

EXHIBIT B
BY-LAWS
OF
CUTTERS MILL
HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

GENERAL

Section 1. Name. The name of this corporation shall be CUTTERS MILL HOMEOWNERS ASSOCIATION, INC., (hereinafter sometimes referred to as the "Association").

Section 2. Purpose. The purpose of the Association is to serve as the legal and business entity of the Subdivision with the power to act on behalf of the Homeowners in all matters properly coming before it as relates to maintenance of the Detention Facilities.

Section 3. Definitions. The capitalized terms used in these By-Laws, but not otherwise defined herein, shall have the respective definitional meanings set forth on Exhibit "A" attached hereto and by reference made a part hereof.

Section 4. Membership. The membership of this Association shall be limited to Homeowners in the Subdivision. If title to a Lot is held by more than one Person, each of such Persons shall be a member; however, no more than one vote per Lot may be cast on any matter which requires a vote. Membership shall be appurtenant to the Lot to which it appertains and shall be transferred automatically by conveyance of that Lot. Membership in the Association may not be transferred except in connection with the transfer of title to a Lot.

Section 5. Applicability. These By-Laws are applicable to the Lots located within the Subdivision as provided herein and in (i) the Articles of Incorporation of the Association, if applicable; (ii) (a) Protective Covenants for Cutters Mill dated July 18, 2001 and recorded in Deed Book 12298, pages 152-159, DeKalb County, DeKalb Records, (b) Protective Covenants for Cutters Mill dated May 9, 2003 and recorded in Deed Book 14449, pages 340-344, DeKalb County, DeKalb Records, and (c) Protective Covenants for Cutters Mill dated May 9, 2003 and recorded in Deed Book 14449, pages 426-430, DeKalb County, DeKalb Records; and (iii) the First Amendment to Protective Covenants for Cutters Mill, recorded in Deed Book ____, pages _____, in the Office of the Clerk of the Superior Court of DeKalb County, Georgia; and are binding on all present or future owners, tenants, residents, or other Persons occupying or using Lots within the Subdivision in any manner. The mere acquisition, rental, or act of occupancy of

any part of a Lot within the Subdivision shall signify that these By-Laws are accepted, ratified and will be complied with.

ARTICLE II

MEETINGS, QUORUM, VOTING, PROXIES

Section 1. Place of Meetings. Membership meetings of the Association shall be held at such suitable place convenient to the members as may be designated by the Board of Directors.

Section 2. Annual Meetings. Annual membership meetings of the Association shall be held on the second Saturday of January of each year if not a legal holiday; and, if such is a legal holiday, then on the next following Saturday not a legal holiday. Notwithstanding the foregoing, the Board of Directors may cause the annual meeting of members to be on such other date in any year as it shall determine to be in the best interests of the Association and any business transacted at said meeting shall have the same validity as if transacted on the day designated herein. At the annual meeting, comprehensive reports of the affairs, finances and budget projections of the Association shall be made to the Homeowners.

Section 3. Order of Business at Annual Meetings. The order of business at all annual membership meetings shall be as follows:

- (a) Roll call and certification of proxies;
- (b) Proof of notice of meeting or waiver of notice;
- (c) Reading of minutes of preceding meeting;
- (d) Reports of officers, if any;
- (e) Reports of committees, if any;
- (f) Election of inspectors of election;
- (g) Election of directors;
- (h) Unfinished business;
- (i) New business.

Section 4. Special Meetings. The President shall be required to call a special meeting of the members as directed by resolution of the Board of Directors, or upon a petition signed by a majority of the Homeowners presented to the Secretary. The call of a special meeting shall be by notice stating the time, place, purpose, and order of business of such special meeting. Unless by consent of at least seventy-five percent (75%) of the voting weight of the Homeowners present in person or by proxy, only the business stated in the notice may be transacted at a special meeting.

Section 5. Notice of Meetings. It shall be the duty of the Secretary to give notice to each Homeowner of each annual or special membership meeting, stating the purpose thereof as well as the time and place where it is to be held. Except as may be otherwise required by law, notice shall be given to each Homeowner at least ten (10) days in advance of any annual

meeting, and at least five (5) days in advance of any other meeting. Except as may otherwise be required by law, notices shall be given in the manner provided in Section 4 of Article VI of these By-Laws. Any Homeowner (or any mortgagee of any Homeowner or other party entitled to notice) may waive the notice of the meeting by doing so in writing before or after the meeting. Attendance at a meeting, either in person or by proxy, shall of itself constitute a waiver of notice. A recitation in the minutes of any membership meeting that notice of such meeting was properly given shall be prima facie evidence that such notice was so given.

Section 6. Quorum. At all membership meetings, annual or special, a quorum shall be deemed present throughout any meeting until adjourned if Homeowners entitled to cast more than twenty percent (20%) of the votes of the Association are present in person or by proxy at the beginning of such meeting. If a quorum is present, the affirmative vote of Homeowners in attendance in person or by proxy holding at least a majority of the votes of the Homeowners represented at the meeting shall be the act of the Homeowners. For purposes of these By-Laws, "majority" shall mean more than fifty (50%) percent. Provided, however, the foregoing provisions of this By-Law to the contrary notwithstanding, any action, which by law or pursuant to any other provision of these By-Laws requires the assent of a special percentage of the votes of the Homeowners greater than that herein specified, shall not be considered the act of the Homeowners unless such requisite percentage so prescribed by law or by such other provision of these By-Laws is obtained. No Homeowner shall be counted for a quorum or permitted to vote who is shown on the books or management accounts of the Association to be more than thirty (30) days delinquent in any payments due the Association.

Section 7. Adjourned Meetings. Any meetings of the membership which cannot be organized because a quorum has not attended, may be adjourned from time to time by the vote of a majority of the Homeowners present in person or represented by proxy. When any membership meeting, either regular, annual or special, is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Except as aforesaid, it shall not be necessary to give any notice of any adjournment or of the business to be transacted at an adjourned meeting, other than by an announcement at the meeting at which such adjournment is taken.

Section 8. Voting. The Association shall have one class of voting membership which shall consist of all Homeowners in the Subdivision. If the same Homeowner owns more than one Lot, such Homeowner shall have membership privileges and pay assessments with respect to each Lot so owned. When more than one Person owns a Lot, the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot. If no disagreement among such Persons is apparent at the meeting, any of such Persons may cast the vote appertaining to that Lot. In the event of a disagreement among such Persons or an attempt by two or more of them to cast such vote or votes, such Persons shall not be recognized and such vote or votes shall not be counted. Any vote duly called may be by voice or by written ballot; provided, however, that all votes must be by written ballot upon demand made by a member prior to the commencement of the voting.

Section 9. Proxy. The vote appertaining to any Lot may (and shall, in the case of any Homeowner not a natural Person or Persons) be cast pursuant to a proxy or proxies on the proper form duly executed by or on behalf of the Homeowner, or, in cases where the Homeowner is more than one Person, by or on behalf of all such Persons, and filed with the Secretary of the Association. Any proxy shall be void if it is not dated or if it purports to be revocable without notice to the Association. No such proxy shall be valid after three (3) months from the date of its execution, unless the Homeowner executing it specifies therein the length of time for which such proxy is to continue in force, which in no case shall exceed one (1) year from the date of its execution. The transfer of title to any Lot shall void any outstanding proxy pertaining to the voting rights appurtenant to that Lot.

ARTICLE III

BOARD OF DIRECTORS, NUMBER, POWERS, MEETINGS

Section 1. Number. The affairs of the Association shall be governed by a Board of Directors composed of three individuals who shall be elected by and serve at the pleasure of the Homeowners. Each Director must be a Homeowner in the Subdivision at all times during his or her service as a Director, and any such Director who ceases to be a Homeowner shall not be eligible to serve as a Director.

Section 2. Powers and Duties. The Board of Directors shall have the powers and duties necessary to administer the affairs of the Association, including, but not limited to, those powers and duties specifically assigned to the Board of Directors herein. In addition to other duties which the Board of Directors may have, it shall be responsible for the following matters:

- (a) Care, upkeep and repair of the Detention Facilities in the Subdivision;
- (b) Collection of assessments levied by the Association; and
- (c) Designation and dismissal of the personnel necessary, if any for the discharge of the foregoing responsibilities.

Section 3. Nomination of Directors. Nominations for election to the Board of Directors shall be made by a Nominating Committee appointed by the Board of Directors (or elected by the Homeowners in the event there is no elected Board of Directors), not less than thirty (30) days prior to the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors (or elected by the Homeowners as the case may be), and two or more members of the Association. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the total number of Directors to be elected. Additional nominations may also be made from the floor of the meeting.

Section 4. Election and Term of Office. Persons nominated for the Board of Directors or as an Officer of the Homeowners Association, shall be elected by secret written ballot (unless dispensed by unanimous consent) cast by the Homeowners at the annual membership meeting. At such election, the Homeowners or their proxies may cast, in respect to each vacancy, on a non-cumulative basis, the vote assigned to their respective Lot. Elected Directors and Officers shall be determined by a plurality of those Homeowners voting in the election. In the event two or more candidates receive an equal number of votes, a run-off election will be held no later than two weeks from the election date. Such Directors and Officers shall be elected for a term of one year; provided, however, incumbent Directors and Officers shall hold office until the election and qualification of their successors. As used in these By-Laws, a "*Plurality*" means that the candidate who gets the most votes for a particular office will win, even if such votes represent less than fifty (50%) percent of the total votes cast, and that no run-off election will be required.

Section 5. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Homeowners shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum; and, each individual so elected shall be a Director until a successor is elected and qualified at the next annual meeting of the Homeowners.

Section 6. Removal of Directors. At any meeting of the Association duly called, any one or more of the Directors may be removed with or without cause by a majority vote of the total authorized vote of the Homeowners and a successor may then and there be elected by the Homeowners to fill the vacancy thus created. Any Director whose removal has been proposed by any Homeowner shall be given an opportunity to be heard at the meeting.

Section 7. Fees and Compensation. No fee or compensation shall be paid by the Association to Directors for their services as Directors unless such fee or compensation is first fixed by a resolution adopted by a majority vote of the Homeowners present in person or by proxy at a meeting duly called and held for such purpose.

Section 8. Organizational Meeting. The first meeting of a Board of Directors newly elected by the Homeowners shall be held without other notice than this By-Law immediately after, and at the same place as, the annual meeting of the Homeowners.

Section 9. Regular Meetings. The Board of Directors may provide, by resolution, the time and place for the holding of regular meetings, in addition to organizational meetings, without notice other than such resolution.

Section 10. Special Meetings. Special meetings of the Board of Directors may be called by the Chairman on three (3) days' 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 Chairman or Secretary in like

manner and on like notice on the written request of at least a majority of the Directors. Unless otherwise agreed to by a majority of the Directors, the place of any such special meeting shall be at such suitable place as the Chairman may determine.

Section 11. Waiver of Notice. Before or at 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 of the Board shall be a waiver of notice by him at the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 12. Entry of Notice. Whenever any Director has been absent from any special meeting of the Board of Directors, an entry in the minutes to the effect that notice has been duly given shall be conclusive and incontrovertible evidence that due notice of such special meeting was given such Director, as required by law and the By-Laws of the Association.

Section 13. Board of Directors Quorum. At all meetings of the Board of Directors, a quorum shall be deemed present throughout any meeting if Persons entitled to cast a majority of the votes in that body are present at the beginning of such meeting. The acts of a majority of the Directors present at a 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.

Section 14. Action Without Formal Meeting. Any action required or permitted to be taken at any meeting of the Board of Directors or any committee appointed by the Board of Directors may be taken without a meeting if, prior to such action, written consent thereto is signed by all members of the Board of Directors or of such Committee, as the case may be, and such written consent is filed with the minutes of the proceedings of the Board or committee.

Section 15. Special Committees. The Board of Directors, shall have the power and authority to create special committees which shall advise the Board of Directors on matters pertaining to the purpose for which any such special committee shall have been created. The members, including the chairman, of any special committee shall be appointed by and shall serve at the pleasure of the Board of Directors.

ARTICLE IV

OFFICERS

Section 1. Generally. At each annual membership meeting, the Members of the Association shall elect a Board of Directors subject to Section 1 of Article III of these Bylaws, as well as the following officers of the Association: a President, a Secretary and a Treasurer. The Board of Directors at any time and from time to time may appoint such other officers as it shall

deem necessary, including one (1) or more Assistant Secretaries, who shall hold their offices for such terms as shall be determined by the Board of Directors and shall exercise such powers and perform such duties as are specified by these By-Laws or as shall be determined from time to time by the Board of Directors.

Section 2. Tenure. Each officer of the Association shall hold office until his or her successor is chosen or until his or her earlier resignation, death, disqualification or removal, or the termination of his office. Any officer may be removed by the Board of Directors whenever in its judgment the best interests of the Association will be served hereby.

Section 3. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

Section 4. President. The President shall be elected from among the Directors and shall be Chairman of the Board of Directors. The President shall be the chief executive officer of the Association and, subject to the control of the Board of Directors, shall in general manage, supervise, and control all of the business and affairs of the Association. He shall, when present, preside at all membership meetings. He may sign, with the Secretary or any other proper officer of the Association thereunto authorized by the Board of Directors, any contracts, policies of insurance, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing or execution thereof shall be expressly delegated by the Board of Directors or these By-Laws to some other officer or agent of the Association, or shall be required by law to be otherwise signed or executed; and, in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 5. Secretary. The Secretary shall: (a) attend and keep the minutes of the membership meetings and of the Board of Directors meetings in one (1) or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law; (c) be custodian of the Association records; (d) keep a register of the post office address of each Homeowner and the post office address of the holder of any Mortgage on such Homeowner's Lot, which shall be furnished to the Secretary by such Homeowner; and, (e) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to the Secretary by the Board of Directors.

Section 6. Treasurer. The Treasurer shall: (a) have charge and custody of and be responsible for all funds, securities and financial records of the Association; receive and give receipts for monies due and payable to the Association from any source whatsoever, and deposit all such monies in the name of the Association in such banks, trust companies, or other depositories as shall be selected by the Board of Directors or the President; (b) authorize vouchers and sign checks for monies due and payable by the Association; and, (c) in general

perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the Board of Directors.

ARTICLE V

ASSESSMENTS

Section 1. Purpose of Assessments. The assessments provided for herein shall be used for the primary purpose of maintaining and repairing as necessary all the Detention Facilities in the Subdivision, but also may be used for enjoyment of the Homeowners and occupants of Lots in the Subdivision and, in particular, the common fund may be assessed to cover the following: (i) fees and expenses of administering the Association; (ii) cost of any policies of insurance purchased by the Association; (iii) maintenance, repair and replacement of the Detention Facilities, including but not limited to the cost of labor, equipment, materials, management and supervision thereof; and (iv) the establishment and maintenance of one or more reasonable reserve funds for such purposes as to cover the repair and maintenance of the Detention Facilities that must be repaired or replaced on a periodic basis, unforeseen contingencies or deficiencies, or for emergency expenditures or such other matters as may be authorized from time to time by the Board of Directors.

Section 2. Creation of the Lien and Personal Obligation for Assessments. Each Homeowner within the Subdivision, by purchasing a Lot pursuant to the plats on which this obligation was established, whether or not it shall be so expressed in any such deed or other conveyance, covenants and agrees to pay to the Association assessments which shall be fixed for that fiscal year, established and collected from time to time as herein provided. The initial annual assessment shall be \$25.00 per Lot per year. Such assessments, together with such interest thereon and costs of collection thereof as herein provided, shall be a charge on and a continuing lien upon the Lot against which each such assessment is made. The lien for unpaid assessments shall lapse and be of no further effect as to assessments or installments thereof, together with interest applicable thereto, if a claim of lien therefore is not filed in the office of the Clerk of the Superior Court of the County in which the Lot is located within two (2) years after the date upon which the assessment, or installment thereof, first became due and payable. Such a claim of lien shall also secure all assessments or portions thereof, together with interest applicable thereto, which come due thereafter until the claim of lien is canceled of record. Also, irrespective of whether the lien therefore shall be valid or enforceable, each Homeowner shall be personally liable for the portion of any assessment coming due while he is the owner of the Lot and his grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance, but without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee therefore; provided, however, that if such grantor or grantee shall request a statement from the Association in accordance with the provisions of Section 6(c) of this Article V, such grantee, his successors, successors-in-title and assigns shall not be liable for, nor shall the Lot conveyed be subject to a lien for any unpaid assessments against such grantor in excess of the amount set forth in such written statement, if

any. Any Person who becomes the Homeowner as purchaser at a judicial or foreclosure sale conducted with respect to a first Mortgage on the Lot, or pursuant to any proceeding in lieu of the foreclosure of such Mortgage, shall be liable only for assessments coming due after the date such Person so acquires title to the Lot. Further, it is hereby specifically provided that any first mortgagee who obtains title to a Lot pursuant to the remedies provided in the Mortgage or foreclosure of the Mortgage shall not be liable for such Lot's unpaid dues or charges which accrue prior to the acquisition of title to such Lot by the mortgagee.

Section 3. Regular Annual Assessments. It shall be the duty of the Board of Directors of the Association at least thirty (30) days prior to the Association's annual meeting to prepare a budget covering the estimated costs of operating the Association during the coming year. The Board shall cause the budget, and the assessments to be levied against each Homeowner for the following year, to be delivered to each Homeowner at least fifteen (15) days prior to the annual meeting. The budget and the assessments therefore shall become effective unless such proposed budget is disapproved at the annual meeting by a vote of members of the Association representing at least two-thirds (2/3) of the total votes of the entire membership. In the event the proposed budget is not approved as aforesaid or the Board fails for any reason to determine the budget for the succeeding year, then and until such time as a budget shall be determined at a subsequent special meeting called pursuant to the provisions of Section 4 of Article II, the budget in effect for the then current year shall continue for the succeeding year. In any year in which there is an excess of assessments over expenditures, the Board of Directors, by resolution and without a vote of the Homeowners, shall determine either to apply such excess or any portion thereof against and reduce the subsequent year's assessments, or to allocate the same to one or more reserve accounts.

Section 4. Special Assessments. In addition to the annual assessments authorized above, the Board of Directors of the Association may levy, in any assessment year, a special assessment applicable to that year only, provided that any such special assessment shall have the assent of members of the Association representing at least two-thirds (2/3) of the votes of the entire membership.

Section 5. Uniform Rate of Assessment. Except as otherwise provided in Section 6 of this Article V, both annual and special assessments must be fixed at a uniform rate for all Lots.

Section 6. Assessment: Due Dates.

(a) The annual assessment payable to the Association, as provided for in this Article V, shall commence as to each Lot on January 2, 2006 and shall be prospective as to application. Unless otherwise provided by the Board of Directors of the Association, and subject to the foregoing provisions of this Section, the annual assessment for each Lot shall become due and payable in full to the Association on or before the thirty-first (31st) day of January of each year thereafter and shall be paid to the Association when due without further notice from the Association.

(b) The special assessments payable to the Association, as provided for in this Article V, shall be due on the date(s) specified by the Association's Board of Directors.

(c) The Association shall, upon demand at any time, furnish to any Homeowner liable for any such assessment a written receipt signed by either the President or Treasurer of the Association, setting forth whether the same has been paid. Such receipt shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 7. Effect of Non-Payment of Assessments: Remedies of the Association. Any assessment, or portion thereof, not paid when due shall be delinquent. If the same is not paid within five (5) days after the due date, then a late charge equal to the greater of Ten Dollars (\$10.00) or ten percent (10%) of the amount of the assessment not paid when due shall also be due and payable to the Association. If any assessment or portion thereof which is payable in installments is delinquent for a period of more than five (5) days, then, if not paid within ten (10) days after written notice is given to the Homeowner to make such payment, the entire unpaid balance of the assessment may be accelerated at the option of the Board of Directors and be declared due and payable in full. Any assessment not paid when due shall bear interest from the date of delinquency until paid at the maximum legal rate permitted from time to time in the State of Georgia. The Board of Directors of the Association may suspend (i) the Homeowner's voting rights, or (ii) the Homeowner's right to use any of the Common Property or facilities of the Subdivision during the period in which any assessment or portion thereof remains unpaid. In addition, if such assessment or portion thereof shall be delinquent for ninety (90) days or greater, the Board of Directors may bring an action at law against the Homeowner obligated to pay the same or foreclose its lien against such Homeowner's Lot, in which event interest, costs and reasonable attorney's fees may be added to the amount of such assessment or portion thereof which is past due. All payments on account shall be applied first to interest, and then to the assessment lien first due. All interest collected shall be credited to the common expense fund. Each Homeowner, by his acceptance of a deed or other conveyance to a Lot, vests in the Association the right and power to bring all actions against him personally for the collection of such charges as a debt and to foreclose the aforesaid lien against his Lot in the same manner as other liens for the improvement of real property. The lien provided for in this Article V shall be in favor of the Association and shall be for the benefit of all Homeowners. The Association shall have the power to bid in the Lot at any judicial or foreclosure sale and to acquire, hold, lease, encumber and convey the same. No Homeowner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Property or abandonment of such Homeowner's Lot.

Section 8. Priority of Lien. The lien of the assessments provided for in this Article V shall be prior and superior to all other liens except only (a) ad valorem taxes and (b) all sums unpaid on a first Mortgage or second Mortgage, on the Lot, if any. The sale or transfer of any Lot which is subject to a first Mortgage or second Mortgage pursuant to the judicial sale or foreclosure thereof, or pursuant to any proceeding in lieu of foreclosure, shall extinguish the lien

of such assessments as to the payments thereof which became due prior to such sale or transfer. No sale or transfer shall relieve the acquirer of title, and the successors-in-title and assigns thereof from liability for any assessment thereafter becoming due on the Lot or from the lien thereof.

ARTICLE VI

OBLIGATIONS OF HOMEOWNERS

Section 1. Complaint Procedure. Prior to taking any other action with respect thereto, Homeowners shall be obligated to adhere and abide by the following procedure in the case of any complaint a Homeowner may have against the Association: Any complaint by a Homeowner concerning the maintenance, operation, repair and replacement of the Detention Facilities or any portion thereof, shall be presented in writing to the Board of Directors of the Association. Within thirty (30) days after such complaint is presented to the Board, a representative of the Board shall meet with the Homeowner for the purpose of resolving such complaint. If the complaint is not resolved at such meeting, then the Board's representative or the Homeowner may elect to have a second meeting. In such event, the parties shall arrange for a second meeting to be held within fifteen (15) days after the first meeting. Unless otherwise mutually agreed, such meeting shall be held at the Subdivision at a place selected by the Board. If the complaint is not resolved at the first meeting and neither of the parties elects to have a second meeting, or if a second meeting is held and the complaint is not resolved at such meeting, then, in either of such events the complaining Homeowner shall be deemed to have complied with the provisions of this Section.

Section 2. Notices to Association. A Homeowner who mortgages his Lot or assumes or purchases his Lot subject to any Mortgage which shall be or become a lien on his Lot, shall notify the Secretary of the Association of the name and address of the holder of any such Mortgage, and thereby authorize the Association to furnish such information as such mortgagee may request respecting unpaid assessments or other information concerning such Lot.

Section 3. Notices by Association. Whenever any notice by the Association to a member is required or permitted under these By-Laws, such notice shall be given by personally delivering the same to any individual designated by such Homeowner to the Secretary of the Association, or by mailing a copy thereof by U.S. Certified Mail, postage prepaid, return receipt requested, to the last known place of residence or to such other address as may be furnished by such member to the Secretary of the Association. Notice shall be considered given when personally delivered to any such designated individual or when delivered by mail at such address, as the case may be.

ARTICLE VII

INDEMNIFICATION

Section 1. Indemnification. Subject to Section 2 below, the Association shall indemnify, to the fullest extent permitted under the terms of the Georgia Nonprofit Corporation Code (as now in effect or as hereafter amended) (the "Nonprofit Corporation Code"), any individual who is made a party to a legal proceeding by virtue of such individual serving or having served as an officer of the Association or as a member of the Association's Board of Directors, against liability (including reasonable costs and expenses, to the extent permitted under the Nonprofit Corporation Code) incurred in such proceeding because such individual is or was an officer of the Association or a member of the Association's Board of Directors, subject to such conditions (including compliance with applicable standards of conduct, if any) as are imposed by the Nonprofit Corporation Code.

Section 2. Advancement of Expenses. Notwithstanding the provisions of Section 1 above, unless the Board of Directors decides otherwise, the Association shall not be obligated to advance funds to pay for or reimburse expenses incurred by an officer or director in connection with any proceeding.

ARTICLE VIII

MISCELLANEOUS

Section 1. Fiscal Year. The fiscal year of the Association shall be the calendar year.

Section 2. Parliamentary Rules. Unless waived by majority vote of the Homeowners in attendance in person or by proxy at any duly called membership meeting, or unless waived by a majority of the Directors present at any duly called meeting of the Board of Directors, Roberts' Rules of Order (modern edition) shall govern the conduct of the Association proceedings when not in conflict with Georgia law or these By-Laws.

Section 3. Conflicts. If there are conflicts or inconsistencies between the provisions of Georgia law and these By-Laws, the provisions of Georgia law shall prevail.

Section 4. Amendment. These By-Laws may be amended at any time and from time to time by the Homeowners of the Association at any meeting duly called for that purpose. If a quorum is present, the affirmative vote of a majority of Homeowners represented at the meeting shall be the vote of the Homeowners. Notwithstanding the foregoing, those provisions of these By-Laws which are governed by Georgia law may not be amended, repealed or altered except as provided by applicable law. No amendment to these By-Laws shall alter, modify, change or rescind any right, title, interest or privilege herein granted or accorded to the holder of any Mortgage affecting any Lot unless such holder shall consent in writing thereto. A true and correct copy of any such amendment to these By-Laws shall be certified by, and kept on file

with, the Secretary of the Association, and made available to any Homeowner who submits a written request to the Secretary of the Association for a copy therefore.

Section 5. Gender and Grammar. The singular wherever used herein shall be construed to mean the plural when applicable, and the use of the masculine pronoun shall include the neuter and feminine.

EXHIBIT "A"

The following words, when used in these By-Laws, or any amendment thereto, unless the context shall prohibit, shall have the following meanings:

A. "Detention Facilities" shall mean and refer to all lakes reflected on the Final Plats for the Subdivision referenced in paragraph B below.

B. "Subdivision" shall mean and refer to that certain residential subdivision development known as "CUTTERS MILL" located in DeKalb County, Georgia, as described in three Final Plats prepared by Clark Design Group, P.C. dated May 5, 2001; April 11, 2003; and April 11, 2003; as respectively recorded in Plat Books 121, pages 114-118; 136, pages 33-36; and 136, pages 37-40, in the Office of the Clerk of the Superior Court of DeKalb County, Georgia.

C. "Homeowner" shall mean and refer to the record owner, whether one or more Persons, of fee simple title to any Lot located within the Subdivision, excluding, however, any person holding such interest merely as security for the performance or satisfaction of an obligation.

D. "Lot" shall mean and refer to any numbered plot of land comprising a single dwelling site designated on the plats of survey of the Subdivision recorded in the Office of the Clerk of the Superior Court of DeKalb County, Georgia.

E. "Mortgage" shall mean any mortgage, deed to secure debt, security deed and any and all similar instruments used for the purpose of conveying or encumbering real property as security for the payment or satisfaction of an obligation.

F. "Person" shall mean any natural person, as well as a corporation, joint venture, partnership (general or limited), association, trustee or other legal entity.