

LAKE SOVEREIGN HOMEOWNERS ASSOCIATION, INC.

NOTICE OF ANNUAL MEMBERS MEETING

NOTICE IS HEREBY GIVEN, in accordance with the By-laws of Lake Sovereign Homeowners Association, Inc. (the "Association") that the Annual Meeting of the Association will be held as follows:

DATE: Tuesday, February 26, 2008
TIME: 7:00 p.m.
PLACE: Cherokee County Community Center—Bridgemill
9550 Bells Ferry Road
Canton, Georgia 30114

One important action will be brought before the owners for voting as follows:

ELECTION: Pursuant to the By-laws of the Association, there will be an election held to elect three (3) directors to the Board of Directors of the Association. The director candidates will be elected for a two-year term. The Board currently consists of five (5) Board members. Two of the directors will be serving the second year of their two-year term. Pursuant to the By-laws, the Nominating Committee has nominated the following persons to stand for election to serve on the Board of Directors:

David Perry
Louis Tooker

Additional nominations for directors will be taken from the floor during the meeting.

PROXY: Enclosed is a Proxy for your use if you are unable to attend the meeting. The Proxy, if granted for general use as specified therein, may be used to obtain a quorum at the meeting. To avoid the potential of the lack of a quorum, it is requested that you return your Proxy to the Secretary in the enclosed envelope unless you are certain that you will attend the meeting. If you return your Proxy in anticipation that you will not attend the meeting, but thereafter do attend the meeting, you may revoke the Proxy and vote on all matters before the Association.

Dated: January 31, 2008

LAKE SOVEREIGN HOMEOWNERS
ASSOCIATION, INC.,

By _____
Rebecca D. Hudson, Secretary

LAKE SOVEREIGN HOMEOWNERS ASSOCIATION, INC.

February 26, 2008 - 7:00 p.m.
Cherokee County Community Center—Bridgemill
9550 Bells Ferry Road, Canton, Georgia 30114

AGENDA

Call to Order

Calling of roll and certification of proxies
Proof of notice of meeting or waiver of notice

Approval of the Annual Meeting Minutes of March 29, 2007

Director Elections

Appointment of inspectors of election
Introduction of director nominees
Additional director nominations
Ballot for director elections

Committee Reports

ARC:	Louis Tooker
Sixes Road:	Louis Tooker
Common Grounds:	John Krueger
Communications:	Phyllis Lea
Finance Committee:	Milt Aebi
Lake Committee:	David Perry
Lake Restoration:	Louis Tooker
Recreation Committee:	Don Copeland
Safety and Security:	Peter Pauline
Social Committee:	Debra Pesta

Officers Reports

Secretaries Report:	Becky Hudson
Treasurer's Report:	Michael Flanagan
President's Report:	Jim Derr

Announcement of elected Directors for 2008/2009 terms

Adjourn

Question and Answer Period

LAKE SOVEREIGN HOMEOWNERS ASSOCIATION

ANNUAL MEETING INSTRUCTIONS

Overview

Step 1) Complete and return the enclosed Proxy **if you do not plan to attend the meeting in person.**

Step 2) Fill out the Certificate of Appointment of Voting Representative Form if the property is owned by a corporation or partnership. Only one member can designate the proxy or vote on behalf of a partnership or corporation at the meeting. This certificate must be completed whether voting in person or by proxy.

Step 3) Return the proxy in the self-addressed envelope provided. Note your lot number in the space provided on the outside of the envelope as well as on the proxy. **Failure to use this envelope will result in your vote not being counted.**

MINUTES
Lake Sovereign Homeowners Association, Inc.
ANNUAL MEETING
March 29, 2007

The Annual Meeting of the Lake Sovereign Homeowners Association was held on March 29, 2007, at 7:00 p.m. in the Cherokee County Community Center--Bridgemill, 9550 Bells Ferry Road, Canton, GA, 30114.

Directors Gary Copeland, Jim Derr, Peter Pauline, Louis Tooker, and Sergio Leone were present. Milt Aebi, Treasurer, was present. Becky Hudson, Secretary, was present to record the Minutes of the meeting.

President Gary Copeland called the meeting to order and welcomed the members.

Homeowners Roll was taken by Secretary Becky Hudson and Nominating Committee members Debra Pesta, Sue Gross, and Rosie Flanagan as owners registered to receive their ballots. A quorum was established with 32 households being represented at the Annual Meeting. Mrs. Hudson stated that the Certification of Mailing for the Annual Meeting to all homeowners was completed on March 8, 2007. The quorum and the homeowners roll were certified by the Association Secretary.

Secretary Becky Hudson stated that the Minutes from the March 7, 2006, Annual Meeting were mailed in the March 8, 2007, Annual Meeting Package.

RESOLVED, that the Minutes of the March 7, 2007, Annual Meeting of the Lake Sovereign Homeowners Association be accepted. The Motion was presented by Jim Gunnin and seconded by Gary Copeland. The Motion carried.

Vice President Jim Derr presented a service plaque to outgoing President Gary Copeland thanking him for his service to the Lake Sovereign community.

Secretary Becky Hudson introduced the candidates for Director for 2007-2009. Candidates Phyllis Lea and Peter Pauline presented their backgrounds and qualifications for the Director positions.

Vice President Jim Derr asked for nominations for Director from the floor. Since there were no nominations from the floor, nominations were closed.

RESOLVED, that the members of the Lake Sovereign Homeowners Association accept Phyllis Lea and Peter Pauline as Directors for 2007 - 2009. The new Directors will replace outgoing Directors Gary Copeland and Peter Pauline. The motion was presented by John Krueger and seconded by Debra Pesta. The motion carried.

Vice President Jim Derr gave a presentation highlighting the 2006 achievements and the 2007 Lake Sovereign Homeowners Association goals, objectives, and challenges.

A special report on Lake Restoration and Litigation was presented by Phyllis Lea, John Krueger, Louis Tooker, and Mike Carvalho (environmental attorney with Carvalho & Associates, Marietta, Georgia) using Power Point.

Milt Aebi, Treasurer, gave the 2006 Annual Treasurer's Report.

Debra Pesta, CPA and owner, presented the Third Party Audit Review. She found that the financial report and supporting records are fairly presented for the period ending December 31, 2006, in conformity with the accounting procedures specified by Generally Accepted Accounting and Auditing Standards & Procedures. Mrs. Pesta commented positively on the thoroughness of the recordkeeping and internal controls of the financial books and records.

The Annual Meeting adjourned at 8:10 p.m. for a Break.

Vice President Jim Derr called the Annual Meeting back to order at 8:30 p.m.

Committee reports were given by Committee Chairpersons. **Louis Tooker** gave the Architectural Review Committee Report for 2006. **John Krueger** gave the Common Grounds Report for 2006 and discussed plans for 2007. **Phyllis Lea** gave the 2006 Lake Committee Report and discussed plans for lake management in 2007. **Don Copeland** gave the Recreation Committee Report for 2006 and discussed plans for 2007. **Debra Pesta** gave the Social Committee Report for 2006 and asked for volunteers to serve on the 2007 Social Committee. **Gary Copeland** gave the Communications Report for 2006 and discussed plans for 2007.

There being no further business to come before the meeting, upon Motion duly made, seconded, and unanimously carried, the meeting was adjourned at 9:05 p.m.

Vice President Jim Derr conducted a Question and Answer period immediately following the Annual Meeting. Questions were directed to all Board members and Committee Chairs by homeowners present.

President Gary Copeland called a meeting of the new Board after the Question and Answer period at 9:30 p.m. The new Board met and elected Jim Derr as President and Louis Tooker as Vice President of the Lake Sovereign Homeowners Association.

RESOLVED, that the signing of these Minutes by the Secretary representing the Lake Sovereign Homeowners Association Board of Directors reflect ratification of all matters heretofore discussed and approved.

There being no further business to come before the meeting of the new Board, upon Motion duly made, seconded, and unanimously carried, the meeting was adjourned at 9:35 p.m.

Rebecca D. Hudson, Secretary
Lake Sovereign Homeowners Association, Inc.

LAKE SOVEREIGN HOMEOWNERS ASSOCIATION, INC.

ANNUAL MEETING OF MEMBERS

CERTIFICATE OF APPOINTMENT OF VOTING REPRESENTATIVE

(This form is to be used if the property is titled in a corporate or partnership name whether present or voting by proxy. The designated property owner must be an officer of the corporate entity in which the property is titled. Any qualifying properties should submit this form to the Association Secretary prior to the opening of the Annual Meeting. If voting by proxy, it must be included with the proxy)

To: Secretary, Lake Sovereign Homeowners Association, Inc. (the "Association")

THIS IS TO CERTIFY that the undersigned, constituting all of the record owners of Lot No. _____, in Lake Sovereign Subdivision have designated:

(Name of Designated Property Owner must be one of the owners indicated below)

as their representative to cast all votes and to express all approvals that such owners may be entitled to cast or express at all meetings of the membership of the Association and for all other purposes provided by the Association's legal instruments.

This Certificate is made pursuant to the instruments thereto and shall revoke all prior Certificates and be valid until revoked by a subsequent Certificate.

Dated this _____ day of February, 2008

(Owner) _____
(print name)

(Owner) _____
(print name)

(Owner) _____
(print name)

(Owner) _____
(print name)

NOTE: This form is not a proxy and should not be used as such. This form must accompany a proxy submitted on behalf of a corporate or partnership owner.

LAKE SOVEREIGN HOMEOWNERS ASSOCIATION, INC.

ANNUAL MEETING PROXY FOR

February 26, 2008

TO: Secretary
Lake Sovereign Homeowners Association, Inc.

KNOW ALL PERSONS BY THESE PRESENTS, that the undersigned hereby appoints:

(Print Name)

attorney and agent with the power of substitution for and in the name, place and stead of the undersigned, to vote as proxy at the Meeting of the Association, to be held beginning at 7:00 p.m. on February 26, 2008, at Cherokee County Community Center—Bridgemill, 9550 Bells Ferry Road, Canton, Georgia 30114, and any adjournment thereof, according to the number of votes that the undersigned would be entitled to vote if then present upon all matters which properly come before the meeting as may be authorized. If no individual is appointed, then the Secretary of the Association shall be appointed hereby.

(In no event shall this proxy be valid for a period longer than 90 days after the date of the first meeting for which it was given.)

DATED this _____ day of _____, 2008

Lot Owner(s)

Lot Number: _____

Street Address: _____

LAKE SOVEREIGN HOMEOWNERS ASSOCIATION, INC.

Nominees for Board of Directors for 2008 and 2009

Biographies of Director Candidates Running for Office:

DAVID PERRY

My family, wife Melissa along with our four boys, and I moved to Lake Sovereign in December of 2005. It took a very small amount of time to determine that this is where we wanted our family to live. The beauty of this community speaks for itself!

I began my Electrical Contracting business, One Touch Electric, in 1998. Being a business owner has allowed me to learn some very creative problem solving skills as well as the resolve to stand firm through good times and hard times. These skills made it possible to achieve the recent upgrades to the common areas, address and resolve issues that occurred during the removal of silt from the lake, address security issues in common areas, and update published material for the lake.

I am currently serving as Chairman of the Lake Committee. This year we will be addressing habitat issues as well as current environmental issues. I enjoy being a part of the growth of our community and would like the opportunity to continue to serve this community as a member of the Board of Directors.

LOUIS TOOKER

Louis Tooker, a retired architect and developer, and his wife Frankie moved to Lake Sovereign from Towne Lake in March of 2003. Their daughter Sara is a senior at Woodstock High School, and their son Sam is in law school at the University of South Carolina.

Louis has been an active participant in the activities of the neighborhood, currently serving on the Lake Silt Restitution Committee as well as serving as Chairman of the Architectural Review Committee for the past three years. He has served as Director for the past two years and would like to continue serving the community

The Tooker family attends Hillside United Methodist Church, where Louis is involved in Kairos, a non-denominational Christian prison ministry.

Louis has a Bachelor of Architecture from Auburn University.

LAKE SOVEREIGN HOMEOWNERS ASSOCIATION, INC.

2008 Board of Directors Meeting Dates:

January 8
February 12
March 11
April 8
May 13
June 10
July 8
August 12
September 9
October 14
November 11
December 9

The monthly meetings are available to owners to discuss individual concerns or issues. Individual owner issues will not be considered for the Annual Meeting Agenda. The Annual Meeting is scheduled to inform owners of the goals and objectives for the year, to provide the Association financial report, and to elect officers or approve any other action requiring a vote by a quorum of Association members.

All Board Meeting owner items will be offered presentation time at 6:00 p.m. (local time) at the Club House for a period not to exceed thirty minutes. At the end of the thirty-minute period, the Board will convene their Executive Session.

Procedures for Owner agenda items:

- All owner items (with supporting documentation), for the agenda of a regularly scheduled Board meeting, are to be submitted to the Secretary of the Board ten calendar days prior to the meeting, otherwise the item will be placed on the following month's agenda.
- Owners will be allowed five minutes to present their items to the Board in a general discussion session, prior to the Executive Session.
- Individual owners will be notified of the Board decision within five business days after each monthly Board meeting.