

BYLAWS OF HOLLY COMMONS HOMEOWNERS

ARTICLE I NAME AND LOCATION

The name of the Association is **HOLLY COMMONS HOMEOWNERS ASSOCIATION** (hereinafter referred to as the "Association"). The principal office of the Association (until otherwise designated by the Board of Directors of the Association (the "Board")) shall be located at 400 Holly Commons Parkway, Canton, Georgia 30115 and meetings of Members and directors may be held at such other places within the State of Georgia, as may be designated by the Board.

ARTICLE II DEFINITIONS

Unless otherwise set forth herein, the terms used in these Bylaws shall have the same meanings ascribed to such terms as set forth in the Declaration of Covenants, Restrictions, and Easements for Holly Commons dated as of 1/27/06 (the "Declaration"), which has been duly executed with respect to a community known as Holly Commons, and is to be executed by duly authorized officers of the Association (once elected by the homeowners) and then is to be filed for record in the Office of the Clerk of the Superior Court of Cherokee County, Georgia, as such Declaration may be amended from time to time, which Declaration is incorporated herein by this reference.

ARTICLE III MEETINGS

- 3.1 Annual Meetings of Members: The regular annual meetings of the Members shall be held not later than six (6) months past the end of the fiscal year of the Association, on a date (which is not a legal holiday) and at such place within the State of Georgia, as shall be designated in the call of meeting pursuant to 3.3 below. If no such date is designed, the annual meetings shall be held on the Second Tuesday in January, if not a legal holiday, and if a legal holiday, then the next business day succeeding. The members shall, at such annual meeting, elect a Board for the ensuing year, in the manner provided in Article IV hereof, and shall have authority to transact any and all business which may be brought before such meeting.
- 3.2 Special Meeting of Members: Special meeting of Members shall be held at such place within the State of Georgia as shall be designated in the call of the meeting. Special meetings may be called by the President at any time and must be called by the President when so requested in writing by any two (2) Directors or by Twenty-five (25 %) percent of the homeowners.
- 3.3 Notice of Meetings: Written notice of the place, date and time of every annual or special meeting of Members shall be posted at the principal office, at least fifteen (15) days before such meeting.
- 3.4 Quorum: Unless otherwise provided in the Declaration, a quorum at any meeting of Members, whether annual or special, shall consist of the presence at such meeting, in person or by proxy, of Members. Unless otherwise provided in the Articles of Incorporation of the Association, or in the Declaration, or in these Bylaws, a majority of the votes entitled to be cast by all Members present at the meeting shall be necessary and sufficient to decide and at upon any question which shall come before the meeting. No business shall be transacted at any meeting unless a quorum is present.

- 3.5 Voting: Voting rights of Members shall be as set forth in the Declaration.

ARTICLE IV DIRECTORS

- 4.1 Number: The affairs of the Association shall be managed by an initial Board. Once the control of the Association passes to the Homeowners, as provided in the Declaration, or sooner as designated by the original directors, the affairs of the Association shall be managed by a Board of not less than three (3) no more than seven (7) Directors.
- 4.2 Terms of Office: At the first annual meeting after control of the Association has passed to the Homeowners, the Board shall be increased to three (3) Directors in accordance with the following procedure. At that meeting, the Members shall elect two (2) Directors to serve an initial term of two (2) years, and one (1) Director to serve an initial term of one (1) year. After the expiration of the initial terms, all directors shall be elected to serve a term of two (2) years and elections shall be held accordingly each year. All directors shall hold office until successors have been elected. The number of directors may be increased by vote of the Members.
- 4.3 Compensation: No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties. This shall also apply to any and all expenses incurred by the initial directors.
- 4.4 Action Taken without a Meeting: No Director shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.
- 4.5 Nomination: Nomination for elected members to the Board of Directors shall be made by a Nominating Committee; Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board as it shall, in its discretion, determine, but not less than the number of vacancies that are to be filled.
- 4.6 Election: Election to the Board shall be by secret ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.
- 4.7 Quorum: A quorum at any meeting of the Board shall consist of a majority of the Members of the Board. Unless otherwise provided in the Article of Incorporation of the Association, or in these Bylaws, or in the Declaration, a majority of those present at any meeting at which a quorum is present may decide all questions which may come before the meeting.
- 4.8 Power: The Board shall have power to:
- (a) Adopt and publish rules and regulations governing the use of the Common Property and Facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

- (b) Suspend the voting rights and right to use of the recreational facilities of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;
 - (c) Exercise for the Association all powers, duties, and authority vested in or delegated to the Association and not reserved to the Membership by other provisions of these Bylaws, the Articles of Incorporation, or the declaration;
 - (d) Declare the office of a Member of the Board to be vacant in the event such Member shall be absent from three (3) consecutive regular meetings of the Board; and
 - (e) Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.
- 4.9 Duties: it shall be the duty of the Board to:
- (a) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members, or at any special meeting when such statement is requested in writing by 50% of the Homeowners who are entitled to vote;
 - (b) Supervise all officers, agents, and employees of the Association, and see that their duties are properly performed;
 - (c) As more fully provided in the Declaration:
 - (1) Fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;
 - (2) Send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and
 - (3) Foreclose the lien against any property for which assessment not paid within thirty (30) days after the due date or bring an action at law against the Owner personally obligated to pay the same;
 - (d) Issue, or cause an appropriate officer to issue, upon demand by any person, a certified setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
 - (e) Procure and maintain adequate insurance on property owned by the Association, as provided in the Declaration;
 - (f) Cause the Association to carry out all of its duties and obligations under the Declaration.

ARTICLE V OFFICERS AND THEIR DUTIES

- 5.1 Enumeration of Officer: The officers of this Association shall be a President and Vice-President, who shall at all times be members of the Board, a Secretary and a Treasurer, and such officers as the Board may, from time to time, by resolution create.

- 5.2 Election of Officers: The election of officers shall take place at the first meeting of the Board following each annual meeting of the Members.
- 5.3 Terms: The officers of the Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.
- 5.4 Resignation and Removal: Any officer may be removed from office with or without cause by the Board. Any Officer may resign at any time by giving written notice to the Board, the President, or Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.
- 5.5 Vacancies: A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.
- 5.6 Multiple Offices: The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other officers.
- 5.7 Duties: The duties of the Officers are as follows:
- (a) President: The President shall preside at all meetings of the Board; shall see that orders and resolutions of the board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall cosign all checks and promissory notes.
 - (b) Vice-President: The Vice-President shall act in the place and stead of the President in the event of his absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.
 - (c) Secretary: The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers required said seal; serve notice of meetings of the Board and of the Members keep appropriate current records showing the Members of the Association, together with their addresses; and shall perform such other duties as required by the Board.
 - (d) Treasurer: The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the Membership at its regular annual meeting, and deliver a copy of each to the Members.

ARTICLE VI MISCELLANEOUS

- 6.1 Committees: The Board of the Association shall appoint Committees as specifically provided for in the Declaration and in these Bylaws. In addition, the Board shall appoint other committees as deemed appropriate in carrying out its purposes.

- 6.2 Indemnification: The Association shall indemnify any person made a party to any action, suit, or proceeding, whether civil or criminal by reason of the fact that he, his testator, or intestate, is or was a director, officer, or employee of the Association against the reasonable expense, including attorneys' fees, actually and reasonably incurred by him in connection with the defense of the action, suit, or proceeding or in connection with any appeal in it. This right of indemnification shall not apply in relation to matters as to which the director, officer, or employee shall be adjudged in the action, suit, or proceeding to be liable for negligence or misconduct in the performance of any duty to the Association. The right to indemnification conferred by this section shall not restrict the power of the Association to make any other indemnification permitted by law.
- 6.3 Fiscal Year: The fiscal year of the Association shall be determined by resolution of the Board.
- 6.4 Parliamentary Rules: "Robert's Rules of Order" (current edition) shall govern the conduct of all Association proceedings, when not in conflict with Georgia law, the Articles of Incorporation, the Declaration, these Bylaws, or a ruling made by the person presiding over the proceeding.
- 6.5 Conflicts: If there are conflicts or inconsistencies between the provisions of Georgia law, the Articles of Incorporation, and these Bylaws, then the provisions of Georgia law, the Articles of Incorporation, and these Bylaws (in that order) shall prevail.