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EXHIBIT "D"

BY-LAWS

OF

THE RIVER CLUB COMMUNITY ASSOCIATION, INC.

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**BY-LAWS
OF
THE RIVER CLUB COMMUNITY ASSOCIATION, INC.**

**Article 1
Name, Principal Office, and Definitions**

1.1. Name.

The name of the corporation is The River Club Community Association, Inc. (the "Association").

1.2. Principal Office.

The Association's principal office shall be located in Gwinnett County, Georgia. The Association may have such other offices as the Board may determine or as the Association's affairs require.

1.3. Definitions.

The words used in these By-Laws shall be given their normal, commonly understood definitions. Capitalized terms shall have the meaning ascribed to them in the Community Charter for The River Club recorded by Crescent River, LLC, a Georgia limited liability company, in the public records of Gwinnett County, Georgia, as it may be amended (the "Charter") or in these By-Laws. The term "majority," as used in these By-Laws, means those votes, Owners, or other group, as the context may indicate, totaling more than 50% of the total eligible number.

**Article 2
Membership: Meetings, Quorum, Voting, Proxies**

2.1. Membership.

The Association initially shall have two classes of membership, Owner Membership and Founder Membership, as more fully set forth in the Charter. Provisions of the Charter pertaining to membership are incorporated by this reference. These By-Laws refer to the Owner Members and Founder Member collectively as "Members" or the "Membership" and singly as a "Member." These By-Laws refer to Persons holding Owner Memberships as "Owners" and refer to the holder of the Founder Membership as the "Founder Member." Upon termination of the Founder Membership, the Founder shall hold an Owner Membership for each Unit that it owns.

2.2. Place of Meetings.

The Association shall hold meetings at the Association's principal office or at such other suitable place the Board may designate.

2.3. Association Meetings.

(a) *General.* The first meeting of the Membership, whether a regular or special meeting, shall be held within one year after the Association's incorporation.

(b) *Annual Meetings.* The Board shall schedule regular annual meetings to occur within 90 days before or after the close of the Association's fiscal year, on such date and at such time and place as the Board shall determine.

(c) *Special Meetings.* The President may call special meetings. In addition, the President or the Secretary shall call a special meeting if so directed by Board resolution or upon a written petition of Owners entitled to cast at least 10% of the total votes in the Association.

2.4. Notice of Meetings.

The President, the Secretary, or the officers or other persons calling a meeting of the Membership shall deliver or cause to be delivered to each Owner entitled to vote at such meeting a written notice stating the place, day, and hour of the meeting. In the case of a special meeting or when otherwise required by statute, the Charter, or these By-Laws, the notice shall also state the purpose or purposes for which the meeting is called. No business shall be transacted at a special meeting except as stated in the notice.

Such notice shall be delivered by such means as permitted under Section 10.5, at least 10 but not more than 50 days before the date of such meeting.

2.5. Waiver of Notice.

Waiver of notice of an Association meeting shall be deemed the equivalent of proper notice. Any Member may waive, in writing, notice of any Association meeting, either before or after such meeting. A Member's attendance at a meeting shall be deemed a waiver by such Member of notice of the time, date, and place of the meeting, unless the Member specifically objects to lack of proper notice 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.

2.6. Adjournment of Meetings.

If any Association meeting cannot be held because a quorum is not present, the Members entitled to cast a majority of the votes present at such meeting may adjourn the meeting to a time at least five but not more than 30 days from the scheduled date of the original meeting. 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 those in attendance at the original meeting do not fix a time and place for reconvening the meeting, or if for any reason a new date is fixed for reconvening the meeting after adjournment, the Board shall provide notice to the Members of the time and place for reconvening the meeting in the manner prescribed for regular meetings.

Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the departure of enough Members to leave less than a quo-

rum. However, Members entitled to cast at least a majority of the votes required to constitute a quorum must approve any action taken.

2.7. Voting.

Members shall have such voting rights as are set forth in the Charter, which voting rights provisions are specifically incorporated by this reference.

2.8. Proxies.

Any Member may cast the votes allocated to such Member's Unit either in person or by proxy, subject to the limitations of Georgia law and subject to any specific provision to the contrary in the Charter or these By-Laws. Every proxy shall be in writing, shall identify the Unit for which it is given, shall be signed by the Member or the Member's duly authorized attorney-in-fact, and shall be dated and filed with the Association's Secretary prior to the meeting for which it is to be effective. Unless the proxy specifically provided otherwise, 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 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.

A proxy is effective only for the specific meeting for which it was originally given, as such meeting lawfully may be adjourned and reconvened, and automatically expires 90 days after the date of the meeting for which it was originally given. Every proxy is revocable at any time at the pleasure of the Member who executes the proxy.

2.9. Quorum.

Except as these By-Laws or the Charter otherwise provide, the presence of Owners entitled to cast 20% of the total votes in the Association and the Founder Member shall constitute a quorum at all Association meetings and the vote of Owners entitled to cast a majority of the total eligible votes cast shall constitute the action of the Membership. If any meeting cannot be held because a quorum is not obtained, the meeting may be rescheduled for another time within 60 days of the original date and the quorum requirement for such meeting shall be reduced to 10% of the total votes in the Association and the Founder Member.

2.10. Conduct of Meetings.

The President or a Board-approved designee shall preside over all Association meetings. The Secretary shall ensure that minutes of the meetings are kept and that all resolutions adopted and all other transactions occurring at such meetings are kept with the Association's books.

2.11. Action Without a Meeting.

Any action which the Charter, the Articles, or Georgia law require to be taken at a meeting of the Members may be taken without a meeting, without prior notice, and without a vote if approved in writing by Members entitled to cast at least the minimum number of votes in the Association necessary to authorize such action at a meeting, if all Members entitled to vote were present and voted. Such approval shall be evidenced by one or more written consents specifically authorizing the proposed action, dated and signed

by Members holding the requisite votes. The Association need not give prior notice before soliciting such consent; however, the Association must send written consent forms to all Members for any action authorized pursuant to this section to be valid. Members shall sign, date, and deliver such consents to the Association within 60 days after the Association's receipt of the earliest dated consent. The Association's Secretary shall file (or cause to be filed) such consents with the Association's minutes and the consents shall have the same force and effect as a vote of the Members at a meeting.

Article 3
Board of Directors: Selection, Meetings, Powers

A. Composition and Selection.

3.1. Governing Body; Qualifications.

The Board shall govern the Association's affairs. Each director shall have one vote. Except with respect to directors appointed by the Founder Member, directors shall be Owners or residents. However, no Owner and resident representing the same Unit may serve on the Board at the same time. A "resident" shall be any natural person 18 years of age or older whose principal residence is a Unit within The River Club.

If an Owner is not an individual, any officer, director, partner, or any trust officer of such Owner shall be eligible to serve as a director unless a written notice to the Association signed by the Owner specifies otherwise. However, no Owner may have more than one such representative on the Board at a time except in the case of directors the Founder Member appoints.

3.2. Number of Directors.

The Board shall consist of three to seven directors, as provided in Section 3.3.

3.3. Selection of Directors; Term of Office.

(a) *Initial Board.* The initial Board shall consist of the three directors identified in the Articles of Incorporation, who shall serve until their successors are appointed or elected as provided in this Section.

(b) *Directors During Founder Control Period.* Except as otherwise provided in this subsection, the Founder Member may appoint, remove, and replace Board members until termination of the Founder Control Period. During such period, the Owners shall be entitled to elect a minority of the total number of directors according to the following schedule (directors elected by the Owners are referred to as "Owner Directors"):

(i) Within 60 days after the time that Owners other than Builders own 25% of the maximum number of Units permitted by the applicable zoning for the property described in the Master Plan or whenever the Founder Member earlier determines, the President shall call for an election by which the Owners shall be entitled to elect one of the three directors. The remaining directors shall be appointees of the Founder Member. The Owner Director shall be elected for a term of two years or until the happening of the event described in subsection (b)(ii) below, whichever is shorter. If such director's term ex-

pires prior to the happening of the event described in subsection (b)(ii), a successor shall be elected for a like term.

(ii) Within 60 days after the time that Owners other than Builders own 50% of the maximum number of Units permitted by the applicable zoning for the property described in the Master Plan or whenever the Founder Member earlier determines, the Board shall be increased to five directors and the President shall call for an election by which the Owners shall be entitled to elect two of the five directors. The Founder Member shall appoint the remaining three directors. The Owner Directors shall be elected for a term of two years or until the happening of the event described in subsection (c)(i) below, whichever is shorter. If such directors' terms expire prior to the happening of the event described in subsection (c)(i) below, successors shall be elected for a like term.

(c) Directors After the Founder Control Period.

(i) Not later than termination of the Founder Control Period, the Board shall be increased to seven directors. The President shall call for an election by which the Owners shall be entitled to elect six directors. Three directors shall be elected to serve until the second annual meeting following their election and three directors shall be elected to serve until the third annual meeting following their election, as such directors determine among themselves.

(ii) The Founder Member shall be entitled to appoint, remove, and replace the seventh director until termination of the Founder Membership, at which time the director appointed by the Founder Member shall resign. The remaining directors shall be entitled to appoint a successor to fill the vacancy until the next annual meeting, at which time the Owners shall be entitled to elect a successor who shall be elected for a term of two years.

(iii) Upon expiration of the term of office of each Owner Director, the Owners may elect a successor to serve a term of two years. Owner Directors shall hold office until their respective successors have been elected. Directors may serve any number of consecutive terms.

The diagram below illustrates the concept of transition of control of the Board during and after the Founder Control Period.

TRANSITION OF CONTROL OF BOARD OF DIRECTORS				
Initial Board	25% of Total Units Conveyed	50% of Total Units Conveyed	Termination of Founder Control Period	Termination of Founder Membership
Founder	Owner	Owner	Owner	Owner
Founder	Founder	Owner	Owner	Owner
Founder	Founder	Founder	Owner	Owner
		Founder	Owner	Owner
		Founder	Owner	Owner
			Owner	Owner
			Founder	Owner

3.4. Nomination and Election Procedures.

(a) *Nomination of Candidates.* At least 30 days prior to any election of directors by the Owners, the Board shall appoint a Nominating Committee consisting of a chairman, who shall be a Board member, and three or more Owners or representatives of Owners. The Nominating Committee shall serve a term of one year or until its successors are appointed. The names of the Nominating Committee members shall be announced in the notice of each election.

In preparation for each election, the Nominating Committee shall meet and make as many nominations for election to the Board as it shall in its discretion determine, but in no event less than the number of positions to be filled by the Owners at such election. In making its nominations, the Nominating Committee shall use reasonable efforts to nominate candidates representing the diversity that exists within the pool of potential candidates. Nominations shall also be permitted from the floor at the meeting at which any election is held. All candidates shall have a reasonable opportunity to communicate their qualifications to the Owners and to solicit votes.

(b) *Election Procedures.* At each election, voting shall be by written ballot. Each Owner may cast all votes assigned to the Units it represents for each position to be filled by the votes of Owners. In the discretion of the Board, any election may be held by mail or by electronic balloting via a community intranet, website, or other means, or any combination of methods by which Owners may conveniently cast their votes. Notice of any election by which ballots may be cast other than at a meeting shall be in writing, shall include a copy of the ballot, and shall state the deadline for casting of ballots and the address to which ballots may be mailed or hand delivered. Such notice shall be given not less than 10 days prior to the deadline set for close of the balloting.

3.5. Removal of Directors and Vacancies.

Any Owner Director may be removed, with or without cause, by the vote of Owners holding a majority of the votes entitled to be cast for the election of such director. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a director by the Members, the Members entitled to elect the removed director shall elect a successor for the remainder of the term of such director.

At any meeting at which a quorum is present, a majority of the directors may remove any Owner Director who has three consecutive unexcused absences from Board meetings, or who is more than 30 days delinquent (or resides in a Unit owned by an Owner who is so delinquent) in the payment of any assessment or other charge due the Association. The Board may appoint a successor to fill the vacancy for the remainder of the term.

In the event of the death, disability, or resignation of an Owner Director, the Board may declare a vacancy and appoint a successor to fill the vacancy until the next annual meeting, at which time the Owners shall elect a successor for the remainder of the term.

This Section shall not apply to directors the Founder Member appoints. The Founder Member may appoint a successor to fill any vacancy on the Board resulting from the death, disability, or resignation of a director appointed by the Founder Member.

B. Meetings.

3.6. Organizational Meetings.

The Board shall hold an organizational meeting within 10 days following each annual Association meeting at such time and place as the Board shall fix.

3.7. Regular Meetings.

The Board shall hold regular meetings at such time and place as a majority of the directors shall determine, but the Board shall meet at least four times during each fiscal year with at least one meeting per quarter.

3.8. Special Meetings.

The President, Vice President, or any two directors may call a special meeting of the Board.

3.9. Notice; Waiver of Notice.

(a) Notices of Board meetings 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. The Board shall notify each director of meetings by: (i) personal delivery; (ii) first class mail, postage prepaid; (iii) telephone communication, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; or (iv) facsimile, electronic mail, or other electronic communication device, with confirmation of transmission. All such notices shall be given at or sent to the director's telephone number, fax number, electronic mail address, or sent to the director's address as shown on the Association's records. The Board shall deposit notices sent by first class mail into a United States mailbox at least five business days before the day of the meeting. The Board shall give notices by personal delivery, telephone, or electronic communication at least 72 hours before the time set for the meeting.

(b) The Board shall notify the Members of each Board meeting by either: (i) posting notice of the meeting in a conspicuous place in The River Club at least 48 hours in advance of the meeting; (ii) publication of a schedule of the Board meetings in a newspaper, newsletter, on a community intranet or website, or by similar means at least 7 days prior to the meeting; or (iii) mailing notice of the meeting to each Member.

(c) Transactions of any Board meeting, 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 (i) a quorum is present, and (ii) either before or after the meeting each director 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 director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

3.10. Telephonic Participation in Meetings.

Members of the Board or any committee the Board designates may participate in a Board or committee meeting by conference telephone or similar communications equipment through which all persons

participating in the meeting can hear each other. Participation in a meeting pursuant to this section shall constitute presence at such meeting.

3.11. Quorum of Board.

At all Board meetings, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the Board's decision, unless Georgia law, these By-Laws, or the Charter specifically provide otherwise. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the departure of directors, if at least a majority of the required quorum for that meeting approves any action taken. If the Board cannot hold a meeting because a quorum is not present, a majority of the directors present may adjourn the meeting to a time not less than five nor more than 30 days from the date of the original meeting. At the reconvened meeting, if a quorum is present the Board may transact, without further notice, any business it might have transacted at the original meeting.

3.12. Conduct of Meetings.

The President or any designee the Board approves by resolution shall preside over all Board meetings. The Secretary shall ensure that minutes of the meetings are kept and that all resolutions and all transactions occurring at such meetings are included in the Association's records.

3.13. Open Meetings; Executive Session.

(a) Subject to the provisions of subsection 3.13(b) and Section 3.14, all Board meetings shall be open to all Members, but only directors may participate in any discussion or deliberation unless a director requests that attendees be granted permission to speak. In such case, the President may limit the time any such individual may speak.

(b) Notwithstanding the above, the President may adjourn any Board meeting and reconvene in executive session, and may exclude persons other than directors, to discuss matters of a sensitive nature, such as proposed, pending, or threatened litigation, or other matters specified by law.

3.14. Action Without a Formal Meeting.

Any action to be taken or which may be taken at a Board meeting may be taken without a meeting if the directors sign a written consent, setting forth the action so taken. Such consent shall have the same force and effect as a unanimous vote.

C. Powers and Duties.

3.15. Powers.

The Board shall have the power to administer the Association's affairs, perform the Association's responsibilities, and exercise the Association's rights as set forth in the Governing Documents and as provided by law. The Board may do or cause to be done on the Association's behalf all acts and things except those which the Governing Documents or Georgia law require to be done and exercised exclusively by the Members.

3.16. Duties.

The Board's duties shall include, without limitation:

- (a) preparing and adopting, in accordance with the Charter, an annual budget establishing each Owner's share of the Common Expenses and any Limited Common Expenses;
- (b) levying and collecting assessments from the Owners;
- (c) providing for the operation, care, upkeep, and maintenance of the Area of Common Responsibility consistent with the Community-Wide Standard;
- (d) designating, hiring, and dismissing personnel necessary to carry out the Association's rights and responsibilities and where appropriate, providing for 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) opening bank accounts on the Association's behalf and designating the signatories required;
- (f) depositing all funds received on the Association's behalf in a bank depository which it shall approve and using such funds to operate the Association; however, in the Board's business judgment any reserve funds may be deposited in depositories other than banks;
- (g) making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Area in accordance with the Governing Documents;
- (h) 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; however, the Association's obligation in this regard shall be conditioned in the manner provided in the Charter;
- (i) obtaining and carrying property and liability insurance and fidelity bonds, as provided in the Charter, paying the cost thereof, and filing and adjusting claims, as appropriate;
- (j) paying the cost of all services rendered to the Association;
- (k) keeping a detailed accounting of the Association's receipts and expenditures;
- (l) making available to any prospective purchaser of a Unit, any Owner, and the holders, insurers, and guarantors of any Mortgage on any Unit, current copies of the Governing Documents and all other books, records, and financial statements of the Association as provided in Section 10; and
- (m) indemnifying a director, officer or committee member, or former director, officer or committee member of the Association to the extent such indemnity is required by Georgia law, the Articles and these By-Laws.

3.17. Conflicts of Interest.

Unless otherwise approved by a majority of the other directors, no Owner Director may transact business with the Association or any Association contractor during his or her term as director or within two

years after the term expires. A director shall promptly disclose in writing to the Board any actual or potential conflict of interest affecting the directors relative to his or her performance as a director. A director's failure to make such disclosure shall be grounds for removal by a majority vote of the other Board members.

Notwithstanding the above, directors appointed by the Founder Member may be employed by or otherwise transact business with the Founder or Founder Affiliates, and the Founder may transact business with the Association or its contractors.

Article 4 Transition from Founder to Owner Control

4.1. Transition Process.

Transition is a process by which control of the Board gradually shifts from the Founder to the Owners, as described in Section 3.3. The process concludes upon termination of the Founder Control Period, when the Owners will elect a majority of the directors. At that time, the Owners, through their newly-elected Board, will take responsibility for fulfilling the Association's responsibilities and exercising the Association's authority under the Governing Documents.

4.2. Education and Communication.

In anticipation of termination of the Founder Control Period, the Founder Member shall communicate with the Owners regarding the transition process, the anticipated timeline for transition, what to expect during and after the transition, and opportunities for Owner participation. Such communication shall be in writing and through one or more "town hall" meetings at which Owners have the opportunity to ask and obtain answers to questions in order to gain a better understanding of the transition process.

4.3. Transition Committee.

(a) *Appointment; Purpose.* At least six months prior to termination of the Founder Control Period, the Founder Member shall establish a Transition Committee comprised of 5 to 7 members, all of whom shall be Owners. The purpose of the Transition Committee shall be (i) to involve the Owners in facilitating a smooth transition of control of the Board from directors appointed by the Founder Member to directors elected by the Owners, and (ii) to help prepare the Board and the Owners to assume responsibility for carrying on Association operations once the Founder and its representatives are no longer directly involved.

(b) *Organizational Meeting.* The Founder shall call for a meeting of the Transition Committee within 30 days after its appointment. At such meeting, the Founder shall explain the transition process, advise the Transition Committee of its responsibilities, and facilitate the election of a chairperson from among the members of the Transition Committee. The Transition Committee shall establish a meeting schedule and a schedule for completing necessary tasks prior to the termination of the Founder Control Period. It may appoint such subcommittees as it deems appropriate to assist it in performing its responsibilities. Each subcommittee shall be chaired by a member of the Transition Committee and shall consist of at least two Owners.

(c) *Responsibilities.* The Transition Committee, with the assistance of such subcommittees as it may appoint pursuant to subsection (b), shall conduct a review and analysis of Association properties, facilities, records, and operations to familiarize itself with the history and status of such matters and make recommendations as to matters requiring future action. It shall prepare a report setting forth its findings and recommendations for distribution to the Owners and presentation to the newly-elected Board upon termination of the Founder Control Period. The Board will use such report to assist in understanding the scope of its responsibilities and as a planning tool. Specific areas to be addressed in the report shall include:

(i) the condition of Association property and facilities, identifying any immediate maintenance, repairs, or improvements needed and suggesting a proposed schedule for short and long-term maintenance, repairs, and replacements;

(ii) the financial condition of the Association, including the status of any outstanding accounts receivable and actions being taken to collect them, the adequacy of the Association's budgets and sufficiency of reserves, and the status of the Association's tax filings, tax liability, if any, and tax reporting responsibilities;

(iii) the nature and extent of insurance policies which the Association is required to maintain, the adequacy of current coverage and limits, renewal dates for all insurance policies, and the status of any pending insurance claims; and

(iv) the status of Association records and legal matters, identifying all existing contracts, permits, licenses, and warranties, if any, noting their expiration dates and making any recommendations as to their renewal; reporting on the status of title to all Common Areas; reporting on the status of any pending lawsuits; and making recommendations as to any proposed changes or amendments to the Governing Documents that the Transition Committee feels are appropriate or advisable.

(d) *Communication.* The Transition Committee shall report to the Board at least monthly on the status of its work.

(e) *Board Action.* Upon termination of the Founder Control Period and election of a new Board pursuant to Section 3.3(c), the Board shall review the Transition Committee's report and meet with the Transition Committee to discuss the Committee's findings and recommendations. It shall then use the Transition Committee's report as a planning tool in carrying out its responsibilities under the Governing Documents.

4.4. Professional Assistance.

The Board may, as a Common Expense, retain industry professionals, including association managers, attorneys, engineers, and accountants, as it deems necessary or appropriate to assist the Board in preparing for transition and to assist the Transition Committee in conducting its review.

**Article 5
Officers**

5.1. Officers.

The Association's officers shall be a President, Vice President, Secretary, and Treasurer. The President and Secretary shall be elected from among the Board members; other officers may, but need not, be Board members. The Board may appoint such other officers, including one or more Assistant Secretaries and Assistant Treasurers, as it shall deem desirable, such officers to have such authority and perform such duties as the Board prescribes. Any individual may hold two or more offices, except the offices of President and Secretary.

5.2. Election and Term of Office.

The Board shall elect the Association's officers at the first Board meeting following each annual meeting of the Association, to serve until their successors are elected.

5.3. Removal and Vacancies.

The Board may remove any officer whenever in its judgment the Association's best interests will be served, and may fill any vacancy in any office arising because of death, resignation, removal, or otherwise, for the unexpired portion of the term.

5.4. Powers and Duties.

The Association's officers shall have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as the Board may specifically confer or impose. The President shall be the Association's chief executive officer. The Treasurer shall have primary responsibility for preparing the Association's budgets as provided for in the Charter, and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

5.5. Resignation.

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 the receipt of such notice or at a later time specified therein. Unless the resignation specifies, acceptance of such resignation shall not be necessary to make it effective.

**Article 6
Committees**

6.1. General.

In addition to the Transition Committee appointed pursuant to Article 4, the Board may appoint such other committees as it deems appropriate to perform such tasks and to serve for such periods as the Board may designate by resolution. Each committee shall operate in accordance with the terms of such resolution.

6.2. Covenants Committee.

In addition to any other committees that the Board may establish pursuant to Section 6.1, the Board may appoint a Covenants Committee consisting of at least three and no more than seven Owners who shall not be officers, directors, or employees of the Association, or the spouse, parent, sibling, or child of any officer, director, or employee. Acting in accordance with the provisions of the Charter, these By-Laws, and resolutions the Board may adopt, the Covenants Committee, if established, shall be the hearing tribunal of the Association and shall conduct all hearings held pursuant to Article 9 of these By-Laws. The Covenants Committee shall have no responsibility for seeking out violations of the Governing Documents.

Article 7

Standards of Conduct; Liability and Indemnification

7.1. Standards for Directors and Officers.

The Board shall exercise its powers in a reasonable, fair, nondiscriminatory manner and shall adhere to the procedures established in the Governing Documents.

In performing their duties, directors and officers shall act as fiduciaries and shall be insulated from liability as provided for directors of corporations under Georgia law and as otherwise provided by the Governing Documents. Directors and officers shall discharge their duties as directors or officers, and as members of any committee to which they are appointed, in a manner that the director or officer believes in good faith to be in the best interest of the corporation and with the care that an ordinarily prudent person in a like position would exercise under similar circumstances. A director is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, prepared or presented by others to the extent authorized under Georgia law.

7.2. Liability.

(a) A director or officer shall not be personally liable to the Association, any Member, or any other Person for any action taken or not taken as a director or officer if he or she has acted in accordance with Section 7.1.

(b) Pursuant to the business judgment rule, a director also shall not be personally liable for any action taken or not taken as a director if the director:

(i) acts within the expressed or implied scope of the Governing Documents and his or her actions are not *ultra vires*;

(ii) affirmatively undertakes to make decisions which are necessary for the Association's continued and successful operation and, when decisions are made, makes them on an informed basis;

(iii) acts on a disinterested basis, promptly disclosing any real or potential conflict of interests (pecuniary or other), and avoiding participation in decisions and actions on matters as to which he has a conflict of interest (beyond that which all directors have by virtue of their ownership or occupancy of a Unit); and

(iv) acts in a non-fraudulent manner and without reckless indifference to the Association's affairs.

(c) The Association's officers, directors, and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made or action taken in good faith on the Association's behalf (except to the extent that such officers or directors may also be Members).

7.3. Indemnification.

Subject to the limitations of Georgia law, the Association shall indemnify every officer, director, and committee member against all damages and expenses, including counsel fees and expenses, reasonably incurred in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board) to which he or she may be a party by reason of being or having been an officer, director, or committee member, except that the Association shall have no obligation to indemnify any individual against liability or expenses incurred in connection with a proceeding:

(a) brought by or in the right of the Association, although it may reimburse the individual for reasonable expenses incurred in connection with the proceeding if it is determined, by the court or in the manner provided above, that the individual met the relevant standard of conduct under Georgia law; or

(b) to the extent that the individual is adjudged liable for conduct that constitutes:

(i) appropriation, in violation of his or her duties, of any business opportunity of the Association; or

(ii) intentional misconduct or knowing violation of the law; or

(iii) an unlawful distribution to members, directors or officers; or

(iv) receipt of an improper personal benefit.

This right to indemnification shall not be exclusive of any other rights to which any present or former officer, director, or committee member may be entitled. The Association shall, as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

7.4. Advancement of Expenses.

In accordance with the procedures and subject to the conditions and limitations set forth in Georgia law, the Board may authorize the Association to advance funds to pay for or reimburse the reasonable expenses incurred by a present or former officer, director or committee member in any proceeding to which he or she may be a party by reason of being or having been an officer, director, or committee member of the Association.

7.5. Board and Officer Training.

The Board may conduct or provide for seminars and continuing educational opportunities designed to educate and inform its officers and directors of their responsibilities as officers and directors. Such programs may include instruction on applicable Georgia corporate and fiduciary law principles, other issues relating to administering community affairs, and upholding and enforcing the Governing Documents. The Board may retain industry professionals, which may include property managers, attorneys, and accountants, as appropriate or necessary for such purpose. Each newly elected officer and director shall be encouraged to complete a training seminar within the first six months of assuming such position. The seminar may be live, video or audiotape, or in other format, as the Board may approve. The cost of such seminar shall be a Common Expense.

The Board also may provide, or provide for, Owner and resident education designed to foster a better understanding of The River Club's governance and operations, and leadership training classes designed to educate Owners of the nomination, election, and voting processes and the duties and responsibilities of directors and officers.

Article 8 Management and Accounting

8.1. Compensation of Directors and Officers.

The Association shall not compensate directors and officers for acting as such unless Owners entitled to cast a majority of the total votes in the Association approve such compensation at an Association meeting. The Association may reimburse any director or officer for expenses he or she incurs on the Association's behalf upon approval of a majority of the other directors. Nothing herein shall prohibit the Association from compensating a director or officer, or any entity with which a director or officer is affiliated, for services or supplies he or she furnishes to the Association in a capacity other than as a director or officer pursuant to a contract or agreement with the Association. However, such director must make known his or her interest to the Board prior to entering into such contract, and a majority of the Board, excluding any interested director, must approve such contract.

8.2. Right of Founder Member to Disapprove Actions.

So long as there is a Founder Membership, the Founder Member shall have a right to disapprove any action, policy, or program of the Association, the Board and any committee which, in the Founder Member's sole judgment, would tend to impair rights of the Founder or Builders under the Charter or these By-Laws, interfere with development or construction of any portion of The River Club, or diminish the level of services the Association provides. The Board shall not implement any action, policy, or program subject to the right of disapproval set forth herein until and unless the requirements of this Section have been met.

(a) *Notice.* The Association shall give the Founder Member written notice of all meetings of the Membership, the Board, and committees and any actions that any of them propose to take by written consent in lieu of a meeting. The Association shall give such notice by certified mail, return receipt requested, or by personal delivery at the address the Founder Member has registered with the Association. Such notice shall comply as to Board meetings with Section 3.9, and shall, except in the case of regular

Board meetings pursuant to these By-Laws, set forth with reasonable particularity the agenda to be followed at such meeting.

(b) *Opportunity to be Heard.* At any such meeting, the Association shall give the Founder Member the opportunity to join in or to have its representatives or agents join in discussion from the floor of any prospective action, policy, or program which would be subject to the right of disapproval set forth herein.

The Founder Member, its representatives, or its agents shall make its concerns, thoughts, and suggestions known to the Board and/or the members of the subject committee. The Founder Member, acting through any officer or director, agent, or authorized representative, may exercise its right to disapprove at any time within 10 days following the meeting at which such action was proposed or, in the case of any action taken by written consent in lieu of a meeting, at any time within 10 days following receipt of written notice of the proposed action.

The Founder Member may use this right to disapprove to block proposed actions but shall not use it to require any action or counteraction of any committee, the Board, or the Association. The Founder Member shall not use its right to disapprove to reduce the level of services the Association is obligated to provide or to prevent capital repairs or any expenditure required to comply with applicable laws and regulations.

8.3. *Managing Agent.*

The Board may employ for the Association professional management agents at such compensation as the Board may establish, to perform such duties and services as the Board shall authorize. The Board may delegate such powers as are necessary to perform the manager's assigned duties but shall not delegate policy-making authority or ultimate responsibility for those duties set forth in Section 3.16. The Board may employ the Founder or Founder Affiliates as managing agent or manager.

The Board may delegate to one of its members the authority to act on its behalf on all matters relating to the duties of the managing agent or manager that might arise between Board meetings.

The Association shall not be bound, either directly or indirectly, by any management contract executed during the Founder Control Period unless such contract contains a right of termination that the Association may exercise, with or without cause and without penalty, at any time after termination of the Founder Control Period upon not more than 90 days' written notice.

The managing agent shall not accept remuneration 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 thing of value received shall benefit the Association. The managing agent shall promptly disclose to the Board any financial or other interest that it may have in any firm providing goods or services to the Association.

8.4. *Accounts and Reports.*

(a) The Board shall follow the following accounting standards unless the Board by resolution specifically determines otherwise:

(i) accounting and controls should conform to generally accepted accounting principles; and

(ii) the Association's cash accounts shall not be commingled with any other accounts, and during the Founder Control Period, operating accounts shall not be commingled with reserve accounts;

(b) Commencing at the end of the quarter in which the first Unit is sold and closed, financial reports shall be prepared for the Association within 60 days after the end of each quarter:

(i) an income statement reflecting all income and expense activity for the preceding period;

(ii) a statement reflecting all cash receipts and disbursements for the preceding period;

(iii) a variance report reflecting the status of all accounts in an "actual" versus "approved" budget format;

(iv) a balance sheet as of the last day of the preceding period; and

(v) a delinquency report listing all Owners who are delinquent in paying any assessments at the time of the report (any assessment or installment thereof shall be considered to be delinquent on the 15th day following the due date unless the Board specifies otherwise by resolution). A copy of the quarterly financial report shall be made available at no charge to any Member requesting a copy.

(c) An annual report consisting of at least the following shall be made available for Members' review within 180 days after the close of the fiscal year: (i) a balance sheet; (ii) an operating (income) statement; and (iii) a statement of changes in financial position for the fiscal year. Such annual report shall be prepared on an audited, reviewed, or compiled basis, as the Board determines.

8.5. Borrowing.

The Association shall have the power to borrow money for any legal purpose. However, the Board shall obtain Membership approval in the same manner provided in the Charter for Special Assessments 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 12-month period, exceeds or would exceed 20% of the Association's budgeted gross expenses for that fiscal year.

8.6. 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, condominiums, cooperatives, or Neighborhood and other owners or residents associations, within and outside The River Club.

8.7. Agreements, Contracts, Deeds, Leases, Checks, Etc.

All Association agreements, contracts, deeds, leases, checks, and other instruments shall be executed by at least two officers or by such other person or persons as the Board may designate by resolution.

**Article 9
Enforcement Procedures**

The Association shall have the power, as provided in the Charter, to impose sanctions for any violation of the Governing Documents. To the extent specifically required by the Charter, the Board shall comply with the following procedures prior to imposition of sanctions:

9.1. Notice and Response.

The Board or its delegate shall serve the alleged violator with written notice describing (a) the nature of the alleged violation, (b) the proposed sanction to be imposed, (c) the alleged violator shall have 14 days to present a written request for a hearing before the Covenants Committee appointed pursuant to Article 6; and (d) a statement that the proposed sanction may be imposed as contained in the notice unless a hearing is requested within 14 days of the notice.

The alleged violator shall respond to the notice of the alleged violation in writing within such 14-day period, regardless of whether the alleged violator is challenging the imposition of the proposed sanction. If the alleged violator cures the alleged violation and notifies the Board in writing within such 14-day period the Board may, but shall not be obligated to, waive the sanction. Such waiver shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Person. If a timely request for a hearing is not made, the sanction stated in the notice shall be imposed; provided the Board or Covenants Committee may, but shall not be obligated to, suspend any proposed sanction if the violation is cured within the 14-day period.

Prior to the effectiveness of sanctions imposed pursuant to this Article, proof of proper notice shall be placed in the minutes of the Board or Covenants Committee, as applicable. 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, director, or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator or its representative requests and appears at the hearing.

9.2. Hearing.

If a hearing is requested within the allotted 14-day period, the hearing shall be held before the Covenants Committee. The alleged violator shall be afforded a reasonable opportunity to be heard. The minutes of the meetings of the Covenants Committee shall contain a written statement of the results of the hearing (i.e., the Committee's decision) and the sanction, if any, to be imposed.

9.3. Appeal.

Following a hearing before the Covenants Committee, the violator shall have the right to appeal the decision to the Board. To exercise this right, the violator must deliver a written notice of appeal to the Association's manager, President, or Secretary within 10 days after the hearing date.

Article 10
Miscellaneous

10.1. Fiscal Year.

The Association's fiscal year shall be the calendar year unless the Board establishes a different fiscal year by resolution.

10.2. Parliamentary Rules.

Except as may be modified by Board resolution, *Robert's Rules of Order* (current edition) shall govern the conduct of Association proceedings when not in conflict with Georgia law or the Governing Documents.

10.3. Conflicts.

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

10.4. Books and Records.

(a) *Turnover of Books and Records.* Within 90 days after termination of the Founder Control Period, the Founder shall deliver to the Association all personal property, books, and records of the Association.

(b) *Inspection by Members and Mortgagees.* The Board shall make available for inspection and copying by any holder, insurer or guarantor of a first Mortgage on a Unit, 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 Unit: the Governing Documents, the membership register, books of account, the minutes of meetings of the Members, the Board, and committees, and any other records as required by Georgia law. The Board shall provide for such inspection to take place within 10 business days after receipt of a written request for access at the Association's office or at such other place within The River Club as the Board shall designate.

(c) *Rules for Inspection.* The Board shall establish rules with respect to:

- (i) the frequency and manner of inspection; and
- (ii) hours and days of the week when such an inspection may be made; and
- (iii) payment of the cost of reproducing documents requested.

(d) *Inspection by Directors.* Every director shall have the absolute right at any reasonable time to inspect all Association books, records, and documents and the physical properties owned or con-

trolled by the Association. A director's right of inspection includes the right to make a copy of relevant documents at the Association's expense.

10.5. Notices.

(a) *Form of Notice and Method of Delivery.* Except as otherwise provided in the Charter or these By-Laws or by Georgia law, all notices, demands, bills, statements, or other communications under the Charter or these By-Laws shall be in writing and may be delivered in person, by United States mail, by private carrier, or if the intended recipient has given its prior written authorization to use such method of delivery, by facsimile or electronic mail with written confirmation of transmission.

(b) *Delivery Address.* Notices shall be delivered or sent to the intended recipient as follows:

(i) if to an Owner, at the address, telephone facsimile number, or e-mail 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 Unit of such Owner;

(ii) if to the Association, the Board, or a committee of either, at the address, facsimile number, or e-mail address of the principal office of the Association or its managing agent, or at such other address as the Association shall designate by notice in writing to the Members pursuant to this Section; or

(iii) if to the Founder, at the Founder's principal address as it appears on the Secretary of State's records, or at such other address as the Founder shall designate by notice in writing to the Association pursuant to this Section.

(c) *Effective Date.* Notice sent in accordance with subsections (a) and (b) shall be deemed to have been duly given and effective:

(i) if sent by United States mail, when deposited with the U. S. Postal Service, correctly addressed, with first class or higher priority postage prepaid;

(ii) if delivered personally or by private carrier, when actually delivered to the address of the intended recipient, as evidenced by the signature of the person at such address who accepts such delivery; or

(iii) if sent by telephone facsimile or electronic mail, upon transmission, as evidenced by a printed confirmation of transmission.

10.6. Amendment.

(a) *By Founder Member.* Prior to termination of the Founder Control Period, the Founder Member may unilaterally amend these By-Laws. Thereafter, the Founder Member 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 or regulation, or judicial determination; (ii) to enable any reputable title insurance company to issue title insurance coverage on the Units; or (iii) to enable any institutional or governmental lender, purchaser, insurer, or guarantor of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to make, purchase, insure, or guarantee mortgage loans on the Units. So long as there is a Founder Member, the Founder Member may unilaterally amend these By-Laws for any other purpose,

Member, the Founder Member may unilaterally amend these By-Laws for any other purpose, provided the amendment has no material adverse effect upon any Member's right, subject to the approval requirements in Chapter 16 of the Charter, if applicable.

(b) *By Members Generally.* Except as provided above, these By-Laws may be amended only by the affirmative vote or written consent, or any combination thereof, of Owners entitled to cast at least 67% of the total votes in the Association, and the consent of the Founder Member, if such exists. 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.

(c) *Validity and Effective Date of Amendments.* Amendments to these By-Laws shall become effective upon recordation unless a later effective date is specified therein. Any procedural challenge to an amendment must be made within six 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 Founder or the Founder Member without the written consent of Founder, the Founder Member, or the assignee of such right or privilege.

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CLERK SUPERIOR COURT
GWINNETT COUNTY, GA.

03 OCT 14 AM 11:21

TOM LAWLER, CLERK

Upon recording, please return to:
ROCHESTER & ASSOC. INC
425 OAK ST.
CONYERSVILLE, GA. 30501

CROSS-REFERENCE TO:
COMMUNITY CHARTER RECORDED
AT DEED BOOK 29055, PAGE 108, GWINNETT
COUNTY, GEORGIA RECORDS

STATE OF GEORGIA
COUNTY OF GWINNETT

AMENDMENT TO COMMUNITY CHARTER FOR THE RIVER CLUB

THIS AMENDMENT TO COMMUNITY CHARTER FOR THE RIVER CLUB (herein the "Amendment") is made and entered into as of this 2nd day of October, 2003, by CRESCENT RIVER, LLC, a Georgia limited liability company (the "Founder").

BACKGROUND STATEMENT

On September 25, 2002, Founder executed that certain Community Charter for the River Club, which was recorded on October 4, 2002 in Deed Book 29055, Page 108, et. seq., in the Office of the Clerk of the Superior Court of Gwinnett County, Georgia (the "Charter").

Pursuant to Section 21.2(a) of the Charter, Founder has the unilateral right to amend the Charter for certain purposes, including, without limitation, the right to combine Units (as defined in Section 3.1 of the Charter) as more particularly set forth in Section 7.1(e) of the Charter.

From time to time, Founder may, in its sole and absolute discretion, combine subdivision lots in connection with the development of the Community so as to allow future owners of property within the Community to build single residences on combined lots within the Community. It is Founder's intention to designate all such combined lots within the Community by either recording (or re-recording, as the case may be) a subdivision plat inclusive of such combined lots, and to designate such combined lots on a notation within the plat indicating the former lot numbers which have been combined into one lot. All such combined lots shall be referred to herein as a "Combined Unit" and the notation set forth in the plat is herein referred to as a "Combined Unit Plat Designation".

It is the intent of Founder that each Combined Unit shall be subject to all assessments rendered under the terms of the Charter based on the number of subdivision lots from which the Combined Unit derived.

NOW, THEREFORE, Chapter 12 of the Charter is hereby amended to provide that, notwithstanding anything contained in the Charter to the contrary, all assessments against each Combined Unit within the Community shall be multiplied by the number of lots from which the Combined Unit derived, all as indicated on the Combined Unit Plat Designation. By way of example, in the event a Combined Unit has been derived from two separate lots as set forth in the Combined Unit Plat Designation, all assessments with regard to a typical Unit shall be doubled for any Combined Unit under the terms of Chapter 12 of the Charter. By way of further example, in the event a Combined Unit is the derivation of one lot and one half of an adjoining lot (as designated on the Combined Unit Plat Designation), such Combined Unit shall be subject to assessments equal to one and one-half times the assessments for a typical Unit under the terms of the Chapter 12 of the Charter.

Other than as set forth in the preceding sentence, all such Combined Units shall be treated as one Unit for all other purposes under the terms of the Charter.

Except as modified hereby, each and every term and provision of the Charter shall remain unaffected.

IN WITNESS WHEREOF, Founder has set its hand and seal this 2nd day of October, 2003.

FOUNDER:

CRESCENT RIVER, LLC, a Georgia limited liability company

By: CRESCENT RESOURCES, LLC, its sole member

By: Roy E. Parrish III (SEAL)

Name: Roy E. Parrish III

Title: V. P. Sales and Marketing

Signed, sealed and delivered in the presence of:

Susan Shepley
Witness

Carol A. Smith
Notary Public

My Commission Expires: 1-16-2005

[NOTARY PUBLIC]



BK49561 PG0201

FILED AND RECORDED
CLERK SUPERIOR COURT
GWINNETT COUNTY GA

09 JUN 26 AM 8:00

TOM LAWLER, CLERK

Return to: *mail* Weissman, Nowack, Curry & Wilco, P.C.
One Alliance Center, 4th Floor
3500 Lenox Road
Atlanta, GA 30326
Attn: George E. Nowack, Jr.

STATE OF GEORGIA
COUNTY OF GWINNETT

Cross Reference: Deed Book 29055
Page 108

AMENDMENT TO BY-LAWS OF THE RIVER CLUB COMMUNITY ASSOCIATION, INC.

THIS AMENDMENT TO THE BY-LAWS OF THE RIVER CLUB COMMUNITY ASSOCIATION, INC. (herein the "Amendment") is made and entered into as of this 22nd day of June, 2009.

WHEREAS, on September 25, 2002, Founder executed that certain Community Charter for the River Club, which was recorded on October 4, 2002 in Deed Book 29055, Page 108, et. seq., in the Office of the Clerk of the Superior Court of Gwinnett County, Georgia, as amended or supplemented (the "Charter"); and

WHEREAS, Exhibit D of the Charter is the By-Laws of The River Club Community Association, Inc.; and

WHEREAS, Article 10, Section 10.06(b) of the By-Laws authorizes the amendment of the By-Laws by the affirmative vote or written consent, or any combination thereof, of Owners entitled to cast at least 67% of the total votes in the Association, and the consent of the Founder Member, if one exists; and

WHEREAS, this Amendment was adopted by the requisite members and the Founder Member;

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NOW, THEREFORE, Article 9 of the By-Laws is amended by adding the following Section 9.4:

9.4 Sanctions for violations of Chapter 5 of the Charter and Design Guidelines

Except as provided in Section (c), Article 9, Sections 9.1, 9.2, and 9.3 shall not apply to violations of Chapter 5 of the Charter, or violations of the Design Guidelines. All such violations shall be subject to the following:

(a) The Board or its designee shall present the alleged violator a written demand ("Notice"), by certified mail, to cease and desist from the alleged violation. The Notice shall specify the alleged violation, the action required to abate the violation, and a time period during which the violation may be abated without sanction.

(b) If the Owner fails to abate the violation within the prescribed time or if the Owner violates the same restriction during the 12 month period from the date of the Notice, the Board shall have the authority to assess fines as follows:

- (i) Sanction for failure to obtain written approval.

In the event an Owner commences any architectural change prior to obtaining the written approval of the Design Review Committee as required by Chapter 5 of the Charter, the Board or its designee shall send a letter, by certified mail, to the Owner informing him/her that a fine in the amount of \$50.00 per day shall be imposed until the Owner applies for and obtains the written approval of the Design Review Committee.

- (ii) Sanction for failure to remove an unapproved Improvement.

In the event an Owner fails to remove an unapproved Improvement in accordance with the Notice during the time in which the violation could be abated without sanction, unless an appeal of the disapproval of its application has been requested in accordance with Chapter 5, Section 5.3 (c) of the Charter, the Board or its designee shall send a letter to the Owner, by certified mail, informing her/him that a fine of \$50.00 per day shall be imposed until the violation is cured. In the event the Owner has filed an appeal, no fine shall be imposed until the appeal has been heard and a decision rendered. If the appeal is denied, the fine shall commence on the date of the notice of the decision.

The imposition of a fine pursuant to this section shall be in addition to, and not in lieu of, the Board taking the actions authorized in Chapter 5, Section 8.4(b), or commencing legal action.

(c) Notwithstanding the provisions of Sections (a) and (b), if the Board determines an Owner's violation of any provision of Chapter 5 of the Charter or any provision of the Design Guidelines does or could create a danger to the health, safety, or welfare of any person or another person's property, then the Board may impose a fine and take action to abate the hazardous condition and shall not be required to provide the Notice prior to acting. The Board shall, within five (5) days of the date on which it abated the violation or imposed a fine, notify the Owner, in a letter sent by certified mail, of the action taken to abate the hazardous condition and the amount of the fine. The Owner shall be entitled to a hearing and appeal in accordance with Article 9, Section 9.2 and 9.3.

BK49561 PG0203

IN WITNESS WHEREOF, the undersigned officers of The River Club Community Association, Inc. hereby certify that the above amendment to the By-Laws was duly adopted by the requisite majority of the Membership. This amendment will become effective as of the date listed below.

This 22nd day of June, 2009.

THE RIVER CLUB COMMUNITY ASSOCIATION, INC.

By:

John L. Brown
President

Attest

Nancy B. Hall
Secretary

[CORPORATE SEAL]



Sworn to and subscribed to before me this 22nd day of June, 2009.

Arden
Witness

Kandice A. Hundle
Notary Public

[NOTARY SEAL]

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[Space Above Reserved for Recording]

Return to: NowackHoward, LLC
Resurgens Plaza, Suite 1250
945 East Paces Ferry Rd, NE
Atlanta, GA 30326

STATE OF GEORGIA
COUNTY OF GWINNETT

Cross Reference: Deed Book 29055
Page 108

Deed Book 49561
Page 201

SCRIVENER'S AFFIDAVIT

Personally appeared before me, the undersigned deponent, George E. Nowack, Jr. who, being duly sworn, deposes and says as follows:

1. THAT, I am George E. Nowack, Jr. I am an attorney with NowackHoward, LLC, of legal age, under no legal disability and make this affidavit based upon my personal knowledge and I authorize its use for any and all purposes allowed by Georgia law.
2. THAT, while employed by the firm of Weissman, Nowack, Curry & Wilco, I prepared an Amendment to the Bylaws of the River Club Community Association, Inc. (the "Bylaws Amendment") recorded on June 26, 2009 ("Effective Date") in Deed Book 49561, Page 201, Gwinnett County, Georgia records; and
3. THAT, at the time of the Bylaws Amendment, the Founder Member possessed authority to unilaterally amend the Bylaws pursuant to Article 10, Section 10.6(a) of the Charter and amended the Bylaws through such authority without a vote of the Association membership;
4. THAT, through inadvertence and oversight, the second and third WHEREAS clauses of the Bylaws Amendment incorrectly state that the Association membership voted upon the Bylaws Amendment in accordance with Article 10, Section 10.06(b) of the Charter;
5. FURTHER THAT, through inadvertence and oversight, the signature page of the Bylaws Amendment also incorrectly states that the Bylaws Amendment was voted upon by the membership and contains the signature of the River Club Community Association, Inc.;

THAT, the oversight was recently discovered; and

6. It is requested that the following be substituted for the Second and Third "WHEREAS" paragraphs of the Bylaws Amendment, and that the signature page of the Founder Member, attached hereto as Exhibit "A", be added to the end thereof, as originally intended:

WHEREAS, Article 10, Section 10.6(a) of the By-Laws authorizes the Founder Member to unilaterally amend the Bylaws at any time prior to the termination of the Founder Control Period; and

WHEREAS, the Founder Control Period has not terminated and the Founder Member desires to amend the Bylaws as stated herein; and

7. THAT, from the date that the Bylaws Amendment was initially recorded in the Gwinnett County, Georgia records, the second and third WHEREAS paragraphs shall be deemed to be those stated above, and the signature page shall be deemed that of the Founder Member attached hereto as Exhibit "A".

This Scrivener's Affidavit is made this ____ day of _____, 2018.

DEPONENT: _____
George E. Nowack, Jr.

Sworn to and subscribed to before me
This ____ day of _____, 2018

Witness

Notary Public
My Commission Expires: _____

[NOTARY SEAL]

“EXHIBIT A”

IN WITNESS WHEREOF, Founder Member hereby approves the above amendment to the Bylaws as indicated by its signature hereto.

FOUNDER MEMBER:
RIVER CLUB INVESTORS, LLC, a Delaware limited liability Company

By: LRC MANAGERS, LLC, a Delaware limited liability company, Manager

Name: [Signature]

Title: AUTHORIZED SIGNATOR

[CORPORATE SEAL]

Sworn to and subscribed to before me
this 10 day of MAY, 2018.

Witness

Notary Public

[NOTARY SEAL]

