

BY-LAWS
OF
HILLCREEK HOMEOWNER'S ASSOCIATION, INC.

ARTICLE I
NAME AND LOCATION

Section 1.01. Name. The name of the Corporation is HILLCREEK HOMEOWNER'S ASSOCIATION, INC. (The "Association")

Section 1.02. Location. The principal office of the Association shall be located at 3011 Hillcreek drive and the name of the registered agent at this address is Ray Radzak. The Board of Directors may, from time to time, change the location of the registered office and the registered agent of the Corporation.

ARTICLE II
DEFINITIONS

Section 2.01. Definitions. The terms used in these By-Laws unless otherwise specified or unless the context otherwise requires, shall have the same meanings as defined in the Protective Covenants of Hillcreek Homeowner's Association, Inc of which these By-Laws are a part.

Section 2.02. Gender. Whenever pronouns or other references denoting gender appear in this document, they are written to refer to either male or female unless otherwise indicated.

ARTICLE III
MEMBERSHIP AND VOTING RIGHTS

Section 3.01. MEMBERSHIP. Every person who is the record owner of a fee or undivided fee interest in any unit shall be a member of the Association, excluding persons who hold such interest under a mortgage.

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Section 3.02. Voting Rights. To each unit there is attributed one vote. The vote attributed to each unit shall be equal and shall be exercised in whole. The owner or owners of each unit shall agree upon and designate in writing to the Board of Directors one member of the Association from among the owner or owners of the unit or the immediate family of the owner or owners of such unit, and such member shall represent such unit and exercise the voting rights thereof. A member without the immediate family of a unit may be designated to represent a unit upon approval by the Board. Such written designation shall remain in effect until revoked and shall be revocable at any time by any record owner of that unit. In the event the Board of directors has not received a written designation for a unit at the time of a vote, the vote of that unit shall not be counted. The presiding Officer at any meeting may waive the above stipulation on any vote other than a written vote.

Section 3.03. Suspension of Membership and voting Rights. During any period in which a unit shall be in default in the payment of any annual dues or special assessment levied by the Association, the voting rights of such member and right of the occupants of such unit to use the recreational facilities may be suspended by the Board of Directors until such dues or assessments have been paid. Such rights may also be suspended, for a period of thirty (30) days for violation of any rules and regulations established by the Board of Directors governing the use of the common area.

ARTICLE IV

SEAL

Section 4.01. Seal. The seal of the Corporation shall be in such form as the Board of Directors from time to time may determine, and if it is inconve-

nient to use such a seal at any time, the signature of the Corporation followed by the word "SEAL" inclosed in parentheses, or scrawl, shall be deemed to be the seal of the Corporation. The seal shall be in the custody of the secretary and affixed by him on such papers as directed by law of the By-Laws or by the Board of Directors.

ARTICLE V

BOARD OF DIRECTORS: ELECTION: TERM OF OFFICE:

Section 5.01. Number. From and after the first annual meeting of members, the affairs of this Association shall be managed by a Board of Directors, each of whom must be a member of the Association. The number of directors shall not be less than five nor greater than eleven. The number of seats on the Board shall be established by a majority vote of the Board, and shall be an odd number.

Section 5.02. Election. Directors shall be elected for a term of two years, however, in the first election fifty percent (50%) plus of the number of members shall be elected for terms of one year so the terms of all directors shall not expire in the same year.

Section 5.03. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor. Sale of his unit by a director shall automatically terminate his directorship.

Section 5.04. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for expenses incurred by him in the performance of his duties.

Section 5.05. Action Taken Without a Meeting. The directors shall have the right to take any action which they could take at a meeting by obtaining the written approval of all the directors thereto. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE VI
MEETINGS OF DIRECTORS

Section 6.01. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly without notice at such place and hour as may be fixed from time to time by resolution of the Board. Should any such meeting date fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 6.02. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association or by one-third (1/3) of the directors, after not less than three (3) days notice to each director. In case the secretary is absent, a pro-tem secretary will be appointed from the members present for the purpose of taking notes and recording minutes of the meeting.

Section 6.03 Quorum. A majority of the then qualified directors shall constitute a quorum for the transaction of business. Every act or decision by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII
NOMINATION AND ELECTION OF DIRECTORS

Section 7.01. Nomination. Nominations for election to the Board of Directors shall be made by a Nominating Committee consisting of a Chairman, who shall be a member of the Board of Directors, and two

more members of the Association, all of whom shall be appointed by the Board of Directors 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 of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Additional nominations may also be made from the floor at any meeting at which an election is to occur.

Section 7.02. Election. Election to the Board of Directors shall be by secret written ballot cast at the annual meeting. At such election the members or their proxies may cast, in respect to each vacancy, the votes of their respective units as provided for in the Protective Covenants. The persons receiving the largest number of votes shall be elected. Cumulative voting shall not apply.

ARTICLE VIII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 8.01. Power of Directors. The Board of Directors shall manage and direct the affairs and business of the association and, subject to any restrictions imposed by law, by the Protective Covenants, or by these By-Laws, may exercise all the powers of the Association.

Section 8.02. Duties. The Board of Directors shall exercise such duties and responsibilities as shall be incumbent upon it by law, the Protective Covenants, or these By-Laws in addition to such other and further duties as it may deem necessary to appropriate in the exercise of its powers.

ARTICLE IX

COMMITTEES

Section 9.01. Committees. The Board of Directors may designate from among its members and from other members of the Association such committees as it may deem appropriate which may exercise such authority as may be delegated by the Board.

ARTICLE X

MEETINGS OF MEMBERS

Section 10.01. Annual Meetings. A membership meeting shall be held annually in the month of January.

Section 10.02. Special Meetings. Special meetings of the members may be called at any time by the president or by the Board of Directors, or upon written request of at least one-fourth (1/4) of the votes of the membership.

Section 10.03. Notice of Meetings. Written notice of each meeting of the members shall be given by the secretary or such other person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 15 days before annual or special meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in case of a special meeting, the purpose of the meeting and details, if any, of proposed changes to By-Laws or Protective Covenants.

Section 10.04. Quorum. The presence in person or by proxy at any meeting of members entitled to cast at least one-fifth (1/5) of the votes of the membership shall constitute a quorum except as otherwise provided in the Protective Covenants or these By-Laws. If a quorum shall not be present at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum

as aforesaid shall be present.

Section 10.05. Proxies. The designated member of each unit may vote in person or by proxy. All proxies shall be in writing and delivered to the secretary at such meeting. Every proxy shall be revocable.

ARTICLE XI

OFFICERS AND THEIR DUTIES

Section 11.01. Enumeration of Officers. The officers of this Association shall be a president, vice president, a secretary and a treasurer, all of whom shall be members of the Board of Directors.

Section 11.02. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 11.03. Term. The officers shall be elected annually by the Board and each shall hold office for one year unless he shall sooner resign, or shall be removed, or otherwise become disqualified to serve.

Section 11.04. Special Appointments. The Board may appoint homeowners to such other positions as the affairs of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board may, from time to time, determine.

Section 11.05. 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 the 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.

Section 11.06. Vacancies. A vacancy in any office may be filled by the Board at its next meeting. The officer elected to such a vacancy shall serve for the remainder of the term of the officer he replaces.

Section 11.07. Multiple Offices. The office of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special appointments created pursuant to Section 11.04.

Section 11.08. Duties. The duties of the officers shall be as follows:

PRESIDENT

(a) The president shall be the chief executive officer of the Association. He as well as the vice president may execute contracts under the seal of the Association. The president shall preside at all meetings of the Board of Directors and of the members; shall see that orders and resolutions of the Board are carried out; shall sign all written instruments regarding the common area; and shall co-sign all checks, payrolls and promissory notes, if any.

VICE PRESIDENT

(b) 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 delegated to him by the Board.

SECRETARY

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the mem-

bers; keep appropriate current records, showing the members of the Association together with their addresses; keep custody of an attest the seal of the Association; and perform such other duties as may be required of him by the Board.

TREASURER

(d) The treasurer shall be responsible for the maintenance of proper financial books and records of the Association.

ARTICLE XII

Indemnification of Officers and Directors

Section 12.01. Limitation of Liability; Indemnification. Notwithstanding the duty of the Association to maintain, repair and replace parts of the common area, the Association shall not be liable for injury or damage caused by any latent condition of the common area nor for injury caused by any latent condition of the common area nor for injury caused by the elements, owners or other persons, nor shall any officer or director of the Association be liable to any owner for injury or damage caused by such officer or director in the performance of his duties unless due to the willful misfeasance or malfeasance of such officer or director. Each officer and director of the Association shall be and is hereby indemnified by the owners against all expenses and liabilities, including attorney's fees, reasonably incurred or imposed upon him in connection with any proceeding to which he may be a party or in which he may become involved by reason of his being or having been and officer or director of the Association at the time such expenses and liabilities are incurred, except in such cases where the officer or director is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties:

provided that in the event of a settlement, the indemnification shall apply only when the Board of Directors approves such settlement and reimbursement as being in the best interests of the Association.

ARTICLE XIII

INSURANCE AND CASUALTY LOSSES

Section 13.01 Insurance.

a. The Board of Directors shall obtain insurance for all of the improvements on the common property against loss or damage by fire or other hazards, including extended coverage, vandalism, and malicious mischief, in an amount sufficient to cover the full cost of repair, reconstruction, or replacement (less a reasonable deductible) in the event of damage or destruction from any such hazard. The Board of Directors shall also obtain a public liability policy covering all common areas and all damage or injury caused by the negligence of the Association or any of its agents. Such public liability policy shall be in an amount as may be determined by the Board of Directors from time to time. This policy shall be at least a minimum of One Million (\$1,000,000) dollars. Premiums for all such coverage shall be common expense. All such insurance coverage obtained by the Board of Directors shall be written in the name of the Association. All policies shall be written with a company licensed to do business in the State of Georgia. Exclusive authority to adjust losses under policies hereafter in force on the property shall be vested in the Board of Directors.

b. Each homeowner is required to obtain and maintain insurance for all the improvements on their property against loss or damage by fire or other hazards in an amount sufficient to cover the full cost of repair or replacement of their dwelling. In the event a dwelling is totally or partially damaged, the insured shall proceed to have the dwelling restored to the same condition or better than it was prior to the damage

being done. Time is of the essence, a case by case review of losses will be conducted by the Board of Directors to insure timely restoration of damaged or destroyed property.

ARTICLE XIV
BOOKS AND RECORDS

Section 14.01. Inspection. The books, records and papers of the Association shall be subject to inspection by any member with seven (7) days advance written notice. Advance notice of 7 days to any officer of the association is required to insure the availability of one Association Officer during the inspection. The Association records other than noted below will not be removed from the association office. Additional copies of the Protective Covenants and By-Laws of the Association shall be available at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XV
AMENDMENTS

Section 15.01. Procedure. These By-Laws may be amended, at an annual or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy. A quorum for the purpose of amending the By-Laws shall be fifty per cent (50%) of the total membership eligible to vote. Any proposed amendment to the By-Laws requires advance written notice to the membership at least 15 days prior to the meeting.

Section 15.02. Conflicts. In the case of conflict between the Protective Covenants and these By-Laws, the Protective Covenants shall control.

ARTICLE XVI
MISCELLANEOUS

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Section 16.01. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and shall end on the thirty-first day of December of every year.

Dated 18 August 1994

