

**AMENDED AND RESTATED BYLAWS
OF LAKE CASTLEBERRY OWNERS ASSOCIATION, INC.**

ADOPTED AS OF AUGUST 31, 2022

**BYLAWS
OF
LAKE CASTLEBERRY OWNERS ASSOCIATION, INC.**

**ARTICLE 1
NAME AND LOCATION**

The name of the corporation is Lake Castleberry Owners Association, Inc. The principal office of the corporation shall be located in Wake County, North Carolina.

**ARTICLE 2
DEFINITIONS**

The defined terms set forth in Article 1 “Definitions” of the Declaration of Covenants, Conditions and Restrictions for Lake Castleberry (hereinafter “Declaration”) are incorporated herein by reference and, unless specifically provided herein, the capitalized terms used in these Bylaws shall have the same meaning given them in the Declaration.

**ARTICLE 3
MEMBERSHIP AND VOTING RIGHTS**

The terms and provisions of Article 8 of the Declaration entitled “Membership and Voting Rights” are incorporated herein by reference.

**ARTICLE 4
MEETING OF MEMBERS**

Section 1. Annual Meetings. The regular annual meeting of the Members shall be held during the fourth quarter of each year with the date, hour, and place to be set by the Board. No annual meeting of the Members shall be set on a legal holiday.

Section 2. Special Meetings. Special meetings of the Members shall be promptly scheduled in response to a majority vote of a quorum of the Board, or upon receipt of a written request signed by Members representing not less than ten percent (10%) of the total Voting Power of the Association.

Section 3. Notice of Meetings. Written notice of each annual and special meeting of the Members shall be given by, or at the direction of, the Secretary of the Association or other person authorized to call the meeting, not less than ten (10) days prior to, nor more than sixty

(60) days in advance of, each meeting, to each Member entitled to vote, addressed to the Member's mailing address last appearing on the books of the Association, or electronic mail address, as designated by the Member in accordance with N.C.G.S. 55A-1-70, as may be amended. Notice of a meeting shall specify a place, date and hour of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or these Bylaws, any budget changes, and any proposal to remove a director or officer. The notice of any meeting at which Directors are to be elected shall include the names of all those who are nominees at the time the notice is given to Members. Notice shall also be given to any Mortgagees entitled to Notice as provided in the Declaration at the address supplied by the Mortgagee to the Association, if any, and each such Mortgagee shall have the right to designate a representative to attend any meeting. Waiver by a Member in writing of the notice required herein shall be equivalent to the giving of such notice. Attendance at a meeting by a Member, whether in person or electronic presence, shall be deemed a waiver by such Member of notice of the time, date, and place thereof unless such Member specifically object to lack of proper notice at the time the meeting is called to order. Attendance at the meeting shall also be deemed a waiver of notice of all business transacted at such meeting, unless objection to lack of notice is raised before the business, of which proper notice was not given, is put to a vote.

Section 4. Quorum. The in person or electronic presence at the beginning of any meeting of Members entitled to cast, or of proxy holders entitled to cast, ten percent (10%) of the total Voting Power of the Association shall constitute a quorum for any action, except as may otherwise be provided in the Articles, the Declaration of these Bylaws. Once a quorum is established for a meeting, it shall conclusively be presumed to exist until the meeting is adjourned and shall not need to be reestablished. In the absence of a quorum, the Members entitled to vote at such meeting shall have the power, upon an affirmative vote of a majority of those Members present in person or electronic presence or by proxy, to adjourn the meeting to another time without notice (other than announcement at the meeting); provided, however, the quorum requirement at the next meeting shall be one-half (1/2) of the quorum requirement applicable to the meeting adjourned for lack of a quorum. This section shall continue to reduce the quorum by fifty percent (50%) from that required at the previous meeting, as previously reduced, until such time as a quorum is present and business can be conducted. If a time and place for the adjourned meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for the adjourned meeting after adjournment, notice of the time and place of the adjourned meeting shall be given to Members in the manner prescribed herein for regular meetings.

Section 5. Proxies.

(a) At all meetings of the Members, each Member may vote in person or by proxy. All proxies shall be in writing, dated and delivered to the Secretary or Assistant Secretary of the Association in a manner to be determined by the Board. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of their Lot or upon receipt by the Association of written notice of the death or incapacity of the Member who executed the proxy. Any proxy shall automatically terminate on the earlier of the date specified in the proxy or after expiration of eleven (11) months from the date the proxy is executed (unless the proxy specifies a shorter term).

Section 6. Location. Meetings of the Members shall be held within the Property or as close thereto as possible or may be held virtually.

Section 7. Action Taken Without a Meeting. Any action which may be taken by the vote of the Members at a regular or special meeting, may be taken in the absence of a meeting by written consent form or written or electronic ballot to every Member entitled to vote on the matter. The written or electronic ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written or electronic ballot shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes cast needed to approve the matter being voted upon. All solicitations for votes by written ballot shall: (1) indicate the number of responses needed to meet the quorum requirements; and (2) specify the time by which a ballot must be received by the Association to be counted. A written ballot may not be revoked. The Association shall maintain such ballots in its file for at least three (3) years.

ARTICLE 5

BOARD OF DIRECTORS

Section 1. Number. The affairs of the Association shall be managed and governed by a Board of five (5) Directors, who shall be Members of the Association, except that a partner, member, employee, officer or director of any partnership, limited liability company, corporation or association that is an Owner shall be eligible to serve as Director.

Section 2. Term of Office. The term of each Director shall be for two (2) years with staggering terms of three (3) Directors elected in odd years and two (2) Directors elected in even years. Each Director shall hold office until the earlier of the end of the Director's term, their death, resignation, retirement, removal or disqualification.

Section 3. Removal. Directors may be removed from the Board, with or without cause, at any regular or special meeting of the Members called for such purpose, at which a quorum is present, by a majority vote of the total Voting Power of the Association cast at such meeting. In the event of death, resignation or disqualification of a Director, the remaining Directors shall appoint a successor and the successor shall serve for the unexpired term of the predecessor. Any vacancy on the Board caused by the removal of a Director shall be filled by an election pursuant to Article 6 at a Special Meeting of the Members called for such a purpose.

Section 4. Compensation. No Director shall receive compensation for any service rendered to the Association. However, any Director may be reimbursed for actual reasonable expenses incurred in the performance of the Director's duties, upon approval of such expenses by the majority of the Board. Eligibility for reimbursement will require submission by the Director to the Board of an itemized receipt with date and time of purchase, proof of method of payment, and explanation of legitimate purpose.

Section 5. Action Taken Without a Meeting. Action required or permitted to be taken at a meeting of the Board may be taken without a meeting if the action is taken by all members of the Board and evidenced by one or more written consents signed by each Director before such

action, describing the action taken, and meets the requirements of these Bylaws. Documentation of approved action shall be delivered to the Secretary of the Association for inclusion in the minutes or filing with the corporate records.

ARTICLE 6

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board may be made by a nominating committee appointed by the Board prior to the annual meeting. The nominating committee shall consist of a chairman, who shall be a member of the Board, and two or more Members. The nominating committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not less than the number of vacancies to be filled. Nominations may also be made from the floor at the annual meeting.

Section 2. Election. Election to the Board shall be by secret written ballot, or as otherwise determined by the Board. Each Member may vote for as many Directors as there are vacant seats on the Board. No cumulative voting is allowed. The persons receiving the largest number of votes shall be elected.

ARTICLE 7

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings, in person or electronically, of the Board shall be held at such intervals as the Board considers necessary and desirable, but not less often than once every three (3) months. Regular meetings shall be held at such place and hour as designated by the Board. Notice of the time and place of regular meetings shall be communicated to all Directors not less than four (4) days prior to the meeting, provided, however, that notice of a meeting need not be given to any Director who has signed a waiver of notice or consent to holding of the meeting.

Section 2. Special Meetings. Special meetings of the Board shall be held when called by written notice signed by the President of the Association or by any two (2) Directors other than the President. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be sent to all Directors and posted in the manner prescribed for notice of regular meetings not less than seventy-two (72) hours before the scheduled time of the meeting, provided, however, that the notice need not be given to any Director who has signed a waiver of notice or consent to holding the meeting.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act of 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. One or more Directors who participate in a meeting by telephone or electronic means shall be deemed present and in attendance for all purposes of such meeting, provided all Directors participating in the meeting can hear each other.

Section 4. Open Meetings. One regular meeting of the Board each quarter shall be open to all Members of the Association; provided, however, that Members who are not Directors may not participate of a quorum of the Board.

Section 5. Executive Session. The Board may, with the approval of a majority of a quorum of its Directors, adjourn a meeting and reconvene in closed executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved and orders of business of a similar confidential nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

ARTICLE 8

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers and Duties. The Board shall have power to:

(a) Adopt, publish, amend and enforce Rules and Regulations governing the Property, the use and enjoyment of the Common Area and any facilities thereon, and the personal conduct thereon of the Members, their guests, invitees, members of their families or households, and tenants, and establishing penalties for infractions thereof. Any changes to the Rules and Regulations shall be effective upon Board approval and shall be mailed or emailed to each Owner addressed to the Owner's address last appearing on the books of the Association within thirty (30) days of Board approval;

(b) Provide for the operation, care, upkeep, and maintenance of all of the Common Areas;

(c) After notice and an opportunity for hearing by the Board, (i) suspend an Owner's rights as a Member of the Association, including voting rights and right to use any Common Area facilities on the Common Area, for any period during which any fine against such Member or any assessment against such Member's Lot remains unpaid; (ii) impose monetary penalties as provided in the Declaration for any infraction of the Rules and Regulations or any violation of or failure to comply with the provisions of the Declaration or these Bylaws, provided the Member shall have been warned in writing of a previous infraction within the preceding one (1) year; and (iii) suspend an Owner's rights as a Member of the Association for a period not to exceed thirty (30) days for any infraction of the Rules and Regulations;

(d) Enforce and carry out provisions of the Declaration, these Bylaws and the Articles, including, without limitation, all provisions related to the maintenance, repair and upkeep of all Stormwater Facilities located on the Property, and exercise all rights of the Association and the Board set forth in the Declaration, these Bylaws and the Articles;

(e) Pay any taxes or assessments which are or could become a lien on the Common Area or any portion thereof;

(f) Contract for casualty, liability, directors' and officers' liability, and other insurance and paying the premium cost thereof;

(g) Contracting, dismissing, and paying for goods and services expenses on behalf of the Association for the repairs, alterations, additions, and improvements to the Common Area or any other real or personal property for which the Association is responsible or as to which the Association may have duties and obligations; provided, however, that: (i) no contract with a an entity to furnish management or maintenance services upon the Common Area shall exceed a term of one year (except for a contract with a public utility regulated by the Public Utilities Commission, in which case the contract shall be limited to the shortest term allowable by such public utility at the regulated rate, or prepaid casualty or liability insurance policies which shall not exceed three (3) years' duration, provided the policy permits short rate cancellation by the insured) and that the Association shall have the right to terminate said contract with or without cause upon thirty (30) days written notice;

(h) Delegate to committees, officers, employees and other agents of the Association reasonable powers to carry out the powers and duties of the Board; provided, however, that the Board shall not delegate the power to impose discipline against Members or to levy fines against Members;

(i) After Notice and Opportunity for Hearing, impose collection, administrative, or service costs, charges, fees and other costs incurred by the Association in bringing a member into compliance with the Declaration, Bylaws or Rules and Regulations in in accordance with Section 9.06 of the Declaration;

(j) Prepare and distribute budgets and financial statements of the Association;

(k) Keep books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred;

(l) Collect the assessments, deposit the proceeds thereof in a financial depository or institution which it shall approve, or otherwise invest the proceeds in accordance with any limitations set forth under North Carolina law, and using the proceeds to administer the Association;

(m) Employ a management company as it deems necessary to carry out the powers and duties of the Association;

(n) Grant easements to any private or public agency, authority or utility for the installation and maintenance of sewage, utility (including CATV and internet) or drainage facilities upon, over, under and across the property owned by the Association when such easements are necessary for the convenient use and enjoyment of the Properties;

(o) Sell, transfer, dedicate, hypothecate, partition, subdivide, abandon, release or alienate the Common Area as permitted by the Act;

(p) Exercise all the powers set forth in the North Carolina Nonprofit Corporation Act and the Act, except those reserved to the Members by the provisions of these Bylaws, the Articles or the Declaration;

(q) Enforce by legal means the provisions of the Declaration, these Bylaws, and the rules and regulations adopted by it, and bring any proceedings which may be instituted on behalf of or against the Association;

(r) Act with respect to all matters arising out of any eminent domain proceeding affecting the Common Areas;

(s) Notify the Members of any litigation against the Association involving a claim in excess of ten percent (10%) of the amount of the annual budget;

(t) Employ attorneys, accountants, and other persons or firms to represent the Association when deemed necessary.

(u) Open bank or other financial accounts on behalf of the Association and designate the signatories required;

(v) Compromise, settle, release and otherwise adjust claims, demands, causes of action and liabilities on behalf of the Association and Owners, as the case may be, provided any such claim, demand, cause of action or liability arises out of or relates to a condition or defect common to all or a majority of the Lots of improvements constructed thereon, or to the development, design, construction, condition, repair or maintenance of or damage or injury to or defect in the Common Area or part thereof, and make and receive all payment or other consideration necessary therefor or in connection therewith. For such purposes, the Board shall be, and hereby is, irrevocably appointed attorney-in-fact to act on behalf of all Owners upon such terms and conditions and for such consideration as may be approved by a majority of the Board.

Section 2. Duties. The Board shall:

(a) Cause to be kept a complete record of all its acts and corporate affairs and to present to the Members, and any Mortgagee making written request therefor, the following:

- (i) A pro forma operating statement (budget) for each fiscal year, which statement shall be distributed not less than fifteen (15) days and not more than sixty (60) days before the beginning of the fiscal year;
- (ii) A balance sheet as of an accounting date which is the last day of the month closest in time to six (6) months from the date of closing of the first sale of a Lot in the Property and an operating statement for the period from said date of such first closing to said accounting date, which balance sheet and statement shall be distributed within sixty (60) days after the accounting date;

(iii) An annual report, which annual report shall be distributed within ninety (90) days after closing of the fiscal year, consisting of the following:

1. A balance sheet as of end of the fiscal year;
2. An operating (income) statement for the fiscal year;
3. A statement of changes in financial position for the fiscal year.

(b) Supervise the officers, agents and employees of the Association in the proper performance of their duties;

(c) As more fully provided in the Declaration and subject to any limitations contained therein:

(i) Fix the amount of the annual assessment against each Lot at least fifteen (15) days in advance of each annual assessment period and, if necessary, revise such annual assessment;

(ii) Send written notice of each assessment to every Owner in advance of each annual assessment period, provided that failure to comply with the provisions of this subparagraph shall not invalidate any assessment, lien or obligation to pay such assessment;

(iii) Take appropriate action against any Owner who is delinquent in the payment of any assessment to the Association, which action may include, but is not limited to, commencement of an action against the Owner for payment thereof and/or foreclosure of the lien against the Lot of such Owner.

(d) Issue, or cause an appropriate officer to issue, upon demand by any person having a legitimate interest, a certificate setting forth whether or not any assessment has been paid, for which certificate a reasonable charge may be made by the Board;

(e) Procure and maintain liability, fire and extended coverage casualty insurance, as required by the Declaration, worker's compensation insurance, and such additional insurance and endorsements as the Board may deem desirable;

(f) Cause the Common Area, the amenities located thereon, any private streets, public streets or right-of-way which have been dedicated but not yet accepted for maintenance by the appropriate governmental entity, and any other real and personal property for which the

Association may be responsible or as to which the Associate may have duties and obligations to be kept in a good state of maintenance and repair;

(g) Pay proper expenses of the Association; and

(h) Establish and maintain reserve funds for Common Area replacements and maintenance in accordance with the initial budget of the Association or such budgets as may subsequently be adopted from time to time by the Board. Funds deposited in reserve for a particular purpose shall be held for that purpose and shall not be expended for any other purpose without the vote or written consent of sixty-seven percent (67%) of the total Voting Power of the Association, except that if the Board determines that funds held in reserve for a particular purpose exceed an amount reasonably required as a prudent reserve for that purpose, then, without the vote or written consent of Members, the excess may be allocated to any other reserve fund established by the Board and expended for the purpose for which such other reserve fund has been established.

Section 3. Non-Liability and Indemnification. The Association shall indemnify every current and former representative, officer, Director of the Board, committee member of the Association or any person who may have served at the request of the Association against expenses (including attorneys' fees) or liabilities actually and reasonably incurred by such person in connection with the defense of or as a consequence of any threatened, pending or completed action, suit or proceeding (whether civil or criminal) in which such person is made a party or was (or is threatened to be made) a party by reason of being or having been such representative, officer, Director of the Board, committee member, or any person who may have served at the request of the Association, except in relation to matters as to such person is adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct in the performance of a duty. Notwithstanding the foregoing, no person shall be indemnified under this Section as to any liability arising out of such persons status solely as a Member of the Association or that may result from a Member's ownership of a Lot.

The Board shall take all such action as may be necessary and appropriate to authorize the Association to pay the indemnification required by this Section, including without limitation, to the extent needed, making a good faith evaluation of the manner in which the claimant for indemnity acted and of the reasonable amount of indemnity due.

The indemnification provided herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any statute, bylaw, agreement, vote of Association, or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such position, and shall continue as to a person who has ceased to be a representative, officer, Director of the Board, committee member and shall inure to the benefit of the heirs, executors and administrators of such a person. The Association shall purchase and maintain adequate general liability and officers' and directors' liability insurance to fund this indemnification obligation, and the insurance shall be written as provided herein. Nothing contained in this Section 2, or elsewhere in these Bylaws, shall operate to indemnify any representative, Director of the Board, committee member if such indemnification is for any reason contrary to any applicable state or federal law.

A Director of the Board, representative, officer, and committee member shall not be liable to the Members or the Association if such person performs their duties in good faith, in a manner such person believes to be in the best interests of the Association and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. In performing the duties of a Director, a Director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared and presented by:

(a) One or more officers or employees of the Association whom the Director believes to be reliable and competent in the matters presented;

(b) Counsel, independent accountants or other persons as to matters which the Director believes to be within such person's professional or expert competence; or

(c) A committee of the Board on which the Director does not serve, as to matters within its designated authority, which committee the Director believes to merit confidence; so long as, in any such case, the Director acts in good faith, after reasonable inquiry, when the need therefor is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

ARTICLE 9

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president, vice-president, secretary, and treasurer who shall at all times be members of the Board.

Section 2. Election of Officers. The election of officers shall take place annually at the first meeting of the Board following each annual meeting of the Members. Election of officers must be voted by majority by the Board.

Section 3. Term; Compensation. The officers of the Association shall be elected annually by the Board and each shall hold office for one (1) year unless such person sooner resigns, or is removed, or is otherwise disqualified to serve. No officer shall receive compensation for any service rendered to the Association. However, any officer may be reimbursed for their actual reasonable expenses incurred in the performance of the officer's duties, upon approval of such expenses by the majority of the Board. Eligibility for reimbursement will require submission by the officer to the Board of a valid itemized receipt with date and time of purchase with detailed information, and proof of method of payment, stamped with date and time of purchase, and explanation of legitimate purpose.

Section 4. Special Appointments. The Board by a majority vote, may appoint such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board may determine from time to time.

Section 5. Resignation and Removal. Any officer may be removed from office, with or without cause, by a majority vote of the Board. Any officer may resign at any time by giving

written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by a majority vote of the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer such person replaces.

Section 7. Multiple Offices. No person shall simultaneously hold more than one of any of the offices, except in the case of special offices created pursuant to Section 4 of this Article 9; provided, however, that notwithstanding the foregoing, the offices of secretary and treasurer may be held by the same person.

Section 8. Duties. The duties of the officers shall be those usually vested in their respective offices, including the following;

(a) President: The President shall preside at all meetings of the Board and shall see that orders and resolutions of the Board are carried out;

(b) Vice President: The Vice Presidents shall act in the place and stead of the President in the event of the President's absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board;

(c) Secretary: The Secretary, or an assistant secretary elected and authorized by the Board, shall keep minutes of all meetings of the Board and of the Members and shall have custody and charge of the Association's corporate seal, minute books, membership transfer books, and such other books, papers and documents as the Board may prescribe. The duties of Secretary may be delegated in full or in part to the Association's management company;

(d) Treasurer: The Treasurer, or an assistant treasurer elected and authorized by the Board, shall be responsible for Association funds and securities and shall keep or supervise the keeping by persons designated by resolution of the Board of full and accurate financial records and books of account of Association showing all receipts and disbursements, for preparing all required financial statements and tax returns, and for the deposit of monies and other valuable effects in the name of the Association or the managing agent in such depositories as may from time to time be designed by the Board. The Treasurer shall be responsible for the preparation of the budget. The duties of the Treasurer may be delegated in full or in part to the Association's management company.

Section 9. Checks and Drafts. All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness issued in the same of or payable by the Association shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by the Board.

Section 10. Execution of Contracts and Other Documents. The Board by resolution may authorize any officer or officers, agent or agents to enter into contracts or execute any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances. Unless so authorized by the Board, no officer, agent or employee shall have

any power or authority to bind the Association by any contract or agreement or to pledge its credit to render it liable for any purpose or for any amount.

ARTICLE 10 COMMITTEES

The Board may establish an Architectural Review Committee for the purpose of maintaining compliance with the Architectural Guidelines, Maintenance Standards & Rules and regulations. The Board may appoint such other committees as it deems necessary to carry out the affairs of the Association. Any committee member may be removed with or without cause at any time and with or without a successor being named.

ARTICLE 11 BOOKS AND RECORDS

Section 1. Maintenance of Documents. The Association shall keep books and records as required by the North Carolina Nonprofit Corporation Act and the North Carolina Planned Community Act.

Section 2. Financial Review and Availability. The membership register, books of account and minutes of meetings of the Members, Board and committees of the Board shall be made available for inspection and copying by any Member, any Member's duly appointed representative and any Mortgage during normal business hours, as required by law, at such place or places within the Property as the Board may prescribe. The Board shall establish reasonable rules with respect to notice to be given to the custodian of the records by the Member of Mortgagee desiring to make the inspection; hours and days of the week when such an inspection may be made; and payment of the cost of producing or reproducing documents requested by a Member or Mortgagee. The Declaration, the Articles and these Bylaws shall be available for inspection by any Member on the Association or management company website (as applicable) and an electronic copy shall be provided upon written request. Every Director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association and the physical properties owned or controlled by the Association, including the right to make extracts and copies of documents.

Section 3. Electronic Correspondence. Those persons serving on the Board shall utilize an electronic mail account or address, which is subject to direct access and control of each person for matters pertaining to the Association. Electronic mail accounts used for Association business shall not have a primary purpose or access by other persons or organizations with no relationship to the Association.

ARTICLE 12
ASSESSMENTS

The terms and provisions of Article IX of the Declaration entitled “Covenants for Assessments” are incorporated herein by reference.

ARTICLE 13
CORPORATE SEAL

The Association may have a corporate seal consisting of two concentric circles between which is the name of the Association and in the center of which is inscribed “SEAL”; and such seal, in the form approved by the Association, shall be adopted by the Board as the corporate seal of the Association.

ARTICLE 14
AMENDMENTS AND INTERPRETATION OF DOCUMENTS

Section 1. Amendment. Any amendment of these Bylaws shall require the majority vote of the total Voting Power of the Association of Members at a regular or special meeting; provided, however, that no such amendment shall change any provision hereof where such provision is governed by the Articles of the Declaration, unless the applicable provisions of the Articles and/or Declaration are likewise amended as therein required. Any action to challenge the validity of an amendment adopted under this Section must be brought within six (6) months of the amendment’s effective date. No action to challenge any such amendment may be brought after such time.

Section 2. Dissolution. The Association shall be dissolved upon the termination of the Declaration in accordance with the provisions of the Act, and upon the written assent of not less than ninety (90%) of the Voting Power of the Association, or upon such more restrictive or additional conditions and in such manner as otherwise provided by the laws of the State of North Carolina. Upon dissolution or insolvency of the Association or upon loss of ownership of the Common Area (once such ownership has been acquired) by the Association for any reason whatsoever (except for exchange or dedication or conveyance of any part or all of the Common Area as allowed by the Declaration or by reason of merger and/or consolidation with any other association as allowed by the Declaration), any portion of the Common Area not under the jurisdiction and being maintained by the Association, shall be offered to the Town, or to some other appropriate governmental entity or public agency (as determined by the Board) to be dedicated for public use for purposes similar to those to which the Common Area and such assets were required to be devoted by the Association. If the Town or such other appropriate governmental entity or public agency accepts the offer of dedication, such portion of the Common Area and assets shall be conveyed by the Association to the Town or such other appropriate governmental entity or public agency, subject to the superior right of the Owner of each Lot to an easement (if necessary) for reasonable ingress and egress to and from such

Owner's Lot and the public or private street(s) on which such Lot is located, and subject to all other applicable rights of way and easements and subject to ad valorem property taxes subsequent to the date of such conveyance.

In the event that the Town or such other appropriate governmental entity or public agency refuses the offer of dedication and conveyance, the Association may transfer and convey such Common Area and assets to any nonprofit corporation, association, trust or other entity which is or shall be devoted to purposes and uses that would most nearly conform to the purposes and uses to which the Common Area was required to be devoted by the Declaration, such conveyance to be made subject to the rights of Owners and other matters set forth in the immediately preceding paragraph.

Section 3. Conflicts. The duties and powers of the Association shall be those set forth in the North Carolina Planned Community Act, the North Carolina Nonprofit Corporation Act, the Declaration, these Bylaws, and the Articles of Incorporation, together with those reasonably implied to affect the purposes of the Association provided, however, that if there are conflicts or inconsistencies between the North Carolina Planned Community Act, the North Carolina Nonprofit Corporation Act, the Declaration, these Bylaws, or the Articles of Incorporation, then the provisions of the North Carolina Planned Community Act, the North Carolina Nonprofit Corporation Act, as may be applicable, the Declaration, the Articles of Incorporation and these Bylaws, in that order, shall prevail.

Section 4. Severability. The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability, or effect of the balance of these Bylaws or the Declaration.

Section 5. Captions. The captions herein are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope of these Bylaws or the intent of any provision thereof.