

BYLAWS
OF
BRIGHT WATER HOMEOWNERS' ASSOCIATION, INC.
ARTICLE I
AUGUST 13, 2001
MEMBERS

1. **Members.** The members ("Members") of the Bright Water Homeowners' Association, Inc. (the "Association") shall be those persons who are determined to be a "Class A member" or a "Class B member" in accordance with Article 4 of the Declaration of Covenants, Conditions, Restrictions and Easements for Bright Water Subdivision (hereinafter referred to as the "Declaration") executed by Bright Water Development Co., LLC, as Declarant (hereinafter referred to as the "Declarant") on November 25, 1997 for residential property known as "Bright Water" in Gwinnett County, Georgia, and filed of record on November 26, 1997 in the Office of the Clerk of the Superior Court of Gwinnett County, Georgia, beginning at Book 15088 at page 245, as such Declaration may be amended from time to time. Unless otherwise directed by the Board of Directors (as that term is hereinafter defined), the Association shall not issue certificates evidencing membership in the Association.
2. **Annual Meeting of Members.** The regular annual meeting of the Members shall be held on or before November 15 of each year, or on such other date as may be determined in the discretion of the Board of Directors, with the exact time, date and place of such annual meeting to be determined in the Board's discretion and designated in the call of the meeting; provided, however, that in no event shall the regular annual meeting of the Members be held outside of Gwinnett County, Georgia. The Members shall at such annual meeting elect a Board of Directors for the ensuing year, in the manner provided in Section 2.02 hereof, and shall have authority to transact any and all business which may be brought before such meeting.
3. **Special Meetings of Members.** Special meetings 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 of the Association at any time, and must be called by the president when so requested in writing by any two directors, by the Declarant during the period of time when the Declarant has the right to appoint members of the Board of Directors, or by ten percent (10%) of the Members of the Association.
4. **Notice of Meetings.** Written notice of the place, date and time of every annual or special meeting of Members shall be delivered personally or sent by United States mail, postage prepaid, to each Member of record, not less than twenty-one (21) days (for annual meetings) or less than seven (7) days (for special meetings) before such meeting. If for a special meeting, such notice shall state the object or objects of the meeting. It shall not be necessary that notice of an annual meeting specify the business to be transacted at such meeting, but such notice shall specify the number of directors to be elected at such annual meeting. If any Owner wishes notice to be given at an address other than his or her Lot, the Owner shall register such other address by written notice to the Secretary. If no such alternate address has been registered by written notice to the Secretary, all such notices shall be delivered or addressed to the address of such Owner's Lot. The mailing or delivering of a meeting notice as provided in this Section shall constitute proper service of notice.
5. **Waiver of Notice.** Waiver of notice of a meeting of the Owners shall be deemed the equivalent of proper notice. Any Owner may, in writing, waive notice of any Association meeting, either before or after such meeting. Attendance at a meeting by an Owner, whether in person or represented by proxy, shall be deemed waiver by such Owner of notice of the time, date, and place thereof unless such Owner specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted at such meeting unless objection to lack of notice is raised before the business, of which proper notice was not given, is put to a vote.
6. **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 entitled to cast one-third (1/3) of the votes of the Members of the Association. Unless otherwise provided in the articles of incorporation of the Association, the Declaration or these bylaws, a majority of the votes entitled to be cast by all Members present at a meeting at which a quorum is present shall be necessary and sufficient to decide and act upon any question which shall come before the meeting. No business shall be transacted at any meeting unless a quorum is present.

7. **Voting.** Voting rights of Members shall be as set forth in the Declaration; including, but not limited to, Section 3, Article 4 of the Declaration. If a Member consists of more than one person and only one of those persons is present at a meeting of the Members, that person shall be entitled to cast the vote of such Member; however, if more than one of those persons is present, such vote shall be cast only in accordance with their unanimous agreement, and such agreement shall be conclusively presumed if any one of them purports to cast the vote of such Member without protest being made forthwith by any of the others present at such meeting to the person presiding over the meeting. If such persons are unable to reach unanimous agreement, and such agreement shall be conclusively presumed if any one of them purports to cast the vote of such Member without protest being made forthwith by any of the others present at such meeting to the person presiding over the meeting. If such persons are unable to reach unanimous agreement as to how the vote of such member shall be cast, no vote may be cast by such persons. Notwithstanding anything to the contrary, any actions to be taken based upon a majority of the votes cast in person or by proxy at a meeting of Members shall be subject to the limitation that written approval of Declarant shall be required for any action that would in any manner affect any of the rights, privileges, powers and options of Declarant under the Declaration or any action that would in any manner affect the ability of Declarant to sell or lease Lots owned by Declarant.
8. **Proxies.** The vote of any Member may (and shall, in the case of any Member not a natural person or persons) be cast pursuant to a proxy or proxies duly executed by or on behalf of the Member, or in cases where the Member consists of more than one person, by or on behalf of all such persons. No such proxy shall be revocable except by written notice delivered to the Association by the Member or by any of such persons executing the proxy. Any proxy shall be void if it is not dated or if it purports to be revocable without notice as aforesaid. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy. A proxy shall be automatically revoked by the transfer of title to the "Lot" (as defined in the Declaration) to which it relates.
9. **Action of Members Without a Meeting.** . In the Board's discretion, any action that may be taken by the Association members at any annual, regular, or special meeting may be taken without a meeting if the Board delivers a written consent form or written ballot to every member entitled to vote on the matter.

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

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

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

ARTICLE II
DIRECTORS

1. **Number and Qualifications of Directors.** The business and affairs of the Association shall be managed by a board of directors ("Board of Directors") of not less than five (5) and not more than seven (7) persons. The first Board of Directors directly elected by the Members shall consist of seven (7) persons. At any time after the initial election of Directors by the Members, the number of Directors who will serve on the Board at any one time may be reduced or altered within the parameters of this provision upon the affirmative vote of members holding a majority of the total eligible vote of the Association. Directors shall be natural persons who have attained the age of eighteen (18) years.
2. **Nomination.** Nomination for election to the Board shall be made by a Nominating Committee which shall be appointed by the Board of Directors and shall consist of at least one (1) member of the Board of Directors and at least two (2) other members of the Association who are not Board members, at least thirty (30) days prior to the annual meeting to serve a term of one (1) year. The members of the Nominating Committee shall be announced at the annual meeting. The Nominating Committee may nominate any number of qualified individuals, but not less than the number of directors to be elected. The nominations shall be made at least fourteen (14) days prior to the annual meeting. Nominations shall also be allowed from the floor at the meeting. Each candidate shall be given a reasonable opportunity to communicate his or her qualifications to the membership prior to the election. No member shall be nominated for election to the Board of Directors, nor permitted to run for election, if more than thirty (30) days past due in the payment of any assessment. Failure to comply with this Section shall in no way invalidate the election of directors who were not nominated in accordance with the provisions hereof.
3. **Election and Term of Office.** The Declarant shall have the right to appoint and remove the members of the Board of Directors of the Association as provided in Section 1.1 of Article 4 of the Declaration. Upon the expiration of the period of the Declarant's right to appoint and remove directors and officers of the Association pursuant to the provisions of this Section and Section 1.1, Article 4 of the Declaration, such right shall automatically pass to the Members. Thereafter, the members of the Board of Directors shall be elected by the majority vote of all Members in attendance at a duly-called meeting of Members at which such election takes place and at which a quorum is present. Those directors serving on the Effective Date of these Bylaws shall remain in office until the terms for which they were elected expire. Successor directors shall be elected by the vote of those members present or represented by proxy, at the annual or other meeting of the membership of the Association, a quorum being present. At the first direct election of directors by the Members, the terms of successor directors shall be staggered on a one (1) and two (2) year basis. Three (3) directors shall be elected for terms of one (1) year each, and four (4) directors shall be elected for terms of two (2) years each. At the expiration of the term of office of each Board member, and at each annual meeting thereafter, a successor shall be elected to serve for a term of two (2) years. Each director shall hold office for the term to which he is elected or appointed and until his successor shall have been elected or appointed and qualified or until his earlier resignation, removal from office or death.
4. **Annual Meeting of Directors.** The annual meeting of the Board of Directors shall be held immediately after the annual meeting of Members, at the same place at which the annual meeting of Members was held, as a matter of course and without notice, for the transaction of any business which may be brought before the meeting.
5. **Special Meeting of Directors.** Special meetings of the Board of Directors shall be held at such place within the State of Georgia as shall be designated in the call of such meetings. Special meetings of the Board of Directors may be called by the president at any time, in his discretion, and must be called by the president whenever so requested in writing by any member of the Board of Directors.
6. **Notices of Meetings.** Notices of special meetings of the Board of Directors shall be given by the president or the secretary to each member of the Board not less than twenty-four hours before the time at which such meetings are to convene. Said notices may be given by telephone, or by any

other form of written or verbal communication. It shall not be necessary for notices of special meetings of the Board of Directors to state the purposes or objects of the meetings. The directors may waive notice of any meeting. Action may be taken by the directors without a meeting if such action is consented to in writing by all of the directors.

7. **Quorum.** A quorum at any meeting of the Board of Directors shall consist of a majority of the members of the Board of Directors. Unless otherwise provided in the articles of incorporation of the Association, these bylaws or the Declaration, a majority of those present at any meeting at which a quorum is present may decide any questions which may come before any meeting.
8. **Management Powers of the Board of Directors.** The management of the Association shall be vested in the Board of Directors, which shall have and shall exercise, except as otherwise provided in the Declaration, all of the powers and duties which the Association is authorized and required to exercise and perform.
9. **Removal of Directors.** Any director may be removed, with or without cause, by the Declarant during the period of time when the Declarant has the right to appoint and remove directors in accordance with Section 2.02 of these bylaws, and thereafter, by a majority of the votes entitled to be cast by those Members who are present in person or by proxy and voting at a special meeting.
10. **Compensation of Directors.** No directors shall receive compensation for any service he may render to the Association as a director; however, any director may be reimbursed for his actual expenses incurred in the performance of his duties as a director.

ARTICLE III **OFFICERS**

1. **Designation of Officers.** The officers of the Association shall be appointed by the Board of Directors, and shall consist of a president, a secretary, a treasurer, and such additional officers, if any, as the Board of Directors may see fit to appoint at any time or from time to time. Each officer shall serve at the pleasure of the Board of Directors, and may be removed from office by the Board of Directors at any time, with or without cause.
2. **The President.** The president shall be the chief executive officer of the Association, and, subject to the direction and control of the Board of Directors, shall have general and active supervision and charge of all activities of the Association.
3. **The Secretary.** The secretary shall keep minutes of all meetings of the Members and the Board of Directors, shall have charge of the register of Members, and shall perform such other duties and have such other powers as may from time to time be delegated to the secretary by the president or the Board of Directors.
4. **The Treasurer.** The treasurer shall be charged with the management of the finances of the Association; shall have the custody and care of all funds of the Association; shall keep, or cause to be kept, full and accurate books of account and records of all fiscal and financial transactions of the Association; and may cause an annual audit of the Association's books to be made by a public accountant at the completion of each fiscal year.
5. **Compensation of Officers.** The Board of Directors shall have the authority to fix the compensation of officers for their services.

ARTICLE IV **SEAL**

1. **Corporate Seal.** The corporate seal of the Association shall have inscribed thereon the name of the Association and the words "Corporate Seal" and shall otherwise be in the form adopted by the Board of Directors.

ARTICLE V **MISCELLANEOUS**

1. **The Declaration.** All provisions contained the Declaration with regard to the rights, powers and duties of the Association, the Members, the Board of Directors and the Declarant are hereby incorporated into these bylaws by this reference, with the same effect as if such provisions were fully set forth herein. Except as otherwise defined herein, capitalized terms used herein shall have the same meaning as provided for such terms in the Declaration.

2. **Committees.**

(a) **Nominating Committee.** Pursuant to Article II, Section 2.02 of these Bylaws, there shall be a Nominating Committee composed of at least three (3) members appointed in the manner and to perform the functions specified in Article II, Section 2.02 of these Bylaws.

(b) **Architectural Control Committee.** The Board shall establish an Architectural Control Committee for the purpose of establishing and maintaining architectural standards in the Property as provided in the Declaration. The Architectural Control Committee shall operate in the manner provided in the Declaration. Except as otherwise provided in Section 16, Article 2 of the Declaration, following the expiration of the Declarant's right to appoint the members of the Architectural Control Committee pursuant to Section 16, Article 2 of the Declaration, the Board of Directors shall have the right to appoint and to remove members of the Architectural Control Committee at any time with or without cause.

(c) **Other Committees.** The Board of Directors may from time to time establish such other committees as it deems advisable, and the members of such other committees shall be appointed by the Board of Directors, and shall serve subject to the will of the Board of Directors.

(d) **Service on Committees.** Unless otherwise provided in these Bylaws or in the resolution authorizing a particular committee, the members of any committee shall be appointed by the President and shall serve at the pleasure of the Board of Directors. Any committee member may be removed with or without cause at any time and with or without a successor being named.

(e) **Rules and Regulations.** Those committees which are delegated responsibility over specific areas of the Properties or amenities located on the property, including by way of example but not limited to, the lake, the pool, the tennis courts, or the common areas, shall have the right to promulgate rules and regulations governing the use and maintenance thereof by Members, occupants and guests as well as penalties for infractions of such rules and regulations; provided, however, that before becoming effective, any and all such rules and regulations shall be submitted to and approved by the Board and distributed as approved to the Membership.

3. **Books and Records.** To the extent provided in O.C.G.A. Section 14-3-1602, all Association members and any institutional holder of a first Mortgage shall be entitled to inspect Association records at a reasonable time and location specified by the Association, upon written request at least five (5) business days before the date on which the member wishes to inspect and copy. The Association may impose a reasonable charge, covering the cost of labor and material, for copies of any documents provided to the member. Minutes for any Board or Association meetings do not become effective and an official Association record until approved by the Board or Association membership, as applicable, at a subsequent meeting.

4. **Interpretation.** In the case of any conflict between the articles of incorporation of the Association and these bylaws, the articles of incorporation shall control. In the case of any conflict between the Declaration and these bylaws, the Declaration shall control.

5. **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 is or was a director, officer, employee or agent of the Association, against the reasonable expenses, 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. This right of indemnification shall not apply (i) to any action, suit or proceeding, (2) 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 his duties to the Association or (3) in relation to matter in any such action, suit, or proceeding that are settled or compromised. The right to indemnification conferred by this section shall not restrict the power of the Association to make any indemnification permitted by law.

ARTICLE VI
AMENDMENTS

1. **Amendment of Bylaws.** In order to alter, amend or repeal any portion of the existing bylaws or to adopt new bylaws, any such alteration, amendment, repeal or adoption must be adopted by a majority of the Board and then recommended by the Board for adoption by the Members. Before

becoming effective, any and all such alteration, amendment, repeal or adoption must be further approved by the majority vote of all Members in attendance at a duly-called meeting of Members at which such alteration, amendment, repeal or adoption is to be considered and at which a quorum is present. Notice of a meeting, if any, at which an amendment will be considered shall state that fact and the subject matter of the proposed amendment. No amendment shall become effective until same is certified by the President and Secretary of the Association. Any amendment so certified (containing any additional signatures required by the Declaration) shall be conclusively presumed to have been duly adopted in accordance with the Declaration and Bylaws. Owners whose voting rights have been suspended pursuant to the Declaration or these Bylaws shall not be counted as eligible votes toward the amendment requirement.

If legal action is not instituted to challenge the validity of an amendment within one (1) year of the certification thereof, then such amendment shall be presumed to be validly adopted.

2. **Proviso.** Anything in Section 6.01 or elsewhere in these bylaws to the contrary notwithstanding, no amendment of these bylaws may be adopted which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to the Declarant or any mortgagee, as the case may be. No amendment in conflict with the articles of incorporation of the Association or the Declaration shall be adopted.