

Summary of Changes

Approved at LSCA Annual Meeting 9.16.2023

1. Initiation Fees have been deleted. All new owners/members will be required to pay a \$750 transfer fee. The sole purpose is to build up the much-needed capital reserves for the Association. This does not apply to any existing member.
2. Board of Director positions are defined and now include a Membership Director which has proven to be valuable in the record keeping of members.
3. Proxies will be allowed. The BOD assumes they will be used minimally but will allow for members who are ill, absentee owners or have scheduling conflicts to still participate in a vote.
4. Electronic banking language included now that it is more common for payments to be made in means other than a paper check.
5. The Treasurer will be able to make a payment without a co-signature if it is within the approved budget.
6. Any surplus funds at year end are now deemed to be moved to the operating budget for the next fiscal year.

The below By Laws of the LSCA, Inc. incorporate the changes adopted at the September 2017 (annual) meeting of the LSCA, and further amended as reflected at the annual meeting held September 16, 2023.

=====

Lake Somerset Civic Association, Inc.
147 Lake Somerset Drive NW
Marietta, GA 30064-1719

(Cross Reference: DECLARATION OF PROTECTIVE COVENANTS)
(Filed May 19, 1977 by SOMERSET INCORPORATED.)
(District 20, Land lot 315, Inst: MISC.)
(Cobb Superior Court Deed Book no. 1778, pages 729, 730, 731, 732.)

Lake Somerset Civic Association, Inc. (LSCA), Marietta, Georgia 30064

BYLAWS

ARTICLE 1 - MEMBERSHIP

Section 1 - The membership of the Association shall be comprised of persons 18 years or older, legally owning lot(s) within the confines of the Lake Somerset subdivision located in Land Lot 315, District 20 of Cobb County, Georgia. Exercise of the rights of membership shall be contingent upon the prompt payment of such initiation fees (to be used for repairs and/or improvements to the amenities as defined in Article VIII, Section 1) and membership dues (herein referred to as maintenance fees), as the Board of Directors shall set. Upon the timely payment of said fees, the Treasurer of the Association shall enroll those persons otherwise qualified for membership in the Association.

Other Membership Qualifications

Future owners of Lake Somerset property must be in compliance with all property restrictions affecting said property before being accepted as a member of the Lake Somerset Civic Association, Inc. These restrictions include:

A. Buildings: No building shall be erected or permitted to remain on any lot other than one single family dwelling and a private garage for not more than two cars. A building is defined by the membership as a structure containing three or more walls, not necessarily covered by a roof, and containing space within.

B. Fences: No fence shall be erected or placed on any lot nearer to the street than the front wall of the house. Chain link fences are restricted to back and side yards no nearer to any street than the rear or end walls of the house. No fence on corner lots may extend beyond the end wall of the house. A fence is defined by the membership as a wall, hedge, bank, railing, or paling forming a boundary to, separating from, dividing, or enclosing some area.

C. Notification: The LSCA Board of Directors or their designated representatives shall send an Electronic or Certified Letter upon the advertisement for sale of a property perceived not to be in compliance with the restrictions, to the listing broker, if any, and to the seller. This letter shall explain the corrections required to become eligible for LSCA membership and amenity use.

Section 2 of the 2017 By Laws will be null and void. It is hereby replaced with the language below.

Section 2 - A transfer fee of \$750 will be paid LSCA, Inc. to establish membership. The transfer fee shall be paid on or before the closing and conveyance of property. Membership benefits will not be granted until the transfer fee has been paid first. All transfer fees received by LSCA will be for the sole purpose of building capital reserves for the Association.

Existing homeowners that never paid the initiation fee will also be required to pay the transfer fee if they become members in the future.

Section 3- Intentionally deleted.

Section 4 - Each member household shall have one vote in the affairs of LSCA, Inc., except: at an annual or special called meeting of the membership of the LSCA, Inc., when a vote is taken concerning an issue, predetermined by the Board of Directors as being an issue that affects the lake or lake front property directly, the lake front voting members may exercise veto powers over the issue in question. In order for lake front members present to invoke veto powers, there must be a majority of the lakefront members present at the meeting and a majority of the lakefront members present must vote not to approve the issue that relates to the lake or lakefront property.

Section 5 – Intentionally deleted.

Section 6 - Maintenance fees shall be paid by members on an annual basis. All members must pay an annual maintenance fee to maintain active membership status and be allowed to vote on LSCA, Inc., matters. The amount of the maintenance fee shall be recommended by the LSCA, Inc., Board of Directors upon review of the previous year's maintenance and additional anticipated cost for repairs and improvements not falling under the category of major capital expenses. The annual maintenance fee, proposed by the Board of Directors, shall be approved by 60% of those voting members present at the LSCA, Inc. annual meeting to be held during the month of September each year. Members not paying the maintenance fee shall be placed on the inactive membership roll and shall not be given a vote in the affairs of LSCA, Inc., during the year(s) of nonpayment. (This fee shall be set at \$100 for the 1987 membership year.) The membership year will begin March 1 of each year and run 12 consecutive months.

Section 7 - Members of the LSCA, Inc., wishing to use the amenities (as defined in Article VIII, Section 1) shall pay an annual amenity user fee, in addition to the annual maintenance fee enumerated in Article I, Section 6. In order to be eligible to use the amenities (any or all), the member must be an active member

(paid maintenance fee and amenity user fee) for the applicable year. The amenity user fee shall be set by the Board of Directors and shall be approved at the annual meeting of the LSCA, Inc., by 60% of the voting membership present at the meeting. (This fee shall be set at \$100 for the 1987 membership year.)

Section 8 - Any member who continues to own lot(s) within Lake Somerset subdivision, but resides outside of Lake Somerset subdivision, shall be governed by this Section. The non-residing member shall continue to maintain his membership vote so long as remaining current in payment of maintenance fees. The non-residing member shall have the choice of maintaining use of the amenities OR may, however, delegate use of the amenities to whomever is in occupancy of his residence, so long as amenity user fee payment is current. Both parties are not entitled to use the amenities simultaneously unless one is an invited guest.

Section 9 - The Treasurer of the association shall keep an up-to-date roster of the members of this association.

Section 10 - All dues and any legal rights accruing from payment of said dues shall be forfeited upon conveyance of ownership of residence or termination of membership.

Section 11 - Any membership (the entire family unit) may be revoked for a period of 90 days by a majority vote of the Board of Directors if a household member violates the written rules and regulations of the association. The affected member shall have the right to appeal by requesting to be heard at the next regular meeting of the Board of Directors. The board of Directors is authorized to take action as deemed necessary.

ARTICLE II - PURCHASE OF NONMEMBER

RESIDENCE

Section 1 - New residents buying a home of a nonmember, after the close of the initial offering period, shall be allowed to join as a voting member household upon payment of an initiation fee further detailed in Section 2.

Section 2 - The Board of Directors or their designated representatives shall send a written notification, upon the advertisement for sale of a residence, to the listing broker and to the owner/seller. The certified letter will be sent in cases of those residences who are not at the time of advertising for sale paid members (have not yet paid the initiation fee to make them eligible for membership) of the association. The letter's content shall explain the terms necessary to join.

ARTICLE III - ANNUAL MEETINGS OF MEMBERS

Section 1 - The annual meeting of the members of LSCA, Inc., shall be held in Cobb County, Georgia, at such place in said county as may be designated in the notice of such meeting during the month of September each year at a time designated in the notice of the meeting. The Board of Directors shall be elected by a simple majority (51%) vote of the members at the annual meeting. An annual operating

budget shall be presented by the outgoing Board of Directors and shall be approved by a 60% vote of the members present at the meeting.

Section 2 - Twenty of the members shall constitute a quorum at all meetings for the transaction of business. If a quorum is not present, those members in attendance shall have the power to adjourn the meeting from that time to a later date without notice other than announcement at the meeting at which the quorum shall be reduced to 10 members present. Unless a different vote is required by law or by these bylaws, the affirmative vote of a majority of the members present at a meeting at which a quorum is present shall be the act of the members.

Section 3 - Regular notice of the annual meeting shall be given to each member of record at his address as it appears within the records of the association, not less than 10 days prior to the meeting nor greater than 50 days prior to the meeting. This notice shall be delivered by the Secretary or by some other person(s) designed by the Director(s). Electronic communication is acceptable provided the Member has registered on the LSCA website.

Section 4 - Special meetings of the members may be held at the call of a majority of the Board of Directors, or upon the call of a majority of the members of the association. Special meetings may be held at any appropriate time and place in Cobb County, Georgia, and at any time designated in the call. At least five days' notice prior to the special called meeting shall be given to all members entitled to vote at such a meeting by the person(s) calling said meeting. Delivery by such method as determined by the Board of Directors to a member's address as it appears on the association's records shall be deemed in compliance with the requirements for giving notice. Business transacted at such meetings shall be confined to the objects stated in the call.

Section 5 - Any member may waive, in writing, notice of either a regular or special called meeting of members before or after the meeting and if present at the meeting in person shall be deemed to have waived such notice, unless they are present solely to object to such notice.

Section 6 - Proxies will be allowed for the Annual Meeting and Special Meetings as of January 1, 2024. The Proxy will designate the named person to vote on their behalf or as so directed on the proxy. If exercised, Proxies must be returned on or before the meeting date and time and submitted to the Secretary. Any proxy can be voided if the Member is able to attend.

ARTICLE IV - BOARD OF DIRECTORS

Section 1 - The Board of Directors of this corporation shall consist of seven members, at least two of which should be from a past Board. Each director shall be a member of the corporation and be at least 18 years of age. The directors shall serve for a one-year period, unless removed by the members. Directors may be removed by any meeting of the members where one-third of the members are present. In the case of death, resignation, or removal of a director, the number of directors shall be correspondingly reduced unless and until the members elect a successor or additional director(s).

Section 2 - The Board of Directors shall regulate and supervise the management and operation of the corporation. It may exercise all the power of the corporation and do all such lawful acts and things as are not by statute, by charter if by these bylaws required to be exercised as done by the members.

Section 3 - The Board of Directors shall appoint members of the corporation to such committees as they might deem helpful to assist the Board. Committee chairs may also be elected at the annual meeting. The following are required committees: Pool (a Board function,) Lake, Dam, Social Director, Landscape, and Facilities. Committee Chairs may enlist LSCA Members or recommend outside contractors. Committee Chairs shall make monthly reports to the Board.

Section 4 - The Board of Directors will prepare an operation budget for the coming year to be presented at the annual meeting of the membership each September.

Section 5 - Each person who acts as a member of the Board of Directors of the Association shall be indemnified by the Association against expenses incurred by him/her in connection with the defense of any action, suit, or proceeding in which he/she is made a party by reason of his/her being or having been a member of the Board of Directors of the Association, except in relation to matters as to which he/she shall be adjudged in such action, suit, or proceeding to be liable for gross negligence or willful misconduct, and except any sum paid for the Association in settlement of any action, suit, or proceeding based on negligence or willful misconduct in the performance of this duty. The right of indemnification provided herein shall ensure to each officer and member of the Board of Directors referred to in Article IV, Section 1., whether or not at the time such officer or member remains a member of the Board of Directors at the time such cost or expenses are imposed or incurred, and in the event of his/her death shall extend to his/her legal heirs.”

Section 6 - In the event any legal action resulting in a lawsuit is needed to be filed in a court of competent jurisdiction on behalf of The LSCA, Inc. against any property owner concerning the violation of LSCA By-Laws, Covenants or Amenity Use Rules and Regulations, the Board of Directors shall schedule a special meeting of the Membership to present the need for such action. A vote of 51% of the Members present shall be required before any such lawsuit can be initiated. This section does not prohibit the LSCA Board from seeking legal assistance in the form of advice and/or the writing of demand letters by the LSCA Attorney requesting appropriate legal relief from property owners for potential violations.

ARTICLE V - BOARD OF DIRECTOR MEETINGS

Section 1 - At all Board of Directors meetings, the presence of at least a majority of the directors shall be necessary to constitute a quorum to transact business, but any lesser number shall be sufficient to adjourn the meeting. The action of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. When the Board of Directors takes a position in front of a governmental or municipal body or agency, or makes public statements on behalf of the corporation, it must have the prior approval of two-thirds of the members of the Board of Directors to take that action.

Section 2 - A regular meeting of the Board of directors shall be held each month.

Section 3 - Special called meetings of the Board of Directors may be called by a majority of the Board of Directors by giving reasonable notice to each director either personally or by electronic means, but no meeting of the Board of Directors may be called without giving at least five days' notice; provided, however, that any director may waive notice either before or after the meeting and if present at the meeting in person shall be deemed to have waived such notice.

Section 4 - The Board of Directors shall comply with Article II, Section 2.

Section 5 – The Board of Directors may take action outside of scheduled meetings through electronic correspondence. This should be limited to urgent matters at hand. Any decisions made shall be included and approved in the next Board of Director meeting minutes for transparency.

ARTICLE VI – OFFICERS

Section 1 - The Officers of this corporation shall be a 1) President, 2) Vice-President, 3) Secretary, 4) Treasurer and 5) Membership Director.

Section 2 - The officers of the association shall be elected by a 51% vote of the members present at the annual meeting of the members and shall hold office for a one-year term or until removed by the Board. The membership may remove an officer at any meeting of the members where a majority of all members are present. In case of death, resignation, or removal of an officer, the number of officers shall be correspondingly reduced unless and until the Board of Directors elects a successor for the remainder of the term of such officer.

Section 3 - Each officer shall be at least 18 years of age and an active member of the association, who is current in all financial obligations to the corporation at the time elected.

Section 4 - The officers shall not be entitled to remuneration for services rendered as officers on behalf of the association, except for documentable costs relating to conducting association business.

Section 5 - Directors may hold more than one functional position.

Section 6 - (Deleted.)

Section 7 - (Deleted.)

ARTICLE VII - DUTIES OF THE OFFICERS

Section 1 - The President shall be the prime officer and Parliamentary Director of the association. This President shall preside at all meetings of the members and directors and shall have general and active management of the business of the association.

Section 2 – The Vice President shall preside at all meetings in the absence of the President and have such other duties and authorities as are delegated to him by the President. In the event of the death, resignation or removal of the President, the Vice President shall immediately succeed to the office of President.

Section-3- The Secretary shall preside at all meetings in the absence of the Parliamentary Director and have such other duties and authorities as are delegated to him. In the event of the death, resignation or removal of the Parliamentary Director, the Secretary shall immediately assume the duties of the office of the ~~President~~.

Section-4 - The Secretary shall keep the minutes of the meetings of the members and directors.

Section 5- The Treasurer shall be responsible for the maintenance of proper financial books, records of the association, and maintain an up-to-date roster of members.

Section 6 – The Membership Director shall be responsible for maintaining a current list of all Members. The Membership Director will work in conjunction with the Treasurer and be a cross-check to ensure that both Directors have the same number of members.

Section 7 - Additional duties and functions shall be assigned to a Director as necessary and agreed upon by the Board Members.

ARTICLE VIII – AMENITIES

Section 1 - The amenities include, but are not limited to: Clubhouse, Swimming Pool, Tennis Courts, Lake, Dam and associated structures, Fishing/Boat Dock, and Access Road.

Section 2 - Any resident electing not to become a member of the LSCA, Inc., voting or nonvoting, and who uses any or all of the amenities as defined in Article VIII, Section 1, shall be assessed an annual fee equal to a sum three times the combined annual maintenance fee and annual amenity fee of a voting, amenity user member. The payment of this fee does not convey a voting right and must be paid on an annual basis to maintain nonmember amenity use rights. A nonmember homeowner is defined as a homeowner who lives within the designated Lake Somerset subdivision as defined by the subdivision plat, and who has not paid the designated appropriate LSCA, Inc., membership initiation fee.

ARTICLE IX - CONTRACTS

Section 1 - All contracts shall be approved by the Board of Directors. No external loans shall be made by any director of the association, or any loans secured on behalf of the association without the authority of the membership. The membership has authorized the Board of Directors to enter into a contract with residents to pay initiation/membership dues.

ARTICLE X - SEAL

Section 1 - The seal of the association shall be as follows:

LAKE SOMERSET CIVIC ASSOCIATION, INC.

ARTICLE XI – DEPOSITORIES

Section 1 - All funds of the association shall be deposited in the name of the association in such bank(s), or trust companies as the directors may from time to time designate. Funds shall be drawn out of checks, drafts or electronic payment methods signed or approved on behalf of the association by the Treasurer if expenses are included in the approved budget. All non-budgeted expenses require one other officer of the association or two officers of the association in the absence of the Treasurer. The Board of Directors cannot expend or obligate on behalf of the association any sum greater than \$1,000 per item not included within the approved budget without approval of a 60% vote of the members present at a meeting of the association.

Section 2 - All funds of the LSCA, Inc., shall be held in an account that is insured by the FDIC. The type of account and the holding institution shall be determined by the LSCA, Inc., Board of Directors. At least two accounts shall be maintained. At least one account shall be maintained for the daily operation of the LSCA, Inc. A second, separate account shall be maintained for major capital improvements. A percent no less than 10% of the monies collected from the annual maintenance fees shall be deposited in the major capital improvement account and held for capital expenditures, said expenditures are to be recommended by the Board of Directors and approved by the voting membership at any LSCA, Inc., meeting. Upon a year-end review of the past year's expenses and revenues, should it be determined by the Board of Directors and membership that there are surplus funds available, the surplus funds will then be moved to the budget for the next fiscal year and included in the operating funds.

Section 3 - No member of the association shall be entitled to any portion of the net earnings of the association. Said net earnings shall not inure benefit of the association; however, nothing herein contained shall be construed as preventing this association from paying any member of nonmember for services rendered to it.

Section 4 - The Treasurer of the association or a person designated by the Treasurer will prepare a summary of revenues and expenses each month. The summary will be made available to all association members by request.

Section 5 - Neither the Board of Directors nor membership shall be able at any time to expend more monies than are existing at the time in the respective fund account.

ARTICLE XII - AMENDMENTS

Section 1 - The bylaws may be altered, amended, or replaced and additional bylaws adopted only by the affirmative vote of 60% of all eligible members present at any annual meeting of the association or at any specially called meetings of the members. In the notice of which meeting, the proposed amendment(s) or new bylaws shall be set forth verbatim provided, however, that no change of the time or place for the election of directors shall be made thirty days before the next day on which such election is to be held without the written consent of 60% of all the members.

ARTICLE XIII - PARLIAMENTARY AUTHORITY

Section 1 - At all meetings of the members and the Board of Directors "Robert's Rules of Order" shall be the accepted authority in Parliamentary law.

Section 2 – The Board shall agree upon and announce the parliamentarian for all meetings.

ARTICLE XIV - LIQUIDATION OF THE ASSOCIATION

Section 1 - In the event the association should dissolve and surrender its charter, the real property and assets of the association shall be sold, and the proceeds divided on a share basis among the membership shareholders of record on the day the corporation charter is surrendered to the state. Such intended dissolution shall be advertised in writing to all Lake Somerset residents at least 30 days prior to commencing the dissolution procedures.