

**BYLAWS
OF
UNICOI SPRINGS OWNERS ASSOCIATION, INC.**

**Article I
General**

Section 1. **Applicability.** These Bylaws provide for the self-government of Unicoi Springs Owners Association, Inc., in accordance with the Articles of Incorporation filed with the Secretary of State and the Declaration of Covenants, Conditions and Restrictions for Unicoi Springs, recorded in Deed Book 6-J, page 467 etseq., White County, Georgia records, as amended (“Declaration”).

Section 2. **Name.** The name of the corporation is Unicoi Springs Owners Association, Inc., (“Association”).

Section 3. **Definitions.** The terms used herein shall have their generally accepted meanings or such meanings as are specified in Article I of the Declaration. In addition the following terms are added:

(a) A “Rental Unit” is defined as a towable dwelling structure owned by the Association. To use a Rental Unit the owner must pay the applicable charge per night rental fee plus the required portion of the owners “use period” which will be deducted from his/her monthly total.

Reason for Change – The present Bylaws did not acknowledge the existence of our Rental Units.

(b) “On/off Fees” are defined as the amount payable to Unicoi Springs Camp Resort, for use of the Association's vehicle by the Association's personnel, to move an owner's recreational vehicle, at the owner's request, from one location to another.

Reason for Change – The present Bylaws did not acknowledge that we have On/off Fees.

Section 4. **Membership.** An Owner of an Undivided Interest shall automatically become a member of the Association upon taking title to the Undivided Interest and shall remain a member for the entire period of ownership. If title to an Undivided Interest is held by more than one (1) Person, the membership shall be shared in the same proportion as the title, but there shall be only one (1) membership and one (1) vote per Undivided Interest. Membership does not include Persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the Owner's membership. Membership shall be appurtenant to the Undivided Interest and shall be transferred automatically by conveyance of that Undivided Interest and may be transferred only in connection with the transfer of title.

Section 5. **Entity Members.** In the event an Owner is a corporation, partnership, trust, or other legal entity not being a natural person or persons, then any natural person who is an officer, director, or other designated agent of such corporation, partner of such partnership, beneficiary or other designated agent of such trust, or manager of such other legal entity shall be eligible to represent such entity in the affairs of the Association. Such person's relationship with the Association shall terminate automatically upon the termination of such person's relationship with the entity which is the Owner, which will create a vacancy in any elected or appointed position within the Association in which such person may have been serving, to be filled by the Board.

Section 6. **Voting.** Each Undivided Interest shall be entitled to one equally weighted vote, which vote may be cast by the Owner as provided below. When more than one (1) Person owns an Undivided Interest, the vote for such Undivided Interest shall be exercised as they determine between or among themselves, but in no event shall more than one (1) vote be cast with respect to any Undivided Interest. If only one (1) co-owner attempts to cast the vote for an Undivided Interest, it shall be conclusively presumed that such co-owner is authorized on behalf of all co-owners to cast the vote for such Undivided Interest. In the event of disagreement among co-owners and an attempt by two (2) or more of them to cast such vote, such Persons shall not be recognized and such vote or votes shall not be counted. No Owner shall be eligible to vote, either in person or by proxy, or to be elected to the Board, if that Owner is shown on the books or management

accounts of the Association to be more than thirty (30) days delinquent in any payment due the Association or if the Owner has had its voting rights suspended for the infraction of any provision of the Declaration, these Bylaws, or any rule of the Association. If the voting rights of an Owner have been suspended, that Owner shall not be counted as an eligible vote for purposes of establishing a Majority or a quorum or for purposes of amending these Bylaws or the Declaration.

Section 7. Majority. As used in these Bylaws, the term “majority” shall mean those votes, Owners or other group as the context may indicate totaling more than fifty (50%) percent of the total number of eligible votes, Owners, or other group, respectively.

(a) **Membership Majority.** Unless otherwise specifically stated, in the context of a membership vote, the words “majority vote” mean more than fifty (50%) of those voting in person or by proxy. Except as otherwise specifically provided in the Declaration or these Bylaws, all decisions of the membership shall be by majority vote.

(b) **Board of Directors Majority.** Unless otherwise specifically stated, in the context of a vote of the Board of Directors, the words “majority vote” means more than fifty (50%) of all the Directors, not just a majority of those Directors voting at a Board meeting at which a quorum is present. For example, if there are seven (7) Directors, then a “majority vote” would require the vote of four (4) Directors. Except as otherwise specifically provided in the Declaration or these Bylaws, all decisions of the Board of Directors shall be by majority vote.

Reason for Change – The membership majority has remained the same. The Board of Directors Majority has changed from “majority of those present” to “majority of all seven (7) Directors.

Section 8. Purpose. The Association shall have the responsibility of administering the Property, establishing the means and methods of collecting the assessments, arranging for the management of the Property and performing all of the other acts that may be required to be performed by the Association pursuant to the Georgia Nonprofit Corporation Code and the Declaration. Except as to those matters which the Declaration, the Act of the Georgia Nonprofit Corporation Code specifically require to be performed by the vote of the Association membership, the administration of the foregoing responsibilities shall be performed by the Board of Directors as more particularly set forth below.

Section 9. Electronic Documents and Electronic Signatures

(a) **Electronic Documents.** Whenever these Bylaws require that a document, record or instrument be “written” or “in writing” the requirement is deemed satisfied by an Electronic Document.

(b) **Electronic Signatures.** Whenever these Bylaws require a signature, an Electronic Signature satisfies that requirement only if: (i) the signature is easily recognizable as a Secure Electronic Signature which is capable of verification, under the sole control of the signatory, and attached to the electronic document in such a way that the document cannot be modified without invalidating the signature; or (ii) the Board reasonably believes that the signatory affixed the signature with the intent to sign the Electronic Document, and that the Electronic Document has not been modified since the signature was affixed.

(c) **Verification and Liability for Falsification.** The Board may require reasonable verification of any Electronic Signature or Electronic Document. Pending verification, the Board may refuse to accept any Electronic Signature or Electronic Document that, in the Board's sole discretion, is not clearly authentic. Neither the Board nor the Association shall be liable to any Member or any other Person for accepting or acting in reliance upon an Electronic Signature or Electronic Document that the Board reasonably believes to be authentic. Any Member or Person who negligently, recklessly or intentionally submits any falsified Electronic Document or an unauthorized Electronic Signature shall fully indemnify the Association for actual damages, reasonable attorneys' fees and expenses incurred as a result of such.

Reason for Change - “Electronic Communications” improve the speed and efficiency of communications and reduce postage costs.

Article II.

Meetings of Members

Section 1. **Annual Meetings.** The regular annual meeting of the members shall be held during the month of September of each year with the date, hour, and place to be set by the Board of Directors.

Section 2. **Special Meetings.** Special meetings of the members may be called for any purpose at any time by the President, the Secretary, or by request of any two (2) or more Board members, or upon written petition of Owners holding **fifteen (15%)** percent of the Undivided Interests. Any such written petition by the Members must **identify the special meeting purpose on each page of the petition and must be for a purpose on which the Association membership is authorized to act under these Bylaws or the Declaration. Petitions for special meeting may only address one purpose per petition.** Any such written petition by the members must be submitted to the Association's Secretary, **with original signatures.** The Secretary shall then verify that the required number of members have joined in the petition and shall submit all proper petitions to the Association's President. The President shall then promptly call a special meeting for the purpose stated in the petition, and the Secretary shall send notice of the meeting in accordance with these Bylaws.

Reason for change – Having one subject per petition would help clarify the reason for the petition. Changing to 15% of the undivided interest rather than 25% is more realistic. It is felt that a single concern of approximately 330 members should be brought to the attention of the entire membership.

Section 3. **Notice of Meetings.** It shall be the duty of the Secretary to mail or deliver to each Owner of an Undivided Interest of record a notice of each annual or special meeting of the Association at least ten (10) days and not more than fifty (50) days prior to each meeting, excluding the date of the meeting. The notice shall state the purpose of any special meeting, as well as the time and place where it is to be held. The notice of an annual meeting shall state the time and place of the meeting. Each Owner shall register the Owner's **physical mailing address and, if available, electronic address** with the Secretary and notices shall be sent to such address. The mailing or delivering of a meeting notice as provided in this Section shall constitute proper service of notice.

Section 4. **Waiver of Notice.** Waiver of notice of a meeting of the Owners shall be deemed the equivalent of proper notice. Any Owner may, in writing, waive notice of any Association meeting, either before or after such meeting. Attendance at a meeting by an Owner, whether in person or represented by a proxy, shall be deemed waiver by such Owner of notice of the time, date and place thereof unless such Owner specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted at such meeting unless objection to lack of notice is raised before the business, of which proper notice was not given, is put to a vote.

Section 5. **Quorum.** Except as may be provided elsewhere, the presence, in person or by proxy at the beginning of the meeting (annual or special), of Owners entitled to cast one-tenth (1/10) of the eligible vote of the Association shall constitute a quorum. Once a quorum is established for a meeting, it shall conclusively be presumed to exist until the meeting is adjourned and shall not need to be reestablished. Owners whose voting right have been suspended pursuant hereto shall not be counted as eligible votes toward the quorum requirement.

Section 6. **Adjournment.** Any meeting of the Owners may be adjourned for periods not exceeding ten (10) days by vote of the Owners holding the Majority of the votes represented at such meeting, regardless of whether a quorum is present. Any business which could be transacted properly at the original session of the meeting may be transacted at a reconvened session, and no additional notice of such reconvened session shall be required.

Section 7. **Proxy.** Any member entitled to vote may do so by written proxy duly executed by the member setting forth the meeting at which the proxy is valid. To be valid, a proxy must be signed, dated, and filed with the Secretary prior to the opening of the meeting for which it is to be used. Proxies may be delivered to the Board by personal delivery, **electronic device**, U.S .mail or fax transmission. Proxies may be revoked only by written notice delivered to the Association, except that the presence in person by the proxy giver at a meeting for which the proxy is given shall automatically invalidate the proxy for that

meeting. A proxy holder may not appoint a substitute proxy holder unless expressly authorized to do so in the proxy. **Members whose voting rights have been suspended hereunder may not act as proxy for any other member.** .

Section 8. Action Taken Without a Meeting. In the Board's discretion, any action that may be taken by the Association members at any annual, regular, or special meeting may be taken without a meeting if the Board delivers a written consent form or written ballot to every member entitled to vote on the matter.

(a) **Ballot.** A written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written ballot shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. Election of directors shall be by ballot as more specifically provided in Article III, Section 8 below.

All solicitations for votes by written ballot shall: a) indicate the number of responses needed to meet the quorum requirements; b) state the percentage of approvals necessary to approve each matter other than election of directors; and c) specify the time by which a ballot must be received by the corporation in order to be counted. A written ballot may not be revoked. The Association shall maintain such ballots in its file for at least three (3) years.

(b) **Written Consent.** Approval by written consent shall be valid only when the number of written consents received equals or exceeds the requisite majority of the voting power for such action. Executed written consents shall be included in the minutes or filed with the Association's records. If an action of the members is approved by written consent hereunder, the Board shall issue written notice of such approval to all members who did not sign written consents. Membership approval shall be effective ten (10) days after written notice is issued; provided, however, if the consent is to an amendment to the Declaration or Bylaws which must be recorded, the effective date shall be no earlier than the date of recording of such amendment.

Section 9. Order of Business. At all meetings of the Association, Roberts Rules of Order (latest edition) shall govern when not in conflict with the Declaration, these Bylaws or the Articles of Incorporation.

Article III. Board of Directors

A. Composition and Selection.

Section 1. Composition. The affairs of the Association shall be governed by a Board of Directors composed of seven (7) persons. The directors shall be Owners of Undivided Interest; provided, however, no Owner and **his/her immediate family member (spouse, father, mother, brother, sister, son or daughter) may serve on the Board at the same time, and no** Co-Owner(s) may serve on the Board at the same time.

Reason for change - If this were allowed it may promote favoritism.

Section 2. Term of Office. Those directors serving on the Effective Date of these Bylaws shall remain in office until the terms for which they were elected expire. Successor directors shall be elected in accordance with the election procedure set forth in Section 8 of this Article. Two (2) directors are elected each year with the exception of the third year when three (3) directors are elected. Those persons receiving the most votes shall be elected to the number of positions to be filled. All successor directors shall be elected for three (3) year terms and shall hold office until their successors are elected. **A member of the Board, if re-elected, may serve a maximum of two consecutive terms and must be off the Board for two (2) years before they are eligible for appointment or re-election.**

Reason for change - Currently there are no term limits and it is felt that no director needs to serve unlimited terms. This recommendation came from the feedback of many of our owners at our Town Hall meetings.

Section 3. Conduct of Directors. Each member of the board of directors shall abide by the Directors' Duty of Confidentiality. A copy of the current Directors' Duty of Confidentiality is attached hereto as Exhibit "A".

Reason the Change – Presently this is "optional" for our Directors. Some directors have signed it, others have not. This would make it a requirement.

Section 4. Removal of Members of the Board of Directors.

(a) Removal by Vote of the Membership. Any one or more Board members may be removed with or without cause by a vote for removal that equals or exceeds 2/3 of the average number of eligible votes cast for the election of Directors in the last three (3) annual meetings at which a quorum was present. So, for example, if 600 eligible votes were cast in the 2012 annual election, 700 in the 2013 annual election, and 800 in the 2014 annual election, then the number of votes needed to remove a Board member in 2015 would be 2/3rds of 700, or 467 votes in favor of removing the Board member. Such vote shall be by written ballot pursuant to Article II, Section 8(a) of these Bylaws.

Reason for Change – Presently the By Laws state that a Director can be removed by the "Majority of the Association members" which would be about 1100 members. The total ballot response for our elections typically is between 700-900 votes. Directors are very often elected in the range of 350-550 votes. Consequently it is felt that a similar number of owners should be able to remove a director rather than double the amount that put him/her into office.

A vote for removal of a Board member(s) hereunder may be called for at any time by the Board President, the Secretary, or by request of any two (2) or more Board members, or upon written petition of Owners holding ten (10%) percent of the eligible Undivided Interests. Any such written petition by the Members must identify the Board member(s) whose removal is sought and the reason that removal is sought and be submitted to the Association's Secretary, with original signatures. The Secretary shall then, within thirty (30) days of the delivery of the written petition, verify that the required number of members have joined in the petition and shall submit all proper petitions to the Association's President.

Within ten (10) days of the Secretary's verification that the required number of members have joined in the petition in the case of a membership petition for Board member removal, or within ten (10) days of written request by the Board President, Secretary or any two (2) Board members, in the case that the removal is sought by members of the Board, the Board shall notify the Board member(s) whose removal is sought that they have ten (10) days from the date of the Board's written request to submit a written statement of no more than 750 words to the Board for inclusion with the removal ballot as to why the Board member(s) should not be removed. No later than twenty (20) days from the Board's written notification to the Board member(s) whose removal is sought of his/her right to submit a written statement, the Secretary shall send out the written ballot, meeting the requirements of Article II, Section 8(a), for a vote in accordance with these Bylaws. The ballot for removal of the Board member(s) shall contain the Board member(s)' written statement as to why the board member should not be removed, as well as, in the case of a member petition for such Board member's removal, the reason given for the Board member(s)' removal as stated on the member petition. In the case that a Board member(s) removal is called for by the Board, then the Board may, but is not obligated to, send with the ballot a written statement from the Board as to why such Director(s)' removal is sought. The deadline given for return of written ballots must be between 20 to 60 days from the date of mailing. If enough ballots are not received to remove the Director(s) by the date given on the ballot, then the removal measure fails.

Reason for Change – This clearly defines the "process or steps" needed to remove a Director while clearly giving that director the opportunity to give his/her side of the story.

(b) Any director who has had three (3) consecutive unexcused absences from regularly scheduled Board meetings or is more than thirty (30) days past due in the payment of any assessment may be removed by the vote of four (4) of the other directors.

Reason for Change - Members forfeit rights if they are 30 days past due in payments, so directors should fall under the same rules.

Section 5. **Vacancies.** Vacancies on the Board caused by any reason shall be filled by vote of the Majority of the remaining Directors. **The member appointed must meet the qualifications as described in Bylaws Article III Section 8.** The successor selected shall hold office for the remainder of the term of the director being replaced.

Reason for change - Successors should abide by the same rules as candidates running for election. Referenced Article III Section 1 A, (a).

Section 6. **Compensation.** Directors shall **serve without compensation with the exception of the following:**

(a) Directors may be given nominal gifts or tokens of appreciation by the Association for recognition of services performed not to exceed a value of \$100.00 per calendar year.

(b) **Meals at up to two employee appreciation events attended by the Board Members of that year. Amount to be set and adjusted to reflect varying cost of meals.**

(c) **Directors will not be reimbursed for expenses unless they are carrying out a special or unusual service approved in advance by the Board.**

(d) **In lieu of reimbursement for carrying out their duties as Board members, Directors shall: (1) enjoy up to one (1) free On/off Fee per month and (2) shall have free access to available Rental Units the night before and night of a monthly Board meeting or, if approved in advance by the Board, while working on a task assigned to that Board member by the Board. Provided, however, that during the months of April through October ("Open Season"), Directors are limited to 2 free uses of an available rental unit for a total occupancy period not to exceed 4 nights each Open Season, and provided further that during Open Season, a Director may not make a reservation for a Rental Unit more than thirty (30) days' in advance of his/her planned stay.**

Reason for change – The present By Laws state “Directors may be reimbursed for the expenses incurred in carrying out their duties as directors upon board approval of such expenses. Directors also may be given nominal gifts or tokens of appreciation by the Association for recognition of services performed not to exceed a value of \$100.00 per calendar year.” Reimbursement is presently not defined but could possibly include mileage, meals, lodging, cell phone, internet etc. This proposed change would eliminate the monetary reimbursements and substitute a “service exchange” which is a cost savings to the resort.

Section 7. **Director Conflicts of Interest.** **No Director (whether through a company in which he/she has an interest or on an individual basis) should be allowed to profit from being on the Board of Directors. Any goods or services that are offered by the Directors (whether through a company in which he/she has an interest or on an individual basis) should be at cost to the resort.** Provided, however, nothing herein shall prohibit a director from entering into a contract and being compensated for services or supplies furnished to the Association in a capacity other than as director, provided that the director's interest is disclosed to the Board and the contract is approved by a Majority of the directors who are at a meeting of the Board of Directors at which a quorum is present, excluding the director with whom the contract is made. The interested director shall not count for purposes of establishing a quorum of the Board. The interested director shall be entitled to be present at any meeting at which the proposed contract is discussed **but shall not be entitled to discuss the proposed contract under discussion.**

Reason for change - No Director will be allowed to enter into contracts, supply goods or services for profit.

Section 8. **Nomination.**

(a) **By the Board.** Prior to each election, the Board shall nominate candidates for election to the Board. Nomination for election to the Board shall be made from applications received from Owners **meeting the following qualifications.**

- i. Be a member for three (3) years in good standing. For the purposes of this provision of the By Laws, good standing is defined as not having been more than thirty (30) days delinquent in the payment of any assessment or charge by the Association in the past three (3) years;
- ii. The member has had no more than one (1) fine levied against him/her for violation of the Association's Declaration, Bylaws or rules and regulations committed by such member personally in the past three (3) years.
- iii. Has signed a document attesting that he/she has read and understands the Declaration, Bylaws and Rules and Regulations of the Association; and
- iv. Has submitted a completed Application Form for the Director position to the Board prior to the date set by the board for that particular year in which the election is to be held. A copy of the current Director Application Form is attached hereto as Exhibit "B", this Application Form may be modified by the Board at its discretion; and
- v. Has provided truthful, detailed answers on the application form;
- vi. Has volunteered for at least three (3) Association sponsored activities, events, or committee functions at Unicoi Springs Camp Resort in the past three (3) years.

Reason for change – These are just some of the suggestions that were gathered from the owner Town Hall meetings as well as the By Law committee.

The Board of Directors will review all candidates' applications to insure they meet the above qualifications, and only those candidates who the Board determines, in its sole discretion, to meet the eligibility requirements herein shall be nominated by the Board. The Board may nominate any number of qualified individuals, but not less than the number of directors to be elected. The Board will post the names of those persons nominated on the bulletin boards in the clubhouse not later than the day after the June Board meeting.

(b) **By Petition.** Within fourteen (14) days of the posting date of the Board nominated candidates, any other Owner(s) wishing to be nominated for election to the Board of Directors can submit a written petition signed by Owners holding at least (75) eligible votes in the Association, nominating the Owner(s). The written petition circulated by such owner must include a completed Director Application Form, which includes detailed work history and experience, description of the volunteerism at Unicoi Springs Camp Resort during the past three years, and a signed statement that the Applicant has read and understands the Associations governing documents and has signed the Duty of Confidentiality.

Reason for change – The candidates running "By Petition" need to meet the same requirements as those candidates nominated by the Board.

(c) **Ballot.** The ballot will list the names of those nominated by the Board and those nominated by petition. Each candidate will provide up to a one page Director Application Form along with the signed Duty of Confidentiality that shall be distributed with the ballot. No member shall be nominated for election to the Board of Directors, nor permitted to run for election, if more than thirty (30) days past due in the payment of any assessment.

Reason for change – This defines the application process.

Section 9. Elections. All Association members eligible to vote shall be entitled to cast their entire vote for each directorship to be filled. There shall be no cumulative voting. Directors shall be elected by ballot as provided herein. The directorships for which elections are held shall be filled by that number of candidates receiving the most votes. Ballots and copies of the applications outlining qualifications for directors shall be mailed or electronically transmitted to each Owner in good standing not less than thirty (30) or more than fifty (50) days from the date of the annual meeting along with the annual meeting notice. The record date for determining members in good standing shall be the date that ballots are mailed. The annual meeting notice shall contain instructions for voting by ballot as follows: vote for candidates on the ballot (not more than the number of directorships being filled); place the ballot in the envelope marked "Ballot" and seal the Ballot envelope; complete the certification form; place the certification form in the self-addressed return envelope; write "Ballot" in the upper left hand corner of the return envelope; and stamp and mail the return envelope, provided, however, the Board may choose to conduct the election and/or allow receipt of ballots by electronic

means, in which case the Board may adopt instructions and procedures for electronic voting and return of electronic ballots that vary from those set forth herein for paper ballots. All ballots must be received by 11:00 a.m. on the day of the annual meeting. The Board of Directors may appoint an Election Committee to assist in verification and counting of ballots. No proxies shall be permitted for voting on the election of directors.

B. Meetings.

Section 10. **Regular Meetings.** Regular Board meetings may be held at such time and place as determined by the Board, but at least once every **two (2) months**.

Reason for Change: Increased meetings from two per year to six, to accommodate volume of Association business.

Section 11. **Special Meetings.** Special Board meetings may be called by the President on ten (10) days' notice to each director given by mail, in person, by telephone, or by **electronic transmission**, which notice shall state the time, place, and purpose of the meeting. Special Board meetings shall be called by the President, Vice President, Secretary, or Treasurer in like manner and on like notice on the written request of at least two (2) directors.

Section 12. **Waiver of Notice.** Any director at any time, in writing, may waive notice of any Board meeting, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director shall also constitute a waiver of notice by him or her of the time and place of such meeting. If all directors are present at any Board meeting, no notice shall be required and any business may be transacted at such meeting.

Section 13. **Conduct of Meetings.** The President shall preside over all Board meetings, and the Secretary shall keep a minute book recording therein all resolutions adopted by the Board and a record of all transactions and proceedings occurring at such meetings. **Every Director is entitled to cast one (1) vote. The presence of four (4) Directors shall constitute a quorum for the transaction of business. One (1) or more directors who participate in a meeting by means of telephone or electronic communication shall be deemed present and in attendance for all purposes at such meeting provided all persons participating in the meeting can hear each other. Except as otherwise provided in the Declaration or these Bylaws, all Board decisions shall be by Majority Vote as defined in Article I, Section 7(b)**

Reason for Change – Presently with only 4 directors present business can be conducted at a meeting. It is possible that the president would not be voting, a motion could be put on the floor, two directors could vote yea and one nay. We feel that we should have more than two directors potentially making major decisions for the resort.

Section 14. **Open Meeting.** Regular Board meetings **will be open to all owners. If permitted by the Board, members may participate in any discussion or deliberation.** Notwithstanding the above, the Board may hold a portion of the meeting in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, and orders of business of a similar nature, provided, however, that the Board shall announce in open session the nature of any and all business conducted or to be conducted in executive session. The Board may order the removal of any meeting guest who, in the Board's opinion, either disrupts the conduct of business at the meeting or fails to leave the meeting upon request after an announcement of reconvening in executive session.

Reason for Change: Transparency and allows for owner input.

Section 15. **Action Without a Meeting.** Any Board action required or permitted to be taken at a meeting may be taken without a meeting **provided all Board members are advised of the action and four (4) or more of the directors consent to such action in writing sent via hand delivery, regular first class or electronic mail or facsimile. Consents in writing must be filed with the minutes of the Board of Directors and the Board shall announce any action taken by written consent during the open session of its next regularly scheduled Board meeting; provided, however, that if the action taken by written consent is one that could be taken by the Board**

in executive session if taken at a meeting, it shall not be necessary for the Board to announce the action taken by written consent in open session of the next Board meeting.

Reason for Change: Fasten response to unexpected situations, adds capability of electronic communications, while still providing open communication to the owners.

Section 16. **Approval of Board of Directors Meeting Minutes.** Minutes of Board meetings may be approved at the next regularly scheduled board meeting or by written consent as provided in Section 15 above.

Reason for Change – Speeds up the flow of information to the membership through electronic communication. Example, presently the January minutes are not approved until March. They are posted on the web site late March to early April. This method would speed up the process by about two months.

C. Powers and Duties.

Section 17. **Powers and Duties.** The Board of Directors shall manage the affairs of the Association and shall have all the powers and duties necessary for the administration of Unicoi Springs Camp Resort and may do all such acts and things as are not by the Declaration, the Articles of Incorporation, or these Bylaws directed to be done and exercised exclusively by the members. In addition to the duties imposed by these Bylaws, the Board of Directors shall have the power to and shall be responsible for the following, in way of explanation, but not limitation:

(a) Preparation and adoption of an annual budget, in which there shall be established the contribution of each Owner to the common expenses;

(b) Fixing the amount of each assessment and establishing a schedule of payment for any special assessment;

(c) delete in it's entirety. Did read: sending written notice of each assessment to each Owner at least thirty (30) days before payment is due

Reason for Change: This was deleted per advise of Unicoi Spring's attorney. The covenant states when payments are to be made. Example, although we do send reminders, we cannot be responsible for returned mail, etc. if we have not received updated owner information, etc.

(c) issuing, or cause an appropriate officer to issue, upon request of any Owner, a written certificate setting forth any delinquent assessments, with respect to such Owner's Undivided Interest as further provided in the Declaration;

(d) Providing for the operation, care, upkeep, and maintenance of all of the Unicoi Springs Resort as defined in Article VII of the Declaration;

(e) Designating, hiring, and dismissing the personnel necessary for the operation of the Association and the maintenance, repair, and replacement of the Common Areas, and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and material to be used by such personnel in the performance of their duties;

(f) Collecting the assessments, depositing the proceeds thereof in a financial depository or institution which it shall approve, or otherwise investing the proceeds in accordance with any limitations set forth in O.C.G.A. Section 14-3-302, and using the proceeds to administer the Association. Any funds deposited must be insured by FDIC or NCUCIF or Equivalent;

Reason for Change – Security of our funds.

(g) Making and amending rules and regulations and imposing sanctions for violation thereof, including

reasonable monetary fines;

(h) Opening of bank or other financial accounts and **any deposits thereto** on behalf of the Association **must be insured by FDIC, NCUCIF or equivalent** and designating **that two (2) signatories are** required;

Reason for Change – Security of our funds.

(i) Making or contracting for the making of repairs, additions, and improvements to, or alterations of the Common Areas or Camping Sites in accordance with the other provisions of the Declaration and these Bylaws, after damage or destruction by fire or other casualty;

(j) Enforcing by legal means the provisions of the Declaration, these Bylaws, and rules and regulations adopted by it, and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association;

(k) Obtaining and carrying **adequate** insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof;

(l) Paying the costs of all services rendered to the Association or its members and not directly chargeable to specific Owners;

(m) Keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred; and

(n) Preparing a roster of the names, **undivided interest numbers** and addresses of all Owners which shall be kept in the office of the Association **only** for inspection by members;

(o) Contracting with any Person for the performance of various duties and functions. The Board shall have power to enter into common management agreements with trusts, condominium associations, or other associations or corporations. Any and all functions of the Association shall be fully transferable by the Board, in whole or in part, to any other entity.

Section 18. Management Agent. The Association may, but shall not be required to, hire a professional management agent or agents, at a compensation established by the Board, to perform such duties and services as the board of Directors shall authorize. The Board shall use reasonable efforts to procure a management contract with a term not to exceed one (1) year. Any such contract shall provide for termination of such contract with or without cause and without penalty, upon no more than thirty (30) days written notice.

Section 19. Expenditures. The Board of Directors shall inform all Owners in a meeting or in writing of any single expenditures exceeding One Hundred Thousand (\$100,000.00) Dollars prior to making the expenditure.

Section 20. Liability and Indemnification of Officers and Directors. The Association shall indemnify every officer, director and committee member against any and all expenses, including attorney's fees, reasonably incurred by or imposed upon such person in connection with any action, suit, or other proceeding (including settlement of any such action, suit, or proceeding, if approved by the then Board of Directors) to which he or she may be made a party by reason of being or having been an officer, director or committee member, whether or not such person holds such position at the time such expenses are incurred. The officers, directors and committee members shall not be liable for any mistake of judgment, negligent or otherwise, or for injury or damage caused by any such person in the performance of his or her duties, except for his or her own individual willful misfeasance or malfeasance. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or directors may also be members of the Association), and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer, director or committee member, or former officer, director or committee member, may be entitled. The Association shall, as a common expense,

maintain adequate general liability and, if obtainable, officers' and directors' liability insurance to fund this obligation, and the insurance shall be written as provided in the Declaration.

Section 21. **Committees.** There shall be such other committees as the Board shall determine with the powers and duties that the Board shall authorize. Unless otherwise provided in these Bylaws or in the resolution authorizing a particular committee, the members of any committee shall be appointed by the President or Director in charge of the area, and shall serve at the pleasure of the Board of Directors. Any committee member may be removed with or without cause at any time and with or without a successor being named.

Reason for change - Gives the Director in charge of a particular area the authority to select committee members in their particular area.

Article IV. Officers

Section 1. **Designation.** The principle officers of the Association shall be the President, Vice President, Secretary, and Treasurer, who shall all be members of the Board of Directors. The Board may appoint one or more Assistant Treasurers, Assistant Secretaries, and such other subordinate officers as in its judgment may be necessary. Any assistant or subordinate officers shall not be required to be Board members, however, they shall be required to meet the same qualifications as in Article III, Section 8(a). Except for the offices of Secretary and Treasurer, which may be held by the same person, no person may hold more than one (1) office.

Section 2. **Election of Officers.** The Association officers shall be elected annually by the Board at the first meeting of the Board following each annual meeting of the members and shall hold office at the pleasure of the Board and until a successor is elected.

Section 3. **Removal and Resignation of Officers.** At any valid regular or special Board meeting, any one or more officers may be removed with or without cause by Majority Vote of the Board as defined in Article 1, Section 7(b) and a successor may be elected. Any officer whose removal has been proposed shall be given at least ten (10) days notice of the calling of the meeting to consider his or her removal and the purpose thereof in writing. They shall be given an opportunity to be heard at the meeting. Any officer may resign at any time. If an officer resigns or steps down, a written notice must be given to the President or Secretary.

Reason for change - The Board of Directors need to be able to remove an officer that has violated any of the rules, policies, standards or duties of an officer's position. The officers were elected by the Directors, so the directors should be the governing body to remove the officers.

Section 4. **Vacancies** Officer Vacancies in the Association caused by any reason shall be filled by the Board of Directors. Candidates should meet the same qualifications as described in Bylaws Article III, Section 8(a). The successor shall hold office for the remainder of the term of the officer being replaced.

Reason for change – Officers must meet the same qualifications as Board members. Successors should abide by the same rules as those running for election.

Section 5. **President.** The President shall be the chief executive officer of the Association and shall preside at all Association and Board meetings. The President shall have all the general powers and duties which are incident to the office of the president of a corporation organized under the Georgia Nonprofit Corporation Code, including, but not limited to, the power to appoint committees from among the members from time to time as he or she may in his or her discretion decide is appropriate to assist in the conduct of the affairs of the Association.

Section 6. **Vice President.** The Vice President shall act in the President's absence and shall have all powers, duties, and responsibilities provided for the President when so acting.

Section 7. **Secretary.** The Secretary or **Secretary Assistant shall be responsible to** keep the minutes of all Association and Regular Board meetings. He/she shall have charge of such books and papers as the Board may direct, and shall, in general, perform all duties incident to the office of the secretary of a corporation organized under Georgia law.

Section 8. **Treasurer.** The Treasurer shall have the responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, for preparing all required financial statements and tax returns, and for the deposit of all monies and other valuable effects in the name of the Association or the managing agent in such depositories as may from time to time be designated by the Board. The Treasurer shall be responsible for the preparation of the budget as provided in the Declaration. The Treasurer may delegate all or a part of the preparation and notification duties associated with the above responsibilities to a management agent.

Section 9. **Other Officers.** Other offices may be created by the Board, and the Board members which hold such offices shall have such titles and duties as are defined by the Board.

Section 10. **Agreements, Contracts, Deeds, Leases, Etc.** All agreements, contracts, deeds, leases, checks, promissory notes, and other instruments of the Association shall be executed by at least two (2) officers or by such other person or persons as may be designated by Board resolution.

Section 11. **Compensation.** Officers shall serve without compensation **with the exception of the following:**

(a) Officers may be given nominal gifts or tokens of appreciation by the Association for recognition of services performed not to exceed a value of \$100.00 per calendar year.

(b) They will not be reimbursed for expenses unless they are carrying out a special or unusual service and such expenses are approved in advance by the Board.

(c) In lieu of reimbursement for carrying out their duties as officers, officers shall: (1) enjoy up to one (1) free On/off Fee per month and (2) shall have free access to available Rental Units the night before and night of a monthly Board meeting or, if approved in advance by the Board, while working on a task assigned to that Board member by the Board. Provided, however, that during the months of April through October ("Open Season"), officers are limited to 2 free uses of an available rental unit for a total occupancy period not to exceed 4 nights each Open Season, and provided further that during Open Season, an officer may not make a reservation for a Rental Unit more than thirty (30) days' in advance of his/her planned stay.

Reason for change - The By-Laws now state that they shall be "entitled to reimbursement from the Association for all expenses reasonably incurred in connection with performances of their duties". This could potentially become quite costly and giving them a "service exchange would be monetarily beneficial to the Association.

Article V. Rule Making and Enforcement

Section 1. **Authority and Enforcement.** The Unicoi Springs Camp Resort shall be used only for those uses and purposes set out in the Declaration and Articles of Incorporation. The Board of Directors shall have the authority to make, modify, repeal and enforce reasonable rules and regulations governing the conduct, use, and enjoyment of Camping Sites and the Common Areas; provided, copies of all such rules and regulations shall be furnished to all Owners.

Every Owner shall comply with the Declaration, Bylaws and rules and regulations of the Association, and any lack of compliance shall entitle the Association to take action to enforce the terms of the Declaration, Bylaws or rules and regulations.

The Board shall have the power to impose reasonable fines, which shall constitute a lien upon the Owner's Undivided Interest, and to suspend an Owner's right to vote or suspend rights or privileges in the Unicoi Springs Camp Resort for violation of any duty imposed under the Declaration, these Bylaws, or any Association rules and regulations. If any occupant violates the Declaration, Bylaws or Association rules and a fine is imposed, the fine may be imposed against the Owner, subject to Section 2 below. The failure of the Board to enforce any provision of the Declaration, Bylaws, or any rule or regulation shall not be deemed a waiver of the right of the Board to do so thereafter.

Section 2. Fining and Suspension Procedure. The Board shall not impose a fine or suspend the right to vote or suspend rights and privileges in the Unicoi Springs Camp Resort, unless and until the Association has sent or delivered written notice to the violator as provided in subsection (a) below. However, compliance with this Section 2 shall not be required for the following: (i) late charges on delinquent assessments, or (ii) suspension of voting right if an Owner is shown on the Association's records to be more than thirty (30) days delinquent in any payment due the Association, in which case suspension of the right to vote shall be automatic.

(a) Notice. If any provision of the Declaration or Bylaws or any Association rule is violated, the Board shall send the violator written notice identifying the violation and fine(s) being imposed and advising the violator of the right to request a hearing before the Board to contest the violation or fine(s) or to request reconsideration of the fine(s). Fines may be effective or commence upon the sending of such notice or such later date specified in such notice, notwithstanding the violator's right to request a hearing before the Board to challenge the fine(s). In the event of a continuing violation, each day the violation continues or occurs again constitutes a separate offense, and fines may be imposed on a per Diem basis without further notice to the violator.

(b) Hearing. If a written request for hearing is received from the violator within ten (10) days of the date of the violation notice provided above, then the Board shall schedule and hold in executive session a hearing affording the violator a reasonable opportunity to be heard. The minutes of the meeting shall contain a written statement of the results of the hearing. The Board may establish rules of conduct for such hearing, which may include limits on time and on the number of participants who may be present at one time. Failure to request a timely hearing as provided herein shall result in loss of the right to challenge and request reconsideration of the fines.

Section 3. Additional Enforcement Rights. Notwithstanding anything to the contrary herein contained, the Association, acting through the Board, may elect to enforce any provision of the Declaration, the Bylaws, or the rules and regulations by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations) or by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity for compliance with the procedure set forth in Section 2 of this Article. In any such action, to the maximum extent permissible, the Owner responsible for the violation for which abatement is sought shall pay all cost, including reasonable attorney's fees actually incurred.

The Association or its duly authorized agent shall have the power to enter any portion of the Unicoi Springs Camp Resort, including Camping Sites, to abate or remove, using such force as may be reasonably necessary, any structure, thing or condition which violates the Declaration, the Bylaws, or the rules and regulations. All costs of self-help or of otherwise enforcing the Declaration, Bylaws or Association rules including reasonable attorney's fees, shall be assessed against the violating Owner.

Article VI. Miscellaneous

Section 1. Notices.

(a) **Method of Giving Notice.** Unless otherwise prohibited in these Bylaws, all notices, demands, bills, statements, or other communications shall be in writing and shall be given via one of the following methods, in the discretion of the sender.

- (i) Personal delivery to the addressee;
- (ii) United States mail, first class, postage prepaid

- (iii) Statutory Overnight Delivery;
- (iv) Electronic mail;
- (v) Facsimile;
- (vi) A secure web site, provided that notice shall be deemed given via web site only upon proof that the addressee has retrieved the message.

(b) Addressee. Notice sent by one of the methods described in subsection (a) above shall be deemed to have been duly given:

- (i) If to an Owner, at the address, electronic mail address or facsimile number which the Owner 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 an Occupant, at the address, electronic mail address or facsimile number which the Occupant has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Unit occupied; or
- (iii) If to the Association, the Board of the managing agent, at the postal address, facsimile or electronic mail address of the principal office of the Association or the managing agent, if any, or at such other address as shall be designated in writing and filed with the Secretary. The Secretary shall promptly provide notice to all Owners of any such change in address.

Reason for change – It now includes electronic transmission.

Section 2. **Severability.** The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability, or effect of the balance of these Bylaws or the Declaration.

Section 3. **Captions.** The captions herein are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope of these Bylaws or the intent of any provision thereof.

Section 4. **Gender and Grammar.** The use of masculine gender in these Bylaws shall be deemed to include the feminine gender, and the use of the singular shall be deemed to include the plural whenever the context so requires.

Section 5. **Fiscal Year.** The fiscal year of the Association may be set by Board resolution or, in the absence thereof, shall be the calendar year.

Section 6. **Financial Review.** A Financial review of the accounts of the Association shall be performed annually in the manner provided by the Board. However, after having received the Board's financial review at the annual meeting, the Owners may, by a Majority of the Association vote, require that the Association accounts be audited as a common expense by an independent accountant.

Section 7. **Conflicts.** The duties and powers of the Association shall be those set forth in the Act, the Georgia Nonprofit Corporation Code, the Declaration, these Bylaws, and the Articles of Incorporation, together with those reasonably implied to affect the purposes of the Association. If there are conflicts or inconsistencies between such, then the provisions of the Act, the Georgia Nonprofit Corporation Code (as may be applicable), the Declaration, the Articles of Incorporation and these Bylaws, in that order, shall prevail, and each Owner of an Undivided Interest, by acceptance of a deed or other conveyance therefore, covenants to vote in favor of such amendments as will remove such conflicts or inconsistencies.

Section 8. **Amendment.** These Bylaws may be amended with the approval of two thirds (2/3rds) of the eligible Association vote (1) present, in person or by proxy, at a duly called meeting of the members at which a quorum is present, notice of which shall specify the purpose of such meeting, or (2) voting by written ballot pursuant to these By-laws.

Reason for change – Simplifies voting methods. Every Undivided Interest (U#) will now have 1 vote.

Section 9. **Books and Records.**

(a) All members of the Association and any institutional holder of a first Mortgage shall be entitled to inspect the following records at a reasonable time and location specified by the Association, upon written request at least five (5) business days before the date on which the member wishes to inspect and copy:

(i) Its Articles or restated Articles of Incorporation and all amendments to them currently in effect;

(ii) Its Bylaws or restated bylaws and all amendments to them currently in effect;

(iii) resolutions adopted by either its members or Board of Directors increasing or decreasing the number of directors or the classification of directors, or relating to the characteristics, qualification, rights, limitations, and obligations of members or any class or category of members;

(iv) resolutions adopted by either its members or Board of Directors relating to the characteristics, qualification, rights, limitations, and obligations of members or any class or category of members;

(v) The minutes of all meetings of members and records of all actions approved by the members for the past three (3) years;

(vi) All written communications to members generally within the past three (3) years, including the financial statements furnished for the past three (3) years;

(vii) A list of the names and business of home addresses of its current directors and officers; and

(viii) Its most recent annual report delivered to the Secretary of State;

(ix) The membership list only if for a purpose related to the member's interest as a member.

(b) A member may inspect and copy the following records upon written notice at least five (5) business days before the date on which the member wishes to inspect and copy only if the member's demand is made in good faith and for a proper purpose that is reasonably relevant to the member's legitimate interest as a member; the member describes with reasonable particularity the purpose and the records the member desires to inspect; the records are directly connected with this purpose; and the records are to be used only for the stated purpose:

(i) All minutes of any Board meeting, records of any action of a committee of the Board while acting in place of the Board on behalf of the Association, minutes of any meeting of the members, and records of action taken by the members or the Board without a meeting, to the extent not subject to inspection under subsection 9(a);

(ii) accounting records of the Association.

The Association may impose a reasonable charge, covering the cost of labor and material, for copies of any documents provided to the Member.

Notwithstanding anything to the contrary, the Board may limit or preclude member inspection of confidential or privileged documents, including attorney/client privileged communications, executive session meeting minutes, and financial records or accounts of other members. Minutes for any Board or Association meetings do not become effective and an official Association record until approved by the Board or Association membership, as applicable, at a subsequent meeting.

Reason for change – Sets perimeters for open records.

Exhibit "A"

**UNICOI SPRINGS OWNERS ASSOCIATION, INC.
DUTY OF CONFIDENTIALITY**

I, _____, being a director on the Board of Directors of the Unicoi Springs Owners Association, Inc. ("Association"), and/or officer of the Association, and/or director-elect to the 20__ Board of Directors of the Association, and/or officer-elect of the Association understand and agree that, in any of the above mentioned roles certain information, communications and facts at meetings of the Association's Board of Directors and communications from or through the Board of Directors will be disclosed to me ("Association Communications/Information"). I further understand and agree that many Association Communications/Information among and through the Board of Directors are privileged, confidential and/or sensitive, including items such as attorney/client privileged communications, executive session meeting minutes of the Board of Directors, litigation, and financial records or accounts of members (collectively referred to as "Association Communications/Information").

I understand and acknowledge that disclosure of such Association Communications/Information may adversely affect the Association, may create liabilities for the Association, the directors, officers, and me, individually, may create great conflict in the Unicoi Springs Community, and may result in a waiver of applicable legal privileges.

I, therefore, agree as follows:

- I shall maintain the confidentiality of the Association books, papers, accounts, records, discussions and any other business matters.
- I shall not copy, transcribe, disseminate, reveal or transmit any corporate information specifically relating to legal matters, the finances of the Association, and/ or the individual membership accounts except as reasonably required to fulfill the duties delegated to me by the Association;
- I shall not make any Association Communications/Information available to anyone except those who have the right and authority to receive such information in the normal and reasonable conduct of business or at the direction of the Unicoi Springs Board of Directors.
- Except as required by legal proceedings, I will not disclose to any person other than an officer, director or authorized and designated agent or counsel of the Association, any sensitive, privileged or confidential information which I have acquired by being a director or officer, or have received such information from or through the Board of Directors.
- In the event another officer or board member of the Association has a conflict of interest and certain board decisions or actions are not disclosed to them, I agree that, except as required by legal proceedings or as directed by the Board of Directors, I will not disclose the privileged or confidential information concerning the transaction or business to such officer or director.

I understand that violation of these duties may result in sanctions and/or other action against me, and I agree to indemnify the Association, its directors and officers from and against any claims made against any or all of them related to my unauthorized disclosure of confidential information.

I agree that the obligations set forth in this Agreement shall survive and continue after the expiration of my service on the Board as to Association Communications/Information obtained during my Board service.

This Agreement is made this _____ day of _____, 20__.

AGREED TO BY:

Signature

Print Name

Title

ACCEPTED BY:

**UNICOI SPRINGS OWNERS
ASSOCIATION, INC.**

By: _____

Its: _____

**Application
Candidate for Board of Directors
Unicoi Springs Owners Association**

Applicants must be an owner for 3 years before they are eligible to run for the board. See Bylaws Article III for additional information.

Date _____ Owner since _____

Name _____ U# _____

Address _____ City _____ State _____ Zip _____

Telephone Home _____ Cell _____

Educational Background, number of years completed _____

Have you ever been convicted of a felony? _____

Employed () Retired () By/From _____

General description of duties, responsibilities, title _____

List resort activities, events, committees, etc that you have volunteered for during the past three years at Unicoi Springs Camp Resort.

List objectives you would like to accomplish as a director.

I have read and understand the Unicoi Springs Covenant (Declaration), Bylaws, Rules and Regulations and have signed the "Duty of Confidentiality" on the reverse side of this application.

NOTE: If nominated this form is considered a resume', and may be reproduced and forwarded to current owners. This resume' may not exceed one (1) page.