

BYLAWS
OF
SUGARMILL PLANTATION OWNERS ASSOCIATION, INC.

a Georgia Corporation Not For Profit
(modified March 1999 Annual Meeting)

I. IDENTITY.

A. Applicability. These are the Bylaws of SUGARMILL PLANTATION OWNERS ASSOCIATION, INC. (the "Association"), a Georgia corporation not for profit organized pursuant to the provisions of Georgia Statutes, 1986, as amended to the date of filing of the Articles of Incorporation. The purpose and object of the Association shall be to administer the operation and management of the property more fully described in the Sugarmill Plantation Declaration of Covenants, Conditions, Restrictions and Easements (Residential) ("Declaration") recorded or to be recorded in the public records of Camden County, Georgia ("County").

B. Office. The office of the Association shall be at 2420 Osborne Road, St. Marys, Georgia 31558.

C. Fiscal Year. The fiscal year of the Association shall be the calendar year.

D. Seal. The seal of the Association shall bear the name of Sugarmill Plantation Owners Association, Inc. the word "Georgia", the words "Corporation Not For Profit", and the year of incorporation. An impression of the seal is as follows:

E. Definitions. All terms used herein shall have the same meaning and definitions as are set forth in the Declaration.

II. MEETINGS OF MEMBERS.

A. Annual Meeting. The annual meeting of the Members shall be held at the office of the Association or such other place in Georgia and at such time and date as may be specified in the notice of the meeting for the purpose of electing Directors and of transacting any other business authorized to be transacted by the Members.

B. Special Meetings. Special meetings of the entire Membership of the Association shall be held whenever called by the President or Vice-president or by a majority of the Board of Directors and must be called by such officers upon receipt of a written request from Members entitled to cast twenty-five (25%) percent of the votes of the Class A and B membership.

C. Notice of Meetings.

(1) Generally. Written notice of all meetings of Members shall be given by the Secretary or, in the absence of the Secretary, another officer of the Association, to each Member unless waived in writing.

(2) Annual. Notice of the Annual Meeting shall be given to each Member not less than fifteen (15) days prior to the date set for the meeting, and shall be mailed to each Member unless

the right to written notice is waived in writing. Such notice shall be deemed properly given when deposited in the United States Mail addressed to the Member at his post office address as it appears on the records of the Association, with postage thereon prepaid. Notice shall specify the place, day and hour of the meeting and the purpose of the meeting.

(3) Special. Notice of Special Meetings shall be given to each Member not less than seven (7) days prior to the date set for the meeting, shall be mailed by regular mail or delivered personally to the Member and shall specify time, date, place and purpose of the meeting.

(4) Waiver. Any Member may waive notice of any meeting

(5) Adjourned Meetings. If any meeting of Members cannot be held because a quorum is not present, or because a greater percentage of the Membership required to constitute a quorum for a particular purpose is not present, wherever required by the applicable provisions of the Articles, the Bylaws or the Declaration, the Members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum, or the required percentage of attendance, if greater than a quorum, is present.

D. Presiding Officer and Minutes. At meetings of Members, the President, or in his absence, the Vice President, shall preside, or in the absence of both, the Members present shall select a chairman of the meeting. Minutes shall be kept in a businesslike manner and available for inspection by Directors, Members and their authorized representatives.

E. Order of Business. The order of business at annual meetings of Members, and, as far as practical, at other meetings of Members, shall be:

- (1) Calling of the roll and certifying of proxies
- (2) Proof of notice of meeting or waiver of notice
- (3) Reading or waiver of reading of minutes of previous meeting of Members
- (4) Reports of officers
- (5) Reports of committees
- (6) Appointment by chairman of inspectors of election
- (7) Election of Directors
- (8) Unfinished business
- (9) New business
- (10) Adjournment

F. Quorum. The presence at a meeting of the Members entitled to cast, or of proxies entitled to cast, one third (1/3) of the votes of each Class of Members shall constitute a quorum for any action except where otherwise provided. The joinder of a Member in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such person for the purpose of determining a quorum.

C. Voting. The vote of the Owner(s) of a Unit owned by more than one natural person, as tenants in common, joint tenants (except a husband and wife as tenants by the entirety), a partnership or any other association of natural persons, or by a corporation, a trust, or any other entity shall be cast or otherwise exercised, at all meetings at which Members of the Association are entitled to vote or otherwise act, by one natural person designated by the owner(s) of such Unit in a Voting Certificate as the holder of the vote. The Voting Certificate shall be filed with the Association, and the person so designated shall be and remain the holder of the vote of the Unit until such designation has been revoked by written instrument executed by the owner(s) of the Unit or by lawful conveyance of the Unit. The holder of the vote of the Unit shall be the only person entitled to cast or exercise, in person or by proxy, the vote of the Unit at any meeting of Members or in connection with any action concerning which Members of the Association shall be required or allowed to vote or otherwise act.

H. Approval. Evidence of the approval or disapproval of the holder of the vote upon any matter, whether or not the subject of an Association meeting, shall be given to the Association by the same person who would cast the vote if in an Association meeting. In all matters affecting all Classes of Members equally the matter shall be passed by a majority of votes of all persons present in person or by proxy. If a matter brought before the Membership affects one Class of Members in a manner different from the other Classes of Members, the matter must be passed by a majority of the votes of each Class of Members.

I. Proxies. At any meeting of the Members every holder of a vote having the right to vote shall be entitled to vote in person or by proxy. All proxies shall be in writing and shall contain the date, time and place of the meeting for which the proxy is given and if a limited proxy shall set forth those items for which the holder of the proxy may vote and the manner in which the vote is to be cast and shall be effective only for the specific meeting for which originally given and any lawfully adjourned meetings thereof. The proxy shall set forth the name of the person voting by proxy and the name of the person authorized to vote the proxy for him. All such proxies shall be filed with the Secretary prior to or during the roll call of such meeting. Every proxy shall be revocable at any time at the pleasure of the holder of the vote executing it, but in no event shall any revocation negate or otherwise abrogate any vote previously cast by the holder prior to the revocation, and any proxy shall terminate automatically upon conveyance by a Member of his Unit.

J. Consent to Action. To the extent permitted by law, any action on any matter to be taken by the Association may be taken by written consent without meetings, by sending a notice setting forth the action so taken, which must be approved by Members holding not less than the minimum number of votes necessary to authorize or take such action at a meeting at which all Members entitled to vote thereon were present and voting.

III. BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE.

A. Number. The first Board of Directors shall consist of not less than three (3) persons as designated in the Articles of Incorporation. So long as there is a Class C Membership, there shall be only three (3) directors, upon the termination of Class C Membership, there shall be at least five (5) directors. The number of Directors may be increased by a vote of the Members in the same manner as any other amendment to these Bylaws.

B. Term of Office. Except for the first Board elected by the Members as described in Article IV, Section C, for the year 2000, three (3) directors will serve for one (1) year and two (2) directors will serve for two (2) years. Thereafter, all directors will serve two (2) year terms.

C. Removal. Any Directors elected by the Members may be removed from the Board, with or

without cause, by a majority vote of the Members. In the event of the death, resignation or removal of a Director elected by the Members, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

D. Compensation. No Director shall receive compensation for any service he may render to the Association; provided that any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

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

IV. NOMINATION AND SELECTION OF DIRECTORS.

A. Declarant Appointment of Directors. Until the termination of the Class C Membership, the SugarMill Plantation Development Corporation ("Declarant") shall appoint three (3) directors. Commencing with the first annual election of Directors after the Declarant shall have lost or relinquished the right to appoint the Directors, the Members shall elect the Directors, by plurality of the votes cast at the annual meeting of the general Membership.

B. Nomination of Member Elected Directors. Upon the termination of the Class C Membership, the number of Directors shall be increased as provided above. **All Directors shall be elected at large.** Nominations for all Directors shall be made by a Nominating Committee. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors and two or more Members, all of whom shall be appointed by the Board prior to each meeting of the Members, to serve from the close of such annual meeting until the close of the next meeting. The Nominating Committee shall make as many nominations for each category of Directors to be elected but not less than the number of vacancies that are to be filled.

C. Voting. In the election of Directors, there shall be appurtenant to each Unit one (1) vote for each Director to be elected. Voting shall be by secret ballot.

At such election the Members or their proxies may cast, in respect to each vacancy for which they are permitted to vote, as many votes as they are entitled to exercise under the provisions of the Declaration. Cumulative voting is not permitted.

V. MEETINGS OF DIRECTORS.

A. Organizational Board Meeting. The organizational meeting of a newly elected or designated Board shall be held within fifteen (15) days of their election or designation, at such time and place as shall be fixed at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary; provided that a quorum shall be present.

B. Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegram, at least seven (7) days prior to the day named for such meeting, unless notice is waived.

C. Special Meetings. Special meetings of the Board may be called by the President,

and must be called by the Secretary at the written request of any two of the Directors. Not less than three (3) days notice of a special meeting shall be given to each Director, personally or by mail, telephone or telegram, which notice shall state the time, place and purpose of the meeting, unless notice is waived. Notice of any meeting where Assessments against Members are to be considered for any reason shall specifically contain a statement that Assessments will be considered and the nature of any Assessments.

D. Quorum. A quorum at meetings of the Board shall consist of the Directors entitled to cast a majority of the votes of the entire Board. The acts of the Board approved by a majority of the votes present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except as may be specifically otherwise provided in the Articles, these Bylaws or the Declaration. If any meeting of the Board cannot be held because a quorum is not present, or because the greater percentage of the Directors required to constitute a quorum for particular purposes is not present, wherever the latter percentage of attendance may be required as set forth in the Articles, these Bylaws or the Declaration, the Directors who are present may adjourn the meeting from time to time until a quorum, or the required percentage of attendance if greater than a quorum is present. At any adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice.

A Director who is present at a meeting of the Board at which action or any corporate matter is taken, shall be presumed to have assented to the action taken, unless he votes against such action or abstains from voting in respect thereto because of an asserted conflict of interest.

E. Action without a Meeting. The Board may take any action which they might take at a meeting of the Board without a meeting; provided, that a record of all such actions so taken and approval thereof, signed by each Director, shall be filed and retained in the minute book of the Association.

VI. POWERS AND DUTIES OF THE BOARD.

All of the powers and duties of the Association shall be exercised by the Board, including those existing under the laws of Georgia, the Articles, these Bylaws and the Declaration. Such powers and duties shall be exercised in accordance with the Articles, these Bylaws and the Declaration, and shall include, without limitation, the right, power and authority to perform all powers set forth in the Articles as well as the following:

- A. Powers. The Board of Directors shall have the powers to:
- (1) Adopt and publish rules and regulations governing the use of the Common Property and personal conduct of the Members and their guests thereon and to establish penalties for the infraction thereof.
 - (2) Suspend the voting rights and right to use of recreational facilities of a Member during any period in which such Member shall be in default in the payments of any Assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations.
 - (3) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Members by other provisions of these By-laws, the Articles or Declaration.
 - (4) Employ a manager, an independent contractor, or such other employees as

they deem necessary and to prescribe their duties.

(5) Acquire, own, hold, operate, lease, encumber, convey, exchange, manage, grant easements over and otherwise trade and deal with property, real and personal, including Units, as may be necessary or convenient in the operation and management of the Property and in accomplishing the purposes set forth in the Declaration, Articles and these Bylaws.

(6) Enter into such contracts or agreements for services as it deems necessary or convenient for the operation of the Association and the Property, including without limitation the right of the Board to enter into a contract for the provision of cable television services to the members and to obtain such bulk service rates or other rights or privileges as the Board may deem to be in the best interests of the Association.

(7) Borrow money for the purposes of maintaining or improving the Common Property.

B. Duties. The Board of Directors shall have the following duties:

(1) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested by one fourth (1/4) of the Class A and B Members who are entitled to vote.

(2) Supervise all officers, agents, and employees of this Association and see that their duties are properly performed.

(3) As more fully provided in the Declaration:

(a) fix the amount of the Annual Assessment against each Unit;
(b) send written notice of each Assessment to every Member subject thereto at least thirty (30) days in advance of each Annual Assessment period;
(c) foreclose the lien against any Unit for which assessments are not paid within thirty (30) days after due date or to bring action at law against the Member personally obligated to pay the same.

(4) Issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any Assessment has been paid. A reasonable charge may be made by the Board for issuance of these certificates. If a certificate states that an Assessment has been paid, such certificate shall be conclusive evidence of such payment.

(5) Procure and maintain adequate liability and hazard insurance for the protection of Members and the Association against casualty and liability in connection with the Common Property.

(6) Cause all officers or employees having fiscal responsibilities to be bonded as it may deem appropriate.

(7) Cause the Common Property to be maintained including, without limitation, the appurtenances thereto, and assess the cost thereof against the Members and their respective Units subject to such liens. Pay all costs of power, water, sewer and other utility services rendered to the Property and not billed to the Members individually.

VII. OFFICERS.

A. Enumeration of Offices. The Board shall elect a President, Secretary, Treasurer, and as many Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board shall deem advisable from time to time. The President shall be elected from the Membership of the Board, but no other officer need be a Director.

B. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of Members.

C. Term. The officers shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign or shall be removed or otherwise disqualified to serve.

D. Special Appointments. The Board may elect such other officers 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.

E. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time 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, acceptance of such resignation shall not be necessary to make it effective.

F. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

G. Multiple Offices. The offices 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 offices created pursuant to Section D.

H. Duties.

(1) President. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of President of a corporation not for profit, including but not limited to the power to appoint committees from among the Members from time to time, as he may in his discretion determine appropriate, to assist in the conduct of the affairs of the Association. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments.

(2) Vice President. The Vice President shall, in the absence or disability of the President, exercise the powers and perform the duties of President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Board.

(3) Secretary. The Secretary shall record the votes and all proceedings of the Board and the Members. He shall attend to the affairs of the Association. He shall have such additional powers as the Board may designate. He shall attend to the giving and serving of all notices to the

Members and the Board, and such other notices as may be required by law. He shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of Secretary of a corporation not for profit and as may be required by the Board and the President.

(4) Treasurer. The Treasurer shall have custody of all of the property of the Association including funds, securities and evidences of indebtedness. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; and he shall prepare an annual budget and statement of income and expenditures to be presented to the membership.

VIII. FISCAL MANAGEMENT.

A. Assessment Poll. The Assessment roll shall be maintained in a set of accounting books in which there shall be an account for each Member and his respective Unit. Such account shall designate the name and mailing address of the Member owning each Unit, the amount of each Assessment against the Member and due date thereof, all amounts paid, and the balance due upon each Assessment.

B. Annual Budget. The Board shall adapt, for, and in advance of, each fiscal year, a budget for the Property showing the estimated costs of performing all of the functions of the Association for the year. The budget shall show the total estimated expenses of the Association for that year and shall contain an itemized breakdown of the expenses. Each budget shall also show the proportionate share of the total estimated expenses to be assessed against and collect from the Members who own MFRUS and SFRUS and due date(s) and amounts of installments thereof. Copies of the proposed budgets and proposed Assessments shall be transmitted to each Member at least fourteen (14) days prior to the meeting of the Board of Directors at which the budgets will be considered, together with a notice of the time, place and agenda of the meeting, which shall be open to Members. If any budget is subsequently amended, a copy shall be furnished to each affected Member. Delivery of a copy of any budget or amended budget to a Member shall not affect the liability of any Member for any such Assessment, nor shall delivery of a copy of such budget or amended budget be considered as a condition precedent to the effectiveness of the budget and Assessments levied pursuant thereto. Nothing herein contained shall be construed as a limitation upon any additional Special Assessment in the event that any budget originally adopted shall appear to be insufficient to pay costs and expenses of operation and management, or in the event of emergencies.

C. Notice of Adopted Budgets. Upon adoption of Budgets, the Board shall cause a written copy thereof to be delivered to all Members. Assessments shall be made against Members pursuant to procedures established by the Board, and in accordance with the terms of the Declaration and Articles. Provided, however, that the lien or lien rights of the Association shall not be impaired by failure to comply with procedures established pursuant to these Bylaws.

D. Assessments. Unless otherwise determined by the Board of Directors, Assessments shall be payable annually. If an Annual Assessment is not made as required, an Assessment shall be presumed to have been made in the amount of the last prior Assessment, and installments on such Assessment shall be due upon each installment payment date until changed by an amended Assessment. In the event the Annual Assessment proves to be insufficient, the budget and Assessments may be amended at any time by the Board of Directors.

E. Special Assessments. Special Assessments shall be levied and paid in the same manner as heretofore provided for regular Assessments. Special Assessments can be of two kinds: (i) those chargeable to all Members in the same proportions as regular Assessments to meet shortages or emergencies, to construct, reconstruct, repair or replace all or any part of the Common Property (including fixtures and personal property related thereto) and for such other purposes and in such amounts as shall have been described in the Declaration or approved by the Members, or (ii) those assessed against one Member alone to cover repairs or maintenance for which such Member is responsible and which he has failed to make, which failure impairs the value of or endangers the Common Property or the Property, or which are for expenses incident to the abatement of a nuisance within his Unit which may be assessed when approved by the Board.

F. The Depository. The depository of the Association shall be such bank or banks or savings and loan association or associations as shall be designated from time to time by the Directors and in which the monies of the association shall be deposited. Withdrawal of monies from such accounts shall be only by checks or withdrawals signed by such persons as are authorized and may include in its provisions authority for the Manager to sign checks on behalf of the Association for payment of the obligations of the Association.

G. Audit. An audit of the accounts of the Association may be made from time to time as directed by the Board of Directors to be paid by the Association.

H. Fidelity Bonds. Upon termination of the Class C Membership, fidelity bonds shall be required for the Board and any persons handling or responsible for Association funds as the Board of Directors shall direct in an amount to be determined by the Board based upon its best business judgment. The premiums of said bonds shall be paid by the Association.

IX. PARLIAMENTARY RULES.

Roberts Rules of Order (latest edition) shall govern the conduct of the Association's meetings when not in conflict with the Declaration, Articles of Incorporation or these Bylaws.

X. BOOKS AND RECORDS.

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member, his designated agent, or holder of a Unit to secure debt upon written notice. The Declaration, the Articles of Incorporation and Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at a reasonable cost.

XI. COMMITTEES.

The Association shall appoint a Nominating Committee, as provided by these Bylaws and the Residential Architectural Control Committee as provided in the Declaration. The Board may appoint such other Committees as it deems necessary or convenient in carrying out its purpose.

XII. AMENDMENTS.

A. Requirements. These Bylaws may be amended at a regular or special meeting of the Members, by approval of a majority of the votes of each Class of Members represented by a quorum

of such Class of Members present in person or by proxy or by an instrument signed by persons holding Voting Certificates for the majority of all votes, except that the Federal Housing Administration or the Veterans Administration shall have the right to veto amendments while there is a Class C Membership.

B. Conflict. In the case of any conflict between the Articles and these Bylaws, the Articles shall control and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

IN WITNESS WHEREOF, we, being all the Directors of the Sugarmill Plantation Owners Association, Inc. have hereunto set our hands and seals this 5th day of January, 1988.

/s/ William I. Livingston

/s/ J. Larry Rutherford

/s/ John Laguardia

CERTIFICATION

I, the undersigned, do hereby certify:

THAT, I am the duly elected and acting secretary of Sugarmill Plantation Owners Association, Inc., a Georgia not for profit corporation, and,

THAT the foregoing By-Laws constitute the original Bylaws of the Association, as duly adopted at a meeting of the Board of Directors held on the 5th day of January 1988

IN WITNESS WHEREOF, I have hereunto subscribed my named and affixed the seal of said Association the: 5th day of January, 1988.

/s/ William I. Livingston Secretary

Change of By-Laws 03/99

(1) Amend paragraph III B by deleting the phrase "...all directors shall serve for a term of three (3) years ..." and inserting in lieu thereof "...for the year 2000, three (3) directors will serve for one (1) year and two (2) directors will serve for two (2) years. Thereafter, all directors will serve two (2) year terms".

(2) Amend paragraph IV B by deleting, the sentence "...Two (2) directors shall be elected to represent the Multi-Family Residential Units (M. F. R. U.), two (2) shall be elected to represent the Single Family Residential Units (S. F. R. U.) and one (1) shall

be elected at large...”
and,

(3) Amend paragraph IV C by deleting all of the paragraph after the sentence “...voting shall be by secret ballot...”.