

BYLAWS
OF
WATERS EDGE OWNERS ASSOCIATION, INC.
TABLE OF CONTENTS

(Please note: Hyperlinks have been added to go between pages more quickly.)

ARTICLE I	OFFICE	Page 1
ARTICLE II	DEFINITIONS	Page 1
ARTICLE III	MEMBERS	Page 1
Section 3.1	Membership	Page 1
Section 3.2	Annual Meetings	Page 2
Section 3.3	Special Meetings	Page 2
Section 3.4	Notice of Meetings	Page 2
Section 3.5	Quorum	Page 3
Section 3.6	Voting	Page 3
Section 3.7	Presiding Officer	Page 4
Section 3.8	Adjournments	Page 4
Section 3.9	Proxy	Page 5
Section 3.10	Action in Lieu of Meeting	Page 5
ARTICLE IV	DIRECTORS	Page 5
Section 4.1	Number	Page 5
Section 4.2	Nomination	Page 5
Section 4.3	Appointment and Election	Page 6
Section 4.4	Removal of Members of the Board of Directors	Page 8
Section 4.5	Vacancies	Page 8
Section 4.6	Duties and Powers	Page 8
Section 4.7	Regular Meetings	Page 9
Section 4.8	Special Meetings	Page 9
Section 4.9	Action in Lieu of Meeting	Page 9
Section 4.10	Committees	Page 10
Section 4.11	Compensation	Page 10
ARTICLE V	OFFICERS	Page 11
Section 5.1	General Provisions	Page 11
Section 5.2	Appointment	Page 11
Section 5.3	President	Page 11
Section 5.4	Vice President	Page 12
Section 5.5	Secretary	Page 12

Section 5.6	Treasurer	<u>Page 12</u>
Section 5.7	Compensation of Officers	<u>Page 13</u>
ARTICLE VI	INSURANCE	<u>Page 13</u>
Section 6.1	Types of Insurance	<u>Page 13</u>
ARTICLE VII	ENFORCEMENT PROCEDURES	<u>Page 13</u>
Section 7.1	Demand	<u>Page 14</u>
Section 7.2	Notice	<u>Page 14</u>
Section 7.3	Hearing	<u>Page 15</u>
Section 7.4	Exception	<u>Page 15</u>
ARTICLE VIII	MISCELLANEOUS	<u>Page 16</u>
Section 8.1	Fiscal Year	<u>Page 16</u>
Section 8.2	Certain Notices	<u>Page 16</u>
Section 8.3	Liability and Indemnification of Officers and Directors	<u>Page 17</u>
ARTICLE IX	CERTAIN RIGHTS OF MORGAGEES, INSURERS, AND GUARANTORS	<u>Page 18</u>
Section 9.1	Certain Notices	<u>Page 18</u>
Section 9.2	Certain Rights	<u>Page 19</u>
ARTICLE X	AMENDMENTS	<u>Page 20</u>
ARTICLE XI	CORPORATE SEAL	<u>Page 20</u>
Section 11.1	Seal	<u>Page 20</u>
ARTICLE XII	BANK ACCOUNTS AND LOANS	<u>Page 21</u>
Section 12.1	Bank Accounts	<u>Page 21</u>

**BYLAWS
OF
WATERS EDGE OWNERS ASSOCIATION, INC.**

**ARTICLE I
OFFICE**

Waters Edge Owners Association, Inc. (the "Association") shall at all times maintain a registered office in the State of Georgia and a registered agent at that address. The Association may also have such other offices as the Board of Directors shall determine.

**ARTICLE II
DEFINITIONS**

Unless the context requires otherwise, the terms defined in the Georgia Property Owners Association Act, Official Code of Georgia Annotated Sections 44-3-220 through 44-3-235, as amended (the "Act") and in the Declaration of Covenants, Conditions, Easements and Restrictions for Waters Edge, dated August 29, 1994, to be recorded in the Office of the Clerk of the Superior Court of Putnam County, Georgia, (the "Declaration") shall have the same meanings for purposes of these bylaws as are ascribed to them in the Act and the Declaration.

**ARTICLE III
MEMBERS**

Section 3.1. Membership. The Association shall be comprised

of (a) Reynolds Development Company (the "Company") and (b) every owner of a Lot or Dwelling Unit, who shall automatically be a member of the Association, excluding persons who own such interest under a mortgage. Such membership shall continue for so long as such ownership shall continue, and shall terminate when such member no longer owns such a fee interest of record.

Section 3.2. Annual Meetings. The annual meeting of the members shall be held on such date within two (2) months after the end of each fiscal year of the Association as the Board of Directors shall determine from time to time.

Section 3.3. Special Meetings. Special meetings of the members may be called at any time by the President of the Association.

Section 3.4. Notice of Meetings. It shall be the duty of the Secretary to give a notice to each member of each annual or regularly scheduled meeting of the members at least twenty-one (21) days in advance of such meeting, and in the case of special meetings notice shall be given at least seven (7) days in advance of such meetings. Each notice of meetings shall state the purpose thereof as well as the time and place where it is to be held. All notices of meetings shall be delivered personally or sent by United States mail, postage prepaid, to all members at such address as any of them may have designated to the Secretary, or, if no other address has been so designated, at the address of their respective units.

Section 3.5. Quorum. A quorum shall be deemed present throughout any meeting of the members until adjourned if members in person or by proxy, entitled to ~~cast~~^{cast} more than one-third of the votes of the Association are present at the beginning of such meeting.

Section 3.6. Voting. (a) Reynolds Development Company, the declarant of the Declaration of Covenants, Conditions, Easements and Restrictions of Waters Edge shall have the same number of votes as are cumulatively held by all members plus one, provided that Company membership shall terminate on the first to occur of either (1) the Company's voluntary termination of Company's membership, or (2) when the Company no longer owns any property primarily for sale within Waters Edge Subdivision.

(b) On all matters upon which the members are entitled to vote, each member shall be entitled to cast one (1) vote for each lot or dwelling unit within Waters Edge Subdivision. In no event, however, shall more than one (1) vote be cast with respect to any unit. If more than one person shall own of record a fee interest in any lot or dwelling unit, the vote with respect to such ownership shall be cast as such unit owners shall unanimously agree, and such unanimous agreement shall be presumed conclusively if any one of such owners shall purport to cast the vote without protest being made forthwith by any of the other owners of said lot or dwelling unit to the presiding officer of the meeting at which such vote is to be cast. If such protest be made, or if more than one vote be cast with respect to any lot or dwelling unit, then the

vote of such owners shall not be counted. All references to voting by members contained in these bylaws are subject to, and shall be interpreted consistently with, the limitations contained in this Section 3.6.

(c) Subject to the provisions of Article Five, Section 3.1 of the Declaration, during any period in which a member shall be in default in the payment of any amount due and owing to the Association, the vote which is allocated to any condominium unit in which such member owns a fee interest shall not be counted for any purpose.

Section 3.7. Presiding Officer. The President, or in his absence, the Vice President, shall serve as the presiding officer of every meeting of members, unless some other person is elected to serve as presiding officer by a majority of the votes represented at any such meeting. The presiding officer shall appoint such other persons as he deems required to assist with the conduct of the meeting. Roberts Rules of Order (latest edition) shall govern the conduct of the meetings of the members when not in conflict with the Declaration or these bylaws.

Section 3.8. Adjournments. Any meeting of the members, whether or not a quorum is present, may be adjourned by the holders of a majority of the votes represented at the meeting to reconvene at a specific time and place. It shall not be necessary to give any notice of the reconvened meeting, if the time and place of the reconvened meeting are announced at the meeting which was adjourned. At any such reconvened meeting at which a quorum is

represented or present, any business may be transacted which could have been transacted at the meeting which was adjourned.

Section 3.9. Proxy. Any member entitled to vote may do so by written proxy duly executed by the member setting forth the meeting at which such proxy is valid. To be valid, a proxy must be dated and must be filed with the Secretary prior to the opening of the meeting for which it is to be used. No proxy shall be revocable except by written notice delivered to the Association. A proxy shall be automatically revoked if the member who has given such proxy is present at the meeting at which the proxy was to be used.

Section 3.10. Action in Lieu of Meeting. Any action to be taken at a meeting of the members of the Association, or any action that may be taken at a meeting of the members of the Association, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members of the Association and any further requirements of law pertaining to such consents have been complied with.

ARTICLE IV

DIRECTORS

Section 4.1. Number. The number of members of the Board of Directors shall vary with a minimum of one and a maximum of five. The Board of Directors shall be elected by "the Company" until such time as the Company is no longer a member of the Association.

Section 4.2. Nomination. After "the Company" is no longer a member of the Association, nomination for election to the Board of

Directors shall be made by a nominating committee which shall consist of a minimum of three members and a maximum of five members appointed by the President to serve from the close of one annual meeting to the close of the succeeding annual meeting. The membership of the nominating committee shall be announced at the annual meeting. The nominating committee may nominate any number of qualified individuals (all of whom, with the exception of any director appointed by "the Company" must be owners of units within Waters Edge Subdivision, or the spouses of such owners, provided, however, that no unit owner and his or her spouse may serve as directors at the same time), but no less than the number of directors to be elected. The nominations shall be made at least twenty-one (21) days prior to the annual meeting (or, in the case of any special meeting held to elect the first Board of Directors following the expiration of "the Company's" right to appoint and remove directors, at least seven (7) days prior to such special meeting) and a brief statement about the qualifications of each individual so nominated shall be included with the notice of the annual meeting or special meeting, as the case may be. Nominations shall also be allowed from the floor by members present at any such annual or special meeting.

Section 4.3. Appointment and Election. Until the date upon which the Company's right to appoint and remove any member or members of the Board of Directors shall expire, as provided herein, all of the members of the Board of Directors shall be appointed and removed by the Company. From and after the expiration of the

aforesaid right of the Company, the members of the Board of Directors shall be elected in the following manner:

(a) Unless a special meeting of the members shall have been called for such purpose in accordance with Section 3.4 of these bylaws, the first election of the members of the Board of Directors by the members of the Association shall be held at the first annual meeting of the members of the Association following the date on which the Company's right to appoint and remove any member or members of the Board of Directors shall expire. At such annual or special meeting, the members of the Association shall elect 3 directors for an initial term of one year (each). Notwithstanding the foregoing, if such directors are elected at a special meeting rather than an annual meeting, the directors so elected at such special meeting shall also serve for that portion of a year between the date of such special meeting and the date of the first annual meeting held thereafter, so that their respective terms shall end on the second, third and fourth annual meetings after the date of said special meeting, as the case may be. The 3 persons receiving the highest number of votes at the meeting of the members of the Association at which the First Board of Directors is elected following the expiration of the Company's aforesaid right to appoint and remove the members of the Board of Directors shall (each) be elected to a term of one year.

(b) Except in the case of death, resignation, or removal, each director elected by the members shall serve until the annual meeting at which his term expires and until his successor has been

duly elected and qualified. Persons receiving the largest number of votes at any election of directors shall be elected, as provided above, whether or not such number constitutes a majority of the votes cast. All elections of members of the Board of Directors shall be by secret ballot. Cumulative voting shall not be permitted.

Section 4.4. Removal of Members of the Board of Directors.

After the expiration of the Company's right to appoint and remove directors, at any regular or special meeting of the members of the Association duly called, any one or more of the members of the Board of Directors may be removed with or without cause by the affirmative vote of the members to which a majority of the votes in the Association appertain, 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 at least seven (7) days' written notice of the meeting and purpose thereof and shall be given an opportunity to be heard at such meeting.

Section 4.5. Vacancies. Subject to the provisions of Sections 4.3(b) and 4.4 of these bylaws, any vacancy occurring in the Board of Directors may be filled (i) by the Company during such time as the Company has the power to appoint and remove directors, and (ii) from and after the expiration of such power, by the affirmative vote of a majority of the remaining directors, though less than a quorum of the Board of Directors.

Section 4.6. Duties and Powers. Except as specifically provided otherwise in the Act, the Georgia Nonprofit Corporation

Code, the Declaration, the Articles of Incorporation or these bylaws, the powers inherent in or expressly granted to the Association may be exercised by the Board of Directors, acting through the officers of the Association, without any further consent or action on the part of the members. The Board of Directors shall also have the responsibility of discharging all of the duties imposed upon the Board of Directors under the terms and provisions of the aforesaid legislative authorities and instruments.

Section 4.7. Regular Meetings. The Board of Directors shall meet regularly, at such intervals and such time and place as shall be determined by a majority of the members of the Board of Directors. In any event, the Board of Directors shall meeting within ten (10) days after each annual meeting of the members of the Association. No notice shall be required for such regular meetings of the Board of Directors.

Section 4.8. Special Meetings. Special meetings of the Board of Directors may be called at any time by the President, or by any three directors, on three (3) days' notice to each director, which notice shall specify the date, time and place of the meeting. Notice of any such meeting may be waived by an instrument in writing executed before or after the meeting. Attendance in person at any meeting shall constitute a waiver of notice thereof.

Section 4.9. Action in Lieu of Meeting. Any action to be taken at a meeting of the Board of Directors, or any action that may be taken at a meeting of the Board of Directors, may be taken

without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors and any further requirements of law pertaining to such consents have been complied with.

Section 4.10. Committees. (a) Pursuant to Section 4.2 of these bylaws, there shall be a nominating committee composed of 3 members of the Association, which committee shall be appointed in the manner, and shall perform the functions, specified in Section 4.2.

(b) The Board of Directors may establish an Architectural Standards Committee for the purpose of establishing and maintaining harmonious architectural standards within Waters Edge Subdivision, as provided in the Declaration.

(c) The Board of Directors shall have the power to appoint such other committees as it shall determine, with such powers and duties as the Board of Directors shall authorize. Unless otherwise provided in the resolution creating any committee, the chairperson of each committee shall be a member of the Board of Directors.

Section 4.11. Compensation. No fee or compensation shall be paid by the Association to directors for their services in said capacity. The directors shall be entitled in all events, however, to reimbursement for reasonable expenses incurred by them in the performance of their duties.

ARTICLE V

OFFICERS

Section 5.1. General Provisions. The officers of the Association shall consist of a President, a Vice President, a Secretary and a Treasurer. In addition, the Association shall have such other officers as the Company (prior to the expiration of its right to appoint and remove any officer or officers of the Association) or the Board of Directors (after the expiration of the aforesaid right of the Company) shall deem to be desirable in connection with the administration of the affairs of the Association. Any two or more offices may be held by the same person, except the offices of President and Secretary.

Section 5.2. Appointment. Until such time as the right of the Company to appoint and remove any officer or officers of the Association shall expire, all officers of the Association shall be appointed and removed by the Company. After the Company's aforesaid right shall expire, all of the officers of the Association shall be appointed by, and shall serve at the pleasure of, a majority of the members of the Board of Directors.

Section 5.3. President. The President shall be the chief executive officer of the Association and shall preside at all meetings of the members and of the Board of Directors. The President shall manage, supervise and control all of the business and affairs of the Association and shall have all of the powers and duties which are incident to the office of the president of a corporation organized under the Georgia Nonprofit Corporation Code.

Section 5.4. Vice President. The Vice President shall perform the duties of the President whenever the President shall be absent or unable to perform such duties. If neither the President nor the Vice President shall be able to perform such duties, the Board of Directors shall appoint one of their members to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as the President may delegate to him from time to time.

Section 5.5. Secretary. The Secretary (a) shall attend all meetings of the members and of the Board of Directors and shall keep the minutes thereof, (b) shall be responsible for the preparation and giving of all notices which are required to be given by the Declaration and these bylaws, (c) shall be the custodian of the books and records of the Association, (d) shall keep a register of the addresses of each member of the Association and any mortgagee on the lot or dwelling unit of each such member, (e) shall give all of the notices which mortgagees shall be entitled to receive under the provisions of Section 9.1 of these bylaws, and (f) shall perform such other duties as are incident to the office of the secretary of a corporation organized under the Georgia Nonprofit Corporation Code.

Section 5.6. Treasurer. The Treasurer shall be charged with the management of the financial affairs of the Association, and shall keep full and accurate financial records and books of account showing all receipts and disbursements of the Association, and shall prepare all required financial data. The Treasurer shall

also perform all of the duties which are incident to the office of the treasurer of a corporation organized under the Georgia Nonprofit Corporation Code.

Section 5.7. Compensation of Officers. The officers of the Association shall not be entitled to the payment of any compensation for serving in such capacities. The officers of the Association shall be entitled in all events, however, to reimbursement for reasonable expenses incurred by them in the performance of their duties.

ARTICLE VI

INSURANCE

Insurance shall be obtained by the Association governed by the following provisions:

Section 6.1. Types of Insurance. The Association shall obtain and maintain the following insurance policies:

- (a) A comprehensive policy of public liability insurance covering all of the common elements.
- (b) Such other insurance policies as the Board of Directors shall deem desirable for the benefit of the Association.

ARTICLE VII

ENFORCEMENT PROCEDURES

The right of the Board of Directors to impose fines, to suspend voting rights in the Association, and otherwise to restrict any other rights of a member of the Association for violation of

any rules or regulations promulgated by the Association pursuant to the Declaration, shall be subject to the following conditions and provisions:

Section 7.1. Demand. The Board of Directors shall first serve upon the alleged violator written demand to cease and desist from, or otherwise to cure, any alleged violation. Said written demand shall specify (a) the alleged violation; (b) the action required to abate or cure the violation; and (c) (i) if the violation is a continuing one, a time period not less than ten (10) days during which the violation may be abated or cured without further sanction, or (ii) if the violation is not a continuing one, a statement that any further violation of the same rule may result in the imposition of sanctions after notice and hearing.

Section 7.2. Notice. Within twelve (12) months following such demand, if the violation continues beyond the period allowed in the demand sent pursuant to Section 7.1 above, or if the same rule or regulation is subsequently violated by the alleged violator to whom such previous demand was sent, the Board of Directors shall serve the alleged violation with written notice to appear at a hearing to be held by the Board of Directors in executive session. The notice shall set forth (i) the nature of the alleged violation; (ii) the time and place of the hearing, which time shall not be less than ten (10) days from the giving of such notice; (iii) an invitation for the alleged violator to attend the hearing and produce any statement, evidence and witnesses on his or her behalf; (iv) the proposed sanctions to be imposed; (v) the name, address

and telephone number of a person to contact in order to challenge the proposed action; and (vi) a statement that the proposed sanction shall be imposed as contained in the notice unless a challenge is initiated within ten (10) days of receipt of the notice (said ten-day period being hereinafter called the "Challenge Period"). If a challenge is not so initiated, the sanction shall be imposed upon expiration of the Challenge Period.

Section 7.3. Hearing. The hearing described in the notice required to be given under Section 7.2 above shall be held in executive session pursuant to said notice, for the purpose of affording the alleged violator a reasonable opportunity to be heard. Prior to the effectiveness of any sanction imposed hereunder, proof of notice and the invitation to be heard shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer or Director that delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator appears at such meeting. The minutes of the meeting shall contain a written statement of the summary of the hearing and the sanction(s), if any, imposed.

Section 7.4. Exception. If the nature of the violation or alleged violation is such that the procedure described in Sections 7.1, 7.2 and 7.3 above cannot reasonably be followed before assessing the appropriate penalty or sanction (including, without limitation, self-help measures such as the towing of vehicles that are in violation of parking rules and regulations) then the penalty

or sanction may be first assessed or imposed and the aforesaid procedures for notice and an opportunity to be heard complied with promptly thereafter, for the purpose of affording the party against whom the penalty or sanction was assessed or imposed with an opportunity to contest said penalty or sanction as set forth above.

ARTICLE VIII

MISCELLANEOUS

Section 8.1. Fiscal Year. The fiscal year of the Association shall be the calendar year.

Section 8.2. Certain Notices. Any member who shall sell, grant a mortgage on, or lease any lot or dwelling unit in which he has a fee or undivided fee interest shall promptly give the Secretary a written notice of such sale, grant or lease, which notice shall also set forth the name and address of such purchaser, mortgagee or lessee. The address so furnished for such purchaser, mortgagee or lessee shall be the address to which the Secretary shall send any notices to be sent to such purchaser, mortgagee or lessee, until such purchaser, mortgagee or lessee shall furnish the Secretary with another address for such purpose. In addition, by granting a mortgage on any lot or dwelling unit, every member shall be deemed to have thereby authorized the Secretary to send to such mortgagee such information as such mortgagee shall request in regard to any default by such member in the performance of his duties and responsibilities under the Declaration and these bylaws.

Section 8.3. Liability and Indemnification of Officers and Directors.

(a) The Association shall, except as may be prohibited by applicable law, indemnify every officer and director of the Association against any and all reasonable expenses (including, but not limited to, reasonable attorneys' fees) incurred by or imposed upon such officer or director in connection with any threatened, pending or completed action, suit or other proceeding, whether civil, criminal, administrative or investigative, and whether formal or informal (including, without limitation, the settlement of any such action, suit or proceeding, if approved by the then-existing Board of Directors) to which he may be made a party by reason of being or having been an officer or director of the Association, whether or not such person is an officer or director of the Association at the time such expenses are incurred. The officers and directors of the Association 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, to the extent not prohibited by applicable law, indemnify and forever hold each such officer and director free and harmless from and against any and all liability to others on account of any such contract or commitment.

(b) Expenses incurred by any person who was or is a party or who is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal,

administrative or investigative, and whether formal or informal, by reason of the fact that he is or was a director or officer of the Association in defending any such action, suit or proceeding, shall be paid by the Association in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Association as authorized hereunder or under the applicable provisions of the Georgia Nonprofit Corporation Code.

(c) Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director, or former officer or director, may be entitled, and such indemnification shall inure to the benefit of the heirs, executors and administrators of such indemnified person. The Association, as a common expense, shall maintain adequate general liability insurance (with an appropriate contractual liability endorsement) and, if obtainable at a cost which the Board of Directors determines not to be unreasonable, officers' and directors' liability insurance, to fund the obligations set forth in this Section 8.3, which insurance shall be written in accordance with the standards set forth in Article VI of these bylaws.

ARTICLE IX

CERTAIN RIGHTS OF MORTGAGEES, INSURERS, AND GUARANTORS

Section 9.1. Certain Notices. Any mortgagee, any insurer or a mortgage and any guarantor of a mortgage (or any of the

foregoing), upon written request identifying the name and address of the requesting mortgagee, insurer or guarantor and the lot or dwelling unit to which such mortgage or mortgages apply, shall be entitled to receive from the Association (a) an annual, audited financial statement of the Association within ninety (90) days following the end of the fiscal year of the Association, (b) written notice of all regular and special meetings of the members, such notice to be given by the Secretary no later than the date upon which notice of any such meeting is required to be given to the members under Section 3.4 of these bylaws, and (c) written notification of any default in the performance by any member on which lot or dwelling unit there is a mortgage held, insured, or guaranteed by such mortgagee, insurer or guarantor, of any obligation under the Declaration or these bylaws which is not cured by such member within sixty (60) days.

Section 9.2. Certain Rights. Any lot or dwelling unit owner, lender or first mortgagee, any insurer or guarantor of a first mortgage, shall, upon request, be entitled and have the right, during normal business hours or under other reasonable circumstances, to inspect the books, records and financial statements of the Association, as well as then current copies of the Declaration, the bylaws, and the rules and regulations of the Association. Any first mortgagee and any insurer or guarantor of a first mortgage shall be entitled to designate a representative to attend all regular and special meetings of the members.

ARTICLE X

AMENDMENTS

"The Company" may unilaterally amend these bylaws without the consent of the members so long as the amendment does not materially alter the terms herein. After the Company's termination of control of the Association, these bylaws may be amended only in accordance with the following procedure: the Board of Directors shall first adopt a resolution proposing the amendment and recommending its adoption by the members. Such proposed amendment shall then be presented to the members at a meeting thereof duly called and held for the purpose of considering such proposed amendment (at which meeting at least fifty-one percent (51%) of the lot or dwelling unit owners must be present at the time such proposed amendment comes up for a vote, in order for any action adopting such amendment to be valid and binding.) If such proposed amendment is approved by at least sixty-seven percent (67%) of the total votes in the Association cast at such meeting, such amendment shall become effective.

ARTICLE XI

CORPORATE SEAL

Section 11.1. Seal. The seal of the Corporation shall be in such form as the Board of Directors may from time to time determine. In the event it is inconvenient to use such a seal at any time, the signature of the Corporation followed by the word "Seal" enclosed in parentheses or scroll shall be deemed the seal

of the Corporation. The seal shall be in the custody of the Secretary and affixed by him or his assistants on all appropriate papers.

ARTICLE VII

BANK ACCOUNTS AND LOANS

Section 12.1. Bank Accounts. Such officers or agents of the Corporation as from time to time shall be designated by the Board of Directors shall have authority to deposit any funds of the Corporation in such banks or trust companies as shall from time to time be designated by the Board of Directors and such officers or agents as from time to time shall be authorized by the Board of Directors may withdraw any or all of the funds of the Corporation so deposited in any such bank or trust company, upon checks, drafts, or other instruments or orders for the payment of money, drawn against the account or in the name or behalf of the Corporation, and made or signed by such officers or agents; and each bank or trust company with which funds of the Corporation are so deposited is authorized to accept, honor, cash and pay, without limit as to amount, all checks, drafts or other instruments or orders for the payment of money, when drawn, made or signed by officers or agents so designated by the Board of Directors, until written notice of the revocation of the authority of such officers or agents by the Board of Directors shall have been received by such bank or trust company. There shall from time to time be certified to the banks or trust companies in which funds of the

Corporation are deposited, the signature of the officers or agents of the Corporation so authorized to draw against the same.