

AMENDED AND RESTATED BY-LAWS  
OF  
CARDINAL LAKE CIVIC ASSOCIATION, INC.

Article I  
General

Section 1. Applicability. These By-Laws provide for the self-government of Cardinal Lake Civic Association, Inc., in accordance with the Articles of Incorporation filed with the Secretary of State.

Section 2. Name. The name of the corporation is Cardinal Lake Civic Association, Inc. (the "Association").

Section 3. Definitions. The terms used herein shall have their generally accepted meanings or such meanings as are specified herein.

- (a) Articles or Articles of Incorporation shall mean the Articles of Incorporation of Cardinal Lake Civic Association, Inc., which have been filed with the Secretary of State of the State of Georgia.
- (b) Assessment shall refer to the charge, which may be imposed upon Members as provided in Section 5 of the Declaration.
- (c) Association shall mean Cardinal Lake Civic Association, Inc. , a Georgia nonprofit corporation, its successors or assigns.
- (d) Board or Board of Directors shall mean the elected body responsible for management and operation of the Association.
- (e) Community Property shall mean any and all real and personal property and easements and other interests therein, together with the facilities and improvements located thereon, now or hereafter owned by the Association for the common use and enjoyment of the Members.
- (f) Common Expenses shall mean the expenses anticipated or actually incurred by the Association in maintaining, repairing, replacing, and operating the Community Property.
- (g) Declaration shall mean that certain Declaration of Protective Covenants for Cardinal Lake executed by Cardinal Lake Civic Association, Inc., a Georgia corporation and recorded in the real property records of Gwinnett County, Georgia.
- (h) Family shall mean (i) a Member; (ii) a Member's spouse; and (iii) members of the Member's household.
- (i) Lot shall mean a portion of the Property intended for ownership and use as a single-family dwelling site as shown on the plats for the Property, or amendments or supplements thereto, recorded in the Gwinnett County, Georgia land records.

- (j) Majority shall mean those votes, Owners, or other group as the context may indicate totalling more than fifty (50%) percent of the total number of eligible votes, Owners, or other group, respectively. Unless otherwise specifically stated, the words "majority vote" mean more than fifty (50%) percent of those voting in person or by proxy.
- (k) Member shall mean natural person that is a member of one of the membership classes set out in Article II hereof who is entitled to such rights, privileges and use of the Community Property as are provided therein.
- (l) Mortgage shall refer to any mortgage, deed to secure debt, deed of trust, or other transfer or conveyance for the purpose of securing the performance of an obligation, including, but not limited to, a transfer or conveyance of fee title for such purpose.
- (m) Mortgagee or Mortgage Holder shall mean the holder of any Mortgage.
- (n) Neighborhood shall mean the subdivision of Cardinal Lake Estates, Findley Estates, The Village at Cardinal Lake, Cardinal Trace and Stevens Hills (where the residents of Stevens Hills have a view of Cardinal or Canary Lake).
- (o) Non-Resident shall mean a person who is an Owner of property in the ("Neighborhood") but does not reside on such property.
- (p) Officer shall mean those individuals who are elected to the Board to serve as President, Secretary, or Treasurer, or such other subordinate officers as the Board may determine necessary.
- (q) Owner shall mean the record titleholder of a Lot within the Property, but shall not include a Mortgage Holder.
- (r) Person shall mean any individual, corporation, firm, association, partnership, trust, or other legal entity.
- (s) Property shall mean that real estate which is part of the Neighborhood.
- (t) Resident shall mean a person who resides in the Neighborhood.
- (u) Sponsored Member shall mean a person who does not own property in or reside in the Neighborhood but who is a Member of the Association under Article II, Section 2 of these By-Laws.

Section 4. Purpose. The Association shall have the responsibility of administering the Community Property, establishing the means and methods of collecting the contributions to the Common Expenses, arranging for the management of the Property and performing all of the other acts that may be required to be performed by the Association pursuant to the Georgia Nonprofit Corporation Code. Except as to those matters which the Georgia Nonprofit Corporation Code or these By-Laws specifically require to be performed by the vote of the Association membership, the administration of the foregoing responsibilities shall be performed by the Board of Directors as more particularly set forth below.

## Article II Membership

Section 1. Owners and Residents of the Neighborhood. Owners and Residents of the Neighborhood shall be eligible for the following classes of membership, subject to application and approval as provided in Section 3 below and subject to such other restrictions as may be contained herein.

(a) Membership.

i) Permanent Members. Each Person who is the record owner of a fee or undivided fee interest in any Lot subject to the Declaration, and whose Lot is submitted to Permanent Membership in the Association by written consent recorded in the Gwinnett County, Georgia land records shall be a Permanent Member of the Association and shall be entitled to vote as set forth herein and in the Declaration. Permanent Members shall be entitled to use the pool, lakes, rent the clubhouse and grounds for social functions, and attend community functions. Permanent Membership shall be appurtenant to and may not be separated from ownership of any such Permanent Membership Lot.

ii) Voluntary Members. Voluntary Membership or yearly use passes shall be offered on a non-permanent basis for Owners or occupants whose Lots in the Neighborhood have not been submitted to Permanent Membership in the Association (being Voluntary Members). Voluntary Members shall be entitled to use the pool, lakes, rent the clubhouse and grounds for social functions, and attend community functions. Voluntary Membership shall be contingent upon payment of dues established by the Board and compliance with the Declaration, By-Laws and rules and regulations of the Association.

iii) Sponsored Members. Membership or yearly use passes also may be offered in the discretion of the Board as provided for in Section 2 below. Sponsored Members shall be entitled, during the calendar year in which dues have been paid in full and at rates established from time to time by the Board of Directors, to use the lakes, pool, attend community functions; rent the clubhouse, and use the grounds for social functions. Sponsored Members shall not store boats or other items at Cardinal Lake or anywhere on the Association property unless expressly approved in writing by the Board of Directors. Sponsored Membership or use passes shall be contingent upon payment of dues established by the Board and compliance with the Declaration, By-Laws and rules and regulations of the Association.

iv) Civic Members. Each person who is a record Owner of a fee or undivided fee interest in any Lot in the Neighborhood who subjects such Owner's Lot to the terms of the Declaration by execution of the Declaration as a Civic Member, but who is not a Permanent Member, shall be a Civic Member. Civic Members shall be entitled to attend community functions and rent the clubhouse or grounds only for social functions. Civic Members shall not have any right to use the pool or the lakes unless they are also Voluntary Members. Civic Members shall not be required to pay any assessments or dues; provided, however, a Civic Member may also be a Voluntary Member and as such shall pay dues or charges assessed against Voluntary Members. A Civic Member shall have the right, but not the obligation, to convert to Permanent Membership by execution of a consent in the form attached to the Declaration as Exhibit "B". A Civic Member who converts to Permanent Membership shall not be subject to payment of an initiation fee. **UPON CONVEYANCE OR TRANSFER OF A**

**LOT WHOSE CURRENT OWNER HAS EXECUTED THE DECLARATION SUBJECTING OWNER'S LOT TO CIVIC MEMBERSHIP, SUCH LOT SHALL AUTOMATICALLY CONVERT TO PERMANENT MEMBERSHIP AS SHALL BE SUBJECT TO THE RIGHTS AND OBLIGATIONS OF PERMANENT MEMBERSHIP, BUT SHALL NOT BE SUBJECT TO AN INITIATION FEE.**

The foregoing definitions of membership are not intended to include Persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate an Owner's membership. No Owner, whether one or more Persons, shall have more than one (1) membership per Lot owned. In the event of multiple Owners of a Lot, votes and rights of use and enjoyment shall be as provided in this Declaration and in the By-Laws. Any rights and privileges of membership, including the right to vote and to hold office, may be exercised by a Member or the Member's spouse, but in no event shall more than one (1) vote be cast nor office held for each Lot owned.

Section 2. Sponsored Members. Persons who neither reside in the Neighborhood nor own property in those subdivisions shall be eligible for Sponsored Membership subject to application and approval as provided in Section 3 below and subject to such other restrictions as may be contained herein. Sponsored Members must be sponsored by either a Permanent or Voluntary Member in good standing, whose dues are current. Sponsored membership automatically terminates at the end of the calendar year for which dues have been paid.

Section 3. Application and Selection for Sponsored Membership. Application and selection for Sponsored Membership in the Association shall be governed in accordance with procedures established by the Board and administered from time to time by the Vice President of Membership or, if one exists, the Membership Committee, pursuant to the following:

Sponsored Members shall submit an application form which shall be provided by the Membership Committee and which shall be considered only if complete. The Membership Committee shall review applications and it may interview applicants. Any applicant who fails to appear for an interview for which he was given at least ten (10) days' notice shall be deemed to have withdrawn his application unless the Membership Committee shall excuse the absence. After such investigation and consultation as it may deem necessary, the Membership Committee shall vote on whether or not to accept the applicant and immediately shall notify the Board of its decision.

The Membership Committee may deny membership to any applicant for Sponsored Membership for any reason or for no reason at all. However, in no event shall membership criteria, as determined by the Board and implemented by the Membership Committee, discriminate in any manner against any person or persons on account of race, marital status, sex, religion, creed, color, ancestry, age (provided such applicant is at least twenty-one (21) years of age) or national origin. Such membership criteria as are applied at any time shall be applied uniformly to all persons who then are applicants for Sponsored Membership.

Immediately upon the decision of the Membership Committee as to an applicant, the Committee shall, if requested by the sponsor, notify the applicant of the result. Copies of the Rules and Regulations

of the Association (if such Rules and Regulations exist) shall accompany the notice of selection for membership.

Section 4. Spouses. As may be more fully provided below, a spouse of a Member may exercise the powers and privileges of the Member. If more than one (1) Person holds title to a Lot, the membership shall be shared in the same proportion as the title, but there shall be only one (1) membership.

Section 5. Enforcement. The Board shall have the authority to adopt, publish and post rules and regulations governing the use by the Members and their guests of any Community Property or facilities owned or controlled by the Association or intended for use by the Members. The Compliance Committee, or the Board if no Compliance Committee exists, shall determine procedures and penalties for any violations of the Association's rules and regulations. The Board may levy such sanctions as it deems appropriate, including reprimands, fines, Reimbursement Charges and/or suspension of membership or use privileges against any Permanent or Civic Member for cause or expulsion of any Voluntary or Sponsored Member. "Cause" shall mean any of the following:

(a) Default. Being in default in the payment of any sums due (including charges incurred by Family or guests) for a period in excess of thirty (30) days after the due date.

(b) Felony. Conviction of a felony.

(c) Detrimental Conduct. Acts (in or on the Association facilities or within the community) by a Member, a Member's Family Members or guests which the Compliance Committee, shall find to be detrimental to the best interests of the Association including, without limitation, conduct violating rules and regulations of the Association or policies established by the Board or conduct likely to endanger the welfare, safety, harmony or good reputation of the Association or its Members. The Compliance Committee shall recommend to the Board the sanction to be levied for detrimental conduct.

(i) No Member shall have membership or use privileges suspended or Voluntary or Sponsored Member be expelled pursuant to this Section without a hearing before the Compliance Committee, which shall be conducted upon no less than ten (10) days' notice in writing to such Member. The notice shall state the charges for suspension of membership or use privileges or expulsion and the time and place of the hearing thereon. All rights and privileges of the Member shall be suspended from the date of such notice until final disposition of the matter. Such Member shall have the right to be present at the hearing and may elect to be heard orally or in writing.

(ii) If at such hearing the Compliance Committee shall determine that the conduct constitutes cause for expulsion, it shall notify such Member of its decision. Expulsion shall take effect immediately upon the ratification of the Compliance Committee's decision by the Board. No refund of all or part of the initiation fee, annual fee, Assessments or periodic dues shall be made upon expulsion.

Section 6. Termination of Membership.

(a) An Owner's membership shall automatically terminate upon the Member's sale of a Lot or home, unless the Member owns other Property in the Community. The membership of a Resident who is not an Owner terminates upon termination of the Member's lease of Property in the Community.

(b) Sponsored Membership expires at the end of the calendar year for which dues have been paid ends.

(c) Voluntary Membership expires at the end of the calendar year; or when dues, fees, and assessments are more than thirty (30) days delinquent.

(e) Voluntary and Sponsored Membership may be terminated through enforcement action taken by the Board of Directors pursuant to Section 5 above.

(f) No refunds shall be paid to any Member of any dues, fees or assessments, except the return of the security deposits paid for any community/pool keys upon return of such keys to the Board of Directors.

### Article III Voting

Permanent Members in good standing and Voluntary Members who have paid dues for that year shall be entitled to one vote for each Lot owned in the Community, which vote(s) may be cast by the Member, the Member's spouse, or by a lawful proxy as provided below. Permanent Members and Voluntary Members may vote on all matters pertaining to the Community. Furthermore, only Permanent Members can vote on matters that exclusively affect Permanent Members including special Assessments made only on Permanent Members, the encumbrance of Association Property, or the sale of Assets of the Association. When more than one (1) Person owns a Lot subject to membership, the vote for such Lot shall be exercised as they determine between or among themselves, but in no event shall more than one (1) vote be cast with respect to any Lot. If only one (1) co-owner attempts to cast the vote for a Lot subject to membership, it shall be conclusively presumed that such co-owner is authorized on behalf of all co-owners to cast the vote for such Lot. In the event of disagreement between or among co-owners and an attempt by two (2) 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. No Member shall be eligible to vote, either in person or by proxy, or to be elected to the Board of Directors, if that Member is shown on the books or management accounts of the Association to be delinquent in any payment due the Association or if the Member has had its voting rights suspended for the infraction of any provision of these By-Laws or any rule of the Association. If the voting rights of a Member have been suspended, that Member shall not be counted as an eligible vote for purposes of establishing a Majority or a quorum. Except as otherwise specifically provided in these By-Laws, all decisions shall be by majority vote.

### Article IV Meetings of Members

Section 1. Annual Meetings. The regular annual meeting of the Voting Members shall be held the first or second Sunday of November of each year with the date, hour, and place to be set by the Board of Directors.

Section 2. General Membership Meeting. A general membership meeting will be held on any Sunday during the month of April of each year with the date, hour, and place to be set by the Board of Directors.

Section 3. Special Meetings. Special meetings may be called for any purpose at any time by the President, the Secretary, or by request of any two (2) or more members of the Board of Directors, or upon written petition of twenty-five (25%) percent of the Permanent and/or Voluntary Members. Any such written petition by the Members must be submitted to the Association's Secretary. The Secretary shall then verify that the required number of Members have joined in the petition and shall submit all proper petitions to the Association's President. The President shall then promptly call a special meeting for the purpose stated in the petition, and the Secretary shall send notice of the meeting in accordance with these By-Laws.

Section 4. Notice of Meetings. It shall be the duty of the Secretary to mail or deliver to each Voting Member a notice of each annual, general, or special meeting of the Association at their address of record at least twenty-one (21) days prior to each annual meeting and at least ten (10) days prior to the general meeting and each special meeting. If mailed and upon request, secretary shall make available for inspection a dated receipt of such a mailing. The notice shall state the purpose of any special meeting, as well as the time and place where it is to be held. The notice of an annual meeting and the general membership meeting shall state the time and place of the meeting. If any Voting Member wishes notice to be given at an address other than his or her Lot, such Member shall have designated by notice in writing to the Secretary such other address. The mailing or delivering of a notice of meeting in the manner provided in this Section shall be considered proper service of notice. The Secretary may, but shall not be obligated to send notices of meetings to nonvoting Members.

Section 5. Waiver of Notice. Waiver of notice of meeting of the Voting Members shall be deemed the equivalent of proper notice. Any Voting Member may, in writing, waive notice of any meeting, either before or after such meeting. Attendance at a meeting by any such Member, whether in person or represented by proxy, shall be deemed: (a) waiver by such Member of notice of the time, date, and place thereof unless such Member specifically objects to lack of proper notice at the time the meeting is called to order and (b) waiver of notice of all business transacted at such meeting unless objection to lack of notice is raised before the business, of which proper notice was not given, is put to a vote.

Section 6. Quorum. Except as may be provided elsewhere, the presence of Voting Members, in person or by proxy, entitled to cast twenty-five (25%) percent of the vote of the Association shall constitute a quorum. Once a quorum is established for a meeting, it shall conclusively be presumed to exist until the meeting is adjourned and shall not need to be reestablished. Members whose voting rights have been suspended pursuant to these By-Laws shall not be counted as eligible votes toward the quorum requirement.

Section 7. Adjournment. Any meeting of the Voting Members may be adjourned from time to time for periods not exceeding ten (10) days by vote of the Members holding the Majority of the votes represented at such meeting, regardless of whether a quorum is present. Any business which could be transacted properly at the original session of the meeting may be transacted at a reconvened session, and no additional notice of such reconvened session shall be required.

Section 8. Proxy. Any Member entitled to vote may do so by written proxy duly executed by the Member setting forth the meeting date at which the proxy is valid. To be valid, a proxy must be signed, dated, and filed with the Secretary prior to the opening of the meeting for which it is to be used. Proxies may be delivered to the Board by personal delivery, U.S. mail or facsimile transmission to any Board member or other person designated by the Board. Proxies may be revoked only by written notice delivered to the Association, except that the presence in person by the giver of a proxy at a meeting for which the proxy is given shall automatically invalidate the proxy for that meeting. A proxy holder may not appoint a substitute proxy holder unless expressly authorized to do so in the proxy.

Section 9. Action Taken Without a Meeting. In the Board's discretion, any action that may be taken by the Association members at any annual, regular, or special meeting may be taken without a meeting if the Board delivers a written consent form or written ballot to every member entitled to vote on the matter.

(a) Ballot. A written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written ballot shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

All solicitations for votes by written ballot shall: a) indicate the number of responses needed to meet the quorum requirements; b) state the percentage of approvals necessary to approve each matter other than election of directors; and c) specify the time by which a ballot must be received by the corporation in order to be counted. A written ballot may not be revoked. The Association shall maintain such ballots in its file for at least three (3) years.

(b) Written Consent. Approval by written consent shall be valid only when the number of written consents received equals or exceeds the requisite majority of the voting power for such action. Executed written consents shall be included in the minutes or filed with the Association's records. If an action of the members is approved by written consent hereunder, the Board shall issue written notice of such approval to all members who did not sign written consents. Membership approval shall be effective ten (10) days after written notice is issued; provided, however, if the consent is to an amendment to the Declaration or Bylaws which must be recorded, the effective date shall be no earlier than the date of recording of such amendment.

Section 10. Order of Business. At all meetings of the Association, Roberts Rules of Order (latest edition) shall govern when not in conflict with these By-Laws or the Articles of Incorporation.



Article V  
Board of Directors

A. Composition and Selection.

Section 1. Composition. A Board of Directors shall govern the affairs of the Association. The Board shall be composed of seven (7) persons. The members of the Board of Directors shall be Voting Members or spouses of such Members; provided, however, no Member and his or her spouse may serve on the Board at the same time, and no co-owners may serve on the Board at the same time.

Section 2. Term of Office. Those directors serving on the date these Amended and Restated By-Laws are adopted shall remain in office until the term expires. At the annual meeting, seven (7) directors shall be elected by the vote of those Permanent and Voluntary Members present or represented by proxy for one (1) year terms. Those persons receiving the most votes shall be elected to the positions to be filled. All successor directors shall be elected for one (1) year terms and shall hold office until their successors are elected.

Section 3. Removal of Members of the Board of Directors.

(a) Removal by Permanent and Voluntary Members. At any regular or special meeting of the Association duly called, any one or more of the members of the Board of Directors may be removed with or without cause by a Majority of the Permanent and Voluntary Members of the Association entitled to vote and a successor may then and there be elected to fill the vacancy thus created.

(b) Removal by Directors. Any director who has had three (3) consecutive absences from regularly scheduled Board meetings or whose annual dues are delinquent or is more than thirty (30) days delinquent in the payment of any Assessment or other charge may be removed by the vote of a Majority of the other directors.

(c) Procedure. Any director whose removal has been proposed pursuant to subsection (a) of this Section shall be given at least ten (10) days notice of the calling of the meeting to consider his or her removal and the purpose thereof and shall be given an opportunity to be heard at the meeting. For purposes of removing directors by a vote of the membership, a meeting must be held and the balloting procedure outlined in Article IV, Section 9 may not be used.

Section 4. Vacancies. The Nominating Committee shall recommend persons to fill vacancies in the Board of Directors caused by any reason, except the removal of a director by vote of the membership, and such vacancies shall be filled by a vote of the Majority of the remaining directors, even though less than a quorum, at any meeting of the Board of Directors. The successor so selected shall hold office for the remainder of the term of the director being replaced.

Section 5. Compensation. Directors shall not be compensated for services as such unless and only to the extent that compensation is authorized by a Majority vote of the Voting Members. Directors

may be reimbursed for the expenses incurred in carrying out their duties as directors upon approval of such expenses by the Board of Directors.

Section 6. Director Conflicts of Interest. Nothing herein shall prohibit a director from entering into a contract and being compensated for services or supplies furnished to the Association in a capacity other than as director, provided that the director's interest is disclosed to the Board and the contract is approved by a Majority of the directors who are at a meeting of the Board of Directors at which a quorum is present, excluding the director with whom the contract is made; provided, however, the interested director shall count for purposes of establishing a quorum of the Board. The interested director shall be entitled to be present at any meeting at which the proposed contract is discussed and to discuss the proposed contract, unless requested by any other director to leave the room during the discussion.

Section 7. Nomination. A Nominating Committee shall make nominations for election to the Board. The Nominating Committee may nominate any number of qualified individuals, but not less than the number of directors to be elected, including qualified individuals to run for the offices of President, Secretary, Treasurer, and four Vice Presidents (as provided in Article VI, Section 7) subject to the following terms:

- (a) prior consent from the nominee is necessary;
- (b) the Chairman of the Nominating Committee will make a report to the Board at the Board meeting held before the annual meeting to report progress in securing nominees;
- (c) the nominations shall be made at least fourteen (14) days prior to the annual meeting;
- (d) each candidate shall be given a reasonable opportunity to communicate his or her qualifications to the membership prior to the election; and
- (e) no Member shall be nominated for election to the Board of Directors, nor permitted to run for election, if more than thirty (30) days past due in the payment of any assessment. Nominations shall also be allowed from the floor at the meeting. Failure to comply with this Section shall in no way invalidate the election of directors who were not nominated in accordance with the provisions hereof.

Section 8. Elections. All Permanent and Voluntary Members eligible to vote shall be entitled to cast their entire vote for each directorship to be filled. Each directorship shall be identified as more specifically provided in Article VI of these By-laws. There shall be no cumulative voting. That number of candidates receiving the most votes for that position shall fill the directorships for which elections are held. Voting for election of Board members shall be by secret written ballot (unless dispensed by unanimous consent at such meeting at which such voting is conducted).

B. Meetings.

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 the Board, but such meetings shall be held at least once every two (2) months. The newly elected Board shall meet within thirty (30) days after each annual meeting of the membership.

Section 10. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days' notice to each director given by mail, in person, by telephone, or by facsimile transmission, which notice shall state the time, place, and purpose of the meeting. The President, Secretary, or Treasurer shall call special meetings of the Board of Directors in like manner and on like notice on the written request of at least two (2) directors.

Section 11. Waiver of Notice. Any director may, at any time, in writing, waive notice of any meeting of the Board of Directors, 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 also constitute a waiver of notice by him or her of the time and place of such meeting. If all 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. Conduct of Meetings. The President shall preside over all meetings of the Board of Directors, and the Secretary shall keep a minute book recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings. A Majority of directors shall constitute a quorum for the transaction of business. One or more directors who participate in a meeting by means of telephone or electronic communication shall be deemed present and in attendance for all purposes at such meeting, provided all persons participating in the meeting can hear each other.

Section 13. Open Meetings. All meetings of the Board shall be open to all Members, but Members other than directors may not participate in any discussion or deliberation unless expressly so authorized by the Board. Notwithstanding the above, the Board may adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

Section 14. Action Without a Meeting. Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if a Majority of the directors consent in writing to such action. Such written consents must describe the action taken and be signed by no fewer than a Majority of the directors and such written consent or consents shall be filed with the minutes of the Board of Directors.

#### C. Powers and Duties.

Section 15. Powers and Duties. The Board of Directors shall manage the affairs of the Association and shall have all the powers and duties necessary for the administration of the Property and may do all such acts and things as are not by the Articles of Incorporation, or these By-Laws directed to be done and exercised exclusively by the Members. In addition to the duties imposed by these By-Laws

or by any resolution of the Association that may hereafter be adopted, the Board of Directors shall have the power to and shall be responsible for the following, in way of explanation, but not limitation:

(a) preparing and adopting of an annual budget, in which there shall be established initiation fees, annual fees, Assessments, and other charges;

(b) providing for the operation, care, upkeep, and maintenance of all of the Community Property;

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

(d) collecting the fees, Assessments and other charges and depositing the proceeds thereof in a financial depository or institution which it shall approve, and using the proceeds to administer the Association;

(e) making and amending rules and regulations and imposing sanctions for violation thereof, including, without limitation, monetary fines;

(f) opening of bank or other financial accounts on behalf of the Association and designating the signatories required;

(g) making or contracting for the making of repairs, additions, and improvements to, or alterations of the Community Property in accordance with the other provisions of these By-Laws, after damage or destruction by fire or other casualty;

(h) enforcing by legal means the provisions of these By-Laws, and the rules and regulations adopted by it, and bringing any proceedings which may be instituted on behalf of or against the Members concerning the Association;

(i) obtaining and carrying insurance against casualties and liabilities, and paying the premium cost thereof;

(j) paying the costs of all services rendered to the Association and not directly chargeable to specific Members;

(k) keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred; and

(l) contracting with any Person for the performance of various duties and functions. The Board shall have the power to enter into common management agreements with trusts,

condominium associations, or other associations or corporations. Any and all functions of the Association shall be fully transferable by the Board, in whole or in part, to any other entity.

Section 16. Management Agent. The Association may, but shall not be required to, hire a professional management agent or agents, at a compensation established by the Board, to perform such duties and services as the Board of Directors shall authorize. At least three (3) bids from unrelated sources shall be solicited for such services. Selection of a management company shall be in the sole discretion of the Board of Directors. The Voting Members may review bids upon written request to the Board. Any management contract shall contain a termination clause permitting termination, with or without cause and without penalty, upon no more than thirty (30) days written notice. No management contract shall have a term in excess of one (1) year.

Section 17. Spending and Borrowing. The Board of Directors shall have the right to spend and/or borrow money for the purposes outlined in the annual budget and for maintenance, repair, restoration or improvement of the Community Property and facilities, if necessary; provided such obligations do not exceed Five Thousand (\$5,000.00) Dollars. If spending for a nonbudgeted item or borrowing exceeds Five Thousand (\$5,000.00) Dollars, the obligation must be approved by a majority of the Permanent and Voluntary Members present in person or by proxy at a duly called meeting. Notwithstanding anything to the contrary herein, if maintenance, repair, restoration or improvement of the Community Property is necessary after damage by fire or other casualty, the above referenced spending limitation shall not apply and the Board may spend money for such maintenance, repair, restoration or improvement without approval of the members of the Association.

## Article VI Officers

Section 1. Designation. The principal officers of the Association shall be the President, the Secretary, and the Treasurer and four Vice Presidents. All officers shall be members of the Board of Directors and shall be elected by the Members at the annual meeting. The Board of Directors may appoint one or more Assistant Treasurers, Assistant Secretaries, and such other subordinate officers as in its judgment may be necessary. Any assistant or subordinate officers shall not be required to be members of the Board of Directors. Except for the offices of Secretary and Treasurer, which may be held by the same person, no person may hold more than one (1) office. No officer may serve more than three (3) consecutive terms in any one position unless expressly approved by a vote of the Members at the November annual meeting; however, any officer may run for a term in another position.

Section 2. Election of Officers. The officers of the Association shall be elected annually by the Voting Members of the Association at the annual meeting of the Members and shall hold office until a successor is elected or vacancy filled.

Section 3. Vacancies. The Board of Directors for the unexpired portion of the term may fill a vacancy in any office arising because of death, resignation, removal, or otherwise.

Section 4. President. The President shall be the chief executive officer of the Association, shall preside at all meetings of the members and of the Board of Directors, and shall serve as an ex-officio member of all standing and any special committees except for the Nominating Committee. The President shall have all the general powers and duties which are incident to the office of the president of a corporation organized under the Georgia Nonprofit Corporation Code, including, but not limited to, the power to create ad hoc committees as necessary and as approved by the Board, with the chairman of said ad hoc committees to be approved by the Board. The President shall prepare a written report of the year's work of all committees and positions to present at the annual meeting. The President shall serve as an ex-officio member of the Board of Directors for the year following his/her term of office if not reelected to Board.

Section 5. Secretary. The Secretary shall keep the minutes of all meetings of the Members and of the Board of Directors and shall have charge of such books and papers as the Board of Directors may direct, and shall, in general, perform all duties incident to the office of the secretary of a corporation organized under Georgia law. The Secretary shall oversee and be responsible for the Communications Standing Committee. The Secretary shall act in the President's absence and shall have all powers, duties, and responsibilities provided for the President when so acting.

Section 6. Treasurer. The Treasurer shall have the responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, for preparing all required financial statements and tax returns, and for the deposit of all monies and other valuable effects in the name of the Association or the managing agent in such depositories as may from time to time be designated by the Board of Directors. The Treasurer shall preside in the absence of both the President and Secretary at meetings of the Board and Association. The Treasurer shall be responsible for the preparation of the Budget and the capital reserve funds as provided in these By-Laws. The Treasurer shall prepare and recommend an annual Budget to the Board of Directors at the October Board meeting and shall prepare a written report of the year's work at the annual meeting of the Members. The Treasurer shall oversee and be responsible for the Facilities Administration Standing Committee. The Treasurer shall maintain a safety deposit box and store all documents and other records of the Association. The Treasurer may delegate all or a part of the preparation and notification duties associated with the above responsibilities to a management agent if approved by the Board of Directors and the Membership, if required.

Section 7. Vice Presidents. There shall be four (4) Vice Presidents as follows: (a) Vice President for the Lakes; (b) Vice President for Membership/Social/Nominating; (c) Vice President for Maintenance/Beautification; and (d) Vice President for the Pool. Each Vice President shall oversee and be responsible for their Committee(s) as more specifically provided in Article VII, Section 1 of these By-Laws.

Section 8. Other Officers. The Board may create other offices, and the members who hold such offices shall have such titles and duties as defined by the Board.

Section 9. Agreements, Contracts, Deeds, Leases, Etc. All agreements, contracts, deeds, leases, checks, promissory notes, and other instruments of the Association shall be executed by the President and

the Treasurer, or by at least two (2) officers or by such other person or persons as may be designated by resolution of the Board of Directors.

## Article VII Committees.

### Section 1. Service on Committees.

(a) Officers. As provided in Article VI of these By-Laws, the Secretary, Treasurer and the Vice Presidents shall oversee and be responsible for ensuring that the duties of the committees for which they are responsible are carried out properly and in a timely manner.

(i) Except as otherwise provided in these By-Laws, the Officer responsible for a committee shall recommend to the Board persons to serve as the Chairman and members of the committee and such persons must be approved by a majority of the Board. In the event that a committee has no Chairman or members, the Officer responsible for that committee shall be individually responsible for ensuring that the duties of the committee are fulfilled.

(ii) The Officer responsible for a committee must present a proposed budget to the Treasurer by October 1 of each year so that the Board of Directors may prepare the Association's budget.

(iii) Each Officer responsible for a committee must also prepare a written report of the work of the committee(s) for which he/she is responsible at least two weeks in advance of the annual meeting to be included in the report to the membership by the President.

(b) Chairman and Members of Committees. No Chairman of a committee may serve more than three (3) consecutive terms in the same position without the approval of a majority of the Board. Members of committees other than Officers shall serve at the pleasure of the Board of Directors. Any committee member may be removed with or without cause at any time and with or without a successor being named.

Section 2. Communications Committee. The Communications Committee falls under the responsibilities of the Secretary of the Association and shall be responsible for the following: (a) preparing and distributing the Redbird newsletter; (b) arranging publication of the Membership Directory provided by the Membership Standing Committee, if agreed by the Board that this will be prepared and disseminated; (c) preparation of any necessary flyers, notices, letters, or other memos for the membership, (d) assist with copying/publishing necessary reports, ballots, budgets, etc. for all general meetings.

Section 3. Maintenance/Beautification Standing Committee: The Maintenance/Beautification Standing Committee falls under the responsibilities of the Vice President of Beautification and Maintenance, and shall be responsible for upkeep of all grounds owned by the Association. Such maintenance shall include the following: (a) mowing, weeding, fertilizing grass, trees and shrubs; (b) trimming trees and shrubs; (c) picking up and removing trash and debris; (d) maintaining the clubhouse (including the bathrooms), gates, docks, boat ramp, beach and necessary tools and equipment owned by the Association; and (e) landscaping of grounds and clubhouse area.

Section 4. Pool Standing Committee. The Pool Standing Committee falls under the responsibilities of the Vice President of Pool, and shall be responsible for the following: (a) maintenance of the pool and deck area, including pool equipment, pool furniture and umbrellas; (b) maintenance of chemical balance of pool; (c) winterize and cover pool; (d) hire and supervise lifeguards or pool management company; and (d) comply with all Gwinnett County regulations for operation of a public pool. The Chairman of the Pool Standing Committee must always be a Permanent or Voluntary Member.

Section 5. Lakes Standing Committee: The Lakes Standing Committee falls under the responsibilities of the Vice President of Lakes, and shall be responsible for security of lakes, water quality, fish quality and quantity, maintenance and improvements of dams and all necessary elements of lake and dam care for both Cardinal and Canary lakes.

Section 6. Membership Standing Committee. The Membership Standing Committee falls under the responsibilities of the Vice President of Membership, and shall be responsible for the following: (a) establishing and operating a Welcoming Committee for new residents of Cardinal Lake Estates as annexed; (b) compiling a Membership Directory, if agreed by the Board of Directors; (c) working with the Communications Committee to publish and distribute the Directory; and (d) determining and implementing any membership recruitment programs.

Section 7. Social Standing Committee. The Social Standing Committee falls under the responsibilities of the Vice President of Membership, and shall be responsible for all seasonal decorations on the Association property and the planning and execution, including notification to Members of all social functions and celebrations.

Section 8. Facilities Administration Standing Committee. The Facilities Administration Standing Committee falls under the responsibilities of the Treasurer, and shall be responsible for the following: (a) rental of the clubhouse and grounds ; (b) supplying the clubhouse with necessary supplies (including cleaning and sanitizing of bathrooms), equipment, furnishings, lighting, pest control, heating, telephone, water, garbage pickup, party goods, recreational equipment, grills, and outdoor lighting; (c) preparing an annual inventory of clubhouse, supplies and recreational equipment; and (d) working with the Maintenance Committee to ensure performance of any necessary care and repair of community facilities.

Section 9. Nominating Committee. The Nominating Committee falls under the responsibilities of the Vice President of Membership, and shall perform the functions specified in Section 7 of Article V. The Nominating Committee shall consist of three (3) to five (5) members, with the Chairman the Vice



President responsible for the Nominating Committee and other members elected by the voting Members at the annual meeting. Vacancies on the Nominating Committee shall be filled by the Chairman of the Committee unless the position of the Chairman is vacant, in which case the Board of Directors shall fill the vacancy. The President of the Board of Directors is not an ex-officio member of this Committee.

Section 10. Compliance Standing Committee. The Compliance Standing Committee shall consist of the Board of Directors unless the Board delegates such authority to individual Members by resolution, or the Board of Directors may call for a special election of the Voting Members to select the Members to whom the authority will be delegated. The Compliance Standing Committee shall investigate detrimental conduct as more specifically provided in Article II, Section 5(c) of these By-Laws.

Section 11. Other Committees. There shall be such other committees as the Board shall determine with the powers and duties that the Board shall authorize, and the responsibilities set forth in this Article VII may be redistributed to other Board members or committees as deemed appropriate and as agreed amongst the responsible Board members.

Section 12. Services Requiring Compensation. Any necessary services requiring compensation as part of the Standing Committee budgets must be open to all Members, allowing them to submit estimates/bids for services or products required.

#### Article VIII Miscellaneous

Section 1. Notices. Unless otherwise provided in these By-Laws, all notices, demands, bills, statements, or other communications under these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States mail, first class postage prepaid:

(a) If to a Member, at the address which the Member has designated in writing and filed with the Secretary, or if no such address has been designated, at the address of the Lot of such Member; and

(b) If to the Association, the Board of Directors or the managing agent, at the principal office of the Association or the managing agent, if any, or at such other address as shall be designated in writing and filed with the Secretary.

Section 2. Severability. The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability, or effect of the balance of these By-Laws or the Articles of Incorporation.

Section 3. Captions. The captions herein are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope of these By-Laws or the intent of any provision thereof.

Section 4. Gender and Grammar. The use of the masculine gender in these By-Laws shall be deemed to include the feminine gender, and the use of the singular shall be deemed to include the plural whenever the context so requires.

Section 5. Fiscal Year. The fiscal year of the Association may be set by resolution of the Board of Directors. In the absence of such resolution by the Board of Directors, the fiscal year shall be the calendar year.

Section 6. Financial Review. A financial review of the accounts of the Association shall be performed annually in the manner provided by the Board. However, after having received the Board's financial review at the annual meeting, the Members may, by a Majority of the Association vote, require that an independent accountant audit the accounts of the Association as a Common Expense.

Section 7. By-Laws Review. Commencing in 1995, the Board of Directors shall conduct a comprehensive review of the By-Laws not less than once every five years and, if appropriate, the Board shall recommend to the Voting Members amendments to the By-Laws.

Section 8. Conflicts. The duties and powers of the Association shall be those set forth in the Georgia Nonprofit Corporation Code, the Declaration, these By-Laws, and the Articles of Incorporation, together with those reasonably implied to affect the purposes of the Association; provided, however, that if there are conflicts or inconsistencies between the Georgia Nonprofit Corporation Code, the Declaration these By-Laws, or the Articles of Incorporation, then the provisions of the Georgia Nonprofit Corporation Code, as may be applicable, the Articles of Incorporation, the Declaration, and these By-Laws, in that order, shall prevail.

Section 9. Amendment. Except where a higher vote is required for action under a particular provision of the By-Laws, in which case such higher vote shall be necessary to amend, these By-Laws may be amended by the affirmative vote of a Majority of the Voting Members present in person or by proxy at a duly called meeting. Amendments may be proposed at any regular or special meeting of the voting Members. Notice of any meeting at which an amendment will be considered shall state that fact and the subject matter of the proposed amendment. Amendments may be voted on by ballot pursuant to Article IV, Section 9 of these By-Laws.

Any action to challenge the validity of an amendment adopted under this Section must be brought within one (1) year of the amendment's effective date. No action to challenge any such amendment may be brought after such time.

Section 10. Security. The Association may, but shall not be required to, from time to time, provide measures or take actions which directly or indirectly improve safety on the Community Property; however, each Member, for himself or herself and his or her tenants, guests, licensees, and invitees, acknowledges and agrees that the Association is not a provider of security and shall have no duty to provide security on the Community Property. It shall be the responsibility of each Member to protect his or her person and property and all responsibility to provide security shall lie solely with each Member. The Association shall not be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken.

Section 11. No Discrimination. The Association or the Board of Directors shall not take any action, which would unlawfully discriminate against any person on the basis of race, creed, color, national origin, religion, sex, familial status or handicap.

Section 12, Indemnification. The Association shall indemnify every officer and director against any and all expenses, including, without limitation, attorney's fees, imposed upon or reasonably incurred by any officer or director in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding) to which such officer or director may be a party by reason of being or having been an officer or director. The officers and directors shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or directors may also be members of the Association), and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director, or former officer or director, may be entitled. The Association shall maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such coverage is reasonably available.

Section 13. Implied Rights. The Association may exercise any right or privilege given to it expressly by this Declaration, the By-Laws, the Articles of Incorporation, any use restriction or rule, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it therein or reasonably necessary to effectuate any such right or privilege.

Section 14. Books and Records.

(a) All Voting Members of the Association shall be entitled to inspect the following records at a reasonable time and location specified by the Association, upon written request at least ten (10) days before the date on which the Voting Member wishes to inspect and copy:

(i) its Articles or restated Articles of Incorporation and all amendments to them currently in effect;

(ii) its By-Laws or restated By-Laws and all amendments to them currently in effect;

(iii) resolutions adopted by either its Voting Members or Board of Directors increasing or decreasing the number of directors or the classification of directors, or relating to the characteristics, qualifications, rights, limitations, and obligations of Voting Members or any class or category of Voting Members;

(iv) resolutions adopted by either its Voting Members or Board of Directors relating to the characteristics, qualification, rights, limitations, and obligations of Voting Members or any class or category of Members;

(v) the minutes of all meetings of Voting Members and records of all actions approved by the Voting Members for the past three (3) years;

(vi) all written communications to Members generally within the past three (3) years, including the financial statements furnished for the past three (3) years;

(vii) a list of the names and business or home addresses of its current directors and officers; and

(viii) its most recent annual report delivered to the Secretary of State.

(b) A Voting Member may inspect and copy the following records upon written notice at least five (5) business days before the date on which the Member wishes to inspect and copy only if the Voting Member's demand is made in good faith and for a proper purpose that is reasonably relevant to the Member's legitimate interest as a Member; the Member describes with reasonable particularity the purpose and the records the Member desires to inspect; the records are directly connected with this purpose; and the records are to be used only for the stated purpose:

(i) excerpts from minutes of any meeting of the Board of Directors, records of any action of a committee of the Board of Directors while acting in place of the Board of Directors on behalf of the Association, minutes of any meeting of the Voting Members, and records of action taken by the Voting Members or the Board of Directors without a meeting, to the extent not subject to inspection under subsection 14(a);

(ii) accounting records of the Association; and

(iii) the membership list only is for a purpose related to the Voting Member's interest as a Member. Without the consent of the Board, a membership list or any part thereof may not be: used to solicit money or property unless such money or property will be used solely to solicit the votes of the Voting Members in an election to be held by the Association; used for any commercial purpose; or sold to or purchased by any person.

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of Cardinal Lake Civic Association, Inc., a Georgia corporation;

That the foregoing By-Laws constitute the Amended and Restated By-Laws of said Association, as duly adopted by the Board of Directors and the Members of the Association on the \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_\_.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_\_.

CARDINAL LAKE CIVIC ASSOCIATION, INC.

By: \_\_\_\_\_  
Its: Secretary

[CORPORATE SEAL]

EXHIBIT "D"

AMENDED AND RESTATED BY-LAWS  
OF  
CARDINAL LAKE CIVIC ASSOCIATION, INC.

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