

BY-LAWS
of
EAGLE SPRINGS ASSOCIATION, INC.

ARTICLE I

DEFINITIONS

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

1.1 "Additional Property" shall mean and refer to such portions of the Future Development Property as may hereafter be added to the Subdivision by Supplementary Declaration pursuant to the provisions of Section 1.1.1 of the Declaration.

1.2 "Architectural Control Committee" shall mean and refer to the committee designated under Article VI of the Declaration for each Subdivision.

1.3 "Association Architectural Control Committee" shall mean and refer to the committee designated under Article VII of these By-Laws.

1.4 "Articles of Incorporation" shall mean and refer to the Articles of Incorporation of Eagle Springs Association, Inc., as amended from time to time.

1.5 "Assessment" shall mean and refer to an Owner's share of the Common Expenses or other charges from time to time assessed against any Owner by the Association in the manner herein provided.

1.6 "Association" shall mean and refer to Eagle Springs Association, Inc., a Georgia nonprofit corporation.

1.7 "Board of Directors" or "Board" shall mean and refer to the Board of Directors of the Association, which is the governing body of the Association.

1.8 "Common Areas" shall mean and refer to all real and personal property now or hereafter owned by the Association for the common use and enjoyment of the Owners. Included within the Common Areas, but without limitation thereto, are the maintenance areas, parking lots, walkways, sidewalks, lakes, the recreational area, street lighting and signage. The designation of any land and/or improvements as Common Areas shall not mean or imply that the public at large acquires any easement of use or enjoyment therein.

1.9 "Common Expenses" shall mean and refer to all expenditures lawfully made or incurred by or on behalf of the Association, together with all funds lawfully assessed for the creation or maintenance of reserves, pursuant to the provisions of this Declaration.

1.10 "Community" and/or "Subdivision" shall mean and refer to a group of lots within the same geographical area of the Development platted by the Declarant as a subdivision under a name separate and distinct from other such subdivisions within the Development for which a Declaration (as hereafter defined) is imposed, including, but without limitation thereto, all those subdivisions described in Exhibit "A" attached hereto, and (i) such additions thereto as may be made by Declarant (or its mortgagee or transferee as provided in the Declaration) by supplementary declaration of all or any portion of the real property described in Exhibit "B" attached hereto, and (ii) such additions thereto as may be made by the Association by supplementary declaration of other real property pursuant to the provisions of the Declaration. As of the date of adoption of these By-Laws the Subdivisions existing within the Development known as Eagle Springs include the following: Tivoli Gates; The Villas; Grove Pointe; The Orchards of Grove Pointe; and The Village.

1.11 "Declarant" shall mean and refer to, as the case may be, Eagle Springs, LLC, a Georgia limited liability company, and the successors-in-title and assignees of the said Eagle Springs, LLC, provided any such successor-in-title and assignee shall acquire for the purpose of development or sale all or any portion of the remaining undeveloped or unsold portions of the real property described in Exhibit "A" attached hereto and in Exhibit "B" attached hereto, and provided further, in the instrument of conveyance to any such successor-in-title the assignee is designated as the "Declarant" hereunder by the grantor of such conveyance, which grantor shall be the "Declarant" hereunder at the time of such conveyance.

1.12 "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions for each Subdivision, and all amendments thereof filed for record in the Records of the Clerk of the Superior Court of Houston County, Georgia.

1.13 "Development", with an initial capital letter, shall mean and refer to "Eagle Springs," which is comprised of the several Communities or Subdivisions now developed or hereafter to be developed by the Declarant or its successors-in-title and assigns on the real property described in Exhibit "B" attached hereto, or on property that is contiguous to the real property described in Exhibit "B" (including other property that is separated from the property described in Exhibit "B" only by a public road or highway), together with all improvements located or constructed thereon, which property is submitted to the general scheme of covenants, conditions, restrictions and easements set forth herein.

1.14 "Dwelling", with an initial capital letter, shall mean and refer to any improved property intended for use as a single-family dwelling located within the Development.

1.15 "Foreclosure" shall mean and refer to, without limitation, the judicial foreclosure of a Mortgage or the conveyance of secured property by a deed in lieu of a judicial foreclosure.

1.16 "Future Development Property" shall mean and refer to other real property now owned or hereafter acquired by the Declarant contiguous to or in the immediate vicinity of the

Properties, which presently includes all of the real property described according to Exhibit "B", attached hereto and by this reference thereto incorporated herein and made a part hereof.

1.17 "Institutional Mortgage" shall be deemed to mean a Mortgage held by a bank, trust company, insurance company, or other recognized lending institution, or by an institutional or governmental purchaser of mortgage loans in the secondary market, such as Federal National Mortgage Association or Federal Home Loan Mortgage Corporation.

1.18 "Lease" shall mean and refer to any lease, sublease, or rental contract, whether oral or written.

1.19 "Living Space" shall mean and refer to enclosed and covered areas within a dwelling, exclusive of garages, carports, porches, terraces, balconies, decks, patios, courtyards, greenhouses, atriums, bulk storage areas, attics and basements.

1.20 "Lot" and/or "lot" shall mean and refer to any lot, tract or parcel of land identified as a lot on a recorded subdivision plat covering any portion of the Properties.

1.21 "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any portion of the Properties, but excluding any person or entity whose interest in the Properties arises pursuant to a deed to secure debt, mortgage, or other similar instrument evidencing or securing indebtedness.

1.22 "Subdivision Survey" shall mean and refer to the map or plat of survey of the Properties delineating individual building lots or parcels which is hereafter filed for record by the Declarant and recorded on the Deed Records of Houston County, Georgia.

1.23 "The Properties" (or "Properties") shall mean and refer to the real property (including improvements) described in a Declaration or any Supplemental Declaration.

ARTICLE II

OFFICES

2.01 *Registered Office.* The registered office of the Association shall be as designated with the Office of the Secretary of the State of Georgia, as it may be changed from time to time.

2.02 *Other Offices.* The Association may also have offices at such other places both within and without the State of Georgia as the Board of Directors may from time to time determine or the business of the Association may require.

ARTICLE III

MEMBERSHIP

3.01 *Membership.* Each and every person or legal entity who shall own any Lot or Dwelling in a Subdivision or Community within the Development, including contract sellers, shall automatically be a member of the Association, Provided, however, that any person or legal entity who holds such an interest merely as security for the performance of any obligation shall not be a member. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. Membership in the Association may not be transferred except in connection with the transfer of title to a Lot.

3.02 *Classes of Membership; Voting.* The Association shall have two classes of membership as follows:

A. *Class A.* Initially, the Class A members of the Association shall be the Owners of Lots located in the Subdivision, with the exception of Declarant. If the same Owner owns more than one Lot, such Owner shall be a Class A member and shall have membership privileges and the obligation to pay assessments with respect to each Lot so owned. When two or more persons or entities hold undivided interests in any Lot, all such persons or entities shall be Class A members, and the vote for such Lot shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast with respect to each Lot. Class A membership shall be a non-voting membership except on such matters and in such events as hereinafter specified. In the event of disagreement among such persons and an attempt by two or more of them to cast such vote or votes, such persons shall not be recognized and such vote or votes shall not be counted.

B. *Class B.* The sole Class B member of the Association shall be the Declarant. The Class B member shall be a full voting membership, and shall be entitled to three (3) votes for each Lot owned within the Properties. At the election of the Class B member, the Class B membership shall terminate and cease to exist at any time, but in no event later than the first to occur of the following events, to-wit:

(1) Whenever the total number of votes outstanding in the Class A membership equals the total number of votes outstanding in the Class B membership; or,

(2) On December 31, 2001.

From and after the date on which the Class B membership shall so terminate and cease to exist, the Class B member shall be and become a Class A member with respect to any Lot owned by it, and in which event it shall be entitled to one vote for each Lot so owned.

ARTICLE IV

MEETINGS OF MEMBERS

4.01 *Annual Meeting.* An annual meeting of the members shall be held on the first Monday in the month of December in each year, beginning with the year 1999 at the hour of 7:00 o'clock, P.M., for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a Saturday, Sunday or legal holiday in the State of Georgia, such meeting shall be held on the next succeeding business day. If the election of directors shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the members as soon thereafter as conveniently may be called.

4.02 *Special Meetings.* Special meetings of the members may be called by the President, the Board of Directors, or upon the written request of 25% of the number of members then entitled to cast vote at meetings of the membership.

4.03 *Place of Meeting.* The Board of Directors may designate any place within Houston County, Georgia, as the place of meeting for any annual meeting or any special meeting called by the Board of Directors. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be the registered office of the Association in the State of Georgia; but, if all the members shall meet at any time and place either within or without Houston County, Georgia, and consent to the holding of a meeting, such meeting shall be valid without call or notice, and at such meeting any Corporate action may be taken.

4.04 *Notice of Meetings.* Written or printed notice stating the place, day and hour of any meeting of members shall be delivered, either personally or by mail, to each member entitled to vote at such meeting, not less than ten (10) nor more than fifty (50) days before the date of such meeting, by or at the direction of the President or the Secretary, or the officers or persons calling the meeting. In case of a special meeting or when required by statute or by these bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears on the records of the Association, with postage thereon prepaid.

4.05 *Informal Action by Members.* Any action required by law to be taken at a meeting of the members, or any action which may be taken at a meeting of members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof.

4.06 *Quorum.* The members holding one-half (1/2) of the total eligible votes which may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting of members, a majority of the members present may adjourn the meeting from time to time without further notice.

4.07 *Proxies.* At any meeting of members, a member entitled to vote may vote by proxy executed in writing by the member or by his duly authorized attorney-in-fact. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.

ARTICLE V

BOARD OF DIRECTORS

5.01 *Membership and General Powers.* The affairs of the Association shall be managed by its Board of Directors in accordance with, and subject to any limitations imposed by, the Articles of Incorporation of the Association. Without limiting the generality of the preceding sentence, or any power vested in it by law, the Board of Directors shall have the power:

(a) To appoint and remove at its pleasure all officers, agents and employees of the Association, prescribe their duties, fix their compensation and require of them security or fidelity bonds as it may deem expedient (nothing contained in these By-Laws shall be construed to prohibit the employment of any Member, officer or director of the Association in any capacity whatsoever);

(b) To establish, levy, assess and collect the Annual, Special and Capital Assessments and all other charges referred to in the Declaration;

(c) To adopt and publish rules and regulations governing the use of the Common Areas, and the personal conduct of Members, their family, their tenants, and their guests with respect thereto; and,

(d) To exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration.

5.02 *Duties and Responsibilities.* It shall be the duty and responsibility of the Board of Directors:

(a) To cause to be kept a full, true and accurate record of its acts and corporate affairs and to present a statement thereof to the Members at the Annual Meeting of the Members or at any special meeting when requested in writing by one-fourth (1/4) of the full membership;

(b) To supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) In accordance with the Declaration, (i) to fix the amount of the Annual Assessment against each Lot as soon as may be practicable after the beginning of each calendar year and in any event before April 1; (ii) to prepare a roster of the Lots and

Annual Assessments applicable to each Lot which shall be kept in the office of the Association and shall be open to inspection by any Member; and, (iii) to send written notice of each assessment to every Owner subject to assessment;

(d) To issue or to cause an appropriate officer to issue, upon demand by any person a certificate stating whether any Annual, Special or Capital Assessment has been paid, which shall be conclusive evidence that any charge stated therein has or has not been paid;

(e) To foreclose the lien against any property for which assessments are not paid or to bring an action at law against the Owner personally obligated to pay the same, at the election of the Board of Directors;

(f) To procure and maintain adequate liability insurance on the property owned by the Association, and any other insurance which in the opinion of a majority of the Directors may be necessary or desirable for the Association in addition to the insurance required to be carried by the Association as set forth in the policies. Limits are to be reviewed at least annually and increased and decreased at the discretion of the majority of the members of the Board of Directors; and,

(g) To cause the common facilities to be maintained.

5.03 *Number, Tenure and Qualifications.* The number of directors shall be not less than three (3), and not more than seven (7), unless otherwise determined by amendment of these by-laws. The initial Board of Directors shall consist of three (3) members as identified in the Articles of Incorporation. Each director shall hold office until the next annual meeting of members and until his successor shall have been elected and qualified. The directors shall be elected in the manner set forth in Section 5.04 *infra*.

5.04 *Election of Directors.*

(a) *Ballots.* The election of Directors shall be by written ballot. At each Annual Meeting or at any special meeting called for the purpose of electing Directors, the Members or their proxies may cast, in respect of each vacancy, as many votes as they are entitled to cast under the Articles of Incorporation of the Association. The nominees receiving the largest number of votes shall be elected.

(b) *Nominations; Nomination Committee.* Nominations for election to the Board of Directors shall be made by the Nominating Committee, which shall consist of a Director, who shall be the Chairman, and one or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each Annual Meeting of the Members to serve during such Annual Meeting and until the next Annual Meeting or until its successor shall have been duly designated and qualified. The members of the Nominating Committee shall be announced at each Annual Meeting of the Members. Nominations for election to the Board of Directors may also be made from the floor by members at any meeting held for the purpose of nominating and/or electing such Board of Directors.

(c) *Nominees.* The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies to be filled. Nominations may be made from among * Members or non-members, as the Committee in its discretion shall determine. Nominations shall be placed on a written ballot and shall be made in advance of the time fixed for the mailing of such ballots to the Members.

(d) *Procedures.* All elections of the Board of Directors shall be made on written ballots which shall (i) describe the vacancies to be filled; (ii) set forth the names of those nominated by the Nominating Committee for the vacancies; and (iii) contain a space for a write-in vote by the members for each vacancy. The ballot shall be prepared and mailed by the Secretary to the Members at least fourteen (14) days in advance of the date set forth therein for a return (which shall be a date not later than the day before the Annual Meeting or any special meeting called for the purpose of electing Directors).

(e) *Voting.* Each Member shall be mailed a ballot on which he may cast the number of votes to which he is entitled. The completed ballot shall be returned in the manner herein-after outlined. The ballot shall bear on its face the name and signature of the Member, the number of votes being cast and such other information as the Board of Directors may determine will serve to establish his right to cast the vote or votes stated therein. The ballot shall be returned to the Secretary at the address clearly designated by the Secretary.

(f) *Processing.* Upon the receipt of each return, the Secretary shall immediately place it in a safe place. Not more than twenty-one (21) days prior to the day set for the meeting at which the elections are to be held, the envelopes shall be turned over, unopened, to an Election Committee which shall consist of three persons appointed by the Board of Directors. All returns thereafter received by the Secretary on or before the date set for a return shall accordingly be turned over to the Election Committee. The Election Committee shall adopt a procedure which shall (i) establish that the Member is entitled to cast either personally or by proxy, the number of votes indicated on the ballot; and (ii) that the signature of the Member on the ballot is genuine; and (iii) if the vote is by proxy, that the proxy has been filed with the Secretary as provided herein, and that the proxy is valid. After the procedure has been completed for a ballot the count of the vote shall be taken. All ballots and proxies as well as any continuing tally of the votes shall be kept by the Election Committee, when not being processed, in a safe place. The ballots shall be retained for ninety (90) days after the meeting and then destroyed.

5.05 *Regular Meetings.* A regular annual meeting of the Board of Directors shall be held without other notice than this bylaw, immediately after, and at the same place as, the annual meeting of members. The Board of Directors may provide by resolution the time and place within Houston County, Georgia, for the holding of additional regular meetings of the Board without other notice than such resolution.

5.06 *Special Meetings.* Special meetings of the Board of Directors may be called by or at the request of the President or a majority of the Board of Directors. The person or persons

authorized to call special meetings of the Board may fix any place, either within Houston County, Georgia, as the place for holding any special meeting of the Board called by them.

5.07 *Notice.* Notice of any special meeting of the Board of Directors shall be given at least three (3) days previous thereto by written notice delivered personally or sent by mail or telegram to each director at his address as shown by the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any director may waive notice of any meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully convened or called. Neither the business to be transaction at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these bylaws.

5.08 *Quorum.* A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board; but, if less than a majority of the directors are present at any meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

5.09 *Manner of Acting.* The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law, the Articles of Incorporation, or by these By-Laws.

5.10 *Vacancies.* Any vacancy occurring in the Board of Directors and directorship to be filled by reason of any increase in the number of directors, shall be filled by the Board of Directors. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

5.11 *Compensation.* Directors as such shall not receive any stated salaries for their services, but by resolution of the Board of Directors a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board; but, nothing herein contained shall be construed to preclude any director from serving the Association in any other capacity and receiving compensation therefor.

5.12 *Informal Action by Directors.* Any action required by law to be taken at a meeting of directors, or any action which may be taken at a meeting of directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors.

ARTICLE VI

OFFICERS

6.01 *Officers.* The officers of the Association shall be a President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Secretary, a Treasurer, and such other officers as may be elected in accordance with the provisions of this Article. The Board of Directors may elect or appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed, from time to time, by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary.

6.02 *Election and Term of Office.* The officers of the Association shall be elected annually by the Board of Directors at the regular annual meeting of the Board of Directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as convenient. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor shall have been duly elected and shall have qualified.

6.03 *Removal.* Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the Association would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed.

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

6.05 *President.* The President shall be the principal executive officer of the Association and shall in general supervise and control all of the business and affairs of the Association. He shall preside at all meetings of the members and of the Board of Directors. He may sign, with or without the Secretary or any other proper officer of the Association authorized by the Board of Directors, any deeds, mortgages, bonds, contracts or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these bylaws or by statute to some other officer or agent of the Association; and in general he shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

6.06 *Vice President.* In the absence of the President or in the event of his inability or refusal to act, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in the order of their election) shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

6.07 *Treasurer.* The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Association; receive and give receipts for moneys due and payable to the Association from any source whatsoever, and deposit all such moneys in the name of the Association in such banks, trust companies or other depositaries as shall be selected by the Board of Directors; and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine.

6.08 *Secretary.* The Secretary shall keep the minutes of the meetings of the members and of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law; be custodian of the Corporate records and of the seal of the Association and see that the seal of the Association is affixed to all documents, the execution of which on behalf of the Association under its seal is duly authorized in accordance with the provisions of these By-Laws; keep a register of the post office address of each member which shall be furnished to the Secretary by such member; and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

ARTICLE VII

COMMITTEES

7.01 *Architectural Control Committee.* The Association shall have an Association Architectural Control Committee ("AACC"), which shall be separate and distinct from the Architectural Control Committee established for each Subdivision under the provisions of Article VI of the Declaration therefor. The members of the Association Architectural Control Committee need not be members of the Association nor the Board of Directors. The Architectural Control Committee shall be charged with the responsibility of reporting to the Board of Directors concerning compliance with and the enforcement of restrictive covenants within the Subdivisions comprising the Development.

7.02 *Other Committees.* The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate one or more other committees. Except as otherwise provided in such resolution, members of such committee or committees shall be members of the Association, and the President of the Association shall appoint the members thereof; PROVIDED, HOWEVER, that the Executive Committee, which is expressly permitted, must have its members appointed by the Board of Directors and must consist of two or more directors. The designation and appointment of an Executive Committee and the delegation thereto of authority shall not operate to relieve the Board of Directors or any individual director, of any responsibility imposed upon it or him by law.

7.03 *Term of Office.* Each member of a committee shall continue as such until the next annual meeting of the members of the Corporation or until his successor is appointed unless the

committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof, subject to the provisions of Article 7.01 of these bylaws concerning the Architectural Control Committee.

7.04 *Chairman.* One member of each committee shall be appointed Chairman by the person or persons authorized to appoint the members thereof.

7.05 *Vacancies.* Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments, subject to the provisions of Article 7.01 of these bylaws concerning the Architectural Control Committee.

7.06 *Quorum.* Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

7.07 *Rules.* Each committee may adopt rules for its own government not inconsistent with these bylaws or with rules adopted by the Board of Directors.

ARTICLE VIII

INDEMNIFICATION

8.01 *Persons.* The Association shall indemnify, to the extent provided in Section 8.02 hereof, any present or former director, officer, agent or employee of the Association.

8.02 *Extent.* The indemnification shall be against expenses actually and necessarily incurred by such person, and any amount paid in satisfaction of judgments in connection with any action, suit or proceeding, whether civil or criminal in nature, in which he is made a part by reason of being or having been such a director, officer, agent or employee (whether or not such at the time the costs or expenses are incurred by or imposed on him) except in relation to matters as to which he shall be adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct in the performance of duty.

8.03 *Reimbursement.* The Association may also reimburse to any such person the reasonable costs of settlement of any such action, suit or proceeding, if it is found by a majority of the Board of Directors not involved in the matter, whether or not a quorum, that it was to the best interest of the Association to make such settlement and that such person was not guilty of gross negligence or willful misconduct.

8.04 *Non-Exclusive.* These rights of indemnification and reimbursement shall not be exclusive of any other rights of which such person may be entitled by laws, bylaws, agreement, members' vote or otherwise.

ARTICLE IX

GENERAL PROVISIONS

9.01 *Certificates of Membership.* The Board of Directors may, but shall not be required to, provide for the issuance of certificates evidencing membership in the Association, which shall be in such form as may be determined by the Board. Such certificates shall be signed by the President or a Vice President, and by the Secretary or an Assistant Secretary, and shall be sealed with the seal of the Association. All certificates evidencing membership of any class shall be consecutively numbered. The name and address of each member and the date of issuance of the certificate shall be entered on the records of the Association. If any certificate shall become lost, mutilated or destroyed, a new certificate may be issued therefor upon such conditions as the Board of Directors may determine.

9.02 *Books and Records.* The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board of Directors and committees having any of the authority of the Board of Directors, and shall keep at the registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the Association may be inspected by any member, or his agent or attorney for any proper purpose at any reasonable time.

9.03 *Checks and Notes.* All checks or demands for money and notes of the Association shall be signed by such officers or officers or such other person or persons as the Board of Directors may from time to time designate.

9.04 *Fiscal Year.* The fiscal year of the Association shall be fixed by resolution of the Board of Directors.

9.05 *Seal.* The Association seal shall have inscribed thereon the name of the Corporation and shall be in such form as the Board of Directors may prescribe.

9.06 *Dedication of Property.* The Association shall have power to dedicate any of its property to an appropriate public authority for public use, PROVIDED THAT any such dedication shall require the approval of the then Owners of two-thirds (2/3) of the Lots in the Subdivision (including any Lots added by Supplementary Declaration pursuant to Section 1.2.2 of the Declaration) voting in person or by proxy at a meeting duly called for such purpose, written notice of which shall be given to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

9.07 *Protective Covenants.* The Declaration is binding on the members of the Association. The Association shall have the right (but not the duty) to enforce any of the covenants, conditions, restrictions and easements set out in any such Declaration. Enforcement of the covenants, conditions, restrictions and easements shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant, condition, restriction or easement, either to restrain violation or to recover damages, and against the Properties, to enforce any lien created by the Declaration; and failure by the Association or any

owner to enforce any such covenant, condition, restriction, easement or lien shall in no event be deemed a waiver of the right to do so thereafter.

9.08 *Waiver of Notice.* Whenever any notice is required to be given under the provisions of the Georgia Non-Profit Corporation Act, or under the provisions of these By-Laws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

9.09 *Resignation.* Any director, officer or agent may resign by giving written notice to the President or the Secretary. The resignation shall take effect at the time specified therein. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

9.10 *Amendments to By-Laws.* These By-Laws may be altered, amended or repealed and new by-laws may be adopted by the affirmative vote of two-thirds (2/3) of the total eligible votes of the membership of the Association as defined in Section 3.02 of these bylaws voting in person or by proxy at a meeting duly called for such purpose, written notice of which shall be given to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

9.11 *Table of Contents and Headings.* The table of contents and headings used in these By-Laws have been inserted for convenience only and do not constitute matters to be construed in interpretation.

9.12 *Construction.* Whenever the context so requires, the masculine shall include the feminine and neuter, and the singular shall include the plural, and conversely. If any portion of these By-Laws shall be invalid or inoperative, then, so far as is reasonable and possible, the remainder of these By-Laws shall be considered valid and operative and effect shall be given to the intent manifested by the portion held invalid or inoperative.

The within and foregoing By-Laws of
EAGLE SPRINGS ASSOCIATION, INC.,
were approved and adopted by the
Incorporator as of February 24, 1999.

EAGLE SPRINGS, LLC,
a Georgia corporation, as Incorporator

By: _____
CHARLIE N. McGLAMRY, Manager

EXHIBIT "A"

"Subdivision" or "Community"

TIVOLI GATES

Tivoli Gates, Phase 1

All those lots or parcels land situate, lying and being in Land Lots 87 and 96 of the Fifth (5th) Land District of Houston County, Georgia, known and designated as Lots 1 through 17 (both inclusive), and Lots 61 through 80 (both inclusive), of a Subdivision known as TIVOLI GATES, PHASE 1, a Subdivision of Eagle Springs, according to a map or plat of survey of said Subdivision prepared by Waddle & Company, Surveyors, certified by Theodore W. Waddle, Jr., Georgia Registered Land Surveyor No. 2139, dated February 13, 1997, a copy of which is of record in Map Book 50, Pages 151-153, Clerk's Office, Houston Superior Court. Said plat and the recorded copy thereof are by this reference thereto incorporated herein and made a part hereof for all purposes.

Tivoli Gates, Phase 1

All those tracts or parcels of land situate, lying and being in Land Lots 87 of the Fifth Land District of Houston County, Georgia, known and designated as Lots 18 through 35, both inclusive, TIVOLI GATES, PHASE 2, according to a plat of survey of said Subdivision prepared by Waddle & Company, certified by Theodore W. Waddle, Jr., Georgia Registered Land Surveyor No. 2139, dated December 10, 1998, a copy of which is of record in Map Book 53, Pages 143, Clerk's Office, Houston Superior Court. Said plat and the recorded copy thereof are hereby made a part of this description by reference thereto for all purposes.

AUTUMN TRACE

All those lots or parcels land situate, lying and being in Land Lots 86, 87, 96 and 97 of the Fifth (5th) Land District of Houston County, Georgia, known and designated as Lots 1 through 23 (both inclusive), and Lots 100 through 120 (both inclusive), of a Subdivision known as AUTUMN TRACE, PHASE 1, a Subdivision of Eagle Springs, according to a map or plat of survey of said Subdivision prepared by Waddle & Company, Surveyors, certified by Theodore W. Waddle, Jr., Georgia Registered Land Surveyor No. 2139, dated February 28, 1997, a copy of which is of record in Map Book 50, Pages 184-185, Clerk's Office, Houston Superior Court. Said plat and the recorded copy thereof are by this reference thereto incorporated herein and made a part hereof for all purposes.

GROVE POINTE

Grove Pointe, Phase 1

All those lots or parcels land situate, lying and being in Land Lots 86, 87, 96 and 97 of the Fifth (5th) Land District of Houston County, Georgia, known and designated as Lots 1 through 26 (both inclusive), Lots 59 through 67 (both inclusive), and Lot 145, of a Subdivision known as GROVE POINTE, PHASE 1, a Subdivision of Eagle Springs, according to a map or plat of survey of said Subdivision prepared by Waddle & Company, Surveyors, certified by Theodore W. Waddle, Jr., Georgia Registered Land Surveyor No. 2139, dated March 17, 1997, a copy of which is of record in Map Book 50, Pages 182-183, Clerk's Office, Houston Superior Court. Said plat and the recorded copy thereof are by this reference thereto incorporated herein and made a part hereof for all purposes.

Grove Pointe, Phase 2

All those tracts or parcels of land situate, lying and being in Land Lots 96 & 97 of the Fifth Land District of Houston County, Georgia, known and designated as Lots 27 through 58, both inclusive, Grove Pointe, Phase 2, according to a plat of survey of said Subdivision prepared by Waddle & Company, certified by Theodore W. Waddle, Jr., Georgia Registered Land Surveyor No. 2139, dated March 11, 1998, a copy of which is of record in Map Book 52, Pages 72-73, Clerk's Office, Houston Superior Court. Said plat and the recorded copy thereof are hereby made a part of this description by reference thereto for all purposes.

THE ORCHARDS OF GROVE POINTE

The Orchards of Grove Pointe, Section No. 1

All that tract or parcel of land situate, lying and being in Land Lot 87 of the Fifth Land District of Houston County, Georgia, known and designated as Lots 8 and 9, The Orchards of Grove Pointe, Section No. 1, according to a plat of survey of said Subdivision prepared by Waddle & Company, certified by Theodore W. Waddle, Jr., Georgia Registered Land Surveyor No. 2139, dated October 15, 1998, revised December 7, 1998, a copy of which is of record in Map Book 53, Page 135, Clerk's Office, Houston Superior Court. Said plat and the recorded copy thereof are hereby made a part of this description by reference thereto for all purposes.

The Orchards of Grove Pointe, Addition to Section No. 1

All those tracts or parcels of land situate, lying and being in Land Lots 86 and 87 of the Fifth Land District of Houston County, Georgia, known and designated as Lots 1, 2, 3, 4, 5, 6, 10, 11, 12, 13 and 14, THE ORCHARDS OF GROVE POINTE, ADDITION TO SECTION NO. 1, according to a plat of survey of said

Subdivision prepared by Waddle & Company, certified by Theodore W. Waddle, Jr., Georgia Registered Land Surveyor No. 2139, dated February 16, 1999, a copy of which is of record in Map Book 53, Page 192, Clerk's Office, Houston Superior Court. Said plat and the recorded copy thereof are hereby made a part of this description by reference thereto for all purposes.

THE VILLAGE

The Village, Phase 1

All those lots or parcels land situate, lying and being in Land Lots 86 and 87 of the Fifth (5th) Land District of Houston County, Georgia, known and designated as Lots 58 through 71 (both inclusive), Block "A", and Lots 48 through 56 (both inclusive), Block "B", of a Subdivision known as THE VILLAGE, PHASE 1, a Subdivision of Eagle Springs, according to a map or plat of survey of said Subdivision prepared by Waddle & Company, Surveyors, certified by Theodore W. Waddle, Jr., Georgia Registered Land Surveyor No. 2139, dated January 4, 1999, last revised March 1, 1999, a copy of which is of record in Map Book 4, Page 03, Clerk's Office, Houston Superior Court. Said plat and the recorded copy thereof are by this reference thereto incorporated herein and made a part hereof for all purposes.

EXHIBIT "B"

Future Development Property

TRACT NO. 1:

All that tract or parcel of land lying and being in Land Lots 86, 87, 96, and 97 of the 5th Land District of Houston County, Georgia, and containing 415.93 acres, more or less, and being shown as Tract 8 on a plat of survey prepared by Waddle & Co. dated February, 1976, recorded in Plat Book 21, Page 201, Clerk's Office, Houston Superior Court. Said Tract 8 has such courses, distances, metes, bounds and dimensions as are shown on said plat.

LESS AND EXCEPT: All that certain tract designated as the Packing House Tract previously conveyed to Miami Valley Fruit Farm, Inc. by warranty deed dated February 1, 1985, and recorded in Deed Book 691, Page 753, Clerk's Office, Houston Superior Court. A plat of survey of said property on record in the Clerk's Office, Houston Superior Court, and recorded in Plat Book 27, Page 233.

ALSO, LESS AND EXCEPT all that tract or parcel of land, lying and being in Land Lot 96 of the 5th Land District of Houston County, Georgia and being more particularly described as being a 0.749 acre parcel of land as shown by a PROPERTY SURVEY FOR CITY OF CENTERVILLE made by Waddle and Company on April 19, 1994, which plat is recorded in Plat Book 45, Page 143, Clerk's Office, Houston County Superior Court.

TRACT NO. 2:

All that tract or parcel of land situate, lying and being in Land Lot 97 of the 5th Land District, Houston County, Georgia, comprising 91.394 acres of land, as more particularly shown on a plat of survey designated "Property Survey for Dan Gunn Farms, Inc." prepared by Theodore W. Waddle, Surveyor, on October 1, 1982, a copy of said plat being of record in Map Book 25, Page 76, Clerk's Office, Houston Superior Court.

Together with such additions thereto or deletions therefrom as may from time to time be made by Declarant and/or Association pursuant to these by-laws.

THERE IS EXCEPTED AND EXPRESSLY EXCLUDED FROM THE FUTURE DEVELOPMENT PROPERTY THOSE TRACTS OR PARCELS DESCRIBED IN EXHIBIT "A" HEREOF.