

WYNDFIELD HOME OWNERS ASSOCIATION

BYLAWS ARTICLE I

Section 1. Name. The name of this corporation shall be "The Wyndfield Home Owners Association". It shall be a non-profit corporation.

Section 2. Purpose. The purpose for which this association is formed is the beautification and improvement of the Wyndfield neighborhood through activities that mutually benefit all home owners and residents. These activities include, but are not limited to actions to maintain or improve property values, provision of mutually beneficial services, the maintenance of its protective covenants, joint safety, social and community improvement activities.

Section 3. Participation. Membership is limited to owner-residents of Wyndfield subdivision. Participation in the Association by any resident is a matter of voluntary personal choice.

Section 4. Acceptance. Members, by submission of payment of annual dues, acknowledge acceptance of these bylaws.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to Wyndfield Home Owners Association, Inc., its successors and assigns.

Section 2. "Owners" shall mean in referring to the record owner, whether one or more persons or entities, of a fee simple title to any lot or home which is a part of the Wyndfield properties as referenced in the Wake County Book of Maps number 2266, pages 546-553 as Wyndfield, Wyndfield Addition and Wyndfield III.

Section 3. "Protective covenants" shall mean and refer to those declarations and agreements made by Wyndfield Ventures and the owner/developer of Wyndfield III as recorded in the Office of the Register of Deeds of Wake County, North Carolina.

Section 4. "Lot" shall mean and refer to any plot of 1 and shown upon any recorded subdivision map of the three Wyndfield properties.

Section 5. "Member" shall mean and refer to those persons entitled to membership as provided in the By-laws of the Wyndfield Home Owners Association.

ARTICLE III

MEETINGS OF MEMBERS

Section 1. Annual Meetings: The annual meeting of the Association shall be held on or before February 15 of each calendar year at such time and place as the Board of Directors shall designate, for the election of Directors and for the transaction of other business which properly may be brought before the meeting for action. Notice of this annual meeting shall be delivered by the Secretary/Treasurer at least twenty(20) days before the date of the meeting to each member holding membership and being in good standing.

Section 2. Special Meetings: Special meetings of the members may be called at any time by the Chairman or by the Board of Directors or by written application of at least 10% of members/in good standing. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in said notice.

Section 3. Notice of Meetings: Written notice of each meeting of the members shall be given by, or at the direction of the Declarant, the Secretary/Treasurer of the Association, or person authorized to call the meeting, by mailing or hand carrying a copy of such notice, postage prepaid, at least 5 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 purpose of notice. Depositing a notice in the mailbox located on the lot shall be deemed delivered to the residence. Such notice shall specify the place, day, hour of the meeting, and purpose of the meeting. Notice by either method shall be deemed given when said notice is deposited in the mails or delivered by hand to such address. Attendance by a member at any meeting of members shall be a waiver of notice to him as to the time and place and purpose thereof. Attendance at meeting or a waiver of notice signed by one lot owner in the event of multiple ownership of a lot shall be considered a waiver or notice as to the owners of that lot.

Section, 4. Quorum: The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-sixth (1/6) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be

present or represented, provided that they adjourn the meeting to a time not more than 10 days from the time the original meeting was called.

Section 5. Proxies: 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/Treasurer. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his lot or upon written notice of revocation filed with title Secretary/Treasurer.

Section 6. Voting: At every meeting of Members, each member shall have the right to cast on each question one vote. Fifty-one percent (51%) of the eligible votes entitled to be cast by members present at the meeting, in person or by proxy, shall be a majority unless the question is one upon which, by express provision of statute or of the Articles of Incorporation of the Corporation, or of the Declaration of these By-Laws, a different majority vote is required, in which case such express provision shall govern. If more than one person or entity is an Owner of any Lot, then the membership voting right appurtenant to such Lot shall be exercised as such Owners among themselves shall determine; provided, however, that no fraction on one vote may be cast by any member. In the event and so long as such co-owners of a Lot are unable to agree on the manner in which the vote appurtenant to such lot shall be cast, then such vote shall not be regarded and shall not be counted. The vote of any Owner who is a corporation, trust or partnership may be cast by any officer, trustee or partner, as the case may be, and unless objection by any other such officer, trustee or partner of such Owner is noted at the meeting, the Chairman of such meeting shall have no duty to inquire as to the authority of the person casting such vote.

ARTICLE IV

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of Directors of at least five persons who are members of the Association. The names of the directors who shall act until the first annual meeting of the members of the Association are as follows:

Wayne Hamilton, Chairman

Bert Coffer, Judy Smith, Jim Carrino, Gerry Jacobs

Length of term on the Board shall be two years except for three of the initial Board members who shall serve one year as determined by the Board at their first meeting. Association members will alternately elect each year three new members and then two new members.

ARTICLE V

NOMINATING COMMITTEE

Nomination for election to the Board of Directors shall be made by a nominating committee. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the association who may or may not be members of the Board. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting until the close of the next annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members in good standing.

ARTICLE VI

ELECTIONS

The Officers of this Association shall be a Chairman, a Vice Chairman, and a Secretary/Treasurer. Officers shall be elected annually by the Board of Directors at their first meeting after the annual membership meeting, by a majority vote of the Board members present and voting, and shall hold their office until successors are elected. All officers must be members in good standing of the association, but only the Chairman and Vice Chairman need be members of the Board of Directors. There shall be a limit of tenure in these offices of two consecutive terms.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers: The Board of Directors shall have power to:

(a) Suspend the voting rights during any period in which such member shall be in default in the payment of any dues or assessment levied by the Association. The right of a member may also be suspended until such default is corrected; and

(b) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provision of these By-Laws, the Articles of Incorporation, or the Declaration; and

(c) Employ a manager, an independent contractor, attorney or accountant or such other employees as they deem necessary, and to prescribe their duties; and

(d) To interpret these By-Laws when there is disagreement on the intended meaning of such By-Laws. Interpretation may be determined by a majority vote of the Board and is subject to any other limitations clearly imposed in the By-Laws.

(e) Take action, as appropriate, to enforce the protective covenants of Wyndfield.

Section 2. Duties: It shall be the duty of the Board of Directors

(a) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the members who are entitled to vote;

(b) Supervise all officers, agents and employees of this Association and to see that their duties are properly performed;

(c) As more fully provided in the Declaration to:

(1) Fix the amount of the annual dues against each Lot at least thirty (30) days in advance of each annual dues period provided that during the first year of operation or part thereof, the Board may fix the annual dues for a prorata part of an annual dues period.

(2) Send written notice of annual dues to every Owner subject thereto, at least thirty (30) days in advance of each annual dues period;

(d) Procure and maintain adequate liability and hazard insurance on property owned by the Association.

(e) Cause all officers and employees having fiscal responsibilities to be bonded at Association expense as it may deem appropriate,

(f) To act with full and final authority to suspend or reinstate any member for cause, including but not limited to non-payment of dues, violation of the By-laws, and/or violation of the Wyndfield protective covenants.

(g) To make or authorize the purchase of services, materials, or supplies and to contract for whatever may be reasonably required in the operation and maintenance of the Association and to make such alterations and improvements in the property or the Association where such action is, in their discretion, necessary and expedient, except as regards to new activity and construction which would require the outlay or more than the total annual dues of the association. Expenditures in excess of this amount requires the approval of the majority of the general membership present at the annual meeting or a special Association meeting.

(h) To remove a Director from the Board for cause. The absence of a Director from three consecutive meetings of the Board, unless excused by the Board, shall be considered sufficient cause for removal.

(i) To choose a successor who shall hold office for the unexpired term in the event of a vacancy in the office of the Chairman, Vice Chairman, Secretary/Treasurer or other offices.

(J) To employ, as required, certified public accountants to audit the books of the association or any officer, employee, committee or agent thereof.

(k) To direct the Chairman to call special meetings of the association.

- (l) To elect a presiding officer in the event that the Chairman and Vice Chairman are absent at that meeting.
- (m) To annually approve a budget for the maintenance and operation of the Association and all of its activities.

ARTICLE VIII

COMMITTEES

Section 1. Formation and general rules.

- (a) Standing committees and special committees shall be appointed by the Chairman subject to the approval of the Board.
- (b) Vacancies in committees shall be filled by appointment by the Chairman.
- (c) Each committee shall be composed of as many members as the Chairman may determine
- (d) No committee shall have the right to obligate the Association in any way or in any sum without prior approval by the Board.
- (e) All committees shall report on their activities Board whenever requested and are under the supervision and control of the Board.

ARTICLE IX

RECORDS

The books, records, and papers of the Association shall at all times during reasonable business hour, be subject to inspection by any member. Each member shall receive one copy of the By-laws and Articles of Incorporation. Additional copies shall be provided upon request at the cost of reproduction.

ARTICLE X

NUMBER AND GENDER

Wherever in this By-laws the context so requires, the singular number shall include the plural and the converse, and the use of any gender shall be deemed to include all genders with equal force.

ARTICLE XI

LIQUIDATION RIGHTS

In the event of any voluntary or involuntary dissolution of the Association, each member of the Association shall be entitled to receive out of the assets of the Association available for distribution to the members, an equal share of such assets.

ARTICLE XII

FISCAL YEAR

The fiscal year of the Association shall begin on the first day Of January every year, except for the first fiscal year Of the association which shall begin on the date of incorporation. The commencement date of the fiscal year herein established shall be subject to change by the Board of Directors.

ARTICLE XIII

MEMBERSHIP

Section 1. Qualifications.

- (a) The recorded owner of a single family dwelling in Wyndfield shall be afforded membership in the Association.
- (b) There shall be only one membership per household.
- (c) Membership is automatically transferred upon sale of residence to the new owner.
- (d) Any person renting and/or occupying for any reason a family dwelling in Wyndfield who is not the owner of record shall not be afforded membership.

Section 2. Membership standing.

- (a) Changes to an individual member's standing will be determined by a majority vote of the Board.
- (b) Members may lose their good standing by failure to pay dues and/or assessments, violation of the By-laws of the Association, violation of the protective covenants of Wyndfield, or for other appropriate reason as determined by the Board.
- (c) Members not in good standing will lose any rights of membership including, but not limited to, the right to vote in the Association.

Section 3. Membership limitation.

Membership will be limited to the total number of lots in Wyndfield.

ARTICLE XIV

ANNUAL REPORT

The Board of Directors will be required to distribute an annual report including, but not limited to, a financial statement to all members.

ARTICLE XV

DUES AND ASSESSMENTS

Section 1. Annual dues.

All members shall pay such annual dues as shall be established by the Board which shall not exceed the sum of FIFTY DOLLARS per year. This maximum limitation on the amount of annual dues shall only be changed upon the affirmative vote of two-thirds of the members of the Association. Annual dues are due and payable in January of each year. The Board, at its discretion, may set a grace period and/or late payment fee for payment of annual dues.

Section 2. Special assessments.

The Association may, from time to time, by a two-thirds affirmative vote of members, approve special assessments. The dollar amount of the assessment and the method of payment shall be determined as part of the voting for the assessment. Proposals for assessments must be presented, with appropriate notice, at a regular or special meeting of members. The Board may act to collect votes for up to thirty days after such meeting.

ARTICLE XVI

INDEMNIFICATION

The Association shall indemnify any current or former Officer or Director of the Association against any action brought against him related to his Office in the Association and will reimburse any reasonable and actual expenses incurred in the process of defending him against such action. officers and Directors shall be held harmless from any claims, demands, causes, actions, or otherwise directly or indirectly involving any performance or failure of performance hereunder.