

**AMENDED AND RESTATED BY-LAWS, EFFECTIVE FEBRUARY 11, 2004**

**BY-LAWS**  
**ARTICLE I**  
**Name and Location**

**Section 1. Name and Location:** The name of the Association is as follows:  
SEBASTIAN COVE HOMEOWNERS ASSOCIATION, INC.

Its principle office and mailing address is currently located at:  
Sebastian Cove Homeowners Association, P.O. Box 4824, Eatonton, Georgia 31024.

**ARTICLE II**  
**Definitions**

**Section 1. Declaration:** “Declaration”, as used herein, means that certain Declaration made by the Developer on the 20th day of January, 1986 recorded at Deed Book 6N, Pages 40-61, Putnam County, Georgia Records, and as amended on the 31st day of December, 1993, and recorded at Deed Book 118, pages 211-212, Deed book 137, pages 192-193, at Deed Book 243, pages 131-132, at Deed Book 253, pages 306-328, at Deed Book 338, pages 649-652. Putnam County, Georgia Records.

**Section 2. Mortgagee:** “Mortgagee”, as used herein, means the holder of or the party secured by or beneficiary of any recorded mortgage, deed to secure debt or deed of trust encumbering one or more of the Sebastian Cove Lots.

**Section 3. Other Definitions:** Unless it is plainly evident from the context that a different meaning is intended, all terms used herein shall have the same meaning as such terms are defined to have in the Declaration.

**ARTICLE III**  
**Membership**

**Section 1. Membership:** Members shall be all owners (as defined in the Declaration), and shall be entitled to one (1) vote for each Sebastian Cove Lot Owned. When more than one (1) Person holds the required interest in any Sebastian Cove Lot, all such Persons shall be members. The vote for such Sebastian Cove Lot shall be exercised as such persons determine but in no event shall more than one (1) vote be cast with respect to each Sebastian Cove Lot.

**Section 2. Addition of Lots:** Additional Lots may be added to the Association if:

- (a) The Lot(s) are currently in compliance with the By-Laws and Covenants of the Association.
- (b) The Owner(s) of the Lot(s) have agreed, in writing, to comply with the By-Laws and Covenants of the Association.
- (c) At least sixty-six and two-thirds percent (66 2/3%) of the Board of Directors of the Association agree to add the Lot(s) to the Association.

**Section 3. Liquidation Rights:** In the event of any voluntary or involuntary dissolution of the Association, each member of the Association shall be entitled to receive out of the assets of the Association available for distribution to the members an amount equal to that proportion of such assets which the number of memberships of the Association then issued and outstanding.

## **ARTICLE IV**

### **Meeting of Members**

**Section 1. Place of Meetings:** Meetings of the membership shall be held at the principle office or place of business of the Association or at such other suitable place within the State of Georgia which is reasonably convenient to the membership and as may from time to time be designated by the Board of Directors.

**Section 2. Annual Meetings:** The annual meetings of the members shall be held during the month of June of each succeeding year. At such meeting there shall be elected by Ballot of the membership a Board of Directors in accordance with the requirements of Article V of these By-Laws. The members may also transact such other business as may properly come before them.

**Section 3. Special Meetings:** It shall be the duty of the President to call a special meeting of the members as directed by resolution of the Board of Directors or upon a petition signed by at least twenty (20%) percent of the then members, having been presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

**Section 4. Notice of Meeting:** It shall be the duty of the Secretary to mail by first class mail or to hand deliver a notice of each annual or special meeting, stating the purpose thereof, as well as the time and place where it is to be held, to each member of record, at his address as it appears on the membership books of the Association or, if no such address appears, at his last known place of address, at least ten (10) but not more than ninety (90) days prior to such meeting. Notice by either such method shall be considered as notice served. Attendance by a member at any meeting of the members shall be a waiver of notice to such member of the time, place and purpose thereof. Notice of any annual or special meeting of the members of the Association may also be waived by any member either prior to, or after any such meeting.

**Section 5. Roster of Membership:** The Board of Directors of the Association shall maintain a current roster of the names and addresses of each member to which written notice of meetings of the members of the Association shall be delivered or mailed. Each Owner shall furnish the Board of Directors with their name and current mailing address.

**Section 6. Quorum:** The presence, either in person or by proxy, of members representing at least ten percent (10%) of the then members of record, shall be requested for, and shall constitute a quorum for the transaction of business at any meeting of members. If the number of members at a meeting drops below the quorum and if the question of a lack of a quorum is raised, no business may therefore be transacted. If the question of a lack of a quorum is not raised, business may be transacted and shall be binding upon the membership.

**Section 7. Adjourned Meetings:** If any meetings of members cannot be organized because a quorum has

not attended, the members who are present, either in person or by proxy, may, except as otherwise provided by law, adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

**Section 8. Voting:** At every meeting of the members, each member shall have the right to cast on each question the number of votes to which such member is entitled under these By-Laws. A majority vote of the members present at the meeting, in person or by proxy, calculated as aforesaid, shall be necessary to decide any question brought before such meeting unless the question is one upon which, by the express provision of law or of the Articles of Incorporation, or of the declaration or of these By-Laws, a different vote is required, in which case such express provision shall govern and control. The vote for any membership, which is owned by more than one person, may be exercised by any of them present at any meeting unless any objection or protest by any other owner of such membership is noted at such meeting. In the event all of the co-owners of any membership who are present at any meeting of the membership are unable to agree on the manner in which the votes for such membership shall be cast on any particular question, then such vote shall not be counted for purposes of deciding that question. In the event any membership is owned by a corporation, then the vote for any such membership shall be cast by a person designated in a certificate signed by the President or any Vice President of such corporation and attested by the Secretary or as Assistant Secretary of such corporation and filed with the Secretary or an Assistant Secretary of the Association, prior to or during the meeting. Any such certificate shall remain valid until revoked or superseded in writing. The vote for any member which is owned by a trust or partnership may be exercised by any trustee or partner thereof, as the case may be, and, unless any objection or protest by any other such trustee or partner is noted at such meeting, the Chairman of such meeting shall have no duty to inquire as to the authority of the person casting such vote or votes. No member shall be eligible to vote, either in person or by proxy, or to be elected to the Board of Directors, who 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.

**Section 9. Proxies:** A member may appoint any other member or a committee appointed by the majority vote of the Board of Directors or the Management Agent (defined in Article V, Section 4 below) as his proxy. In no case may any member (except a committee appointed by the majority vote of the Board of Directors or the Management Agent) cast more than one (1) vote by proxy in addition to his own vote. Any proxy must be in writing and must be filed with the Secretary in form approved by the Board of Directors before the appointed time of each meeting. Unless limited by its terms, any proxy shall continue until revoked by a written notice of revocation filed with the Secretary or by the death of the member: provided, however, that no proxy shall be effective for a period in excess of one hundred eighty (180) days unless granted to a Mortgagee of the Sebastian Cove Lot to which the vote is appurtenant.

**Section 10. Right of Mortgagees:** Any Mortgagee of any Sebastian Cove Lot who desires notice of the annual and special meetings of the members shall notify the Secretary to that effect by Registered Mail - Return Receipt Requested. Any such notice shall contain the name and post office address of such Mortgagee and the name of the natural Person to whom notice of the annual and special meetings of the members should be addressed. The Secretary of the Association shall maintain a roster of all Mortgagees from whom such notices are received, and it shall be the duty of the Secretary to mail or otherwise cause the delivery of a notice of each annual or special meeting of the members to each such Mortgagee, in the same manner, and subject to the same requirements and limitations as are otherwise provided in the Article for notice to the members. Any Mortgagee shall be entitled to designate a representative to attend any annual or special meeting of the members, and such representative may participate in the discussion at any such meeting and may, upon his request made to the Chairman in advance of the meeting, address the members present to any such meeting. Such representative shall be

entitled to copies of the minutes of all meetings of the members upon request made in writing to the Secretary.

**Section 11. Order of Business:** The order of business at all regular scheduled meetings of the members shall be as follows:

- (a) Roll call and certificate of proxies
- (b) Proof of notice of meeting or waiver of notice
- (c) Reading and disposal of minutes of preceding meeting, if any
- (d) Treasurer's report
- (e) Report of officers, if any
- (f) Report of committees, if any
- (g) Unfinished business
- (h) New business
- (i) Election or appointment of inspectors of elections
- (j) Election of directors/officers
- (k) Adjournment

In the case of special meetings, items (a) through (e) shall be applicable and thereafter the agenda shall consist of the items specified in the notice of the meeting.

**Section 12. Rules of Order and Procedure:** The rules of order and all other matters of procedure at all annual and special meetings of the members shall be determined by the Chairman of such meeting.

**Section 13. Inspectors of Elections:** The Board of Directors may, in advance of any annual or special meeting of the members, appoint an uneven number of one or more inspectors of election to act at the meeting and at any adjournment thereof. In the event inspectors are not so appointed, the Chairman of any annual or special meeting of members shall appoint such inspectors of elections. Each inspector so appointed, before entering upon the discharge of his duties, shall take and sign an oath faithfully to execute the duties of inspector of elections at such meeting. The oath so taken shall be filed with the Secretary of the Association. No officer or Director of the Association shall act as an inspector of election at any meeting of the members if one of the purposes of such meeting is to elect Directors.

## **ARTICLE V**

### **Directors and Officers**

**Section 1. Number and Qualifications:** The affairs of the Association shall be governed by the Officers/Board of Directors composed of an uneven number of at least five (5) natural persons and not more than nine (9) natural persons, all of whom shall be members of the Association.

**Section 2. Designation:** The principal officers of the Association shall be a President/Director, a Vice President/Director, a Secretary/Director, a Treasurer/Director and Officer/Director(s) At-Large, All of whom shall be elected by the members of the Association at an annual meeting at which a quorum is presented and/or represented by proxy. The offices of Secretary/Director and Treasurer/Director may be filled by the same person.

- (a) President: The President shall be the chief executive officer of the Association. He shall preside at all meetings of the members and of the Board of Directors. He shall have all of the

general powers and duties, which are usually vested in the office of president of a corporation.

(b) Vice President: The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor Vice President is able to act, the Board shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also assist the President generally and shall perform such other duties as shall from time to time be delegated to him by the Board of Directors.

(c) Secretary: The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the members of the Association. The Secretary shall give notice of all annual and special meetings to the members of the Association in conformity with the requirements of these By-Laws. The Secretary shall have charge of the membership transfer books and of such other books and papers as the Board of Directors may direct and he shall, in general, perform all of the duties incident to the office of Secretary.

(d) Treasurer: The Treasurer shall have responsibility for funds and securities of the Association and shall be responsible for keeping, or causing to be kept, full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for causing the deposit of all monies and other valuable effects in the name, and to the credit of the Association, in such depositories as may from time to time be designated by the Board of Directors.

**Section 3. Powers and Duties:** The Officers/Board of Directors shall have all the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or by the Declaration or these By-Laws directed to be exercised and done by the members. The powers and duties of the Officers/Board of Directors shall include, but shall not be limited to, provision of the following:

(a) Except as expressly delegated by the Officer/Board of Directors to the Sebastian Cove Architectural Control Committee, care, upkeep and surveillance of the Sebastian Cove and services in a manner consistent with law and the provisions of these By-Laws and the Declaration.

(b) Establishment, collection, use and expenditure of assessments and carrying charges from the members and of such other fees and charges as may be collected from the members or other persons in connection with the use of the Sebastian Cove, and for the assessment, the filing and enforcement of liens therefore in a manner consistent with law and the provisions of these By-Laws and the Declaration.

(c) Hiring and dismissal of the personnel necessary for the good working order and proper care of the Sebastian Cove and to provide services for the Sebastian Cove in a manner consistent with law and the provisions of these By-Laws and the Declaration.

(d) Except as expressly delegated by the Officers/Board of Directors to the Sebastian Cove Architectural Control Committee, promulgation and enforcement of such rules and regulations and such restrictions on or requirements as may be deemed proper respecting the use, occupancy and maintenance of the Sebastian Cove Lots as are designated to prevent unreasonable interference with the use of the Sebastian Cove by the members and others or as the Officers/Board of Directors deems proper, all of which shall be consistent with law and the provisions of these By-Laws and the Declarations.

- (e) Authorization, in their sole discretion, of the payments of patronage refunds from residual receipts when and as reflected in the annual report.
- (f) To enter into agreements whereby the Association acquires leaseholds, memberships and other possessory or use interest in real or personal property for the purpose of promoting the enjoyment, recreation or welfare of the members and to declare expenses incurred in connection therewith to be common expenses of the Association.
- (g) To purchase such policies of insurance as shall from time to time be considered appropriate by the Board of Directors including, without limitation, casualty insurance, public liability insurance, workmen's compensation insurance to the extent necessary to comply with any applicable law, so-called "legal expense indemnity insurance" affording protection for the Officers/Directors of the Association for suit or settling any claim or cause of action to which any such Officer/Director shall have been made a party by reason of his or her service as such, fidelity coverage and the like.
- (h) To construct or otherwise improve the Sebastian Cove and to repair, restore or reconstruct all or part of the common areas and the Sebastian Cove after any casualty loss in a manner consistent with law and the provisions of these By-Laws.
- (i) To lease, grant licenses, easements, rights-of -way and other rights of use in all or any part of the Sebastian Cove.
- (j) To purchase Sebastian Cove Lots and to lease, mortgage or convey the same, subject to the provisions of these By-Laws and the Declaration.
- (k) To appoint or remove the members of the Sebastian Cove Architectural Control Committee provided for in the Declaration and to appoint or remove the members of such other committees as the Officers/Board of Directors may from time to time designate.

Notwithstanding anything contained in these By-Laws to the contrary, the Officers/Board of Directors shall, with a sixty-six and two-thirds percent (66 2/3%) affirmative vote, be entitled at any time or times to overrule any action taken by the Sebastian Cove Architectural Control Committee or such other committee designated by the Officers/Board of Directors or to require any action to be taken by the Sebastian Cove Architectural Control Committee or such other committee designated by the Officers/Board of Directors.

**Section 4. Management Agent:** The Officers/Board of Directors may employ a management agent or manager for the Association (the "Management Agent") at a rate of compensation established by the Officers/Board of Directors to perform such duties and services, as the Officers/Board of Directors shall from time to time authorize in writing. Any management agreement entered into by the Association shall provide, inter alia, that such agreement may be terminated with or without cause by either party upon thirty (30) days written notice thereof to the other party. The term of any such management agreement shall not exceed one (1) year; provided, however, that the term of any such agreement may be renewable by mutual agreement of the parties for successive one-year periods.

**Section 5. Election and Term of Office:** The election of Officers/Directors shall be by secret written ballot, unless balloting is dispensed with by the unanimous consent of the members present at any meeting, in person or proxy. There shall be no cumulative voting. The term of each Officer/Board of

Director shall be fixed for two (2) years. Elections will be held annually to fill Officers/Directors positions vacated by term completion, resignations or other cause. All Officers/Directors, upon election, will serve a two (2) year term. Officer/Director elections shall be staggered with President, Secretary and zero-two (0-2) At-Large members elected on odd years and Vice President, Treasurer and one-three (1-3) At-Large members elected on even years. Officers/Directors shall hold office until their successors have been elected and hold their first regular meeting. Any Officer/Director that places their property on the market for sale will be obligated to resign their position on the Board of Directors.

**Section 6. Resignation and Removal of Directors:** Any Director may resign at any time upon written notice to the Board of Directors. At an annual meeting of members, or at any special meeting duly called for such purpose, any Director may be removed with or without cause by the affirmative vote of the majority of the votes of the members present and voting, in person or by proxy, and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the members shall be given an opportunity to be heard at the meeting. The term of any Director who becomes more than thirty (30) days delinquent in payment of any assessments or carrying charges due the Association may be terminated by resolution of the remaining Directors, and the remaining Directors shall appoint his successor as provided in this Article.

**Section 7. Compensation:** No compensation shall be paid to Directors for their services as Directors. No remuneration shall be paid to any Director who is also a member for services performed by him for the Association in any other capacity unless a resolution authorizing such remuneration shall have also been adopted by the Board of Directors before such services are undertaken. Directors may be reimbursed for their actual out-of-pocket expenses necessarily incurred in connection with their services as Directors.

**Section 8. Organization Meetings:** The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, provided a majority of the whole Board of Directors shall be present at such first meeting.

**Section 9. Regular Meetings:** Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least two (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, e-mail, telephone or telegraph, at least five (5) days prior to the day named for such meeting.

**Section 10. Special Meetings:** Special meetings of the Board of Directors may be called by the President on three (3) days prior notice to each Director, given personally or by mail, e-mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least one-half (1/2) of the Directors.

**Section 11. Waiver of Notice:** Before, at or after any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board of Directors shall be a waiver of notice by him of the time, place and purpose thereof. If all Directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

**Section 12. Quorum:** At all meetings of the Board of Directors a majority of the Directors shall

constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at any meeting at which a quorum is present shall be the acts of the Board of Directors. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

**Section 13. Telephone Conference Meetings:** Members of the Board of Directors, or any committee designed by the Board of Directors including the ACC, may participate in a meeting of the Board or committee by means of telephone conference or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this Section shall constitute presence in person at such meeting.

**Section 14. Action of Board or Committee Without Meeting:** Any action required to be, or which may be, taken at a meeting of the Board or any committee appointed by the Board, may be taken without a meeting if written consent, setting forth the actions so taken, shall be signed by all of the Board or committee members entitled to vote with respect to the matter thereof.

**Section 15. Fidelity Bonds:** With the exception of the initial Officers and Directors set forth in the Articles of Incorporation, the Board of Directors may require that all Officers, Directors and employees of the Association regularly handling or otherwise responsible for the funds of the Association shall furnish adequate fidelity bonds or equivalent insurance against acts of dishonesty. The premiums on such bond or insurance shall be paid by the Association.

## **ARTICLE VI**

### **Fiscal Management**

**Section 1. Fiscal Year:** The fiscal year of the Association shall begin on the first day of January every year. The commencement date of the fiscal year herein established shall be subject to changes by the board of Directors should the practice of the Association subsequently dictate.

**Section 2. Principal Office - Change of Same:** The principal office of the Association shall be as set forth in Article I of the By-Laws. The Board of Directors, by appropriate resolution, shall have the authority to change location of the principal office of the Association from time to time.

**Section 3. Books and Accounts:** Books and accounts of the Association shall be kept under the direction of the Treasurer in accordance with generally accepted accounting practices consistently applied. The same shall include books with detailed accounts, in chronological order, of receipts and expenditures and other transactions of the Association and its administration and shall specify the maintenance and repair expenses of the Sebastian Cove, services required or provided with respect to the same, and any other expenses incurred by the Association. The amount of any assessment or portion of any assessment, required for payment of any capital expenditures or reserves of the Association, may be credited upon the books of the Association to the "paid-in-surplus" account as a capital contribution by the members.

**Section 4. Auditing:** At the close of each fiscal year, the books and records of the Association shall be reviewed by an independent Certified Public Accountant whose report shall be prepared in accordance with generally accepted auditing standards, consistently applied. Based upon such report, the Association shall furnish the members and any Mortgagee requesting the same with an annual financial

statement, including the income and disbursements of the Association, within ninety (90) days following the end of each fiscal year.

**Section 5. Inspection of Books:** The books and accounts of the Association, vouchers accrediting the entries made thereupon, and all other records maintained by the Association shall be available for examination by the members and their duly authorized agents or attorneys, and to any Mortgagee on any Sebastian Cove Lot and its and their duly authorized agents or attorneys, during normal business hours and for purposes reasonably related to their respective interests and after reasonable notice.

**Section 6. Execution of Corporate Documents:** With the prior authorization of the Board of Directors, all notes and contracts shall be executed on behalf of the Association by either the President or a Vice President, and all checks shall be executed on behalf of the Association by such officers, agents or other persons as are from time to time so authorized by the Board of Directors.

**Section 7. Seal:** The Board of Directors may provide a suitable corporate seal containing the name of the Association, which seal shall be in the charge of the Secretary. If so directed by the Board of Directors, a duplicate seal may be kept and used by the Treasurer or any assistant secretary or assistant treasurer.

## **ARTICLE VII**

### **Amendment**

**Section 1. Amendments:** Subject to the other limitations set forth in these By-Laws, these By-Laws may be amended by the affirmative vote of the Owners, who do not owe monies to the Association, of sixty-six and two-thirds percent (66 2/3%) of the Lots, at any meeting of the members duly called for such purpose in accordance with the provisions and requirements of these By-Laws.

**Section 2. Proposal of Amendments:** Amendments to these By-Laws may be proposed by the Board of Directors of the Association or by petition signed by at least twenty-five (25%) percent of the total vote of the members, which petition shall be delivered to the Secretary. A description of any proposed amendment shall accompany the notice of any annual or special meeting of the members at which such proposed amendment is to be considered and voted upon.

## **ARTICLE VIII**

### **Interpretation - Miscellaneous**

**Section 1. Conflict:** These By-Laws are subordinate and subject to all provisions of the Declaration and to the provisions of the Articles of Incorporation of the Association. All of the terms hereof, except where clearly repugnant to the context, shall have the same meaning as they are defined to have in the Declaration. In the event of any conflict between these By-Laws and the Articles of Incorporation of the Association, the provisions of the Articles of incorporation shall control.

**Section 2. Notices:** Unless another type of notice is herein elsewhere or by law specifically provided for, any and all notices called for in these By-Laws shall be given in writing.

**Section 3. Severability:** In the event any provision or provisions of these By-Laws shall be determined to be invalid, void or unenforceable, such determination shall not render invalid, void or unenforceable

**2/2004 BY-LAWS**

any other provision hereof, which can be given effect.

**Section 4. Waiver:** No restriction, condition, obligation or provisions of these By-Laws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.

**Section 5. Captions:** The captions contained in these By-Laws are for convenience only and are not a part of these By-Laws.

**In witness whereof, the undersigned has caused this Declaration to be signed, sealed and delivered.**

SEBASTIAN COVE HOMEOWNERS  
ASSOCIATION, INC., a Georgia Corporation

Signed, sealed, and delivered  
This \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_,  
In the presence of:

BY: \_\_\_\_\_  
President

ATTEST: \_\_\_\_\_  
Secretary

\_\_\_\_\_  
Witness

[CORPORATE SEAL]

\_\_\_\_\_  
Notary Public

Commission Expires:  
\_\_\_\_\_