

Dat Aug. 10 = at 10.03 AM

BY-LAWS OF HARBOUR SHORES AT HIGH FALLS
HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

Name and Location

Section 1. Name and Location. The name of this Association is as follows: HARBOUR SHORES AT HIGH FALLS HOMEOWNERS ASSOCIATION, INC.

Its principal office and mailing address is initially located at: c/o High Falls Associates, 1784 Century Boulevard, Suite A, Atlanta, Georgia 30345.

ARTICLE II

Definitions

Section 1. Developer. "Developer", as used herein, shall have the same meaning as that expression is defined to have in the Declaration.

Section 2. Declaration. "Declaration", as used herein means that certain Declaration made by the Developer on the 15th day of November, 1989, and recorded in Deed Book 301, Page 163, Clerk's Office, Monroe Superior Court, and recorded in Deed Book 126, page 504, Clerk's Office, Butts Superior Court, as amended by document dated April 17, 1990, and recorded in Deed Book 311, Page 230, Clerk's Office, Monroe County Superior Court, and in Deed Book 130, Page 240, Clerk's Office, Butts County Superior Court, as further amended by document dated August 17, 1990, and recorded in Deed Book 326, Page 204, Clerk's Office, Monroe County Superior Court, and in Deed Book 135, Page 572, Clerk's Office, Butts County Superior Court, and as same may be hereafter amended.

Section 3. Other Definitions. Unless it is plainly evident from the context that a different meaning is intended, all other terms used herein shall have the same meaning as such terms are defined to have in the Declaration.

ARTICLE III

Membership

Section 1. Membership. The Association shall have two (2) classes of voting membership, which shall be known as "Class A" and "Class B";

Class A - The Class A members shall be all Owners, with the exception of the Developer, and shall be entitled to one (1) vote for each Lot owned. When more than one (1) Person owns an interest in any Lot, all such Persons shall be members. The vote for such Lot shall be exercised as such Persons determine but in no event shall more than one (1) vote be cast with respect to each Lot.

Class B - The sole Class B member shall be the Developer. Class B membership shall be a full voting membership, and during its existence the Class B member shall be entitled to vote on all matters and in all events. The Class B member shall be entitled to three (3) votes for each Lot owned by it. The Class B Membership shall cease and be converted to Class A Membership at such time as the first of the following occurs:

- (i) the expiration of ten (10) years from the date of the Declaration; or
- (ii) the date as of which three fourths (3/4) of the Lots which may be developed on the Property and on the Additional Property shall have been conveyed, by

either the Developer or by a builder who purchased the Lot from Developer for the purpose of erecting a dwelling thereon, to any individual Owner or Owners for residential occupancy; or

(iii) the surrender by the Developer of the authority to appoint and remove members of the Board of the Association by an express amendment to the Declaration executed and recorded by the Developer; provided, however, that so long as any mortgagee of Developer holds a security interest in any portion of the Property or the Additional Property as security for a development loan to Developer, the Class B membership shall not terminate without the prior written consent of such mortgagee. If at the time of termination of the Class B membership, Developer still owns any Lots, then as to each Lot owned by Developer, it shall be deemed to be a Class A member.

The members of the Association shall have no preemptive rights, as such members, to acquire any memberships of this Association that may at any time be issued by the Association except as may be specifically provided in this Article.

Section 2. Membership Certificates. In the event the Board of Directors considers it necessary or appropriate to issue membership certificates or the like, then each such membership certificate shall state that the Association is organized under the laws of the State of Georgia, the name of the registered holder or holders of the membership represented thereby, and shall be in such form as shall be approved by the Board of Directors. Membership certificates shall be consecutively numbered, bound in one or more books, and shall be issued therefrom upon certification as to the transfer of title to the Lot to which such membership is appurtenant. Every membership certificate shall be signed by the President or a Vice President and the Secretary or an Assistant Secretary and shall be sealed with the corporate seal. Such signatures and seal may be original or facsimile.

Section 3. Lost Certificates. The Board of Directors may direct a new certificate or certificates to be issued in place of any certificate or certificates previously issued by the Association and alleged to have been destroyed or lost, upon making of an affidavit of the fact by the person claiming the membership certificate to be lost or destroyed. When authorizing such issuance of a new certificate, or certificates, the Board of Directors may in its discretion, and as a condition precedent to the issuance thereof, require the registered holder or holders of such lost or destroyed certificates or certificates, or his legal representative, to advertise the same in such manner as the Board of Directors shall require and to give the Association a bond in such sums the Board of Directors may require as indemnity against any claim that may be made against the Association on account of the issuance of such new certificate.

Section 4. Liquidation Rights. In the event of any voluntary or involuntary dissolution of the Association, each Class A member of the Association shall be entitled to receive out of the assets of the Association available for distribution to the members, an amount equal to that proportion of such assets which the number of Class A memberships held by such members bears to the total number of Class A memberships of the Association then issued and outstanding.

ARTICLE IV

Meeting of Members

Section 1. Place of Meeting. Meetings of the membership shall be held at the principal office or place of business of the

Association or at such other suitable place within the State of Georgia, which is reasonably convenient to the membership and as may from time to time be designated by the Board of Directors.

Section 2. Annual Meeting. The first annual meeting of the members of the Association shall be held at such time and place as may be designated by the Board of Directors; provided, however, that the first annual meeting of members shall be held within one (1) year from the date of filing of the Articles of Incorporation of the Association with the Secretary of State. Thereafter, the annual meetings of the members shall be held during the month of June of each succeeding year. At such meeting there shall be elected by ballot of the members a Board of Directors in accordance with the requirements of Article V of these By-Laws. The members may also transact such other business as may properly come before them.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the members as directed by resolution of the Board of Directors or upon a petition signed by at least twenty (20%) percent of each class of the then members, having been presented to the Secretary; provided, however, that no special meeting shall be called, except upon resolution of the Board of Directors, prior the first annual meeting of members as hereinabove provided for. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. Notice of Meetings. It shall be the duty of the Secretary to mail by first class mail or to hand deliver a notice of each annual or special meeting, stating the purpose thereof, as well as the time and place where it is to be held, to each member of record, at his address as it appears on the membership books of the Association or, if no such address appears, at his last known place of residence, at least (10) ten but no more than (90) ninety days prior to such meeting. Notice by either such method shall be considered as notice served. Attendance by a member at any meeting of the members shall be a waiver of notice by such member of the time, place and purpose thereof. Notice of any annual or special meeting of the members of the Association may also be waived by any member either prior to, at or after such meeting.

Section 5. Roster of Membership. The Board of Directors of the Association shall maintain a current roster of the names and addresses of each member to which written notice of meetings of the members of the Association shall be delivered or mailed. Each Owner shall timely furnish the Board of Directors with his name and current mailing address.

Section 6. Quorum. The presence, either in person or by proxy, of members representing at least ten percent (10%) of the then members of record, shall be requisite for, and shall constitute a quorum for the transaction of business at any meeting of members. If the number of members at a meeting drops below the quorum and if the question of a lack of a quorum is raised, no business may thereafter be transacted. If the question of a lack of a quorum is not raised, business may be transacted and shall be binding upon the membership.

Section 7. Adjourned Meetings. If any meeting of members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may except as otherwise provided by law, adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

Section 8. Voting. At every meeting of the members, each Class A member and the Class B member shall have the right to cast on each question the number of votes to which each such member is entitled under these By-Laws. A majority vote of the members

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present at the meeting, in person or by proxy, calculated as aforesaid, shall be necessary to decide any question brought before such meeting unless the question is one upon which, by the express provision of law or of the Articles of Incorporation, or of the Declaration or of these By-Laws, a different vote is required, in which case such express provisions shall govern and control. The vote for any membership which is owned by more than one person may be exercised by any of them present at any meeting unless any objection or protest by any other owner of such membership is noted at such meeting. In the event all of the co-owners of any membership who are present at any meeting of the members are unable to agree on the manner in which the vote for such membership shall be cast on any particular question, then such vote shall not be counted for purposes of deciding that question. In the event any membership is owned by a corporation, then the vote for any such membership shall be cast by a person designated in a certificate signed by the President or Vice President of such corporation and attested by the Secretary or any Assistant Secretary of such corporation and filed with the Secretary or an Assistant Secretary of the Association, prior to or during the meeting. Any such certificate shall remain valid until revoked or superseded in writing. The vote for any membership which is owned by a trust or partnership may be exercised by any trustee or partner thereof, as the case may be, and, unless any objection or protest by any other such trustee, or partner is noted at such meeting, the Chairman of such meeting shall have no duty to inquire as to the authority for the person casting such vote or votes. No Class A member shall be eligible to vote, either in person or by proxy, or to be elected to the Board of Directors, who is shown on the books or management accounts of the Association to be more than thirty (30) days delinquent in any payment due the Association.

Whenever in these By-Laws any action is required to be taken by a specified percentage of "each class of the then members of the Association, then such action shall be required to be taken separately by the specified percentage of the votes of the then outstanding Class A members of the Association and the specified percentage of the votes of the then outstanding Class B members of the Association. Whenever in these By-Laws any action is required to be taken by a specified percentage of "both classes of the then members" of the Association, then such action shall be required to be taken by a specified percentage of the votes of the then outstanding cumulative membership of the Association.

Section 9. Proxies. A member may appoint any other member or the Developer or a committee appointed by the majority vote of the Board of Directors or the Management Agent (defined in Article V, Section 4 below) as his proxy. In no case may any member (except the Developer or a committee appointed by the majority vote of the Board of Directors or the Management Agent) cast more than one (1) vote by proxy in addition to his own vote. Any proxy must be in writing and must be filed with the Secretary in form approved by the Board of Directors before the appointed time of each meeting. Unless limited by its terms, any proxy shall continue until revoked by a written notice of revocation filed with the Secretary or by the death of a member; provided, however, that no proxy shall be effective for a period in excess of one hundred eighty (180) days.

Section 10. Order of Business. The order of business at all regularly scheduled meetings of the members shall be as follows:

- (a) Roll call and certification of proxies.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading and disposal of minutes of preceding meeting, if any.
- (d) Reports of officers, if any.
- (e) Reports of committees, if any.

- (f) Unfinished business.
- (g) New Business.
- (h) Election of directors.
- (i) Adjournment.

In the case of special meeting, items (a) through (d) shall be applicable and thereafter the agenda shall consist of the items specified in the notice of the meeting.

Section 11. Rules of Order and Procedure. The rules of order and all other matters of the procedure at all annual and special meetings of the members shall be determined by the Chairman of such meeting.

ARTICLE V

Directors

Section 1. Number and Qualifications. The affairs of the Association shall be governed by the Board of Directors composed of an uneven number of at least three (3) natural persons and not more than nine (9) natural persons, a majority of whom (after the lapse of or termination of the Class B membership), shall be Class A members of the Association.

Prior to the lapse or termination of the Class B membership as provided in Article III of these By-Laws, the number of Directors shall be determined, from time to time, by a vote of the initial Directors hereinafter named or their successors. Thereafter, the number of Directors may be changed by a vote of the Class A members at any subsequent annual or special meeting of such members; provided, however, that (a) the limitation of this Section shall continue to apply; and (b) no such change shall operate to curtail or extend the term of any incumbent Director. Prior to the lapse of the Class B membership as provided in Article III of these By-Laws, the Directors of the Association need not be members of the Association.

Section 2. Initial Directors. The initial Directors shall be selected by the Developer and need not be members of the Association. The names of the Directors who shall act as such from the date upon which the Articles of Incorporation of the Association are accepted for record by the Georgia Secretary of State, and until the first annual meeting of the members or until such time as their successors are duly chosen and qualified, whichever shall last occur, are as set forth in the Articles of Incorporation of the Association.

Section 3. Powers and Duties. The Board of Directors shall have all 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 by law or by the Declaration of these By-Laws directed to be exercised and done by the members. The powers and duties of the Board of Directors shall include, but shall not be limited to the following:

- (a) To provide for (i) the care, upkeep and surveillance of any Common Areas of the Property and the Additional Property and (ii) community services; in a manner consistent with the law and the provisions of these By-Laws and the Declaration;
- (b) Establishment, collection, use and expenditure of assessments and carrying charges from the members and for the assessment, the filing and enforcement of liens therefor in a manner consistent with law and the provisions of these By-Laws and the Declaration;
- (c) Hiring and dismissal of the personnel necessary for the good working order and proper care of any Common Area and community facilities and to provide

services for the Property and the Additional Property in a manner consistent with law and the provisions for these By-Laws and the Declaration;

(d) Promulgation and enforcement of such rules and regulations and such restrictions on or requirements as may be deemed proper respecting the use, occupancy and maintenance of the Harbour Shores at High Falls Subdivision Lots as are designed to prevent unreasonable interference with the use of any Common Area by the members and others or as the Board of Directors deems proper, all of which shall be consistent with law and the provisions of these By-Laws and the Declaration;

(e) Authorization, in their sole discretion, of the payment of patronage refunds from residual receipts when and as reflected in the annual report;

(f) To enter into agreements whereby the Association acquires leaseholds, memberships and other possessory or use interests in real or personal property for the purpose of promoting the enjoyment, recreation or welfare of the members and to declare expenses incurred in connection therewith to be common expenses of the Association; provided, however, that so long as there is a Class B membership of the Association outstanding, no such agreement shall be entered into without the prior written consent and approval of the Class B member;

(g) To purchase such policies of insurance as shall from time to time be considered appropriate by the Board of Directors including, without limitation, casualty insurance, public liability insurance, workmen's compensation insurance to the extent necessary to comply with any applicable law, so-called "legal expense indemnity insurance" affording protection for the Officers and Directors of the Association for expenses and fees incurred by any of them in defending any suit or settling any claim or cause of action to which any such Officer or Director shall have been made a party by reason of his or her services as such, fidelity coverage and the like;

(h) To construct, repair, restore, reconstruct or otherwise improve all or any part of any Common Area and community facilities before or after any casualty loss in a manner consistent with law and the provisions of these By-Laws;

A (i) To lease, grant licenses, easements, rights-of-way and other rights of use in all or any part of any Common Areas and community facilities;

(j) To purchase Lots and to lease, mortgage or convey the same, subject to the provisions of these By-Laws and the Declaration; and

(k) To appoint or remove the members of such committees as the Board of Directors may from time to time designate.

Section 4. Management Agent. The Board of Directors may employ a management agent or manager for the Association (the "Management Agent") at a rate of compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall from time to time authorize in writing. Any management agreement entered into by the Association shall provide, inter alia, that such agreement may be terminated with or without cause by either party upon thirty (30) days written notice thereof to the other party. The term of any such

management agreement shall not exceed one (1) year; provided, however, that the term of any such management agreement may be renewable by mutual agreement of the parties for successive one-year periods.

Section 5. Election and Term of Office. The term of the Directors named herein shall expire when their successors have been elected at the first annual meeting of members and are duly qualified. The election of Directors shall be by secret written ballot, unless balloting is dispensed with by the unanimous consent of the members present at any meeting, in person or by proxy. There shall be no cumulative voting. At the first annual meeting of the members, the term of office of the Director receiving the greatest number of votes shall be fixed for three (3) years. The term of office of the director receiving the second greatest number of votes shall be fixed for two (2) years, and the term of office of the other Director or Directors shall be fixed for one (1) year. At the expiration of the initial term of office of each respective Director, his successor shall be elected to serve a term of three (3) years. In the alternative, the membership may, by resolution duly made and adopted at the first annual meeting, resolve to fix the term for each Director elected at any such meeting at one (1) year. Directors shall hold office until their successors have been elected and hold their first regular meeting.

Section 6. Resignation and Removal of Directors. Any Director may resign at any time upon written notice to the board of Directors. At any annual meeting of members, or at any special meeting duly called for such purpose (but only after the lapse or termination of the Class B membership as provided in Article III of these By-Laws), any Director may be removed with or without cause by the affirmative vote of the majority of the votes of the members present and voting, in person or by proxy, and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the members shall be given an opportunity to be heard at the meeting. The term of any Director who is a Class A member of the Association and who becomes more than thirty (30) days delinquent in payment of any assessments or carrying charges due the Association may be terminated as a Director by resolution of the remaining Directors, and the remaining Directors shall appoint his successor as provided in the Article.

Section 7. Compensation. No compensation shall be paid the Directors for their services as Directors. After the first annual meeting of the members, no remuneration shall be paid to any Director who is also a member for services performed by him for the Association in any other capacity unless a resolution authorizing such remuneration shall have also been adopted by the Board of Directors before such services are undertaken. Directors may be reimbursed for their actual out-of-pocket expenses necessarily incurred in connection with their services as Directors.

Section 8. Organization Meeting. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, provided a majority of the whole board of Directors shall be present at such first meeting.

Section 9. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least two (2) such meetings shall be held during each calendar year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone or telegraph, at least five (5) days prior to the day named for such meeting.

Section 10. Special Meetings. Special meeting of the Board of Directors may be called by the President on three (3) days prior notice to each Director, given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least one-half (1) if the Directors.

Section 11. Waiver of Notice. Before, at or after any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board of Directors shall be waiver of notice by him of the time, place and purpose thereof. If all the Directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

Section 12. Quorum. At all meetings of the Board for Directors a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at any meeting at which a quorum is present shall be the acts of the Board of Directors. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 13. Action Without Meeting. Any action of the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Board of Directors shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board of Directors.

Section 14. Fidelity Bonds. With the exception of the initial officers and Directors set forth in the Articles of Incorporation, the Board of Directors may require that all officers, Directors and employees of the Association regularly handling or otherwise responsible for the funds of the Association shall furnish adequate fidelity bonds or equivalent insurance against acts of dishonesty. The premiums on such bonds or insurance shall be paid by the Association.

ARTICLE VI

Officers

Section 1. Designation. The principal officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors. Prior to the lapse or termination of the Class B membership as provided in Article III of these By-Laws, the officers of the Association need not be members of the Association. Thereafter, except for the President, the officers of the Association need not be members of the Association. The Board of Directors may appoint an assistant secretary and an assistant treasurer and such other officers as in their judgement may be necessary. The offices of Secretary and Treasurer may be filled by the same person.

Section 2. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board and shall hold office at the pleasure of the Board of Directors.

Section 3. Resignation - Removal of Officers. Any officer may resign at any time upon written notice to the Board of

Directors, Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed either with or without cause, and his successor elected at any regular meeting, or at any special meeting of the Board of Directors called for such purpose.

Section 4. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the members and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of President of a corporation.

Section 5. Vice President. The Vice President shall take the place of the President and perform his duties 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 some other member of the Board to do so on an interim basis. The Vice President shall also assist the President generally and shall perform such other duties as shall from time to time be delegated to him by the Board of Directors.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the members of the Association. The Secretary shall give notice of all annual and special meeting to the members of the Association in conformity with the requirements of these By-Laws. The Secretary shall have custody of the seal of the Association, if any. The Secretary shall have charge of the membership transfer books and of such other books and papers as the Board of Directors may direct and he shall, in general, perform all of the duties incident to the office of Secretary.

Section 7. Treasurer. The Treasurer shall have responsibility for funds and securities of the Association and shall be responsible for keeping, or causing to be kept, full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for causing the deposits of all monies and other valuable effects in the name, and to the credit of the Association, in such depositories as may from time to time be designated by the Board of Directors.

ARTICLE VII

Fiscal Management

Section 1. Fiscal Year. The fiscal year of the Association shall begin on the first day of January every year, except for the first fiscal year of the Association, which shall begin on the date when the Articles of Incorporation of the Association are accepted for record by the Georgia Secretary of State. The commencement date of the fiscal year herein established shall be subject to change by the Board of Directors should the practice of the Association subsequently dictate.

Section 2. Principal Office - Change of Same. The Principal office of the Association shall be as set forth in Article I of the By-Laws. The Board of Directors, by appropriate resolution, shall have the authority to change the location of the principal office of the Association from time to time.

Section 3. Books and Accounts. Books and accounts of the Association shall be kept under the direction of the Treasurer in accordance with generally accepted accounting practices consistently applied. The same shall include books with detailed accounts, in chronological order, of receipts and expenditures and other transactions of the Association and its administration and shall specify the maintenance and repair expenses of any Common Areas and community facilities, services required or provided with respect to the same, and any other expenses incurred by the Association. The amount of any assessment or portion of any assessment required for payment of

any capital expenditures or reserves of the Association, may be credited upon the books of the Association to the "Paid-in-Surplus" account as a capital contribution by the members.

Section 4. Auditing. At the close of each fiscal year, the books and records of the Association shall be audited by an independent Certified Public Accountant whose report shall be prepared and certified in accordance with generally accepted auditing standards, consistently applied. Based on such report, the Association shall furnish the members with an annual financial statement, including the income and disbursements of the Association, within ninety (90) days following the end of each fiscal year.

Section 5. Inspection of Books. The books and accounts of the Association, vouchers accrediting the entries made thereupon, and all other records maintained by the Association shall be available for examination by the members and their duly authorized agents or attorneys, during normal business hours and for purposes reasonably related to their respective interests and after reasonable notice.

Section 6. Execution of Corporate Documents. With the prior authorization of the Board of Directors, all notes and contracts shall be executed on behalf of the Association by either the President or a Vice President and attested by the Secretary or an Assistant Secretary, and all checks shall be executed on behalf of the Association by such officers, agents or other persons as are from time to time so authorized by the Board of Directors.

Section 7. Seal. The Board of Directors may provide a suitable corporate seal containing the name of the Association, which seal shall be in the charge of the Secretary. If so directed by the Board of Directors, a duplicate seal may be kept and used by the Treasurer or any Assistant Secretary or Assistant Treasurer.

ARTICLE VIII

Amendments

Section 1. Amendments. Subject to the other limitations set forth in the se By-Laws, these By-Laws may be amended by the affirmative vote of members representing two-thirds (2/3) of the then members for record at any meeting of the members duly called for such purpose in accordance with the provisions and requirements of these By-Laws.

Section 2. Proposal of Amendments. Amendments to these By-Laws may be proposed by the Board of Directors of the Association or by petition signed by at least twenty-five (25%) percent of the total vote of the members, which petition shall be delivered to the Secretary. A description of any proposed amendment shall accompany the notice of any annual or special meeting of the members at which such proposed amendment is to be considered and voted upon.

ARTICLE IX

Casualty Losses

Section 1. Casualty Losses. In the event of damage or destruction to any Common Area and community facilities, if any, by fire or other casualty, the same shall be promptly repaired, replaced or reconstructed in substantial conformity with the original plans and specifications for any Common Area and community facilities with the proceeds of insurance available for that purpose. In the event that the proceeds of insurance are not sufficient to repair damage to or destruction of any Common Area and community facilities caused by fire or other casualty or, in the event such damage or destruction is caused by any casualty not insured against, then and in either of those

two events, upon resolution of the Board of Directors, the repair, replacement or reconstruction of the damage shall be accomplished promptly by the Associations at its common expense.

ARTICLE X

Interpretation - Miscellaneous

Section 1. Conflict. These By-Laws are subordinate and subject to all provisions of the Declaration and to the provisions of the Articles of Incorporation of the Association. All of the terms hereof, except where clearly repugnant to the context, shall have the same meaning as they are defined to have in the Declaration. In the event of any conflict between these By-Laws and the Articles of Incorporation of the Association, the provisions of the Articles of Incorporation shall control.

Section 2. Notices. Unless another type of notice is herein elsewhere or by law specifically provided for, any and all notices called for in these By-Laws shall be given in writing.

Section 3. Severability. In the event any provisions or provisions of these By-Laws shall be determined to be invalid, void or unenforceable, such determination shall not render invalid, void or unenforceable any other provision hereof which can be given effect.

Section 4. Waiver. No restriction, condition, obligation or provisions of these By-Laws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.

Section 5. Captions. The captions contained in these By-Laws are for convenience only and are not a part of these By-Laws.

