

**AMENDMENT TO BYLAWS FOR
HIGH GROVE SUBDIVISION HOMEOWNERS ASSOCIATION, INC.**

WHEREAS, the Bylaws for High Grove Subdivision Homeowners Association, Inc. (the “Association”) provide in Article V, Section 4(a) thereof that the Bylaws may be amended by a majority vote of the members entitled to vote in the election of directors, at a special meeting of the members called for such purpose; and

WHEREAS, a special meeting for purposes of considering the following amendments was duly noticed and held on the 12th day of November, 2016, and at such meeting the amendments set forth herein were approved by a majority of the members entitled to vote in the election of directors;

NOW THEREFORE, the Bylaws are hereby amended as follows:

1. Article II, Section 2(a) of the Bylaws is deleted in its entirety and inserted in lieu thereof is the following:

- (a) The annual meeting of the Members must be held at least once each year on such date or dates as shall be fixed from time to time by the Board of Directors of the Association. Special meetings of Members may be held on such date or dates as may be fixed by the Board of Directors or by the Members as permitted by law.

2. Article II, Section 4(a) of the Bylaws is deleted in its entirety and inserted in lieu thereof is the following:

- (a) Meetings of the members shall be presided over by the following officers, in order of seniority: President, Vice-President, Treasurer, and Secretary, or if none of the foregoing is present at the meeting, by a Chairman to be chosen by a majority of the members in attendance. The Secretary or an Assistant Secretary shall act as Secretary of every meeting. When neither the Secretary nor an Assistant Secretary is available, the President may appoint a Secretary for the meeting.

3. Article III of the Bylaws is deleted in its entirety and inserted in lieu thereof is the following:

Section 1. General Powers. The affairs of the Association shall be managed by a Board of five (5) directors as set forth herein, each of whom shall have one equal vote.

Section 2. Persons Who May Serve. Directors shall be Owners that reside within High Grove Subdivision. The term “Owner” is defined as the record owner, whether one or more persons or entities, of a fee

simple title to any Lot which is a part of High Grove Subdivision, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation. Only Owners that are in good standing are qualified to serve on the Board. An Owner is not in good standing if the Owner is delinquent in the payment of any assessment by more than 30 days or has been determined by the Board, after notice and an opportunity to be heard, to be in violation of the Protective Covenants or any rule or regulation of the Association and said violation remains unresolved. Only one Owner of a particular Lot may serve on the Board at the same time.

Section 3. Election of directors. The directors shall be elected at the annual meeting of the Association, and those candidates who receive the highest number of votes shall be elected. Cumulative voting is not permitted.

Section 4. Number and Term. Directors shall serve staggered terms. At the first annual meeting following the date of adoption of these Bylaws, Members voting in person or by proxy at such meeting shall elect two (2) directors for a term of one year and three (3) directors for a term of two years. At each annual meeting thereafter, the Members shall elect directors for the terms expiring that year for a term of two (2) years. The members of the Board of Directors shall take office upon election and shall hold office until their respective successors shall have been elected by the Association.

Section 5. Nomination. Nomination for election to the Board of Directors may be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. Any Nominating Committee formed by the Board of Directors shall be appointed prior to the annual meeting of the Members at which elections are to take place, and members of the committee shall serve until the close of said annual meeting. 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. The Nominating Committee may 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.

Section 6. Removal; Vacancies. Any director may be removed from the Board, with or without cause, by a majority vote of all persons present and entitled to vote at any meeting of the Owners at which a quorum is present. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining

members of the Board and shall serve for the unexpired term of his predecessor. An elective vacancy occurring in the Board of Directors, including directorships not filled by the voting members, may be filled by a majority of the remaining directors, though less than a quorum, or by the sole remaining director. A director may also be removed from the Board by a majority of the directors then in office for failing to attend three (3) consecutive Board meetings.

- Section 7. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.
- Section 8. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting if the action is taken by all members of the Board. The action shall be evidenced by one or more written consents signed by each director describing the action taken, which are to be included in the minutes or filed with the corporate records. Such consents may be in electronic form and delivered by electronic means. Any action so approved shall have the same effect as though taken at a meeting of the directors.
- Section 9. Participation in Meetings. Members of the Board or of any committee that the Board appoints may participate in a meeting of the Board or committee by conference telephone, video conference, or similar method of communication, provided all persons participating in the meeting can hear each other simultaneously. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.
- Section 10. Regular Meetings. Regular meetings of the Board of Directors shall be held at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.
- Section 11. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three (3) days' notice to each director.
- Section 12. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

4. Article II, Section 7 shall be amended as follows:

Except as provided by law, presence in person or by proxy of at least thirty percent (30%) of the total number of votes to be cast at the meeting, shall constitute a quorum at a meeting of the members for the transaction of any business. The members present may adjourn the meeting despite the absence of a quorum. Each membership shall entitle the holder thereof to one vote. In the election of directors, a plurality of the votes cast shall elect. Except to the extent provided by law, all other action shall be by a majority of the votes cast, provided that the majority of the affirmative votes cast shall be at least equal to a quorum. Whenever the vote of members is required or permitted, such action may be taken without a meeting on the written consent setting forth the action taken signed by all members entitled to vote.

5. All remaining provisions of the Bylaws remain unchanged and in full force and effect.

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of High Grove Subdivision Homeowners Association, Inc., a North Carolina corporation, and,

THAT the foregoing amendments to the Bylaws were approved by a majority vote of the members entitled to vote in the election of directors, at a special meeting of the members called for such purpose, held on the 12th day of November, 2016.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 17th day of November, 2016.

_____[SEAL]
Secretary