

BYLAWS OF THE SOMERSET HOMEOWNER'S ASSOCIATION, INC.

ARTICLE I - NAME

1. The name of corporation shall be "Somerset Homeowner's Association, Inc.", a nonprofit corporation chartered under the laws of the State of Georgia.

ARTICLE II - PURPOSE

1. The corporation is organized pursuant to the provisions of the Georgia Nonprofit Corporation Code and Section 528 of the Internal Revenue Code of 1986.

ARTICLE III - CORPORATE OFFICES

1. The principal office of the corporation shall be located in Cobb County, Georgia. The corporation may establish and maintain an office or offices at such other places within the State of Georgia as the Board of Directors may from time to time determine.

ARTICLE IV - MEMBERSHIP

1. Definition

A member is a household whose dues are paid in full for the current year. All other households are considered non-members. Any household residing in the Somerset Dover-Mitchum and Shadowlake Subdivisions, as recorded in the Cobb County, Georgia plat records and at 425, 439, 449,294, 459 and 360 Shadowlawn Road, shall be eligible for membership in the corporation. Memberships shall not be transferable except to successors in title.

2. Voting Rights

Voting rights shall be limited to one vote per household. Each member in good standing shall be entitled to vote at any regular or special meeting, and may be represented and vote at such meeting by proxy, provided that such proxy is in writing, signed by the member and filed with the secretary of the corporation prior to voting. Any member of the association shall be considered a member in good standing provided all dues for the current year are paid.

3. Suspension and Expulsion

Any member may be suspended or expelled, and any member of his family may be denied use of the corporation facilities for acts and conduct prejudicial to the best interest of the corporation and its members. Such suspension or expulsion must result from a majority vote of the members present and voting at any regular or special meeting, providing that said member shall be first notified of the proposed action in writing, and shall be given an opportunity to be heard at the meeting at which the vote is taken.

ARTICLE V - MEMBERSHIP DUES

1. Annual Dues

Dues for fiscal year 1981 shall be \$15.00. On or before the first day of each succeeding fiscal year, the Board of Directors shall establish the dues for the ensuing year and such dues shall be used solely for the administration and operation of the corporation. Ensuing fiscal year's dues must be approved by a majority vote of the Members at the Annual Meeting or Special Meeting prior to becoming payable.

2. Payment of Dues

Dues shall be payable on or before January 31st of the current year. Dues payments shall not be refundable.

ARTICLE VI - MEETINGS OF MEMBERS

1. Annual Meeting

An annual meeting of the members shall be held, upon a date and at a time and place selected by the Board of Directors, during the eleventh month of the current corporation's fiscal year.

Notice of the annual meeting date, place and time shall be posted at each entrance to the subdivision by the Secretary at least ten (10), but not more than fifty (50), days prior to said meeting. Additional written and electronic mail notice, including purpose and agenda of the meeting shall be provided to Members in good standing at least (10) but no more than fifty (50) days prior to said meeting.

2. Special Meetings

Special meetings of the members may be called at any time by the Board of Directors or upon written request of at least 25% of the members eligible to vote. Notice of special meetings shall be given in the same manner as notice of annual meetings, and shall state the purpose of the special meeting.

3. Voting

The majority vote of the present and voting members shall decide any matter properly coming before the meeting unless otherwise specified herein.

4. Procedure

Proceedings at all meetings of members shall be conducted in accordance with the provisions of Robert's Rules of Order unless otherwise specified herein.

ARTICLE VII - BOARD OF DIRECTORS

1. Number and eligibility

(a) The Board of Directors of the corporation shall consist of thirteen (13) members who shall include the President, Vice-President, Secretary and Treasurer of the corporation and the Chairs of the Standing Committees provided for herein.

(b) All members of the corporation in good standing shall be eligible for election to the Board of Directors.

2. Election and Term

(a) Of the initial Board of Directors, five (5) members shall serve for a term of two (2) years and four (4) shall serve for a term of one (1) year. All subsequently elected directors shall serve for a term of two (2) years. No director shall serve more than two (2) consecutive terms in the same position, and more than six (6) consecutive years on the Board. A director who has served six (6) consecutive years on the Board may return after a two (2) year absence. All directors shall serve without compensation.

(b) A nominating committee shall be assigned each October by the Board of Directors to submit nominees for election at the annual meeting of the members of the corporation. Nominees shall be submitted to the members for election to replace each director whose term is then expiring. Nominations will be accepted from the floor if the nominee consents thereto and agrees to serve if elected. Elections shall be decided by simple majority vote of those members of the corporation present at the annual meeting.

3. Performance of Duties

Any director is required to attend no less than 75% of Board meetings, and to complete responsibilities for the office in a timely manner as defined by the Board of Directors. Any director may be removed from office, with or without cause, by a two-thirds vote of the members of the corporation present at any annual or special meeting. Any vacancy on the Board of Directors shall be filled by two-thirds vote of the Board of Directors upon submitted nominations.

ARTICLE VIII-MEETINGS OF DIRECTORS

1. Annual and Regular Meetings

The annual meeting of the Board of Directors shall be held within forty-five (45) days following the annual meeting of the members of the corporation, at the call of the President of the Board of Directors. The Board of Directors shall also conduct regularly scheduled meetings, at least once per quarter or more frequently as determined by the Board, which shall be open to the members in good standing of the corporation.

2. Special Meetings

Special meetings of the Board of Directors may be held at any time and at any place when called by the President of the Board or by any member of the Board.

3. Notice of Meetings

Notice of the time, place and, in the case of special meetings, the purpose of the meeting shall be given by the Secretary or, in the case of a special meeting, the director calling the meeting, by delivering or mailing same to each director at the residence thereof not less than five (5) nor more than fifteen days prior to the date of such meeting, provided that such written notice may be waived in writing by the directors.

4. Quorum

The presence at any meeting of the Board of Directors of a majority of the directors thereof shall constitute a quorum for the transaction of business. The majority vote of the present and voting directors shall decide any matter properly before the meeting.

5. Action without a Meeting

Any action required by law to be taken, or which may be taken, at a meeting of the directors, may be taken without a meeting if a written or electronic mail vote, setting forth the action so taken, shall be approved by all of the directors and filed with the minutes of the proceedings of the Board of Directors. Such voted consent shall have the same force and effect as a unanimous vote of the Board of Directors.

6. Responsibilities

The responsibilities of the Directors shall be to set policy and to control the operation of the corporation. Their authority shall extend to, but is not limited to, the following activities:

- (a) Publishing and enforcing reasonable rules for the use of the corporation's recreational facilities.
- (b) Establishing the amount of annual dues.
- (c) Approving the hiring and terminating of corporate employees.
- (d) Reviewing an annual financial statement for submission to the members.
- (e) Establishing and regularly funding a capital improvement and major maintenance reserve fund.
- (f) Authorizing the incurring of obligations and the payment of such obligations on behalf of the corporation.

7. Agenda

Any member in good standing shall submit all items to be placed on the Board of Directors meeting agenda to the Secretary of the Board at least two (2) days prior to the announced Board Meeting. The Secretary of the Board will entertain from any member in good standing matters requested to be brought before the Board of Directors. Said member shall submit such matter at least two (2) days prior to the scheduled Board of Directors meeting at which consideration thereof is requested. After action has been taken on any such matter by the Board of Directors, the member submitting same shall receive a report of such action.

ARTICLE IX - OFFICERS

1. Designation of Officers

The officers of the corporation shall be a President, a Vice-President, a Secretary and a Treasurer. In addition, such assistants to the foregoing as are deemed necessary may be appointed by the Board of Directors.

2. Election and Term

The officers of the corporation shall be elected by the Board of Directors from among its members at its annual meeting. Any member in good standing of the corporation may be nominated for election as an officer, subject to restrictions stated herein. Each officer shall serve a term of two (2) years, but no officer shall serve more than two (2) consecutive terms in the same office. All officers shall serve without compensation.

3. Duties of Officers

The duties of the officers, in addition to those assigned by the Board, shall be as follows:

(a)President - The President shall preside at all meetings of the Board of directors and of the members of the corporation; be the chief executive officer and representative of the corporation; and sign, along with the treasurer, all deeds, mortgages, bonds, contracts, and other instruments which the Board of Directors shall authorize to be executed. After completion of term, the President shall facilitate the transition to the new Board through support as President at Large.

(b)Vice-President - The Vice-President shall perform all duties of the President in his absence; and shall have such other responsibilities as shall be assigned by the President or the Board of Directors.

(c)Treasurer - The Treasurer shall manage the cash receipts and payments of the corporation; shall have the responsibility for the safekeeping of all funds of the corporation; shall maintain complete records evidencing property owned by the corporation; present financial reports and budgets to the annual meeting of the members and as additionally directed by the President be empowered to open such savings and/or checking accounts as are needed to conduct the business of the corporation; oversee preparation of the corporation's annual tax return; prepare the corporate books for audit prior to the end of residing term; and sign all deeds, mortgages, bonds, contracts, and other instruments which the Board of Directors shall authorize to be executed. The Treasurer shall chair the Budget & Finance function. The records of the Treasurer shall be open at reasonable times for inspection by any member of the corporation.

(d)Secretary - The Secretary shall be the custodian of the records and seal of the corporation; keep minutes of all meetings of the members and of the Board of Directors; write all correspondence required or requested by the President; and keep a record of the names and addresses of all members who are eligible to vote.

ARTICLE X - STANDING COMMITTEES

1. Designation of Standing Committees

The corporation shall have nine (9) Standing Committees as follows:

- (a) Membership and Welcome Committee
- (b) Clubhouse Committee
- (c) Social Committee
- (d) Landscape Committee
- (e) Lake Committee
- (f) Pool Committee
- (g) Tennis Committee
- (h) Publication and Communications Committee
- (i) Security Committee

2. Responsibilities of Standing Committees

The Standing Committees shall have such responsibilities and duties as shall be established by the Board of Directors.

3. Standing Committee Chairs

Chair of each Standing Committee shall submit a report at the annual meeting of the members of the corporation and at such other times as the President shall direct. Each Standing Committee Chair shall serve a term of two (2) years.

4. Standing Committee Members

The Chair of each Standing Committee shall fill the membership needs of his committee through volunteers from the members of the corporation.

5. Meeting of Standing Committees

Each Standing Committee shall hold meetings as required under such rules and procedures and at such times and places, as the Chair thereof shall determine.

ARTICLE XI - BYLAWS

1. Adoption and Modification

These Bylaws shall be adopted by the Board of Directors prior to the initial annual meeting of the members of the corporation, and may thereafter be amended or modified by a two-thirds vote of the members of the corporation present at any annual or special meeting thereof: provided, that notice of any proposed amendment or modification shall be included in the notice to the members of the meeting at which such amendment or modification is to be considered.

ARTICLE XII - MISCELLANEOUS

1. Indemnification

The Corporation shall have the power and authority to indemnify its officers, directors, agents, and employees for loss or liability incurred in the conduct of the corporation's business, and to purchase and maintain liability insurance therefore.

2. Corporate Seal

The Corporation shall have a seal in circular form, having within its circumference the "SOMERSET HOMEOWNER'S ASSOCIATION", "GEORGIA" and "CORPORATE SEAL".

3. Fiscal Year

The fiscal year of the corporation shall begin on the first day of January and end on the last day of December, unless otherwise determined and established by the Board of Directors.

END

Revised November 2008