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April 27, 2006

VIA INTERNET E-MAIL TO pyork@hplegal.com

Peter R. York, Esq.
Hawkins & Parnell, LLP
4000 SunTrust Plaza
303 Peachtree Street, N.E.
Atlanta, Georgia 30308

Re: High Gables Homeowners Association, Inc. v. Larry C. Oldham,
Civil Action File No. 05-CV-2005, Superior Court of Forsyth
County, Georgia

Dear Peter:

After my lengthy discussion with you yesterday evening, a night of sleeping on the matter and a discussion of the matter this morning with my wife, Lynn, I make the following proposal to settle this matter:

1. We will pay a fine to the HOA of \$212.50, which is one-half of the \$425.00 in fines that would have accrued in the 17 days from December 13, 2005 until December 30, 2005, when this matter should have been resolved if everyone had been reasonable.
2. We will replace our current mailbox with a conforming mailbox that we will order from Peachtree Post & Box Company within two days of the filing of the Mutual Dismissal contemplated herein.
3. The current members of the HOA Board will continue to serve in their current capacities until such time as a new Board is elected at the special meeting described in this Paragraph. All of the current members of the HOA Board will be eligible to run for their current positions (or other positions on the Board), as will I and any other eligible members of the HOA who are interested in serving. You and Jay Pontrelli will attend and conduct the special meeting in accordance with the organizational documents of the HOA. Within 10 days of the filing of the Mutual Dismissal contemplated herein, the Board will call a special meeting in accordance with the requirements of the bylaws where the HOA will conduct business on the following issues (with the notice of the meeting to be subject to the reasonable approval of both me and the current HOA Board members and to be mailed to all members of the HOA): (i) nomination and election of directors and officers of the HOA and the setting of their terms of office; (ii) changing the bylaws of the HOA to provide for a reasonable quorum requirement and a reasonable number of persons able to call a special meeting (my suggestion is we stick with the default provisions of the Georgia Nonprofit Business Corporations Code which set those numbers at 10% and 5%, respectively); (iii) consideration of the adoption of a new set of bylaws that addresses the

foregoing issues and provides for a notice and right to be heard in a forum open to all HOA members before the HOA is authorized to file suit against a HOA member (although this will not limit the discretion of the HOA Board to do what it deems best in such situation) (the form of which bylaws will be provided by me and shall be reasonably agreeable to counsel for the HOA Board); (iv) consideration of the adoption of an amended and restated declaration of covenants that cleans up the existing Declaration and Amendments thereto and dovetails with the new bylaws (the form of which will be provided by me and shall be reasonably agreeable to counsel for the HOA Board); (v) consideration and discussion of whether individuals are authorized to use portions of the common area for their own pecuniary gain and adopting specific rules and regulations regarding same; (vi) a question and answer session not to exceed 15 minutes regarding the Action; and (vii) the ratification by the newly elected Board of our settlement of the Action on the terms and conditions set forth in the notice of the special meeting (see Paragraph 8, below).

4. The parties will dismiss all of their respective claims against each other, with prejudice (the "Mutual Dismissal").

5. Each party will bear its own expenses of litigation and attorney's fees.

6. I will forego my claims for abusive litigation against the HOA and the individual members of the HOA Board.

7. While we will not be required to submit landscape plans to the ACC, the new Board will have the right to inspect our Property on October 31, 2006 to notify us of any alleged deficiencies in our landscaping, and we will have a period of two consecutive weekends to address same to the Board's reasonable satisfaction.

8. The notice of the special meeting provided to the members will include the following paragraph:

"The HOA and Larry Oldham have agreed to resolve their differences on mutually agreeable terms, dismissing their claims against each other, with prejudice. Oldham has agreed to pay the HOA a fine of \$212.50 and to install a mailbox that he orders from Peachtree Post & Box Company. The HOA has agreed to hold this special meeting to address the matters specified in this notice. Counsel for the HOA, Oldham and the members of the HOA Board involved in the litigation will be available at the special meeting to address, in a general manner, any questions that the members may have about the Action or its settlement."

9. I will include a final update on my High Gables web pages that tracks the foregoing language and that provides a copy of the notice of the special meetings and the proposed bylaws and amended and restated declaration.

10. Other than the notice specified in Paragraph 8 hercof, I will not post this correspondence on my web pages or otherwise generally publicize it so long as the Board accepts my proposal as set forth herein. If the Board does not accept my proposal, however, I intend to post this letter on my web page and to introduce it into evidence in future proceedings in the Action pursuant to O.C.G.A. §§ 14-3-304 (ultra vires), 14-3-1430 and 14-3-1431 (judicial dissolution), 9-15-14 (frivolous litigation), 13-6-11 (bad faith, stubborn litigiousness or causing unnecessary trouble and expense) or 51-7-80 (abusive litigation) as additional justification for why I should be entitled to recover my expenses of litigation and attorney's fees. As we discussed yesterday, (i) Georgia law authorizes an attorney representing himself to recover attorney's fees, see Harkleroad v. Stringer, 231 Ga.App. 464, 499 S.E.2d 379 (1998), and (ii) the fact that the purported HOA Boards for both 2004-2005 and 2005-2006 were not elected at a meeting where a quorum of the members was present deprives them of any authority over me (see O.C.G.A. § 14-3-304; Morton v. Talmadge, 166 Ga. 620, 144 S.E. 111 (1928); Gregory v. J. T. Gregory & Son, Inc., 338 S.E.2d 7, 176 Ga.App. 788 (1985); McCreery v. RSA Management, Inc., 249 Ga. 43, 287 S.E.2d 203 (1982)).

This offer remains open for acceptance through next Tuesday, May 2, 2006 at 5:00 p.m., at which time it will stand withdrawn. If the HOA Board elects not to accept this proposal, please let me know by that date and time whether the individual members will consent to being added as parties in the Action for purposes of my motion to enjoin their and the HOA's ultra vires acts or whether I will be required to file a separate action against the HOA and them and consolidate same with the Action.

I hope we are able to resolve this matter on the terms set forth herein and look forward to a favorable reply from you.

Very truly yours,



Larry C. Oldham

cc: P. Jay Pontrelli, Esq. (via e-mail) jpontrelli@stites.com