of the Members. The President shall be the chief executive officer of the Corporation. Subject to the foregoing, the Officers of the Corporation shall have such powers and duties as usually pertain to their respective offices and such additional powers and duties specifically conferred by law, by the Articles of Incorporation, by these Bylaws, or as may be assigned to them from time to time by the Board of Trustees.

**Section 6. Salaries.** No salaries shall be paid to any office or Trustee of the Officers shall be fixed from time to time by the Board of Trustees, and no Officer shall be prevented from receiving such salary by reason of the fact that he is also a Trustee of the Corporation.

**Section 7. Delegation of Duties.** In the absence or disability of any Officer of the Corporation or for any other reason deemed sufficient by the Board of Trustees, the Board may delegate his powers or duties to any other Officer or to any other Trustee.

## Article 5

### EXECUTIVE AND OTHER COMMITTEES

**Section 1. Creation of Committees.** The Board of Trustees may, by resolution passed by a majority of the whole Board, designate an Executive Committee and one or more other committees.

**Section 2. Executive Committee.** The Executive Committee (if there is one) shall consult with and advise the Officers of the Corporation in the management of its affairs and shall have and may exercise, to the extent provided in the resolution of the Board of Trustees creating such Executive Committee, such powers of the Board of Trustees as can be lawfully delegated by the Board.

**Section 3. Other Committees.** Such other committees shall have such functions and may exercise such power of the Board of Trustees as can be lawfully delegated and to the extent provided in the resolution or resolutions creating such committee or committees.

**Section 4. Meetings.** Regular meetings of the Executive Committee and other committees may be held without notice at such time and at such place as shall from time to time be determined by the Executive Committee or such other committees, and special meetings of the Executive Committee or such other committees may be called by any member thereof upon two (2) days' notice to the other members of such committee, or on such shorter notice as may

be agreed to in writing by each of the other members of such committee, given either personally or in the manner provided in these Bylaws pertaining to notice for Trustees' meetings.

**Section 5. Vacancies.** Vacancies on the Executive Committee or on other committees shall be filled by the Board of Trustees then in office at any regular or special meeting of the Board of Trustees.

**Section 6. Quorum.** At all meetings of the Executive Committee or other committees, a majority of the committee's members then in office shall constitute a quorum for the transaction of business.

**Section 7. Manner of Acting.** The acts of a majority of the members of the Executive Committee or other committees present at any meeting at which there is a quorum shall be the act of such committee.

**Section 8. Minutes.** The Executive Committee (if there is one) and the other committees shall keep regular minutes of their proceedings and report the same to the Board of Trustees when required.

## Article 6

### MEMBERSHIP CERTIFICATES

**Section 1. Form and Issuance.** At the discretion of the Trustees, members of the Corporation may be issued certificates signed by the President or a Vice President, and by the Secretary or an Assistant Secretary. If issued, each Membership certificate shall state the following: (a) the name of the Corporation; (b) that the Corporation is organized under the laws of the State of Georgia; and (c) the name of the person or persons to whom issued. The Membership certificate itself shall convey no rights or privileges, but shall only be for identification.

**Section 2. Lost, Stolen or Destroyed Certificates.** The Corporation may issue a new Membership certificate in the place of any certificate previously issued if the Member named in the certificate (a) makes proof in affidavit form that it has been lost, destroyed or stolen; (b) requests the issuance of a new certificate; and (c) satisfies any other reasonable requirements imposed by the Corporation.

## Article 7

### BOOKS, RECORDS AND REPORTS

**Section 1. Report to Members.** The Corporation shall send an annual report to the Members of the Corporation not later than four months after the close of each fiscal year of

the Corporation. Such report shall include a balance sheet as of the close of the fiscal year of the Corporation and a revenue and disbursement statement for the year ending on such closing date. Such financial statements shall be prepared from and in accordance with the books of the Corporation, in conformity with generally accepted accounting principles applied on a consistent basis.

**Section 2. Inspection of Corporate Records.** Any person who is a Voting Member of the Corporation shall have the right, for any proper purpose and at any reasonable time, on written demand stating the purpose thereof, to examine and make copies from the relevant books and records of accounts, minutes, and records of Members of the Corporation. Upon the written request of any Voting Member, the Corporation shall mail to such Member a copy of the most recent balance sheet and revenue and disbursement statement. If such request is received by the Corporation before such financial statements are available for its last fiscal year, the Corporation shall mail such financial statements as soon as they become available. In any event, the financial statements must be mailed within four months after the close of the last fiscal year. Additionally, balance sheets and revenue and disbursement statements shall be filed in the registered office of the Corporation, shall be kept for at least five years, and shall be subject to inspection during business hours by any Voting Member, in person or by agent.

#### Article 8

#### NONPROFIT OPERATION

The Corporation will not have or issue shares of stock. No dividends will be paid. No part of the income or assets of the Corporation will be distributed to its Members, Trustees or Officers without full consideration. No Member of the Corporation has any vested right, interest or privilege in or to the assets, property, functions or activities of the Corporation. The Corporation may contract in due course with its Members, Trustees and Officers without violating this provision.

#### Article 9

#### FISCAL YEAR

The fiscal year of the Corporation shall be the period selected by the Board of Trustees as the fiscal year of the Corporation.

#### Article 10

#### SEAL

The corporate seal shall bear the name of the Corporation between two concentric circles and in the inside of the inner circle shall be the year of incorporation.

Article 11

INDEMNIFICATION

The Corporation shall indemnify each Officer and Trustee, including former Officers and Trustees, to the full extent permitted by the state corporation laws.

Article 11

AMENDMENTS

These Bylaws may be altered, amended or replaced and new Bylaws may be adopted by the Board of Trustees; provided that any Bylaws or amendments thereto as adopted by the Board of Trustees may be altered, amended or repealed by vote of the Members, or a new Bylaw in lieu thereof may be adopted by the Members. No Bylaw which has been altered, amended, repealed or adopted by such a vote of the Members may be altered, amended or repealed by a vote of the Board of Trustees for a period of two (2) years after the action of the Members. So long as THE FALLS AT BUTLER BRIDGE, INC. retains ownership of over 25% of the voting memberships in the corporation, the Secretary of the United States Department of Housing and Urban Development and the Veteran's Administration, or their respective designates, shall have the right to veto any amendment to these by-laws.

Adopted, this 30<sup>th</sup> day of December, 1997.

Debby Stephens  
Secretary - Debby Stephens