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EXHIBIT "B"

BYLAWS
OF
**GLENLAKE UPSTATE
HOMEOWNERS ASSOCIATION, INC.**

Binding Arbitration

This is the First page of the Bylaws of Glenlake Upstate Homeowners Association, Inc. Pursuant to South Carolina Code Section 15-48-10 et seq., 1976, as amended, these Bylaws are subject to the following:

THESE BYLAWS ARE SUBJECT TO ARBITRATION UNDER ARTICLE VI HEREIN.
THESE BYLAWS ARE BINDING ON ALL MEMBERS OF THE ASSOCIATION,
INCLUDING ANY PERSON OBTAINING FINANCIAL RIGHTS IN THE HOMEOWNERS
ASSOCIATION.

In the event other pages, including, but not limited to, cover pages, indexes, or tables of contents, are placed in front of this page, those pages shall not be deemed the first page. This page and only this page shall be deemed or considered the first page of the Bylaws for all legal purposes.

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BYLAWS
OF
GLENLAKE UPSTATE HOMEOWNERS ASSOCIATION, INC.

ARTICLE I
NAME MEMBERSHIP, APPLICABILITY AND DEFINITIONS

1.1 Name. The name of the corporation shall be Glenlake Upstate Homeowners Association, Inc. ("Association").

1.2. Membership. The Association shall have two (2) classes of membership, as is more fully set forth in that certain Declaration of Protective Covenants, Conditions and Restrictions for Glenlake Subdivision ("Declaration"), the terms of those of which pertain to membership are specifically incorporated by reference herein.

1.3. Definitions. The capitalized words used in these Bylaws shall have the same meaning as set forth in the Declaration, unless the context shall correspond otherwise.

ARTICLE II
ASSOCIATION: MEETINGS, QUORUM, VOTING, PROXIES

2.1. Place of Meetings. Meetings of the Association shall be held at the Association's principal office or at such other suitable place convenient to the members as may be designated by the Board, either in the Community or as convenient to the Community as possible and practical.

2.2. First Meeting and Annual Meetings. An annual or special meeting shall be held within one year from the date the Declaration is recorded. Annual meetings shall be set by the Board so as to occur no later than sixty (60) days after the close of the Association's fiscal year.

2.3. Special Meetings. The President may call special meetings. In addition, it shall be the President's duty to call a special meeting of the Association if so directed by resolution of the Board or upon a petition signed by at least five (5%) percent of the Total Association Vote (the consent of the Declarant shall not be required). The notice of any special meeting shall state the date, 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.

2.4. Notice of Meetings. It shall be the duty of the Secretary to mail or to cause to be delivered to the Owner of each Lot (as shown in the records of the Association) and to the Declarant, so long as Declarant owns any real property within the Community, a notice of each annual or special meeting of the Association stating the time and place where it is to be held and in the notice of a special meeting, the purpose thereof. If an Owner wishes notice to be given at an address other

than his or her Lot, the Owner shall designate such other address in writing to the Secretary. The mailing or delivery of a notice of meeting in the manner provided in this Section shall be considered service of notice. Notices shall be served not less than ten (10) nor more than sixty (60) days before a meeting.

2.5. Waiver of Notice. Waiver of notice of a meeting of the members shall be deemed the equivalent of proper notice. Any member may, in writing, waive notice of any meeting of the members, either before or after such meeting. Such written notice shall be delivered to the Secretary for inclusion in the Association's minutes. Attendance at a meeting by a member, whether in person or by proxy, shall be deemed waiver by such member of notice of the time, date, and place thereof, unless such member specifically objects to lack of proper notice at the time the meeting is called to order.

2.6. Adjournment of Meetings. If any meetings of the Association cannot be held because a quorum is not present, a majority of the members who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

2.7. Voting. The voting rights of the members shall be as set forth in the Articles of Incorporation and the Declaration, and such voting rights are specifically incorporated by this reference.

2.8. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing, dated, and filed with the Secretary before the appointed time of each meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of such member's Lot, or upon receipt of notice by the Secretary of the death or judicially declared incompetence of a member, or of written revocation, or upon the expiration of eleven (11) months from the date of the proxy.

2.9. Quorum. The presence, in person or by proxy, of twenty-five (25%) percent of the total eligible Association vote shall constitute a quorum at all meetings of the Association. The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum. Any amendment to this Section shall comply with the provisions of the South Carolina Nonprofit Corporation Act, S.C. Code Section 33-31-10, *et seq.*

2.10. Action Without A Formal Meeting. Any action to be taken at a meeting of the members, or which may be taken at a meeting of the members, may be taken without a meeting if one or more written consents setting forth the action so taken shall be signed by members holding at least eighty (80%) percent of the Association's voting power. Action taken without a meeting shall be effective on the date that the last consent is executed, and consented to by the Declarant (so long as Declarant owns any property within the Community) unless a later effective date is specified therein. Each signed consent shall be delivered to the Association and shall be included in the minutes of meetings of members filed in the permanent records of the Association. Written notice of

member approval pursuant to this Section must be given to all members who have not signed the written consent. Provided, however, that so long as Declarant holds a majority of the voting power of the Association, Declarant may take action without a meeting, in its sole discretion.

2.11. Action By Written Ballot. Any action to be taken at any annual, regular, or special meeting of members may be taken without a meeting if approved by written ballot as provided herein. The Association shall deliver a written ballot to each member entitled to vote on the matter. The written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written ballot of an action shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting held to authorize such action and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. All solicitations for votes by written ballot shall indicate the number of responses needed to meet the quorum requirements; state the percentage of approvals necessary to approve each matter other than election of directors; and specify the time by which a ballot must be received by the Association in order to be counted. A timely written ballot received by the Association may not be revoked without the consent of the Board. The results of each action by written ballot shall be certified by the Secretary and shall be included in the minutes of meetings of members filed in the Association's permanent records.

ARTICLE III BOARD OF DIRECTORS: NUMBER, POWERS, MEETINGS

A. Composition and Selection.

3.1. Governing Body; Composition. The affairs of the Association shall be governed by a Board of Directors. Except as provided in Section 3.2, the directors must reside in the Community and shall be members or spouses of such members; however, no person and his or her spouse may serve on the Board at the same time.

3.2. Directors Appointed by Declarant. The Declarant shall have the right to appoint or remove any member or members of the Board or any officer or officers of the Association until such time as the first of the following events shall occur: (a) December 31, 2012; (b) when the total votes outstanding in the Class A membership exceed the total votes outstanding in the Class B membership; or (c) the surrender by Declarant in writing of the authority to appoint and remove directors and officers of the Association. Each Owner, by acceptance of a deed to or other conveyance of a Lot, vests in Declarant such authority to appoint and remove directors and officers of the Association. The directors selected by the Declarant need not be Owners or residents in the Community.

3.3. Number of Directors. The Board shall consist of three members. After the Declarant's right to appoint directors and officers terminates, the Board may expand the number of directors to five or seven members, which shall be filled by a vote of the members in accordance with Section 3.5(b).

3.4. Nomination of Directors. Elected directors shall be nominated from the floor and may also be nominated by a nominating committee, if such a committee is established by the Board. All candidates shall have a reasonable opportunity to communicate their qualifications to the members and to solicit votes.

3.5. Election and Term of Office. Owner-elected directors shall be elected and hold office as follows:

(a) After the Declarant's right to appoint directors and officers terminates, the Association shall call a special meeting to be held at which Owners shall elect three directors.

(b) Thereafter, directors shall be elected at the Association's annual meeting. All eligible members of the Association shall vote on all directors to be elected, and the candidate(s) receiving the most votes shall be elected.

At the special meeting in which the Owners initially elect directors, two directors shall be elected to two-year terms and one director shall be elected to a one-year term. At the expiration of the initial term of office of each respective Owner-elected director, a successor shall be elected to serve for a term of two years. The directors shall hold office until their respective successors shall have been elected by the Association.

3.6. Removal of Directors. At any regular or special meeting of the Association duly called, any one or more of the directors may be removed, with or without cause, by a majority of the Total Association Vote and a successor may then and there be elected to fill the vacancy thus created. A director whose removal has been proposed by the Owners shall be given at least ten (10) days' notice of the calling of the meeting and the purpose thereto and shall be given an opportunity to be heard at the meeting. Additionally, any director who has three (3) consecutive unexcused absences from Board meetings or who is delinquent in the payment of an assessment for more than 30 days may be removed by a majority vote of the remaining directors at a meeting. This Section shall not apply to directors appointed by Declarant.

3.7. Vacancies. Vacancies in the Board caused by any reason, excluding the removal of a director by vote of the Association, shall be filled by a vote of the majority of the remaining directors, even though less than a quorum, at any meeting of the Board. Each person so selected shall serve the unexpired portion of the term.

B. Meetings.

3.8 Organizational Meetings. The first meeting of the Board following each annual membership meeting shall be held within ten (10) days thereafter at such time and place as shall be fixed by the Board.

3.9. Regular Meetings. Regular meetings of the Board 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 four (4) such meetings shall be held during each fiscal year with at least one per quarter. Notice of the regular schedule shall constitute sufficient notice of such meetings. So long as the Declarant has the

right to appoint directors to the Board, Declarant shall have the option to hold only one (1) meeting per fiscal year.

3.10. Special Meetings. Special meetings of the Board shall be held when requested by the President, Vice President, or by any two directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director by one of the following methods: (a) by personal delivery; (b) written notice by first class mail, postage prepaid; (c) by telephone communication, either directly to the director or to a person at the director's home or office who would reasonably be expected to communicate such notice promptly to the director; (d) electronic message, fiber optic, or telecommunication to the director; or (e) by commercial delivery service to such director's home or office. All such notices shall be given or sent to the director's address, telephone number, or other place of delivery as shown on the Association's records. Notices sent by first class mail shall be deposited into a United States mailbox at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, or telecommunication shall be given at least forty-eight (48) hours before the time set for the meeting.

3.11. Waiver of Notice. The transactions of any Board meeting, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (a) a quorum is present, and (b) either before or after the meeting, each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

3.12. Quorum of Board of Directors. At all Board meetings, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board. A meeting at which a quorum of directors is present initially may continue to transact business, notwithstanding the withdrawal of directors, if at least a majority of the required quorum for that meeting approves any action taken. If the Board cannot hold a meeting because a quorum is not present, a majority of the directors at such meeting may adjourn the meeting to a time not less than five (5) or more than thirty (30) days from the date of the original meeting. At the reconvened meeting, if a quorum is present the Board may transact, without further notice, any business which it might have transacted at the original meeting. Any amendments to this Section shall comply with the provisions of the South Carolina Nonprofit Corporation Act, S.C. Code Section 33-31-10, et seq.

3.13. Compensation. No director shall receive any compensation from the Association for acting in such capacity.

3.14. Open Meetings. All meetings of the Board shall be open to all members, but members other than directors may not participate in any discussion or deliberation, unless expressly so authorized by the Board.

3.15. Executive Session. The Board may adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may

become involved, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

3.16. Action Without A Formal Meeting. Any action to be taken at a meeting of the directors or any action that may be taken at a meeting of the directors may be taken without a meeting if one or more consents, in writing, setting forth the action so taken, shall be signed by a majority of the directors and delivered to the Association for inclusion in the minutes for filing in the corporate records.

3.17. Telephonic Participation. One or more directors may participate in and vote during any regular or special Board meeting by telephone conference call or similar communication equipment by means of which all persons participating in the meeting can hear each other at the same time, and those directors so participating shall be present at such meeting. Any such meeting at which a quorum participates shall constitute a meeting of the Board.

C. Powers and Duties.

3.18. Powers. The Board shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do all acts and things as are not by the Declaration, Articles, or these Bylaws directed to be done and exercised exclusively by the members. In addition to the duties imposed by these Bylaws or by any resolution of the Association that may hereafter be adopted, the Board shall have the power to and be responsible for the following, in way of explanation, but not limitation:

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

(b) making assessments to defray the common expenses and establishing the means and methods of collecting such assessments;

(c) providing for the operation, care, upkeep, and maintenance of all areas which are the maintenance responsibility of the Association;

(d) designating, hiring, and dismissing the personnel necessary for the operation of the Association and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and material to be used by such personnel in the performance of their duties;

(e) collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to administer the Association;

(f) making and amending use restrictions and rules and regulations;

(g) opening of bank accounts on behalf of the Association and designating the signatories required;

(h) enforcing by legal means the provisions of the Declaration, these ByLaws, and the rules and regulations adopted by it, and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association; obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof;

(j) paying the cost of all services rendered to the Association or its members which are not directly chargeable to Owners;

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

(l) contracting with any Person for the performance of various duties and

3.19. Management Agent. The Board may employ for the Association a professional management agent or agents at a compensation established by the Board to perform such duties and services as the Board shall authorize. The Declarant or an affiliate of the Declarant may be employed as managing agent. The term of any management agreement shall not exceed one (1) year and shall be subject to termination by either party, without cause and without penalty, upon not more than ninety (90) days' written notice.

3.20. Borrowing. The Board shall have the power to borrow money without the approval of the members of the Association provided that the Board shall obtain membership approval in the same manner as for special assessments, so long as the proposed borrowing is for the purpose of modifying, improving, or adding amenities, and the total amount of such borrowing does not exceed ten thousand (\$10,000.00) dollars of outstanding debt at any one time.

3.21. Fining or Suspension Procedure. The Board shall not impose a fine (a late charge shall not constitute a fine) or suspend a member's right to use any part of the Common Property unless and until the following procedure is followed:

(a) **Notice.** Written notice shall be served upon the violator by first-class or certified mail sent to the last address of the member shown on the Association's records, specifying:

- (1) the nature of the violation, the fine or suspension to be imposed, and the date, not less than fifteen (15) days from the date of the notice, that the fine or suspension will take effect;
- (2) that the violator may, within ten (10) days from the date of the notice, request a hearing regarding the fine or suspension imposed;
- (3) the name, address, and telephone numbers of a person to contact to challenge the fine or suspension;
- (4) that any statements, evidence, and witnesses may be produced by the violator at the hearing; and

(5) that all rights to have the fine or suspension reconsidered are waived if a hearing is not requested within ten (10) days of the date of the notice.

(b) **Hearing.** If a hearing is requested, it shall be held before the Board in executive session, and the violator shall be given a reasonable opportunity to be heard. The minutes of the meeting shall contain a written statement of the results of the hearing. No fine or suspension shall be imposed prior to the date that is five (5) days after the date of the hearing.

(c) **Enforcement.** In any action or proceeding to enforce the Declaration, these Bylaws, the rules and regulations of the Association, or decision of the Board, the Association shall be entitled to recover all expenses from the violator, including all attorney's fees.

ARTICLE IV **OFFICERS**

4.1. Officers. The officers of the Association shall be a President, Secretary, and Treasurer. Any two or more offices may be held by the same person, excepting the offices of President and Secretary. The President and Treasurer shall be elected from among the members of the Board. The Board may appoint such other officers, including one or more Vice Presidents, Assistant Secretaries, or Assistant Treasurers, as it shall deem desirable.

4.2. Election, Term of Office, and Vacancies. Except during the period in which the Declarant has the right to appoint the officers of the Association under Section 3.2, the officers of the Association shall be elected annually by the Board at the first meeting of the Board following each annual meeting of the members. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board for the unexpired portion of the term.

4.3. Removal. Any officer may be removed by the Board whenever, in its judgment, the best interests of the Association will be served thereby.

4.4. President. The President shall be the chief executive officer of the Association and shall preside at all Association and Board meetings. The President shall have all the general powers and duties which are incident to the office of the president of a corporation organized under the South Carolina Nonprofit Corporation Act.

4.5. Vice President. If appointed by the Board, the Vice President shall act in the President's absence and shall have all powers, duties, and responsibilities provided for the President when so acting.

4.6. Secretary. The Secretary shall keep the minutes of all meetings of the Association and of the Board and shall have charge of such books and papers as the Board may direct and shall, in general, perform all duties incident to the office of the secretary of a corporation organized in

accordance with South Carolina law.

4.7. Treasurer. The Treasurer shall have the responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, for preparing all required financial statements and tax returns, and for the deposit of all monies and other valuable effects in the name of the Association or the managing agent in such depositories as may be designated by the Board from time to time.

4.8. Resignation. Any officer may resign at any time by giving written notice to the Board. Such resignation shall take effect on the date of the 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.

ARTICLE V COMMITTEES

Committees to perform such tasks and to serve for such periods as may be designated by the Board are hereby authorized. Each committee shall be composed and shall operate in accordance with the terms of the resolution of the Board designating the committee or with rules adopted by the Board.

ARTICLE VI MISCELLANEOUS

6.1. Fiscal Year. The fiscal year of the Association shall be the calendar year, unless otherwise determined by resolution of the Board.

6.2. Parliamentary Rules. Roberts Rules of Order (current edition) shall govern the conduct of all Association proceedings, when not in conflict with South Carolina law, the Articles of Incorporation, the Declaration, these Bylaws, or a ruling made by the person presiding over the proceeding.

6.3. Conflicts. If there are conflicts or inconsistencies between the provisions of South Carolina law, the Articles of Incorporation, the Declaration, and these Bylaws, the provisions of South Carolina law, the Declaration, the Articles of Incorporation, and the Bylaws (in that order) shall prevail.

6.4. Amendment. These Bylaws may be amended by the Board if such amendment is necessary: (a) to bring any provision hereof into compliance with any applicable governmental statute, rule, regulation, or judicial determination; (b) to enable any title insurance company to issue title insurance coverage with respect to the Lots subject to the Declaration; (c) to meet the requirements of an institutional or governmental lender or purchaser of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage

Corporation, to enable such lender or purchaser to make or purchase Mortgage loans on the Lots subject to the Declaration; or (d) to enable any governmental agency or private insurance company to insure or guarantee Mortgage loans on the Lots subject to the Declaration.

Further, so long as Declarant has the right unilaterally to subject additional property to the Declaration, Declarant may unilaterally amend these Bylaws for any other purpose; however, such amendment shall not adversely affect the substantive rights or title of any Lot Owner without the consent of the affected Lot Owner.

In addition, these Bylaws may be amended upon the affirmative vote or written consent, or any combination thereof, of at least two-thirds (2/3) of the Total Association Vote, and the consent of Declarant, so long as Declarant owns any property within the Community.

The U.S. Department of Veterans Affairs (if it is then guaranteeing Mortgages in the Community or has issued a project approval for the guaranteeing of such mortgages) and/or the U.S. Department of Housing and Urban Development (if it is then insuring any Mortgage in the Community or has issued a project approval for the insuring of such mortgages) shall have the right to veto amendments to these Bylaws for as long as the Declarant has the right to appoint and remove the directors and officers of the Association.

6.5. Arbitration. ALL MEMBERS OF THE ASSOCIATION AGREE THAT ANY DISPUTE ARISING BY AND BETWEEN THE MEMBERS, ANY DISPUTE ARISING BETWEEN THE MEMBERS AND THE ASSOCIATION, WHETHER DERIVATIVE OR OTHERWISE, OR ANY DISPUTE ARISING BETWEEN THE ASSOCIATION AND THE DEVELOPER, "POINSETT DEVELOPMENT, LLC", SHALL BE RESOLVED THROUGH ARBITRATION PURSUANT TO THE RULES PROMULGATED BY THE AMERICAN ARBITRATION ASSOCIATION. THE PARTIES AGREE THAT JURISDICTION AND VENUE FOR ANY DISPUTE RESOLUTION HEREUNDER SHALL BE GREENVILLE COUNTY, SOUTH CAROLINA.

EXHIBIT A

FIRST AMENDMENT TO BYLAWS OF GLENLAKE UPSTATE HOMEOWNERS ASSOCIATION, INC.

THIS FIRST AMENDMENT TO BYLAWS OF GLENLAKE UPSTATE HOMEOWNERS ASSOCIATION, INC. is made as of this 7th day of March, 2006.

1. ARTICLE III - BOARD OF DIRECTORS: NUMBER, POWERS, MEETINGS:

Paragraph 3.3 (Number of Directors) is revised by changing the second sentence to read as follows:

After the Declarant's right to appoint directors and officers terminates, the Board shall expand the number of directors to five or seven members, which shall be filled by a vote of the members in accordance with Section 3.5(b).

Paragraph 3.5 (Election and Term of Office):

a. Subparagraph (a) is changed so that five (5) directors shall be elected rather than three.

b. The first sentence of the second paragraph of Subparagraph (b) is hereby deleted and replaced with the following sentence. Changes are noted in italics:

At the special meeting in which the Owners initially elect directors, *three* directors shall be elected to two-year terms and *two* directors shall be elected to one-year terms.

c. The following provision is hereby added:

(c) At all times after the expiration of Declarant's right to appoint directors and officers, at least one member of the Board of Directors shall be an Owner-occupant of a Lot on which a townhome is constructed. Any such director(s) shall also sit on the Townhome Committee, as described elsewhere in the Bylaws and the Declaration.

2. ARTICLE V-COMMITTEES:

The Article is hereby amended by making the existing language Paragraph 5.1 and by adding Paragraph 5.2 as noted below:

5.1 General Committees. Committees to perform such tasks and to serve for such periods as may be designated by the Board are hereby authorized. Each committee shall be composed and shall operate in accordance with the terms of the resolution of the Board designating the committee or with rules adopted by the Board.

5.2 Townhome Committee. Immediately prior to the termination of the Declarant's right to appoint directors and officers, there shall be created by the Board a "Townhome Committee." The Townhome Committee shall have five (5) members, all of whom shall be Owners and occupiers of townhome Lots. Three (3) of the initial Committee Members shall serve two (2) year terms and two (2) of the initial Committee Members shall serve one (1) year terms. Thereafter, the Members of the Townhome Committee shall be nominated and elected exclusively by those Members of the Association who are Owners of townhome Lots and those Members so elected shall serve one (1) year terms. Upon proper vote, Members of the Townhome Committee may be re-elected for additional terms. The Board of Directors shall delegate to the Townhome Committee the following rights and duties:

1. With respect to those matters which pertain exclusively to the management and maintenance of the townhomes in the Community, any and all rights of the Board provided by the Bylaws, the Declaration or by law, including, but not limited to,

a. The preparation and adoption of an annual budget in which there shall be established the contribution of each townhome Lot Owner to the exterior maintenance of the townhome Residences and their respective grounds ("Townhome Assessments"), including the establishment of reserves;

b. The imposition of Townhome Assessments, including special assessments;

c. Providing for care, upkeep and exterior maintenance of the townhome Residences, including the maintenance and upkeep of their respective grounds;

d. Designating, hiring and dismissing the personnel necessary for the above-described maintenance functions, and contracting with any necessary persons for the performance of such duties;

e. Complete authority to approve or disapprove the expenditure of any Townhome Assessments or reserves.

f. The right and duty to obtain the hazard insurance policy(ies) contemplated by Article IX, Paragraph 9.1(b) of the Declaration.

g. Such other rights, powers and duties of the Board, that the Board may delegate to the Townhome Committee by majority resolution.

Provided, however, that nothing in this Article shall be construed as allowing the Townhome Committee to eliminate the responsibility to properly provide for the exterior maintenance and upkeep of the townhome Residences and their respective grounds, and the maintenance of insurance on the townhome structures, as described on the Declaration.

2. The funds collected from Townhome Assessments and any special Townhome Assessments shall be deposited in a separate account held by the Association (the "Townhome Account") and shall be separately accounted for. The Townhome Committee, or its duly authorized designee, shall have exclusive signature authority of the Townhome Account.

Except as amended or supplemented hereby or previously amended or supplemented, the aforementioned terms and conditions of the Bylaws of Glenlake Upstate Homeowners Association, Inc., shall remain unchanged and in full force and effect.