

BY-LAWS
OF
CLOUDLAND STATION TOWN ASSOCIATION, INC.

- TABLE OF CONTENTS -

	<u>Page</u>
1. NAME, PRINCIPAL OFFICE, AND DEFINITIONS	1
2. ASSOCIATION: MEMBERSHIP, MEETINGS, QUORUM, VOTING, PROXIES	1
3. TOWN COUNCIL: NUMBER, POWERS, MEETINGS.....	3
3.4. Nomination and Election Procedures.	3
3.23. Enforcement.	7
4. OFFICERS	8
5. COMMITTEES	9
6. MISCELLANEOUS.....	9
6.4. Books and Records.	9
6.6. Amendment.	10
CERTIFICATION.....	12

BY-LAWS
OF
CLOUDLAND STATION TOWN ASSOCIATION, INC.

1. NAME, PRINCIPAL OFFICE, AND DEFINITIONS

Name. The name of the corporation is Cloudland Station Town Association, Inc. (the “Association”), a Georgia nonprofit corporation.

Principal Office. The principal office of the Association shall be located in Walker County, Georgia. The Association may have such other offices, either within or outside the State of Georgia, as the Town Council may determine or as the affairs of the Association may require.

Definitions. The words used in these By-Laws shall be given their normal, commonly understood definitions. Capitalized terms shall have the same meaning as set forth in that Declaration of Covenants, Conditions and Restrictions for Cloudland Station filed in the Public Records, as it may be amended (the “Declaration”), unless the context indicates otherwise.

2. ASSOCIATION: MEMBERSHIP, MEETINGS, QUORUM, VOTING, PROXIES

Membership. The Association shall have two (2) classes of membership, Class “A” and Class “B”, as more fully set forth in the Declaration, the terms of which pertaining to membership are incorporated by this reference. The Declarant may establish additional classes of membership as set forth in the Declaration.

Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as the Council may designate, either within the Properties or as convenient as is possible and practical. Meetings may be held by means of telephone conference, video conference or similar communications equipment, by means of which all persons participating in the meeting can converse with each other. Participation by one of these methods shall constitute presence in person at such meeting.

Annual Meetings. The first meeting of the Association, whether a regular or special meeting, shall be held at the direction of the Class “B” member, but no more than 10 years from the date the Association is created. Meetings shall be of the Members. Subsequent regular meetings shall be held annually on a date and at a time set by the Council.

Special Meetings. The president may call special meetings. In addition, it shall be the duty of the president to call a special meeting within thirty (30) Days if so directed by resolution of the Council or upon a petition signed by Members holding at least twenty percent (20%) of the total Class “A” votes in the Association or upon written request of the Declarant.

Notice of Meetings. Written notice stating the place, day, and time of any meeting of the Members shall be delivered to each Member entitled to vote at such meeting, not less than eight (8) 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 the case of a special meeting or when otherwise required by statute or these By-Laws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

Waiver of Notice. Waiver of notice of a meeting of the Association shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Association, either before or after such meeting. Attendance at a meeting shall be deemed a waiver of any objection as to notice of the time, date, and place thereof, unless a specific objection as to the lack of proper notice is given at the time the meeting is called to order. Attendance at a special meeting also shall be deemed a waiver of notice of all business transacted at such meeting unless an objection on the basis of lack of proper notice is raised before the business is put to a vote.

Adjournment of Meetings. If any meeting of the Association cannot be held because a quorum is not present, Members or their proxies holding a Majority of the votes represented at such meeting may adjourn the meeting to a time not less than five (5) nor more than twenty (20) Days from the time the original meeting was called. At the reconvened meeting, if a quorum is present, any business may be transacted which might have been transacted at the meeting originally called. If a time and place for reconvening the meeting is not set by those in attendance at the original meeting or if for any reason a new date is set for reconvening the meeting after adjournment, notice for reconvening the meeting shall be given to Members in the manner prescribed in Section 2.5.

Voting. The voting rights of the Members shall be as set forth in the Declaration and in these By-Laws, and such voting rights provisions are specifically incorporated by this reference. The Council may adopt policies and procedures regarding the methods of casting votes, such as written ballots, secret ballots or computer access.

List for Voting. After setting a record date for notice of a meeting, the Town Council shall prepare an alphabetical list of the names of the Members entitled to notice of such meeting. The list shall show the address of the Member and the number of votes each is entitled to vote at the meeting. The list for voting shall be made available for inspection in accordance with Georgia law.

Proxies. At all meetings of Members, each Member may vote in person (if a corporation, partnership, limited liability company, or trust, through any officer, director, partner, member, manager or fiduciary duly authorized to act on behalf of the Member) or by proxy, subject to the limitations of Georgia law relating to use of general proxies and subject to any specific provision to the contrary in the Declaration or these By-Laws. Every proxy shall be in writing specifying the Lot(s) for which it is given, signed by the Member or such Member's duly authorized attorney-in-fact, either personally or by an electronic transmission, dated, and filed with the secretary of the Association prior to the meeting for which it is to be effective. Unless otherwise specifically provided in the proxy, a proxy shall be presumed to cover all votes which the Member giving such proxy is entitled to cast, and in the event of any conflict between two (2) or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated as of the same date, both shall be deemed invalid. Every proxy shall be revocable and shall automatically cease upon conveyance of any Lot for which it was given, or upon receipt of notice by the secretary of the death or judicially declared incompetence of a Member who is a natural person, or of written revocation, or eleven (11) months from the date of the proxy, unless a shorter period is specified in the proxy.

Quorum. The presence, in person or by proxy, of twenty percent (20%) of the Class "A" votes entitled to be cast shall constitute a quorum at all meetings of the Association.

If a quorum is present at a duly called or held meeting, business may be continued until adjournment, notwithstanding the withdrawal of Members leaving less than a quorum, provided that any action taken is approved by at least a Majority of the votes required to constitute a quorum.

Conduct of Meetings. The president shall preside over all meetings of the Association, and the secretary shall keep the minutes of the meetings and record in a minute book all resolutions adopted and all other transactions occurring at such meetings.

Action Without a Meeting. Any action required or permitted by law to be taken at a meeting of the Association may be taken without a meeting, without prior notice and without a vote if written consent specifically authorizing the proposed action is signed by all Members entitled to vote on such matter. Such consents shall be signed within sixty (60) Days after receipt of the earliest dated consent, dated and delivered to the Association at its principal place of business in the State of Georgia. Such consents shall be filed with the minutes of the Association and shall have the same force and effect as a vote of the Members at a meeting. Within ten (10) Days after receiving authorization for any action by written consent, the secretary shall give written notice to all Members summarizing the material features of the authorized action.

3. TOWN COUNCIL: NUMBER, POWERS, MEETINGS

A. Composition and Selection.

Governing Body; Composition. The affairs of the Association shall be governed by a Town Council, each of whom shall have one (1) equal vote. Except with respect to Council members appointed by the Class “B” Member or serving as a representative of the Declarant, the Council members shall be eligible Owners or residents; provided, however, no Owner and resident representing the same Lot may serve on the Council at the same time. No Owner or resident shall be eligible to serve as a Council member if any assessment for such Owner’s or resident’s Lot is delinquent. A “resident” for the purposes of these By-Laws shall mean any natural person eighteen (18) years of age or older whose principal place of residence is a Lot within the Properties. In the case of an Owner, which is not a natural person, any officer, director, partner, member, manager, employee, or fiduciary of such Owner shall be eligible to serve as a Council member unless otherwise specified by written notice to the Association signed by such Owner, provided that no Owner may have more than one (1) such representative on the Council at a time, except in the case of Council members appointed by or serving as representatives of the Class “B” Member or the Declarant.

Number of Council Members. Except as provided in Section 3.3, the number of Council members shall be not less than three (3) nor more than nine (9) Council members elected by the Class “A” Members of the Association. The number of Council members may be changed by resolution of the Council.

Council Members During Class “B” Membership. During the period of time that the Class “B” member exists, all Council members shall be selected by the Class “B” Member, acting in its sole discretion, and shall serve at the pleasure of the Class “B” Member. Council members appointed by or serving as representatives of the Class “B” Member or the Declarant shall not be subject to the qualifications for Council members set forth in Section 3.1 nor the nomination procedures set forth in Section 3.4.

3.4. Nomination and Election Procedures.

(a) Nomination of Council Members. Council members elected by the Class “A” Members shall be nominated from the floor at a meeting of the Members and may also be nominated by a nominating committee, if such a committee is established by the Council. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes.

(b) Election Procedures. Each Member may cast the vote(s) assigned to his or her Lot(s) for each position to be filled. There shall be no cumulative voting. That number of candidates equal to the number of positions to be filled receiving the greatest number of votes shall be elected.

(c) Term of Office. Council members shall be elected for a term of one (1) year and may be elected to serve any number of consecutive years.

Removal of Council Members and Vacancies. Any Council member elected by the Class “A” Members may be removed, with or without cause, by Members holding two-thirds ($\frac{2}{3}$) of the votes entitled to be

cast for the election of such Council member, but shall not be subject to removal solely by the Class “B” Member. Any Council member whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a Council member, a successor shall be elected by the Class “A” Members to fill the vacancy for the remainder of the term of such Council member.

Any Council member elected by the Class “A” Members who has three (3) or more consecutive unexcused absences from Council meetings, or who is more than thirty (30) Days delinquent (or is the resident of a Lot that is delinquent or is an officer, director, partner, member, employee, or trust officer of a Member who is delinquent) in the payment of any assessment or other charge due the Association, may be removed by a Majority of the Council members, and the Council may appoint a successor to fill the vacancy until the next annual meeting, at which time the Class “A” Members may elect a successor for the remainder of the term.

In the event of the death, disability, or resignation of an elected Council member or the adoption of a Council resolution increasing the number of Council members, the Town Council may declare a vacancy and appoint a successor to fill the vacancy until the next annual meeting, at which time the Class “A” Members shall elect a successor for the remainder of the term.

This Section shall not apply to Council members appointed by the Class “B” Member nor to any Council member serving as a representative of the Declarant. The Class “B” Member or the Declarant shall be entitled to appoint a successor to fill any vacancy on the Town Council resulting from the death, disability or resignation of a Council member appointed by or elected as a representative of the Class “B” Member or the Declarant.

B. Meetings.

Organizational Meetings. Within thirty (30) Days after the election or appointment of new Council members, the Council shall hold an organizational meeting at such time and place as the Council shall set.

Regular Meetings. Regular meetings of the Town Council may be held at such time and place as a Majority of the Council members shall determine, but at least one (1) such meeting shall be held during each year.

Special Meetings. Special meetings of the Town Council shall be held when called by written notice signed by the president or vice president or by any two (2) Council members.

Notice. Notice of a regular meeting shall be communicated to Council members not less than four (4) Days prior to the meeting. Notice of a special meeting shall be communicated to Council members not less than seventy-two (72) hours prior to the meeting. No notice need be given to any Council member who has signed a waiver of notice or a written consent to holding of the meeting. The notice shall specify the time and place of the meeting and, in the case of a special meeting, the nature of any special business to be considered. Notices shall be given to each Council member by: (a) personal delivery; (b) first class mail, postage prepaid; (c) telephone communication, either directly to the Council member or to a person at the Council member’s office or home who would reasonably be expected to communicate such notice promptly to the Council member; (d) telecopier transmission to the Council member’s home or office, with confirmation of receipt by the receiving telecopier; (e) telegram, charges prepaid; (f) overnight or same day delivery, charges prepaid; or (g) electronic mail or e-mail using Internet accessible equipment and services if the Council member has consented in writing to such method of delivery and has provided the Council with an electronic mail or e-mail address. All such notices shall be given at the Council member’s telephone or telecopier number or sent to the Council member’s address as shown on the records of the Association. Notices sent by first class mail shall be deemed communicated when deposited into a United States mailbox. Notices given by personal, overnight or courier delivery, telephone, telecopier, telegraph, electronic mail, or e-mail shall be deemed communicated when delivered, telephoned, telecopied, electronically mailed, e-mailed, or given to the telegraph company.

Waiver of Notice. The transactions of any meeting of the Town Council, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the Council members not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting also shall be deemed given to any Council member who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Participation in Meetings. Members of the Town Council or any committee designated by the Council may participate in a meeting of the Council or committee by means of telephone conference, video conference or similar communications equipment, by means of which all persons participating in the meeting can converse with each other. Participation in a meeting pursuant to this Section shall constitute presence in person at such meeting.

Quorum of Town Council. At all meetings of the Town Council, a Majority of the Council members shall constitute a quorum for the transaction of business, and the votes of a Majority of the Council members present at a meeting at which a quorum is present shall constitute the decision of the Council, unless otherwise specifically provided in these By-Laws or the Declaration. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Council members, if any action taken is approved by at least a Majority of the required quorum for that meeting. If any meeting of the Council cannot be held because a quorum is not present, a Majority of the Council members present at such meeting may adjourn the meeting to a time not less than four (4) nor more than twenty (20) Days from the date of the original meeting. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Compensation. Council members shall not receive any compensation from the Association for acting as such unless approved by Members holding a Majority of the total Class "A" votes in the Association at a regular or special meeting of the Association. Any Council member may be reimbursed for expenses incurred on behalf of the Association upon approval of a Majority of the other Council members. Nothing herein shall prohibit the Association from compensating a Council member, or any entity with which a Council member is affiliated, for services or supplies furnished to the Association in a capacity other than as a Council member pursuant to a contract or agreement with the Association, provided that such Council member's interest was made known to the Council prior to entering into such contract and such contract was approved by a Majority of the Council members, excluding the interested Council member.

Conduct of Meetings. The president shall preside over all meetings of the Town Council, and the secretary shall keep a minute book of Council meetings, recording all Council resolutions and all transactions and proceedings occurring at such meetings. In the case of a tie vote on a motion or resolution before the Council, the motion or resolution is considered lost.

Open Meetings. All meetings of the Town Council shall be open to all Members, but attendees other than Council members may not participate in any discussion or deliberation unless permission to speak is requested on an attendee's behalf by a Council member. In such case, the president may limit the time any individual may speak. Notwithstanding the above, the president may adjourn any meeting of the Council, reconvene in executive session, and exclude Persons other than Council members, to discuss matters of a sensitive nature, including but not limited to, pending or threatened litigation and personnel matters.

Action Without a Formal Meeting. Any action to be taken at a meeting of the Council members or any action that may be taken at a meeting of the Council members may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the Council members, and such consent shall have the same force and effect as a unanimous vote.

C. Powers and Duties.

Powers. The Town Council shall have all of the powers and duties necessary for the administration of the Association's affairs and for performing all responsibilities and exercising all rights of the Association as set forth in the Governing Documents and as provided by law. The Town Council may do or cause to be done all acts and things which the Governing Documents or Georgia law do not direct to be done and exercised exclusively by the membership generally.

Duties. The duties of the Town Council shall include, without limitation:

- (a) preparing and adopting, in accordance with the Declaration, an annual budget establishing each Owner's share of the Common Expenses;
- (b) levying and collecting such assessments from the Owners;
- (c) providing for the operation, care, upkeep, and maintenance of the Area of Common Responsibility;
- (d) designating, hiring, and dismissing the personnel necessary to carry out the rights and responsibilities of the Association and where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;
- (e) depositing all funds received on behalf of the Association in a bank depository which it shall approve and using such funds to operate the Association, provided any reserve funds may be deposited, in the Council members' best business judgment, in depositories other than banks;
- (f) making and amending rules in accordance with the Declaration;
- (g) opening of bank accounts on behalf of the Association and designating the signatories required;
- (h) contracting for repairs, additions, and improvements to or alterations of the Common Area in accordance with the Governing Documents;
- (i) enforcing by legal means the provisions of the Governing Documents and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association in accordance with the Governing Documents;
- (j) obtaining and carrying property and liability insurance and fidelity bonds, as provided in the Declaration, paying the cost thereof, and filing and adjusting claims, as appropriate;
- (k) paying the costs of all services rendered to the Association;
- (l) keeping books with detailed accounts of the receipts and expenditures of the Association;
- (m) making available to any Owner, and the holders, insurers, and guarantors of any Mortgage on any Lot, current copies of the Governing Documents and all other books, records, and financial statements of the Association as provided in Section 6.4;
- (n) permitting utility suppliers to use portions of the Common Area reasonably necessary to the ongoing development or operation of the Properties; and

- (o) indemnifying a Council member, officer or ARB or committee member, or former Council member, officer or ARB or committee member of the Association to the extent such indemnity is required or permitted under Georgia law or the Governing Documents.

Management. The Town Council may employ for the Association a professional management agent or agents at such compensation as the Council may establish, to perform such duties and services as the Council shall authorize. The Council may delegate such powers as are necessary to perform the manager's assigned duties, but shall not delegate policy-making authority. The Declarant or an affiliate of the Declarant may be employed as managing agent or manager.

The Town Council may delegate to one (1) of its members the authority to act on behalf of the Council on all matters relating to the duties of the managing agent or manager, if any, which might arise between meetings of the Council.

Accounts and Reports. The following management standards of performance shall be followed unless the Council by resolution specifically determines otherwise:

- (a) cash or accrual accounting, as defined by generally accepted accounting principles, shall be employed;
- (b) accounting and controls should conform to generally accepted accounting principles;
- (c) cash accounts of the Association shall not be commingled with any other accounts;
- (d) no remuneration shall be accepted by the managing agent from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; any item of value received shall benefit the Association;
- (e) any financial or other interest which the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Council; and
- (f) an annual financial report shall be made available to all Members within one hundred twenty (120) Days after the close of the fiscal year. Such annual report may be prepared on an audited, reviewed or compiled basis, as the Council determines.

Borrowing. The Association shall have the power to borrow money for any legal purpose; provided, however, if the proposed borrowing is for the purpose of making discretionary capital improvements and the total amount of such borrowing, together with all other debt incurred within the previous twelve (12) month period, exceeds or would exceed ten percent (10%) of the budgeted gross expenses of the Association for that fiscal year, the Council shall obtain the approval of Members holding at least sixty-seven percent (67%) of the total votes allocated to Lots prior to borrowing such money.

Right to Contract. The Association shall have the right to contract with any Person for the performance of various duties and functions. This right shall include, without limitation, the right to enter into common management, operational, or other agreements with trusts or other owners or residents associations, within and outside the Properties.

3.23. Enforcement.

- (a) Notice. Prior to imposition of any sanction requiring compliance with these procedures as set forth in the Declaration, the Council or its delegate shall serve the alleged violator with written notice including (i) the nature of the alleged violation, (ii) the proposed sanction to be imposed, (iii) a statement that the alleged violator may present a written request for a hearing to the Council or the

covenants committee, if one has been appointed pursuant to Article 5, within ten (10) Days of the notice; and (iv) a statement that the proposed sanction shall be imposed as contained in the notice unless a request for a hearing is received within ten (10) Days of the notice. If a timely request is not received, the sanction stated in the notice shall be imposed; provided, however, the Council or covenants committee may, but shall not be obligated to, suspend any proposed sanction if the violation is cured within the ten (10) Day period. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Person. In the event of a continuing violation, each day the violation continues beyond the ten (10) Day period shall constitute a separate offense, and fines may be imposed on a per diem basis without further notice to the violator. In the event of a violation which recurs within one (1) year from the date of any notice hereunder, the Council or covenants committee may impose a sanction without further notice to the violator. The Council may adopt a schedule of sanctions for violations of the Governing Documents.

(b) Hearing. If a hearing is requested within the allotted ten (10) Day period, the hearing shall be held before the covenants committee, or if none has been appointed, then before the Council in executive session. The alleged violator shall be afforded a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, Council member, or delegate who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator or its representative appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction imposed, if any.

(c) Appeal. If a hearing is held before a covenants committee, the violator shall have the right to appeal the committee's decision to the Council. To exercise this right, a written notice of appeal must be received by the manager, president, or secretary of the Association within ten (10) Days after the hearing date.

4. OFFICERS

Officers. The officers of the Association shall be a president, secretary, and treasurer. The president and secretary shall be elected from among the members of the Town Council; other officers may, but need not be members of the Town Council. The Council may appoint such other officers, including one (1) or more vice presidents, assistant secretaries, and assistant treasurers, as it shall deem desirable, such officers to have such authority and perform such duties as the Council prescribes. Any two (2) or more offices may be held by the same person, except the offices of president and secretary.

Election and Term of Office. The Council shall elect the officers of the Association at the first meeting of the Council following each election of new Council members. Such officers shall serve until their successors are elected.

Removal and Vacancies. The Council may remove any officer at any time in its sole discretion with or without cause and may fill any vacancy in any office arising because of death, resignation, removal, or otherwise for the unexpired portion of the term.

Powers and Duties. The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may specifically be conferred or imposed by the Town Council. The president shall be the chief executive officer of the Association. The treasurer shall have primary responsibility for the preparation of the budget as provided for in the Declaration and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both. The secretary shall be responsible for preparing minutes of meetings of the Association and the Council and for authenticating records of the Association.

Resignation. Any officer may resign at any time by giving written notice to the Town Council, the president, or the secretary. Such resignation shall take effect on the date of the 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.

Execution of Instruments. All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least two (2) officers or by such other person or persons as may be designated by Council resolution.

Compensation. Compensation of officers shall be subject to the same limitations as compensation of Council members under Section 3.13.

5. COMMITTEES

General. The Council may appoint such committees as it deems appropriate to perform such tasks and to serve for such periods as the Council may designate by resolution. Each committee shall operate in accordance with the terms of such resolution. Unless otherwise provided by the Council, committee members shall be eligible Members or residents; provided, however, no Class "A" Member may have more than one (1) representative on a committee at any time. No committee appointed by the Council shall be empowered to take any affirmative action nor to bind the Council or the Association without the consent of the Council.

Covenants Committee. In addition to any other committees which the Council may establish pursuant to the Declaration, these By-Laws and, specifically, Section 5.1, the Council may appoint a covenants committee consisting of at least three (3) and no more than five (5) Members. Acting in accordance with the provisions of the Declaration, these By-Laws, and resolutions the Council may adopt, the covenants committee, if established, shall be the hearing tribunal of the Association and shall conduct all hearings held pursuant to Section 3.23 of these By-Laws.

6. MISCELLANEOUS

Fiscal Year. The fiscal year of the Association shall be the calendar year unless the Council establishes a different fiscal year by resolution.

Parliamentary Rules. Except as may be modified by Council resolution, *Robert's Rules of Order Newly Revised* (current edition) shall govern the conduct of Association proceedings when not in conflict with Georgia law, the Articles of Incorporation, the Declaration, or these By-Laws.

Conflicts. If there are conflicts between the provisions of Georgia law, the Articles of Incorporation, the Declaration, and these By-Laws, the provisions of Georgia law, the Declaration, the Articles of Incorporation, and the By-Laws (in that order) shall prevail.

6.4. Books and Records.

(a) Inspection by Members and Mortgagees. The Town Council shall make available for inspection and copying by any holder, insurer or guarantor of a first Mortgage on a Lot, any Member, or the duly appointed representative of any of the foregoing at any reasonable time and for a purpose reasonably related to his or her interest in a Lot: the Declaration, By-Laws, and Articles of Incorporation, any amendments and supplements to the foregoing, the rules of the Association, and the minutes of meetings of the Members, the Council, and committees. The Town Council shall provide for such inspection to take place at the office of the Association, which may include the office of the Association's management agent, if any, or at such other place within the Properties as the Council shall designate during normal business hours.

- (b) Rules for Inspection. The Town Council may establish rules with respect to:
- (i) notice to be given to the custodian of the records;
 - (ii) hours and days of the week when such an inspection may be made; and
 - (iii) payment of the cost of reproducing copies of documents requested.

(c) Inspection by Council Members. Every Council member shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a Council member includes the right to make a copy of relevant documents at the expense of the Association.

Notices. Except as otherwise provided in the Declaration or these By-Laws, all notices, demands, bills, statements, and other communications under the Declaration or these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States mail, first class postage prepaid:

- (a) if to a Member, at the address which the Member has designated in writing and filed with the secretary or, if no such address has been designated, at the address of the Lot of such Member; or
- (b) if to the Association, the Town Council, or the managing agent, at the principal office of the Association or the managing agent or at such other address as shall be designated by notice in writing to the Members pursuant to this Section.

If mailed, any notice shall be deemed to be delivered when deposited in the United States mail addressed with postage prepaid. To increase flexibility, any Person, including the Association, may consent to or request in writing additional methods of receiving notice, including but not limited to, facsimile, electronic mail or e-mail.

6.6. Amendment.

(a) By Declarant. Until termination of the Class “B” membership, the Declarant may unilaterally amend these By-Laws for any purpose. Thereafter, the Declarant may unilaterally amend these By-Laws at any time and from time to time if such amendment is necessary (i) to bring any provision into compliance with any applicable governmental statute, rule, regulation, or judicial determination; (ii) to enable any reputable title insurance company to issue title insurance coverage on the Lots; (iii) to enable any institutional or governmental lender, purchaser, insurer or guarantor of Mortgage loans, including, for example, the U.S. Department of Veterans Affairs, the U.S. Department of Housing and Urban Development, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to make, purchase, insure or guarantee Mortgage loans on the Lots; or (iv) to satisfy the requirements of any local, state, or federal governmental agency. However, any such amendment shall not adversely affect the title to any Lot unless the Owner shall consent thereto in writing. In addition, during the Development Period, the Declarant may unilaterally amend these By-Laws for any other purpose, provided the amendment has no material adverse effect upon any right of any Member.

(b) By the Town Council. The Council shall be authorized to amend these By-Laws without the consent of the Members (i) for the purpose of submitting the Properties to the Georgia Property Owners’ Association Act, *O.C.G.A.* Section 44-3-220, *et seq.* (1994) and conforming these By-Laws to any mandatory provisions thereof, and (ii) to correct scribes’ errors and other mistakes of fact, provided that any amendments under this provision have no material

adverse effect on the rights of the Members. During the Development Period, any such amendment shall require the written consent of the Declarant.

(c) By Members. Except as provided above, these By-Laws may be amended only by the affirmative vote or written consent, or any combination thereof, of Members holding sixty-seven percent (67%) of the total Class "A" votes in the Association, and, during the Development Period, the written consent of the Declarant. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

(d) Validity and Effective Date. Any amendment to these By-Laws shall become effective upon recordation in the Public Records, unless a later effective date is specified in the amendment. Any procedural challenge to an amendment must be made within six (6) months of its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of these By-Laws.

No amendment may remove, revoke, or modify any right or privilege of the Declarant or the Class "B" Member without the written consent of the Declarant, the Class "B" Member, or the assignee of such right or privilege.

If a Member consents to any amendment to the Declaration or these By-Laws, it will be conclusively presumed that such Member has the authority to consent and no contrary provision in any Mortgage or contract between the Member and a third party will affect the validity of such amendment.

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting secretary of Cloudland Station Town Association, Inc., a Georgia nonprofit corporation;

That the foregoing By-Laws constitute the original By-Laws of the Association, as duly adopted at a meeting of the Town Council thereof held on the 5th day of June, 2009.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 5th day of June, 2009.

 [SEAL]
Secretary