

AMENDMENT OF THE BYLAWS OF SMOKY RIDGE MAINTENANCE ASSOCIATION, INC. ADOPTED ON MARCH 11, 1985, AND AS AMENDED ON MARCH 11, 1996

(Approved on March 27, 2006)

The Bylaws of Smoky Ridge Maintenance Association, Inc. are hereby amended by the following:

Article III, Section 3 is amended by deleting said Section and replacing it in its entirety with the following:

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, between 10 and 50 days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purposes of notice. Such notice shall specify the place, day, and hour of the meeting, and in the case of a special meeting, the purpose of the meeting. In addition to first class mail or hand delivery, notices of owner/member meetings shall be provided as follows: The Association will post notices on its website when the website is available and email owners who request email notice at the email addresses they provide to the Association. Notices of meetings of members/owners will be physically posted in a conspicuous place, if feasible.

Article III, Section 5 is amended by deleting said Section and replacing it in its entirety with the following:

Section 5. Proxies and Votes. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Each proxy shall be dated, shall be revocable, and shall terminate 11 months from the date of the proxy. A proxy shall automatically terminate upon conveyance by the Member of his Lot. Proxies are not valid if obtained through fraud. The Association may reject votes, ballots, or proxies if the person tabulating votes has reasonable basis to doubt their validity. The person who rejects a vote, ballot, or proxy is not subject to damages. All actions of the Association regarding such rejections are valid unless a court determines otherwise. On any motion before the meeting, if one member requests a secret ballot, then the vote on the motion shall be by secret ballot.

Article III is amended by adding the following Section:

Section 7. Order of Business. The order of business at all meetings of the Association members is as follows:

- (a) Roll call (or check-in procedure) of members attending in person and by proxy;
- (b) Proof of notice of meeting;
- (c) Determination of quorum;
- (d) Reading of minutes of preceding meeting;
- (e) Reports;
- (f) Establish number and terms of memberships on the Board (when there is an election);
- (g) Selection of inspectors of election or tellers (when there is an election);
- (h) Election of Directors to serve on the Board (when there is an election)(by secret ballot if more candidates are running than there are vacancies on the Board);
- (i) Ratification of budget (if required);
- (j) Unfinished business;
- (k) New business.

Article VI is amended by adding the following Sections:

Section 4. Conduct of Board Meetings. The Order of Business of Board meetings is as follows:

- (a) Roll call of Board members attending;
- (b) Proof of notice of meeting;
- (c) Determination of quorum;
- (d) Reading of minutes of preceding meeting;
- (e) Election of officers (when required);
- (f) Members'/owners' forum and comments on agenda items (with reasonable time limits and allocation of spokespersons, as determined by the presiding officer of the Board);
- (g) Reports of officers;
- (h) Report of managing agent;
- (i) Unfinished business;
- (j) New business.

Section 5. Open Meetings.

(a) Meetings of the Association members (sometimes referred to as owners) and the Board are open to all members of the Association or to any person designated in writing by the Association member as the member's representative, subject to such reasonable restrictions for cause on voting, such as an Association member's failure to pay assessments, as may be stated in the governing documents.

(b) Association members or their representatives are allowed to listen to Board meetings and are allowed to speak before the Board takes formal action on an item under discussion, at the designated time in the Board meeting agenda, in accordance with reasonable time restrictions set by the Board.

(c) Association members shall not interrupt or participate in the Board's deliberations during the actual Board meeting among the members of the Board (sometimes referred to as Directors).

(d) The Board may hold an executive or closed-door session and may restrict attendance to Board members and such other persons requested by the Board during a regular or specially announced meeting or part thereof. The matters to be discussed at such an executive session shall include only the matters enumerated in the following subparagraphs:

(d)(1) Matters pertaining to employees of the Association or the managing agent's contract or involving the employment, promotion, discipline, or dismissal of an officer, agent, or employee of the Association;

(d)(2) Consultation with legal counsel concerning disputes that the subject of pending or imminent court proceedings or matters that are privileged or confidential between attorney and client;

(d)(3) Investigative proceedings concerning possible or actual criminal misconduct;

(d)(4) Matters subject to specific constitutional, statutory, or judicially imposed requirements protecting particular proceedings or matters from public disclosure;

(d)(5) Any matter the disclosure of which would constitute an unwarranted invasion of individual privacy.

(d)(6) Review of or discussion relating to any written or oral communication from legal counsel.

(e) Prior to the time the members of the Board or any committee thereof convene in executive session, the chair of the body shall announce the general matter of discussion as enumerated in subparagraphs (d)(1) to (d)(6) above.

(f) No rule or regulation of the Board or any committee shall be adopted during an executive session. A rule or regulation may be validly adopted only during a regular or special meeting or after the body goes back into regular session following an executive session.

(g) The minutes of all meetings at which an executive session was held shall indicate that an executive session was held and the general subject matter of the executive session.

Section 6. Board – Conflicts of Interest. If any contract, decision, or other action taken by or on behalf of the Board would financially benefit any member of the Board or any person who is a parent, grandparent, spouse, child, or sibling of a member of the Board or a parent or spouse of any of these persons, that member of the Board shall declare a conflict of interest for that issue. The member of the Board shall declare the conflict of interest in an open meeting, prior to any discussion or action on that issue. After making such declaration, the member of the Board may participate in the discussion but shall not vote on that issue. Any contract entered into in violation of this Bylaw provision is void and unenforceable.

Article XIV is amended by deleting said Section and replacing it in its entirety with the following:

Subject to the provisions of Article VIII, Section 1(f) of the Declaration, these Bylaws may be amended at a regular or special meeting of the Members, by a vote of a majority of a quorum of Members present in person or by proxy, or at a regular or special meeting of the Board, by a vote of a majority of a quorum of Board members present. However, any amendments approved by the Members may not be revoked by the Board.

This amendment to the Bylaws was adopted by appropriate action of the Members of the Association on March 27, 2006.

ATTEST:

Pam Mellin
Secretary