

BY-LAWS  
of  
NORTH FULTON EXECUTIVE SQUARE ASSOCIATION, INC.

ARTICLE I  
NAME, LOCATION AND APPLICATION

Section 1. Name. The name of the Association is  
NORTH FULTON EXECUTIVE SQUARE ASSOCIATION, INC.  
(the "Association").

Section 2. Location. The Association shall have its principal  
office at 345 Market Place, which is located in the County of  
Fulton, Roswell, Georgia.

Section 3. Application. These By-Laws shall apply in respect to  
the management and control of the Association which shall be  
responsible for administering the condominium, providing for the  
means and methods of assessing and collecting the contributions to  
the common expenses, arranging for the management of the condominium  
property and performing any and all other acts which may be  
required or permitted to be performed by the Association in accor-  
dance with these By-Laws and subject to and in accordance with the  
Georgia Condominium Act, 1975, and the Declaration of Condominium  
relating to Condominiums as recorded or to be recorded in the  
Office of the Clerk of the Superior Court of Fulton County,  
Georgia (the "Declaration").

ARTICLE II  
DEFINITIONS

Section 1. Definitions. The terms used in these By-Laws, unless  
otherwise specified or unless the context otherwise requires,  
shall have the same meanings as defined in the Declaration and  
in addition:

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(a) "Majority" or "majority of owners" means the owners with fifty-one percent (51%) of the votes in the Association or such greater percentage as may be required by reason of any provision herein or of the Declaration, calculated in accordance with the percentage allocated pursuant to the Declaration.

### ARTICLE III

#### MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. An owner of a unit shall automatically become a member of the Association upon taking title to the unit and shall remain a member for the entire period of ownership. Subject to the provisions of these By-Laws, an authorized officer of any corporate member, an authorized partner of any member which is a partnership or the spouse of any individual member, may exercise the powers and privileges of such member. Each member shall keep on file with the Secretary of the Association, the name and capacity of such person or persons authorized to exercise such member's vote as set forth above. If title to a unit be held by more than one person, the membership shall be shared in the same proportion as the title, but there shall be only one membership and one vote per unit, calculated in accordance with the fraction allocated pursuant to the Declaration. Membership shall be appurtenant to and may not be separated from the ownership of the unit to which it appertains and membership shall be transferred automatically by conveyance of that unit. Membership may be transferred only in connection with the transfer of the title to the unit.

Section 2. Voting Rights. The Association shall have one class of voting membership which shall consist of all members including the Declarant. Each member shall be entitled to a vote calculated according to the fraction as provided for in the Declaration and being equal to his or its fraction of his or its undivided interest in and to the common elements. When more than one person or entity owns a unit, the votes for such unit shall be exercised as they or it, between or among themselves or themselves, shall determine, but in no event, shall more votes be cast with respect to a

unit than are allocated thereto pursuant to the Declaration. In the event of any dispute among such persons or entities or any attempt by two or more of the owners of any unit to cast a vote or votes in respect to such units, the votes shall not be recognized nor taken into account.

Section 3. Suspension of Membership and Voting Rights. If, during any period, a member shall be in default of payment of any annual, monthly or special assessment duly levied by the Association for a period of more than thirty (30) days, the voting rights of such member may be suspended by the Board of Directors until such assessment has been paid. Such membership rights may also be suspended, for a period not exceeding thirty (30) days, for violation of any of the rules and regulations promulgated by the Board of Directors governing the use of the common elements or units.

#### ARTICLE IV

##### MEETINGS OF MEMBERS

Section 1. Annual Meetings. The first Annual Meeting of Members shall be called by the Declarant within a period of one year from the date upon which the Association is formed and each subsequent regular Annual Meeting of the members shall be held not less frequently than annually on a day and at an hour set by the Board of Directors. Meetings shall be held at the condominium or other suitable place within Fulton County, Georgia, as set by the Board of Directors.

Section 2. Special Meetings. Special Meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of the members who are entitled to vote at least one-half (1/2) of all the votes of the entire membership.

Section 3. Notice of Meetings. The Secretary or person authorized to call the meeting shall not give less than twenty-one (21) days written notice of each regular annual meeting and not less than seven (7) days written notice of each Special Meeting to each member entitled to vote thereat by delivering a copy of such notice personally to each member or by mailing a copy thereof, postage prepaid, to the member at the address of the unit owned by him or it or at such other address as the owner of the unit shall have appointed by notice in writing to the Secretary. The mailing or delivering of a notice of meeting in the manner provided in this section shall be considered service of notice. Except as otherwise provided in the Declaration or in these By-Laws, members entitled to cast more than one-third (1/3) of the votes of the Association, in person or by proxy, shall constitute a quorum if present at the beginning of such meeting.

Section 4. Proxies. At all meetings of members, each member, or his or its authorized representative may vote in person or by proxy where the designated representative is someone other than described in Sec. 1 of Article III hereof. All proxies shall be dated and in writing and filed with the Secretary prior to the opening of the meeting for which it is to be used. No such proxy shall be revocable except by written notice delivered to the Association by the unit owner. Any proxy shall be void if it is not dated nor if it purports to be revocable without notice as herein provided and such proxy shall cease upon conveyance by a member of his or its unit. Further, the presence in person of such member or its authorized representative, at the meeting for which a proxy is given, shall revoke automatically the proxy.

#### ARTICLE V

##### MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Commencing with the month following that in which the first annual meeting of members takes place,



regular meetings of the Board of Directors shall be held at such place and hour as may be fixed from time to time by resolution of the Board of Directors; provided that such meetings shall be held at least once every two (2) months.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two directors, after not less than three (3) days' notice to each director.

Section 3. Quorum. Not less than one-half (1/2) of the number of directors shall constitute a quorum for the transaction of business. Except as otherwise expressly provided, every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board of Directors.

#### ARTICLE VI

##### NOMINATION AND ELECTION OF DIRECTORS

Section 1. Number and Nomination. The number of the Board of Directors shall consist of three members and subject to the provisions of Section 4 of this Article, the first Board of Directors to be elected shall be elected at the first annual meeting of members and nominations therefor shall be made only from the floor. Thereafter, nominations for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors and two or more members of the Association. The nominating Committee shall be appointed by the Board of Directors prior to each annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine,

but not less than the number of vacancies that are to be filled. Such nominations shall be made from among the members of the Association.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot cast at the annual meeting. At such election the members or their proxies may cast, in respect of each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Section 3. Term. The Board of Directors shall be elected annually and shall hold office until the re-election of directors at the next Annual Meeting of the Association. Retiring members shall be eligible for re-election.

Section 4. Declarant's Rights. Notwithstanding the provisions of Sections 1, 2, and 3 of this Article, the Declarant shall be authorized:

- (a) prior to the first conveyance of a condominium unit, to cause the first Board of Directors to be duly appointed to hold office until the first annual meeting of the Association;
- (b) for the period prescribed in Section 33 of the Georgia Condominium Act, to appoint and remove any member or any members of the Board of Directors and any member appointed by the Declarant shall hold office until removed by the Declarant or until the date upon which the Declarant's authority to appoint and remove members of the Board of Directors expires in accordance with the said Section 33.

#### ARTICLE VII

##### POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power:

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- (a) To adopt and publish rules and regulations governing the use of the common elements and the conduct of the members, their or its guests, patrons, invitees, tenants and licensees of a unit and to establish penalties for the infraction thereof;
- (b) To exercise for the Association all powers, duties and authority vested in or delegated to the Association not reserved to the membership by other provisions of these By-Laws or the Declaration;
- (c) To declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three consecutive regular meetings of the Board of Directors; and
- (d) To enter into and administer management or contractual agreements with third parties in order to facilitate efficient operation of the condominium. It shall be the primary purpose of such management or contractual agreements to provide for the administration of the condominium, the maintenance, repair, replacement and operation of the common elements, and the receipt and disbursement of funds as may be authorized by the Board of Directors. The terms of said management or contractual agreements shall be as determined by the Board of Directors to be in the best interests of the Association and shall be subject in all respects to the By-Laws and the Declaration.

Section 2. Duties. It shall be the duty of the Board of Directors:

- (a) To cause to be kept a complete record of all its acts and business affairs and to present a statement thereof to the members at the annual meeting of the members or at any special meeting, when such statement is requested in writing by at least one-half (1/2) of the members who are entitled to vote;

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- (b) To supervise all officers, agents and employees of the Association, and to see that their duties are properly performed;
- (c) As more fully provided in these By-Laws, but subject to the fractions specified in the Declaration and to any other provisions thereof relating to assessments of common expenses:
- (1) to fix the amount of the annual assessment and any other assessment, pursuant to the provisions of Section 3 and 4 of Article XIV of these By-Laws; and
  - (2) to deliver written notice of any such assessment to each unit owner or send written notice of such assessment to every member subject thereto in accordance with the said Section 3 and 4 of Article XIV.
- (d) To issue, or to cause its duly authorized agent or an appropriate officer to issue, upon demand by a member at any time, a certificate setting forth whether the assessments on such member's unit have been paid. A reasonable charge may be made by the Board of Directors for the issuance of these certificates. Such certificates shall be conclusive evidence of payment of any assessment therein stated to have been paid.
- (e) To procure and maintain insurance and perform all functions related thereto as provided for and in accordance with the terms of the Declaration.
- (f) To cause the common elements and limited common elements to be maintained; however, it shall not be the duty of the Board of Directors to provide cleaning and housekeeping services for limited common elements, which shall be the responsibility of the unit owners to which such limited common elements, which shall be the responsibility of the unit owners to which such limited common elements appertain; and

- (g) To cause the roof surfaces and exterior building surfaces of the building to be maintained.

#### ARTICLE VIII

##### COMMITTEES

Section 1. Appointment. The Association may appoint a Nominating Committee, as provided in these By-Laws, or any other committee as deemed appropriate in carrying out its purposes, such as: a maintenance committee, an audit committee, an insurance review committee, a budget committee, etc.

Section 2. Action on Complaints. It shall be the duty of each committee to receive complaints from members on any matter involving Association functions, duties and activities within its field of responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other committee, director, or officer of the Association as is further concerned with the matter presented.

#### ARTICLE IX

##### OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, a treasurer and such other officers as the Board may from time to time, by resolution, create.

Section 2. Election of Officers. Prior to the first conveyance of a condominium unit, the Declarant shall be authorized to cause the first officers to be appointed and thereafter, but subject to the Declarant's rights pursuant to Section 33 of the Georgia Condominium Act and Section 8 of this Article, the election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the Board of Directors and each shall hold office for one year unless he shall sooner resign, or shall be removed, or otherwise be disqualified to serve, provided that any officer who has been appointed by the Declarant pursuant to Section 33 of the Georgia Condominium Act and Section 8 of this Article shall hold office until removed by the Declarant or until the date upon which the Declarant's authority to appoint and remove officers expires in accordance with the said Section 33.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall, subject to Sections 5, 6, and 8 of this Article, hold office for such period, have such authority, and perform such duties as the Board of Directors may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board of Directors. Any officer may resign at any time by giving written notice to the Board of Directors, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled in the manner prescribed for regular election. The officer elected to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article IX.

Section 8. Declarant's Rights. Notwithstanding any other provision of this Article, the Declarant shall be authorized for the period prescribed in Section 33 of the Georgia Condominium Act to appoint and remove any officer or officers of the Association.

Section 9. Duties. The duties of the officers are as follows:

President

- (a) The president shall preside at all meetings of the Board of Directors; shall see that the orders and resolutions of the Board are carried out; shall sign all written instruments regarding the common elements and shall co-sign, as president, all checks and promissory notes, if any, of the Association.

Vice-President

- (b) The vice-president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board of Directors.

Secretary

- (c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the members; keep appropriate current records showing the membership of the Association, together with their individual addresses, and shall perform such other duties as may be required of him by the Board of Directors.

Treasurer

- (d) The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall co-sign as treasurer, all checks and promissory notes, if any, of the Association; keep proper books of account; cause an annual audit of the Association's books to be made at the completion

of each fiscal year; and shall prepare, with the assistance of the budget committee, an annual budget and a statement of income and expenditure to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

#### ARTICLE X

##### BOOKS AND RECORDS

Section 1. Inspection. The Declaration, By-Laws, books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member.

#### ARTICLE XI

##### INSURANCE AND CASUALTY LOSSES: INDEMNIFICATION

Section 1. Insurance. The Board of Directors of the Association shall obtain insurance as required by Section 39 of the Georgia Condominium Act, and whenever needed to comply with statutory requirements, workmen's compensation insurance covering the employees and/or agents of the Association.

Such insurance shall include casualty insurance affording fire and extended coverage in amounts as hereinafter provided, and in addition liability insurance in amounts determined by the Board of Directors but in amounts not less than \$500,000.00 for injuries including death to a single person, \$1,000,000.00 for injury or injuries, including death, arising out of a single occurrence, and \$50,000.00 property damage.

Premiums for all such insurance shall be included in the common expenses. All such insurance coverage obtained by the Board of Directors shall be written in the name of the Association for an amount equal to the full replacement value of all structures within the condominium. The determination of such full replacement value shall be based on the annual insurance review provided for in subparagraph (i) below. The Association may exclude from such insurance coverage, improvements and betterments made by unit owners. Such insurance shall be governed by the provisions hereinafter set forth;

EXHIBIT D



- (a) All policies shall be written with a company licensed to do business in the State of Georgia;
- (b) All policies shall be for the benefit of the unit owners and their mortgagees, as their interests may appear;
- (c) Provision shall be made for the issuance of a certificate of insurance to each owner and his mortgagee, if any, which shall specify the proportionate amount of such insurance attributable to the particular owner's unit;
- (d) The original of all policies and endorsements thereto shall be deposited with the Board of Directors.
- (e) Exclusive authority to adjust losses under policies hereafter in force on the property shall be vested in the Board of Directors or its duly authorized agent; provided, however, that no mortgagee having an interest in such losses may be prohibited from participating in such adjustments;
- (f) In no event shall any recovery or payment under the insurance coverage obtained and maintained by the Board of Directors hereunder be affected or diminished by insurance purchased by individual owners or their mortgagees;
- (g) Each owner may, at his own expense, obtain additional insurance on his unit insuring the full contents thereof. Provided, however, no owner shall be entitled to exercise his right to maintain insurance coverage in such a way as to decrease the amount which the Board of Directors, on behalf of all of the owners and their mortgagees, may realize under any insurance policy which the Board of Directors may have in force on the property at any particular time;
- (h) Any owner who obtains an individual insurance policy covering any portion of the property, other than improvements and betterments made by such owner at his expense

and personal property belonging to such owner, shall file a copy of such policy with the Board of Directors within thirty (30) days after purchase of such insurance.

- (i) The Board of Directors shall conduct an annual insurance review for the purpose of determining the replacement value without respect to depreciation, of all improvements on the property, including all units, common elements and limited common elements (with the exception of improvements and betterments made by the respective owners at their expense):
- (j) The Board of Directors or its duly authorized agent shall make every effort, but shall not be required, to secure insurance policies that will provide for the following:
  - (1) a waiver of subrogation by the insurer as to any claims against the Board of Directors, its duly authorized agents, and the owners and their respective servants, agents and guests;
  - (2) a waiver of insurer's right to repair or reconstruct instead of paying cash;
  - (3) a waiver of insurer's right to cancel, invalidate or suspend the policy on account of the acts of fewer than five (5) owners or the conduct of any director, officer or employee of the Association or its duly authorized agent without a prior demand in writing delivered to the Association to cure the defect and the allowance of a reasonable time thereafter within which the defect may be cured by the Association, its agent, any owner or mortgagee; and
  - (4) that any "other insurance" clause in the master policy exclude individual owner's policies from consideration.

Section 2. No Partition. There shall be no judicial partition of the property or any part hereof, and Declarant and every person

acquiring any interest in the property or any part thereof shall acquire the same subject to this Declaration and shall be deemed to have waived any right to seek any such judicial partition until the happening of the conditions set forth in Section 1 of Article XII in the case of damage or destruction, or until the property has been removed from the provisions of the Georgia Condominium Act as provided for in Section 1 of Article XII.

Section 3. Board of Directors.

- (a) All insurance policies purchased by and in the name of the Association shall provide that proceeds payable to the Association shall be paid to the Board of Directors. Immediately upon the receipt by the Board of Directors of such proceeds, the Association shall endorse the instrument by means of which such proceeds are paid.
- (b) The duty of the Board of Directors in the event of a casualty loss shall be to receive proceeds delivered to it and to hold such proceeds in trust for benefit of the owners and their mortgagees. An undivided share of such proceeds on account of damage or destruction to the common elements shall be allocated and assigned for the owners in accordance with their respective percentages or undivided interest in and to the common elements as specified in the Declaration.
- (c) Proceeds of insurance policies received by the Board of Directors shall be disbursed as follows:
  - (i) If the damage or destruction for which the proceeds are paid is to be repaired or reconstructed as provided in the Declaration and as otherwise provided in the Georgia Condominium Act, the proceeds or such portion thereof as may be required for such purposes, shall be disbursed in payment for such repairs or reconstruction as hereinafter provided. Any proceeds remaining after defraying such costs shall be disbursed to the beneficial owners, remittances to unit owners

and their mortgagees under a deed to secure debt of a unit and may be enforced by such holder under a deed to secure debt.

- (ii) If it is determined as provided for in Section 1 of Article XII that the damage or destruction for which the proceeds are paid shall not be repaired or reconstructed, such proceeds shall be disbursed to such persons therein provided.
- (iii) Any and all disbursements of funds by the Board of Directors for any purpose whatsoever shall be made pursuant to and in accordance with a certificate of the Association signed by the President or Vice President and attested by the Secretary or Assistant Secretary directing the Board of Directors as to the disbursements. If the damage or destruction is to the common elements and is to be repaired or reconstructed, said Certificate shall also be signed by or on behalf of the mortgagee known by the Board of Directors to have the largest interest in or lien upon such common elements. If the damage or destruction is to one or more units and is to be repaired or reconstructed, said certificate shall also be signed by or on behalf of the mortgagee known by the Board of Directors to have the largest interest in or lien upon such common elements. If the damage or destruction is to one or more units and is to be repaired or reconstructed, said certificate shall also be signed by or on behalf of the mortgagee or mortgagees, if any, known by the Board of Directors to have an interest in or lien upon such unit or units. The Board of Directors shall not incur any liability to any owner, mortgagee or other person for any disbursement made by it pursuant to and in accordance with any such certificates or written

authorization.

Section 4. Limitation of Liability; Indemnification.

Notwithstanding the duty of the Association to maintain, repair and replace parts of the common elements, the Association shall not be liable for injury or damage caused by any latent condition of the common elements nor for injury caused by the common elements, owners or other persons, nor shall any officer or director of the Association be liable to any owner for injury or damage caused by such officer or director in the performance of his duties unless due to the willful misfeasance or malfeasance of such officer or director. Each officer and director of the Association shall be indemnified by the owners against all expenses and liabilities, including attorney's fees, reasonably incurred or imposed upon him in connection with any proceeding to which he may be a party or in which he may become involved by reason of his being or having been an officer or director of the Association at the time such expenses and liabilities are incurred, except in such cases where the officer or director is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement, the indemnification shall apply only when the Board of Directors approves such settlement and reimbursement as being in the best interests of the Association.

ARTICLE XII

DAMAGE & DESTRUCTION: RECONSTRUCTION & REPAIRS

Section 1. Damage and Destruction.

- (a) If the damage and destruction is only to those parts of one unit which for any reason is not covered by the insurance coverage of the Association, then the unit owner shall be responsible for reconstruction and repair after casualty.

EXHIBIT F

- (b) Immediately after the damage or destruction by fire or other casualty to all or any part of the property covered by insurance coverage of the Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this paragraph, means repairing or restoring the property to substantially the same condition in which it existed prior to the fire or other casualty with each unit and the common elements having the same vertical and horizontal boundaries as before.
- (c) Any such damage or destruction shall be repaired or reconstructed unless members holding not less than the required percentages of the total vote of the Association as provided for in Paragraph (a) or (b) of Article 14 of the Declaration, together with the unit owner or owners of the damaged or destroyed unit or units, shall decide within sixty (60) days after the casualty not to repair or reconstruct. If, for any reason, the amount of the insurance proceeds to be paid as a result of such damage or destruction or reliable and detailed estimates of the cost of repair or reconstruction are not made available to the Association within said period of sixty (60) days after the casualty, then such period shall be extended until such information shall be made available to the Association; provided, however, that said extension of time shall in no event exceed ninety (90) days.
- (d) In the event that it is determined by the Association in the manner prescribed above that the damaged or

EXHIBIT F

destruction shall not be repaired or reconstructed,  
then and in that event:

- (1) the property destroyed or damaged (including all units destroyed or damaged) shall be deemed to be owned in common by the unit owners;
- (2) the undivided interest in the destroyed or damaged property which shall appertain to each unit owner shall be that fraction of the undivided interest previously owned by such owner in the common elements;
- (3) any lien affecting any unit shall be deemed to be transferred in accordance with the existing priorities to the percentage of undivided interest of such unit owner in the property.

Section 2. Repair and Reconstruction.

- (a) If the damage or destruction for which the insurance proceeds are paid to the Board of Directors is to be repaired or reconstructed and such proceeds are not sufficient to defray the cost thereof, the deficiency shall be and become an assessment against the unit destroyed or damaged subject only to any pre-existing deed to secure debt secured by the unit, any prior assessments of the Association which remain unpaid and real estate taxes assessed against such unit, and shall be paid by the unit owners at such times and under such conditions as the Board of Directors may prescribe.
- (b) Any and all sums paid to the Association under and by virtue of those assessments provided for in paragraph (a) of this Section shall be deposited with the Board of Directors. The proceeds from insurance and assessments if any, received by the Board of Directors, when the damage or destruction is to be repaired or reconstructed, shall be disbursed as provided for in Section 3 of Article XI.

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Section 3. Minor Repairs. Notwithstanding the foregoing provisions of Article XI or of this Article XII, in the event of damage by fire or other casualty to either the common elements or a single unit covered by insurance written in the name of the Association and if the insurance proceeds payable therefor are less than One Thousand (\$1,000.00) Dollars and the estimated cost of repairing such damage is less than twice the amount of such proceeds, then the instrument by means of which such proceeds are paid shall be endorsed by the Board of Directors and delivered to the Association and the damage shall be repaired.

#### ARTICLE XIII

#### RULES AND REGULATIONS

Section 1. Rules and Regulations. To assist the condominium in providing for congenial office occupancy and the protection of the value of the units, the Board of Directors shall have the right and authority to exercise reasonable controls over the use of the units and may make such regulations from time to time in addition to, or in amplification of the following provisions, namely:

- (a) No owner or other occupany of the condominium shall post any advertisements, signs, or posters of any kind in or on the property except as authorized by the Board of Directors. This restriction shall not apply to advertisements, signs or posters utilized by the Declarant, or his agents, in selling or leasing the units.
- (b) All refuse and trash shall be deposited in bins designated for such purposes.
- (c) No animals of any kind shall be kept or maintained on the property.
- (d) Owners, occupants and lessees shall exercise extreme care to avoid unnecessary noise that may disturb other owners.



- e No nuisances shall be allowed on the property nor shall any use or practice be allowed which is a source of annoyance to owners, occupants or lessees, or which interferes with the peaceful possession or proper use of the condominium by its owners, occupants or lessees.
- (f) No owner, occupant or lessee shall install wiring for electrical or telephone installation, television antennae machines or air conditioning units, etc., which protrudes through the walls or the roof of the condominium or is otherwise visible on the exterior of the condominium except as authorized by the Board of Directors.
- (g) No unit or common elements of the condominium may be used for any unlawful, immoral or improper purpose.
- (h) An owner shall not place or cause to be placed in the public walkways, driveways, parking areas or other general common areas any objects of any kind. The public walkways and driveways shall be used for no purpose other than for normal transit through them.
- (i) No activity shall be done or maintained in any unit or upon any common element which increases the rate of insurance on any unit or the common area or results in the cancellation of insurance thereon, unless such activity is first approved in writing by the Board of Directors. ✓

Section 2. Enforcement. In the event of any person, whether a member or other person occupying any unit through such member, violating any of the rules set out in Section 1 of this Article or any other rules or regulations made by the Board of Directors as provided herein or any of the Use Restrictions set forth in Article 12 of the Declaration, the Board of Directors shall have authority pursuant to the provisions of Section 13 of the Georgia Condominium Act and the Declaration, to take all steps necessary to prevent or discontinue any such violation.

Section 3. Procedure. The Board of Directors shall not impose a fine, suspend voting or infringe upon any other rights of a member or other occupant for violation of any rules or regulations or any of the Use Restrictions set forth in the Declaration unless the following procedures are followed:

- (a) Demand. Written demand to remedy alleged violations shall be served upon the alleged violator specifying
  - (1) the alleged violation;
  - (2) the action required to remedy the violation, and
  - (3) a time period of not less than ten (10) days during which the violation may be remedied without further sanction.
- (b) Notice. If the violation is not remedied within the period allowed in the demand, the Board of Directors shall serve the violator with written notice of a hearing to be held by the Board of Directors in executive session. The notice shall contain:
  - (1) the nature of the alleged violation;
  - (2) the time and place of the hearing, which time shall not be less than ten (10) days from the giving of the notice;
  - (3) an invitation to attend the hearing and produce any statement, evidence and witness in his behalf; and
  - (4) the proposed sanction to be imposed.
- (c) Hearing. The hearing shall be held in executive session and the minutes thereof shall include proof of service of the notice to remedy the violation and of the notice of the hearing, the written findings by the Board of Directors and a statement of the sanction imposed. Service shall be deemed to be proved if the violator appears at the hearing or if a copy of the notice(s) together with a statement by the officer or director who delivered such notice as to the date and manner of delivery is included in the said minutes.

ARTICLE XIV

ASSESSMENTS

Section 1. Purpose of Assessment. The assessments for common expenses provided for herein shall be used for the general purposes of promoting the health, safety, welfare, common benefit and enjoyment of the owners and occupants of units in the Association as may be more specifically authorized from time to time by the Board of Directors, only if approved by a majority vote of the Association.

Section 2. Lien for Assessments. All assessments lawfully made against any unit shall constitute a lien in favor of the Association pursuant to Section 41 of the Georgia Condominium Act and shall include all or any of the charges, costs or other amounts referred to in paragraph (b) of that Section.

Section 3. Computation of Budget and Assessment. The Board of Directors shall not less than twenty-one (21) days prior to the Association's annual meeting, prepare a budget covering the estimated costs of operating the condominium during the coming year, including an adequate reserve fund. The Board shall cause the budget and the assessments to be levied against each unit for the following year to be delivered to each member at least twenty-one (21) days prior to the meeting. The budget and the assessment shall become effective unless disapproved at the annual meeting by a vote of a majority of those present at the meeting. Notwithstanding the foregoing, should the proposed budget be disapproved as aforesaid or should the Board of Directors fail for any reason to determine the budget for the succeeding year, the budget in effect for the then current year shall continue for the succeeding year or until a budget has been approved at a special meeting of the Association. The first Board of Directors of North Fulton Executive Square Association, Inc., shall submit a budget for the following year within ninety (90) days of the date upon which

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it is appointed pursuant to the provisions of Section 4 of Article VI of these By-Laws.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying in whole or in part the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the common area, including fixtures and personal property related thereto, or the properties, in the same manner as provided in Section 3 of this Article XIV. The Board of Directors may make such special assessments payable in installments over a period of not more than three (3) years.

#### ARTICLE XV

#### MISCELLANEOUS

Section 1. Invalidity. If any part of these By-Laws is determined by any tribunal or administrative body having jurisdiction over such matters to be invalid, such invalidity shall not impair or affect in any manner the validity, enforceability or effect of the remainder of these By-Laws.

Section 2. 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 By-Laws, or the intent of any provision hereof.

Section 3. Fiscal Year. The fiscal year shall be set by resolution of the Board of Directors.

Section 4. Audit. An audit of the accounts of the Association shall be made annually as a common expense by a Certified Public Accountant and a copy of his report shall be furnished to each member who requests a copy in writing.

Section 5. Conflicts. In the event of conflicts between the Georgia Condominium Act, the Declaration and these By-Laws, the Georgia Condominium Act and the Declaration shall control and in that order.

Section 6. Amendment. These By-Laws may be amended at a regular or special meeting of the Association of which due notice has been given in terms of these By-Laws. During the period there shall exist an unexpired option to add additional property to the Condominium by the Declaration, as specified in the Declaration, or during the period the Declarant shall have the right to control the Association, the vote required to amend the By-Laws shall be as specified in Article 17.01 of the Declaration. Following the expiration of such periods, the vote required to amend the By-Laws shall be as specified in Article 17.02 of the Declaration.

Section 7. Gender and Grammar. The singular, whenever used herein, shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women shall in all cases be assumed as though in each case fully expressed.

Section 8. Georgia Law. The provisions of these By-Laws shall be governed in interpretation and enforcement by the laws of the State of Georgia.

10/10/08