

ABBREVIATED BY-LAWS OF THE SUMMERTOWN-ROCKBRIDGE ACRES ASSOCIATION, INC.

Article I. General

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1.1 Applicability. These By-Laws govern the Summertown-Rockbridge Acres Association, Inc. subject to the rules set by the Georgia Non-profit Corporation Code, and by the Restated Articles of Incorporation, and for Permanent Members, to the rules in the Consent to Permanent Membership, also called the Declaration. These By-Laws shall take effect fourteen days after their passage, and the Class A Permanent Membership shall only become effective when a minimum of one hundred and fifty Member Lots have signed the Consent to the Declaration for Permanent Membership AND when two Officers of the Association have certified the minimum number of one hundred and fifty Lots have consented AND when the Declaration and the Certification have been filed in the Gwinnett County land records. The period beginning upon approval of these restated By-Laws and ending with either the filing of the above documents in the County land record or the failure to register one hundred and fifty Permanent Members is called "Open Enrollment."

1.2 Name. The organization is Summertown-Rockbridge Acres Association., Inc., (hereafter "the Association") formerly named the Summertown Recreation Association, Inc. which name was changed in the Restated Articles of Incorporation and the adoption of these revised By-Laws. The Original By-Laws of the Summertown Recreation Association, Inc. have been deleted in their entirety and replaced by these restated and amended By-Laws.

1.3 Membership. Three classes of membership (A,B, and C) shall be offered. Anyone in the Summertown and Rockbridge Acres Subdivisions may join A or B memberships, which are both Basic Support Memberships to which a Class C Recreational Membership may be added. The pool/tennis Class C Membership may be dropped or added for any year.

1.3a Permanent (Class A) Permanent Class A Members agree to sign a consent to Permanent Membership (called the Declaration) which is filed in the County. The requirement for Membership transfers automatically to the next Owner, who must be a Permanent Member at the basic Class A level. Each Owner has one vote per Lot on all issues and is entitled to use the Common Property facilities except for the pool and tennis court amenities. A minimum of one hundred and fifty Lots must sign Consent to Permanent Membership during Open Enrollment *or else there will be no Permanent Memberships*. If the Association fails to get one hundred and fifty Permanent Members, then all Class A Members will automatically become Class B members. The final roster of Additional Covenants shall be legally binding for Class A Permanent Members only and will be part of the Declaration. *See Article 8 for Dues.*

Effective Date: Class A Permanent Membership shall only become effective when at least one hundred and fifty Lot Owners have registered and signed the Declaration of Consent to Permanent Membership during Open Enrollment, two Officers of the Association have certified the minimum required number of Lots has been met, and these two documents are filed in the County land records. If the threshold Lot number of one hundred and fifty Lots is not met during Open Enrollment, then Class A Permanent Membership will not exist and all registered Class A Permanent Members will be re-classified as Class B Temporary Members. During Open Enrollment, Class A Members have all the rights set by these By-Laws.

1.3b Temporary (Class B) These Members may discontinue their Membership at any time. *Class B Members may opt to sign the Declaration requiring the NEXT Owner of the home to be a Permanent Member, yet the Class B owner will not be required to have a Permanent Membership for themselves.* Any Class B Temporary Member may switch to a Class A Permanent Membership at any time with no initiation fee. See Section 1.7 for membership transfers and sale of home. Each Owner has one vote per Lot with one exception: Class B Member Lots may not vote for amendments to the Declaration because the Declaration governs Class A Members only. Each Class B Member family is entitled to use the Common Property facilities except for the pool and tennis court amenities. *See Article 8 for Dues.*

1.3c Recreational (Class C) Class C Recreational Membership is an optional pool & tennis Membership available to all Class A and B Member families. Class C Members receive one additional vote. Members paying no additional dues or discounted dues for the Recreational Class C Membership are not entitled to the one (1) additional vote. Only Class C Members shall enjoy the pool and tennis amenities. *See Article 8 for Dues.*

1.4 Inactive Membership. Any Class A or Class B Member of the Association may submit a written request for an Inactive Membership to the Secretary, to be approved by the Board of Directors. This Inactive Membership would exempt the Member from paying annual dues, fees, and assessments for a period of one year. The Inactive Member would not be eligible to hold a Class C Recreational Membership, or to vote, or participate in any Association functions during the inactive period. The inactive period would begin on the date the request is approved. This Inactive Membership is available only once for a Lot Membership, until a transfer of Ownership occurs (except for deed transfers to secure loans) at which time the privilege is renewed for the next owner. Payment of annual dues and assessments must be resumed after one year of Inactive Membership for Permanent Members. For Temporary Members, if active Membership is not resumed, the Board has the discretion to reclassify the Temporary Member as a Non-Member for the purpose of transfer of Lot Ownership. See Section 1.7.

1.5 Majority. A majority is more than fifty percent of the total votes whether voting in person, by proxy, or by absentee ballot.

1.6 Purpose. The general purpose of the Association shall be to promote the health, safety, welfare and social, cultural, athletic, literary and civic interests of all persons residing in the Summertown Subdivision and Rockbridge Acres Subdivisions. The Association shall be subject to the provisions of the Georgia Non-profit Corporation Code (the Act), the Restated Articles of Incorporation, these By-Laws, and the Declaration for Permanent Membership, all which set the rules and responsibilities by which this Association is administered. Any responsibilities not set by these documents are to be administered by the Board.

1.7 Transfer of Lot Ownership. When there is a transfer of home Ownership the following guide is to be used, and the Board has the discretion to enforce:

If Class A Permanent Member transfers home to a new Owner, the new Owner must be a Permanent Member. Once the current Owner signs the Consent to Permanent Membership which is part of the Declaration and it is filed with the County, the requirement for Permanent Membership transfers with the Lot.

If Class B Member transfers home to a new Owner, the new Owner will have one hundred and eighty days (six months) from date of transfer to continue the Temporary Membership or to switch to a Permanent Membership at no additional cost or initiation fee. After ninety days, Class A or B Membership is available but a reasonable initiation fee to be paid.

If a Non-member sells or joins after the six month period of Open Enrollment following the passage of these By-Laws or after Open Enrollment is closed by a vote of the Board, then Class A, B, and C Memberships will remain available, however an initiation fee must be paid. New Lot Owners will not pay an initiation fee if they join before six months (one hundred and eighty days) after the transfer of Ownership. Former Summertown Recreation Association Members and current Members in good standing (active or inactive) who are holding an unredeemed Escrow Agreement Certificate or have paid the non-refundable initiation fee which was in effect prior to the adoption of these revised By-Laws shall not be required to pay an initiation fee to join the Association at any time, even after Open Enrollment.

1.8 Voting Rights. Each A and B Member household in good standing is entitled to one vote on all issues with one exception: only Class A Members may vote to approve or disapprove amendments to the Declaration. If two or more Owners of a Lot cannot agree and each attempt to cast a vote, their votes will not be counted. Owners paying the extra dues to hold a Class C Recreational Membership have one extra vote (two votes total) on all issues. Class C Members receiving any discount on dues shall not be entitled to the additional vote. Absentee voting by proxy or by absentee ballot will be accepted under certain conditions outlined in Sections 3.7 and 3.9 below. All votes shall have equal weight with only one exception: Only Class A Permanent Members may vote to amend the Declaration because the Declaration is a set of rules exclusively for Class A Permanent Members. See 12.8.

Article II. Definitions.

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2.1 “Declaration” The Consent for Permanent Membership which governs Class A Membership and is filed with the Clerk of Superior Court in Gwinnett County and may be amended in the future per provisions set forth in these By-Laws and the Declaration. A minimum of one hundred and fifty Lots must Consent to be Permanent Members before the Declaration is to be filed.

2.2 “Articles” The Restated Articles of Incorporation which define the Summertown-Rockbridge Acres Association, Inc. as a nonprofit corporation registered with the Secretary of State.

2.3 “Association” Refers to the Summertown-Rockbridge Acres Association, Inc.

2.4 “By-Laws” Refers to this document which serves as a guide for the operation of the Association and may be amended from time to time according to the provisions in Section 12.8.

2.5 “Code” or “the Act” The Georgia Non-profit Corporation Code, O.C.G.A. Section 14-3-101, *et seq.*

2.6. “Lot” means any portion or parcel of the Property comprising the Summertown and Rockbridge Acres Subdivisions, intended for residential use and ownership and depicted by the respective Plats for the Subdivisions filed in the Gwinnett County, Georgia, land records, including any following revisions or amendments.

2.7 “Lot Owner” or “Owner” refers to the record Owner, whether one or more persons or entities, of a fee simple title to any Lot.

2.8 “Member” Refers to any Person or entity who holds a Class A or B Membership. Seasonal Member is a Non-Resident Member with only recreational use rights and no voting or other rights or interest in the Association.

2.9 “Original By-Laws” Refers to the Summertown Recreation Association By-Laws last amended May 1, 2002, that were in effect in December 2005 and were replaced by these By-Laws in accordance to provision for amendments in Section 7.1 and 7.2.

2.10 “Person” May mean a natural person or any legal entity.

2.11 “Additional Covenants” Means any Additional Protective Covenants which are or will be filed with the Clerk of Superior Court in Gwinnett County and may be amended in the future per provisions set forth in these By-Laws and the Declaration.

Article III. Meetings of Members

Pages 6-8

3.1 Semi-Annual Meetings. Two semi-annual meetings for the general membership shall be held in October and March. The Board may postpone any meeting by thirty days.

3.2 Special Meetings. Special meetings may be called by any ten Class A or B Members or by the President or Secretary.

3.3 Notice of Meetings. Advance notice of at least twenty-one days is required for semi-annual meetings and at least seven days for special meetings. If a Member prefers facsimile or electronic mail as the primary method of contact, a request to receive meeting notice must be signed and submitted to the Secretary. A confirmation of receipt of notice is to be returned to the Secretary by the recipient, otherwise notices will either arrive by hand delivery or by U.S. mail. Mortgage companies may send a representative to a meeting, but the representative may not speak, vote, or have any standing whatsoever in the Association.

3.4 Waiver of Notice. A Member may send a letter stating that "I waive my right to be notified of a meeting, and if I attend the meeting it is automatically deemed to be waiver of notice unless I say otherwise." A Member may not block an action when a vote is taken if he claims he did not get a notice after he has signed this waiver of notice form stating he does not want to receive notices of meetings.

3.5 Quorum. The number of Members representing twenty-five percent of total votes including those additional votes held by Recreational Members establishes a quorum at meetings even if some leave early. At any meeting where a quorum is not present, any business which could be transacted at the meeting with a quorum may be transacted by the Board of Directors unless the business or transaction is limited by these By-Laws or the Declaration.

3.6 Adjournment. Meetings may be adjourned at any time by a vote of majority of Member attendees. At an adjourned session the Board may continue with business and no notice of meeting is required.

3.7 Proxy. By filing a proxy notice with the Secretary, a voting member may send another person in his/her place to vote. The proxy is effective for eleven months only at which time it must be filed again and a substitute for the proxy may not be appointed unless the proxy statement expressly authorizes a substitute proxy.

3.8 Consents. Any time an action by the Members necessitates a vote, a Member signature on a consent sheet will be the equivalent of a vote, which shall be kept on record by the Secretary. Written notice of action taken shall be sent to all Class A Members who did not sign consents, and action shall be effective only ten days after written notice is sent to Class A Members.

3.9 Absentee Voting. The Board of Directors will decide if and when absentee ballots are accepted. The Notice of Meeting will indicate if and when absentee ballots are acceptable. If accepted, each member will receive an absentee ballot with an explanation of the vote at least seven days prior to the meeting at which the vote is to be held. Absentee ballots are accepted up until the time the vote is taken and must be signed by the Member or his proxy in order to be counted.

Article IV. Board of Directors

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Part A. Composition and Selection.

4.1 Number, Term of Office and Qualification. The Board decides on the exact number of Members to serve on the Board of Directors, but the number should be between five and nine. There shall be five Executive Directors: the President, Vice President, Secretary, and Treasurer who are elected for two-year terms, and a fifth Executive Director who is to be appointed from among the Members or the Board and approved by a majority vote of the Board after installation at the January Board meeting. All Board Members must be Class A or B Members in good standing and must remain in good standing. The Vice President or one other Officer of the Executive Board must also be a Class C Member. Once a Director is elected or appointed, he may not be removed from office by any resolution to reduce the number of Board Members. Any resolution or amendment reducing the number of Directors will only take effect at the next semi-annual meeting of Members.

4.2 Nomination and Election of Directors.

(a) The President and Treasurer shall be elected in even-numbered years, and the Vice President and Secretary shall be elected in odd-numbered years during the October meetings. Nominations of candidates for Directors must be made in writing, signed and submitted to the Secretary of the Association by any the Nominating Committee or by any two Members at least ten days prior to the annual meeting. All nominees should attend the October meeting at which time they may have an opportunity to present their qualifications and reasons for wanting to hold the position, or they must send a written consent to the Secretary.

(b) Each Lot Owner may cast votes for nominees, and the nominee receiving the greatest number of votes wins, even if the number is not a majority of votes cast.

(c) Elected Directors shall be installed into their positions at the first Board meeting in January following their election in October. They serve until the first January Board meeting after the end of their two-year term.

4.3 Removal of Members of the Board of Directors. At any regular or special Board meeting, any Board Member may be removed for any reason from his/her position by a two-thirds majority vote of remaining Members of the Board. Any Board Member subject to removal will receive seven days written notice and has the right to be heard at the meeting. In the event he is removed, the Board shall elect another Class A or B Member to fill the vacancy through the end of the term.

4.4 Vacancies. A vacancy in any Office arising because of death, resignation, removal, or otherwise may be filled by the Board for the unexpired portion of the term.

4.5 Compensation. No Board Member shall receive monetary compensation for his position as Board Director unless the Board authorizes compensation or if these By-Laws are amended. Compensation does not include reimbursement for reasonable out-of-pocket expenses related to carrying on the duties of the Board position.

Part B. Meetings of the Board of Directors or Directors.

4.6 Regular Meetings The Board of Directors shall meet at least every three months or more often as needed. The Board shall meet every January to install newly-elected Board members.

4.7 Special Meetings. Special meetings of the Board may be called with a three-day notice by the President. The Secretary shall call a special meeting at the written request of any two Board Members with a three-day notice.

4.8 Waiver of Notice. A Director may sign a request which states he does not wish to receive notice of meetings. If any business is transacted at any meeting, he may not try to stop action arising as a result of the transaction if he has signed a waiver.

4.9 Conduct of Meetings. Roberts Rules of Order shall govern all Board Meetings unless in conflict with the By-Laws. The President shall preside and the Secretary shall keep minutes and tallies of votes. A Director shall vote by absentee ballot or proxy at Board meetings only at the discretion and with the approval of the majority of the Board of Directors.

4.10 Action Without a Meeting. The Board may take action with individually or collectively signed consents without a board meeting.

4.11 Attendance at Meetings. A Board Member may participate in a meeting without being physically present, either by teleconference or other means allowed in the Georgia Code for Non-profit Corporations.

4.12 Quorum of Directors. A majority of the Board of Directors constitutes a quorum to transact business unless otherwise stated in these By-Laws.

Part C. Powers and Duties of the Board of Directors.

4.13 Powers and Duties. The Board may conduct business to manage the affairs of the Association, excluding any business that is assigned to a Membership vote by these By-Laws, the Declaration, the Articles of Incorporation, or the Georgia Non-profit Corporation Code.

4.14 Management Agent. The Board may hire a Management Company for the administration of the Association provided there is a provision for thirty-day written notice to end the contract with or without cause, at any time. No Board Member may have a personal or financial interest in or be employed by the Management Company.

4.15 Borrowing. The Board has the authority to borrow small sums of money not to total more than ten thousand dollars (\$10,000) in outstanding debt at any time. Any loan which would put total debt of the Association at greater than ten thousand dollars (\$10,000) at any time would need a majority of at least seventy-five percent of the total Membership votes. Any loan of any amount or funds spent to purchase property or build facilities must be approved by a majority of total Membership votes as long as at least seventy-five percent of total eligible votes are cast. In the event that seventy-five percent of votes are not cast, then the same procedure to attempt to obtain the seventy-five percent of votes shall be used as is outlined in Section 4.16, and if that effort fails to obtain seventy-five percent of votes, then a two-thirds majority of total votes cast shall be sufficient to approve the proposed loan or expenditure. See Section 4.16.

4.16 Common Property. The Board of Directors shall not have the power to make additions or deletions of tennis courts, additions or deletions of swimming pools, additions or deletions of the pavilion, deletion of the fishing lake, or an addition or deletion of any front entrance. All additions and deletions shall be made only with the majority of votes cast, as long as the number of votes cast represents at least seventy-five percent of the total eligible Membership votes that are on record. In the event that an insufficient number of Membership votes are cast, a record of votes cast shall be kept and notice of vote with an explanation and a ballot shall be mailed first class to those eligible Lots which did not yet register a vote for the purpose of achieving a seventy-five percent majority of eligible votes. After thirty days of Notice date, if seventy-five percent of Membership votes are not on record by absentee ballot and proxy and votes taken in person, then approval shall only require a two-thirds majority of total votes cast.

Part D. Committees.

4.17 Standing Committees. The Standing Committees may be: Membership; Rezoning and Area Development, Finance & Budget; Building and Grounds; Rules and By-Laws; Youth; Social; Newsletter; Special Audit; Tennis; Swimming Pool; Welcoming; Nominating; and Front Entrance.

4.18 Responsibilities. The Standing Committees shall be subject to the authority of the Board of Directors and shall be reimbursed for expenses incurred according to the budget. Expenditures outside the routine budget must be approved by a majority of the Board of Directors.

The **Membership Committee** shall be responsible for the solicitation of Members in the Association and the issuance and submittal of applications for Membership. The committee shall be responsible to properly file all Consent for Permanent Membership forms with the County after the Open Enrollment at the discretion of the Board.

The **Rezoning and Area Development Committee** shall be responsible to monitor and inform the Board and subdivision residents of zoning changes or developments in the surrounding areas of Gwinnett and Dekalb Counties which would affect traffic, property values, and quality of life. At the discretion of the Board of Directors, the Chair or the President or Vice President may represent the Association as part of any Coalition of Subdivisions or in meetings with developers or community planners, or Gwinnett Planning and County Commissioners or other government entities. The Committee may make no legally binding agreements without the approval of the majority of the Board of Directors.

The **Finance & Budget Committee** shall monitor and prepare the annual budgets, actual and proposed, keeping the Board of Directors advised of the Association's financial, legal and liability status, transactions and outlook. The Committee shall also research, obtain, and maintain the required types of insurance as set by the Board and in the provisions of Articles IX and X of these By-Laws.

The **Building & Grounds Committee** shall exercise supervision over and attend to the maintenance and improvement of the Association Property and facilities as well as coordinate with the Board of Directors and other committees regarding all future development of Association facilities except pool and tennis courts. At the discretion of the Board, the Committee may prepare the Annual Capital Repair and Replacement Survey. See Section 8.7.

The **Rules & By-Laws Committee** shall prepare the rules of health, safety, and conduct in connection with the use and operation of all the facilities and Property of the Association. This committee shall review all the Rules and By-Laws of the Association from time to time and as required in order to promulgate and offer to the Membership such changes, additions or corrections as become appropriate.

The **Youth Committee** shall advise the Board of Directors of the needs and desires of the young people of the Member families. The Committee should have a minimum of four (4) Members whereby each individual Member may also be a Member of the Social, Tennis, Pool and the Buildings and Grounds Committees. It is recommended that the ages of the Members are no younger than 13 years of age or no older than 18 years of age, with at least one adult Chair.

The **Social Committee** shall be responsible for bringing to the attention of the community the existence and benefits to be derived from membership in the Association and shall plan, promote, and publicize events and projects as authorized by the Board.

The **Newsletter Committee** shall publish and distribute the Newsletters, flyers and temporary signs for the Association. The President or a Committee designee may prepare the Newsletter.

The **Special Audit Committee** shall be appointed every two years at the discretion of the Board of Directors, and shall consist of three Members (excluding board members) who shall audit the financial records and shall have a signed written report prepared and turned into the Board of Directors. The Board of Directors may hire a certified public accountant or public auditor in place of the Special Audit Committee.

The **Tennis Committee** shall be responsible for all activities involving the tennis courts including putting up weekly sign-up sheets for tennis playing and tennis court maintenance.

The **Swimming Pool Committee** shall be responsible for all activities involving the pool including managing lifeguards and pool maintenance.

The **Welcoming Committee** shall be responsible for visiting and welcoming new homeowners and residents. Welcoming forms are to be kept by the Chair and a copy sent to the Membership Committee Chair or other designees in a timely manner.

The **Nominating Committee** shall be appointed at least forty-five days prior to the October semi-annual meeting and shall find qualified candidates to fill any vacancies in the Board or Chair positions.

The **Front Entrance Committee** shall be responsible for the maintenance and upkeep of the front entrance to the subdivision located at the intersection of Clearwater Drive and Rockbridge Road. The Board of Directors shall have authority to maintain a separate collection of funds for this function until such time that a volunteer resident ceases to care for the Entrance and Rockbridge Road median, at which time the Board shall include Front Entrance upkeep in the general budget. Any additional entrances approved after the adoption of these By-Laws (see Section 4.16) shall be the responsibility of the Committee.

Article V. Officers

Pages 12-13

5.1 Designation. Four of the Executive Directors of the Association shall be the President, Vice President, Secretary, and Treasurer; elected by and from Class A and B Members of the Association. The Vice President should also be a Class C Member. A fifth Executive Director is to be appointed from Class A or B Members by a majority of the new Board at the January installment of Officers or as soon as possible after the new year begins. In the event no candidate for Additional Director shall be found, the former

Additional Director shall carry on if possible until a replacement is found. Other Directors are appointed and approved by three-fourths (3/4) majority of the Board. Assistants to the Executive Directors may be appointed by the Board but are not required to be part of the Board of Directors. The positions of President, Secretary, or Treasurer shall not be vacant for a period to exceed fourteen days.

5.2 Election of Officers. President and Treasurer are elected in even-numbered years (2006, 2008, etc.) and the Vice President and Secretary are elected in odd-numbered years (2007, 2009, etc.), and they shall be elected by the Members of the Association at the October meeting of the Members.

5.3 President. The President shall be the Chief Executive Officer of the Association and shall preside at all meetings of the Association and of the Board of Directors. The President shall have the power to appoint committees and is an ex-officio member of all committees.

5.4 Vice President. The Vice President shall act in the President's absence or in any temporary vacancy in the office of the President and shall have all powers, duties, and responsibilities of the President when so acting. The Vice President shall hold a Class C Recreational Membership and may hold the Chairmanship of the Finance and Budget Committee.

5.5 Secretary. The Secretary shall keep the minutes of all meetings and the seal of the Association; shall keep an accurate record of the names and addresses of all Members of the Association and have charge of such records, books and papers; and shall perform all duties inherent to the office of the Secretary of a corporation organized in accordance with Georgia law. The Association shall reimburse out-of-pocket expenses to the Secretary in fulfillment of his/her duties.

5.6 Treasurer. The Treasurer shall keep the Association's funds and securities and shall be responsible for accurate financial records, books of account and banking records 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 depositories designated by the Board of Directors. The Treasurer shall prepare the budgets of the Association. The Treasurer shall also keep the corporate registration current by paying the annual fee to the Secretary of State. If directed by the Board of Directors, the Treasurer may be bonded; if so, Association will pay all bonding costs involved. The Treasurer shall keep the financial records open for inspection by any Member at all reasonable times.

5.7 Agreements, Contracts, Deeds, Leases, Checks, Etc. All must be signed by the Treasurer and one other officer of the Association or by two Board of Directors Members as the Board shall designate.

Article VI. Association's Powers and Duties

Pages 13-15

6.1 Purposes, General Powers and Duties of the Association. The Association is a non-profit corporation subject to the rules of the Georgia Code for Non-profit Corporations, the Articles of Incorporation, these By-Laws, and the Declaration. The general powers of the Association:

- shall include the power to exercise all of the rights, powers, and privileges and to perform all of the duties and obligations of the Association as set forth in the Act, the Articles, the Declaration and these By-Laws, including the ownership, leasing, operation and maintenance of real property, facilities and amenities owned or held by the Association and the authority to grant, give or convey easements, rights-of-way or use rights therein or thereto;
- enable the Association to negotiate, enter into and perform contracts and agreements, and may acquire, purchase, convey, lease, operate, and manage real and personal property;
- allow any agreement with any governmental agency or entity or public or private utility service;
- are to create rules and regulations and enforce the provisions of the Declaration and these By-Laws by legal processes or by other means provided for in these documents;
- are to collect dues, fees and assessments, file taxes and purchase insurance;
- include arbitration of any disputes,
- shall have authority to sell use rights on seasonal use of the Association's Common Property, facilities and amenities by persons who are not otherwise eligible or qualified to become Members of the Association.

6.2 Liabilities of the Association. The Association shall not be liable for any injury to person or property caused by the conduct of any Member or the Member's family, tenants, guests, and seasonal members except in case of negligence by the Association.

6.3 Services. The Association may obtain the services of any person or company to manage its affairs; operate, maintain, service, repair, construct or create any Association property, amenities or facilities. The Association may obtain legal, accounting and other professional services in connection with the operation of the Common Property, the business of the Association or the enforcement of the Declaration and these By-Laws. The Association may furnish street lights, water, trash collection, sewer service, utilities and any other common services as well as maintain entryways, signage and landscaping as necessary to identify the Association's Property or enhance its appearance or enhance the appearance of the subdivisions which the Association serves.

6.4 Rules, Regulations and Enforcement. The Board of Directors may make and enforce reasonable Rules and Regulations.

6.5 Failure to Pay Dues or Assessments.

(a) The refusal or failure of any Class A Permanent Member to pay assessments, dues or charges, in full or in part, is governed by the Declaration.

(b) Any Class B or C Member who fails to comply with Rules and Regulations or fails to pay all dues, charges, assessments and fees, shall be subject to suspension of rights, privileges and benefits of Membership including the right to vote and the right to use the Association's Common Property, amenities and facilities.

In the event of suspension or action:

- Notice is mailed to Member(s) by the Secretary at least five days prior to the Board's suspension.

- If the problem causing the suspension is not remedied within thirty days after suspension is imposed, then the Board by majority vote may terminate the Membership of the Class B Temporary Member, provided the Board of Directors shall provide the opportunity for a hearing within seven days of any timely written request from the affected Member(s) delivered to the Secretary or President.

- Any Class B Member whose Membership has been terminated shall only be entitled to become a Class A Member of the Association thereafter.

6.6 Fines. The Board shall not impose a fine (a late charge shall not constitute a fine) unless notice is served upon the violator by first-class or certified mail. Notice will include a description of the nature of the violation, the fine to be imposed, the date of the notice, and the date that the fine will take effect. The notice will state that the violator may request a hearing if done within seven days and will include contact information to schedule a hearing and that the violator may bring witnesses or other statements or evidence with him. If no hearing is requested within ten days, the violator will waive rights to challenge the fine. Any hearing shall be held in executive session of the Board and the violator will be given reasonable time to be heard. Minutes shall be kept and any fine imposed takes effect after five days have elapsed after the hearing date.

6.7 Implied Rights. The Association has the rights given to it by these By-Laws and the Declaration and has the rights to enact any resolution or action set in these By-Laws and the Declaration.

Article VII. Voting by Members of the Association

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7.1 Exercise of Voting Rights. Each Member Lot is given one vote on issues; however when a Class C Recreational Membership is held and dues are paid in full, then each Lot holding Class C as well as Class A or B Membership shall have two votes on issues. For the purpose of establishing a quorum of votes at a meeting, the total number of votes shall include those two votes of Members holding Class C Recreational Memberships. If the Co-Owners of any Lot cannot agree how the vote(s) is (are) to be cast, then no vote shall be counted; no split votes allowed. The vote(s) of any Co-Owner of a Lot shall be accepted with the assumption he has the approval of all other Co-Owners of the Lot unless another Co-Owner objects before the vote is tabulated or tallied. Class A and Class B Lot owners holding a dues-paying Class C Membership may not split the two votes each Lot is given. All votes hold equal weight, regardless of whether vote is in person, by proxy, absentee ballot or written consent. Members may vote on all issues with the exception of votes to approve proposed amendments to the Declaration, in which case only Class A Permanent Members may vote to approve any amendments. Whenever a vote is scheduled on the agenda for an upcoming meeting, the Notice of Meeting shall indicate if there is a vote and whether absentee votes shall be accepted.

Article VIII. Dues, Assessments, Financial Obligations of Members & Association

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8.1 Budget. The Board will prepare a budget based on the reasonable forecast for the upcoming fiscal year. The Board shall submit the budget to the Membership for approval by a two-thirds majority of votes of a quorum at the March Membership meeting; however, if a dues increase or special assessment exceeding the maximum allowed in these By-Laws is needed to balance the budget, then a vote on all Class A and C dues changes or assessments must be held first before the vote on the budget. If such a vote fails then the Board at its discretion may delay the vote to approve the budget. If the Membership disapproves a proposed dues increase, assessment, or budget; or the Board fails to determine the budget for the succeeding year, then the dues and budget for the current year shall continue for the succeeding year until a resolution is made.

8.2 Dues of Class A Members. The Board of Directors shall collect dues, fees, or assessments from the Class A Members for the expenses of operating, owning, managing and maintaining the committees, properties, and facilities of the Association. The Annual Dues shall be determined by the Board of Directors based upon the projected budget. Any projected changes in dues for the upcoming fiscal year shall be discussed along with the budget, prior to the vote to approve the proposed budget at the March semi-annual meeting or a special meeting called for that purpose. Any increase in Class A Permanent Member dues must be approved by a two-thirds (2/3) majority vote of general membership prior to approval of the budget. The Class A Member of the Association by signing the Declaration agrees to pay the annual dues, assessments and other amounts.

8.3 Dues of Class B Members. The Board of Directors shall collect dues, fees, or assessments from the Class B Temporary Members for the same purposes as outlined in Class A Members' dues above. Class B dues are based on the budget for the upcoming year with consideration to the obligation of Class A Members to pay dues. After approval of the budget, the Annual Dues shall be fixed by the Board of Directors, and any changes in dues for the upcoming fiscal year shall be determined no later than November 1 of each year. A written notice of the dues change shall be sent to each Class B Member with the dues invoice. The Board may allow for installment payments of Annual Dues at a payment schedule to be arranged for members maintaining good standing, without interest, to be determined at the Board's discretion. No Class B Member of the Association shall have any right to vote upon, approve or disapprove the amount of Annual Dues or any assessment levied by the Board of Directors once the budget has been approved. There is no requirement for the amount of Class A and Class B Member Annual Dues to be equal.

8.4 Dues of Class C Members. The dues for Class C Recreational Members shall be equal for every Class A and Class B Member, although discounts may be approved by a majority of the Board for senior citizens and Grandparent Members as designated by the Original By-Laws. The amount of dues shall be determined by the annual budget. Any increase in the amount of Annual Dues for Class C Recreational Memberships shall be approved at the March meeting or by a special meeting called for that purpose, and a two-thirds (2/3) majority vote of general Membership approval is required before the vote to approve the succeeding year's budget. Whenever Annual Class C Dues amounts or payment schedules are changed for the upcoming year, a written notice shall be sent with the dues invoice. The Board has the discretion to require the entire Class C dues annual amount to be payable due on May 1 for Class B Members.

8.5 Special Assessments. Assessments may be determined by the Board based on the Association's budget and revenues to the Association. Assessments shall be the personal obligation of all Class A and B Members. Assessments exceeding fifty dollars (\$50) in any one fiscal year and multiple assessments in any fiscal year and assessments with collection scheduled over three or more years shall be approved by a two-thirds (2/3) majority of the Membership. The amount of Assessment between Class A and Class B Members shall be equal.

8.6 Purpose of Assessments and Annual Dues. The Assessments and Annual Dues shall be used exclusively to promote the recreation, health, safety, enjoyment and welfare of the Members of the Association and for the benefit of the Association's Committees, Common Property, facilities and amenities;

- to purchase or lease any real or personal property; to pay the cost of maintenance, repair or construction of any Association Property or amenity;
- to install, erect, maintain, preserve or acquire any landscaping or signage;
- for the performance of any obligation of the Association pursuant to the Act, the Articles, the Declaration, these By-Laws or any contract or agreement of the Association;
- to fund or pay all obligations of a financial nature of the Association, together with any expense for utilities, street lights, roads, infrastructures or other items;
- for the operation of the Association;
- for the costs and expense of labor & services, or management provided to the Association by others;
- to make expansions to the Association's Common Property as the Association may approve by vote as set in Section 4.16;
- to pay taxes; gas, electric and water charges assessed against any Property for which the Association is responsible;
- to pay insurance premiums as set in these By-Laws;
- to enforce the Declaration, any restrictive Covenants and the Association's By-Laws;
- for other related purposes as the Board may determine consistent with these By-Laws;
- to establish and fund any capital reserve account(s); and to pay debts of the Association.

No Association funds shall go to the personal gain or benefit of any Member of the Association, except incidental expenses to the purposes in these By-Laws, and no Member shall have any interest in any Association funds or Property.

8.7 Preparation of Annual Capital Repair and Replacement Survey. The Board of Directors in August or September shall prepare an evaluation of the capital repair needs of the Association, taking into account the replaceable assets, the expected life of each, and the expected repair or replacement cost and the funds on deposit in the Association's reserve account(s).

8.8 Certificate of Good Standing. For a fee not to exceed thirty-five dollars (\$35.00) per certification, and with fourteen days advance, the Secretary or Treasurer is to provide written certification to the Member which states whether or not the Member is in good standing with the Association and whether all dues or assessments have been paid current.

8.9 Fundraising. The Treasurer shall insure that all federal and state tax returns are submitted timely. If the Association does not meet any of the exceptions listed in General Instruction B, and its annual gross receipts are normally more than \$25,000, it must file Form 990 or Form 990-EZ. See the gross receipts discussion in General Instruction B. If the Association's gross receipts during the year are less than \$100,000 and its total assets at the end of the year are less than \$250,000, it may file Form 990-EZ instead of Form 990. Even if the organization meets this test, it may still file Form 990.

Article IX. Insurance

9.1 Type(s) and Scope of Required Insurance. The Board of Directors of the Association or its duly authorized agent shall maintain fire and extended coverage insurance for all insurable Commonly-Owned Property, entryways, signage and landscaping in an amount sufficient to cover the full replacement cost of improvements in the event of damage or destruction from any insured peril. In addition insurance required by the Association pursuant to any contract or agreement must be maintained. All such insurance coverage obtained by the Board of Directors shall be written in the name of the Association or any secured lender to the Association, as appropriate.

9.2 Other Insurance. No Member of the Association shall be entitled to exercise any right to obtain any insurance coverage to diminish or affect any recovery or payment which may be realized under any insurance policy carried by the Association.

9.3 Fidelity Bond. The Association shall obtain, maintain and pay, at its discretion, as an Association expense, the premiums on a blanket fidelity bond for all officers, directors, and employees of the Association as it relates to their action and responsibilities to the benefit of the Association.

Article X. Additional Obligations and Responsibilities of the Association

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10.1 Liability and Indemnification of Officers and Directors; Insurance. The Association shall indemnify every Officer and Director against any and all expenses, including counsel fees, reasonably incurred by an Officer or Director in connection with any action, suit or other proceeding. (Specific minimum insurance amounts are set in long version.) The Association shall at its expense, maintain adequate general liability and, if obtainable, Officers' and Directors' liability insurance as the Board in its discretion deems advisable.

10.2 Individual Liability of Officers and Directors. The Officers and Directors shall not be individually liable for any mistake of judgment, negligence or otherwise, except for their own individual willful misfeasance or malfeasance. 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 and Directors may also be members of the Association). No individual Member shall have standing to pursue any Director or Officer individually pursuant to their actions taken as Members of the Board.

Article XI. Rights of Use of Property

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11.1 Use of Facilities and Association Property.

(a) All Members of the Association shall be accorded the use of the facilities of the Association subject to rules and regulations promulgated by the Board of Directors, a copy of which rules shall be prominently posted at the facilities or on file with the Secretary of the Association.

(b) Any Property of the Association broken or damaged by a Member or his guest shall be promptly paid for by the Member, with reasonable wear and tear accepted. No Person shall take any property or articles belonging to the Association or appropriate them for his own personal use.

(c) The Association assumes no responsibility for, and Members or their guests shall have no claim against the Association for, any accident or injury to any person or damage to their property, except for injury or damage which is caused solely by the gross negligence or willful misconduct of the Association.

11.2 Guests. At the invitation of any Member, guests may use the Property of the Association subject to rules and regulations determined by the Board of Directors of the Association. Members may not bring guests who are Non-Member Summertown and Rockbridge Acres residents and therefore are eligible for Class A, B, and C Memberships as defined in Section 1.3. Non-Member residents may be guests only with the exception of pre-approved parties or functions when permission is granted by the Board of Directors. Approval is required for Class C Members to bring Class A or B Members (non-Class C Recreational Members) as guests.

11.3 Pool and Tennis Courts. Every Class A and B Member family and their guests shall have a right to enjoy the Common Property of the Association excluding access to the tennis courts and swimming pool. Only Class C Members in good standing shall be entitled to use the swimming pool and tennis courts for themselves and their guests.

Article XII. Miscellaneous

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12.1 Notices. Unless otherwise provided in these By-Laws, all notices, bills, statements or communication shall be in writing and shall be deemed given if delivered personally or if sent by registered or certified mail, return receipt requested, or first class postage prepaid:

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

(b) If to the Association, the Board of Directors or to its Managing Agent, if any, at the principle office of the Association or the Managing Agent, or at another address designated by the Board of Directors and given to the Members.

12.2 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.

12.3 Captions. The captions are inserted only as a matter of convenience and for reference only and in no way define, limit, or restrict the scope of these By-Laws or the intent or effectiveness of any provision.

12.4 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, and vice versa, whenever the context so requires.

12.5 Fiscal Year. The fiscal year of the Association shall be June 1 to May 31 of each year, unless another is adopted by two-thirds of the Members of the Board of Directors or is required by the Declaration.

12.6 Audit. An accounting review of the books and accounts of the Association shall be conducted at least once every two years, by the Auditing Committee, public auditor, or certified public accountant who shall report to the Board of Directors. A copy of that report shall be furnished to each Member who requests a copy in writing which includes payment of the reasonable costs not to exceed fifteen dollars (\$15.00). Upon written request of any institutional holder of a first mortgage and payment of the reasonable mailing and reproduction costs, the institutional holder shall also be entitled to a copy of any audit report.

12.7 Conflicts. In the event of conflicts between the Act, the Articles, the Declaration and these By-Laws, resolution shall be according to the Act, the Articles, the Declaration and the By-Laws, in that order and priority.

12.8 Amendments. These By-Laws may be amended at an annual or special meeting of the Association by a two-thirds majority vote of those Lots present at the meeting in person or by proxy or by absentee ballot if absentee ballots are approved by the Board, a quorum being otherwise established. Notice of any annual or special meeting at which an amendment will be considered shall state that fact, the subject matter of the proposed amendment, and shall include a copy of the text of said proposed amendment(s). The Board of Directors by two-thirds majority vote shall have the authority to amend the Restated Articles of Incorporation as long as the amendment does not conflict with these By-Laws or the Declaration. The Declaration shall be amended by only the votes of eligible Permanent Members as set in the Declaration.

12.9 Books and Records. All books and records of the Association shall be stored at the principle office of the Association or at another place designated by Resolution of the Board of Directors as the depository of books and records.

12.10 Discrimination. No action shall be taken by the Association or the Board of Directors which would unlawfully discriminate against any person on the basis of race, creed, color, national origin, sex, familial status, or handicap.

12.11 Interpretation. Any question as to meaning or interpretation of any of the provisions of these By-Laws shall be determined by the Board of Directors.