

BY-LAWS  
OF  
LAKE NORMAN WOODS HOMEOWNERS ASSOCIATION

ARTICLE I

Offices

Section 1. Principal Office: The principal office of the Corporation shall be located at Lake Norman Woods which is located off Mombo Road (SR 1885) and Saunders Drive (SR 2648), Sherrills Ford, Catawba County, North Carolina.

Section 2. Registered Office: The registered office of the Corporation required by law to be maintained in the State of North Carolina may be, but need not be, identical with the principal office.

Section 3. Other Offices: The Corporation may have offices at such other places, either within or without the State of North Carolina, as the Board of Directors may from time to time determine, or as the affairs of the Corporation may require.

ARTICLE II

Plan of Ownership

Section 1. By-Laws Applicability: The provisions of these By-Laws are applicable to the "Properties", with the term "Properties" meaning and referring to that certain real property described in Declaration of Covenants, Conditions and Restrictions filed by Kirk Development Co., Inc, and such additions thereto as may

hereafter be brought against the jurisdiction of the Association.

Section 2. Personal Application: All present or future owners, tenants, future tenants or their employees or any other person that might use the facilities of the Properties in any manner, are subject to the regulation set forth in these By-Laws and to the Declarations of Covenants, Conditions and Restrictions.

The mere acquisition or rental of any of the lots, herein referred to as lots, of the Properties or the mere act of occupancy of any of the lots will signify that these By-Laws and provisions of the Declaration of Covenants, Conditions and Restrictions are accepted, ratified, and will be complied with.

### ARTICLE III

#### Membership, Voting, Quorum, Proxys

Section 1. Membership and Voting Rights: Every owner of a Lot shall be a member of Lake Norman Woods Homeowners Association hereinafter referred to as Association. Membership shall be appurtenant to and may not be separated from the ownership of any lot subject to assessment.

The Association shall have two (2) classes of voting membership:

Class A: Class A members shall be all owners (as defined in said Declarations), with the exception of the Declarant, and shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in any Lot, all such persons

shall be members. The vote for such Lot shall be exercised as the owners determine among themselves, but in no event shall more than one (1) vote be cast with respect to any one Lot.

" Class B: The Declarant, being Kirk Development Co., Inc., shall be a Class B member and shall be entitled to three (3) votes for each Lot owned by Declarant in the Properties. The Class B membership shall cease and be converted to Class A membership when the Declarant no longer owns any Lots in the Properties.

Section 2. Majority of Owners: As used in these By-Laws the term Majority of Owners shall mean those owners holding at least fifty-one (51%) percent of the total number of votes.

Section 3. Quorum: Except as otherwise provided in these By-Laws, the presence in person or by proxy of a "Majority of Owners" as defined in the preceding paragraph shall constitute a Quorum.

Section 4. Proxys: Votes may be cast in person or by proxys. Proxys must be filed with the Secretary before the appointed time of each meeting.

Section 5. Termination or Suspension of Membership: In addition to any acts and occurrence which would naturally terminate membership in this Association, any member may be expelled from the Association, following a hearing before the Board of Directors for a willful violation, or failure to comply with, the Articles of Incorporation, By Laws, Declarations,

or any duly promulgated rules and regulations of the association respecting membership rights and duties; provided, however, that not less than five (5) days written notice of such hearing shall be given to a member. A member shall be expelled only by a majority vote of the Board of Directors.

A member may also be suspended for non-payment of dues and assessments following ten (10) days notice of delinquency therein. If a delinquent member fails to pay all arrearages, including such delinquency fee as may be in force at the time of suspension, for ten (10) days after mailing of the notice of delinquency, he or she shall be dropped from membership. Such member may be reinstated only on payment of all unpaid dues and other delinquencies and approval by the Board of Directors. During any period of suspension, a member shall not be entitled to participate in any membership meeting or serve on any committee or participate in any voting.

#### ARTICLE IV

##### Administration and Meetings

Section 1. Association Responsibilities: The owners of the Lots will constitute the Lake Norman Woods Homeowners Association, hereinafter referred to as Association, who will have the responsibility of administering the project, approving the annual budget, establishing and collecting monthly assessments, and arranging for the management of the project. Except as otherwise provided, decisions and resolutions of Association shall require

NOTICE OF ANNUAL HOMEOWNER'S ASSOCIATION MEETING  
FOR  
LAKE NORMAN WOODS HOMEOWNERS ASSOCIATION

July 14, 1997

Notice is hereby given that there will be an annual meeting of the Homeowner's Association at the following time and place:

TIME: 2:30 PM, Sunday August 3, 1997  
PLACE: Lot # 5, Lake Norman Woods,  
8449 Marina Lane  
Home of Rob and Linda Powell

The purpose of the meeting is to elect officers for the next year, to approve an annual budget, and to discuss any other business of the Association. Based on suggestions from last year's meeting, the Secretary/Treasurer proposes these changes to the Bylaws:

1) Change Article IV, Sec. 5 to read "...mail a notice of each annual or special meeting ... at least 15 but not more than 30 days prior to such meeting." The current wording is 5 to 10 days and is not consistent with the Covenants.

2) Change Article IV, Sec. 3 to read "... annual meetings shall be held between July 1st and September 1st of each succeeding year." Current wording requires the annual meeting to be held the first week of July.

Amendments to the Bylaws require approval by 60% of the eligible votes.

Minutes of the 1996 Annual Meeting will be read for approval and the financial reports will be available. Nominations for officers will be accepted in advance or at the meeting. Current officers are: President - Terry Warren

Vice President - Jerry Jackson  
Secretary/Treasurer - Rob Powell

We hope you will be able to attend the Annual Meeting on Sunday August 3rd. If you cannot attend, please return the enclosed proxy to Rob Powell, Secretary/Treasurer. It is very important that we obtain a quorum, either by your attendance or by proxy. If you attend the annual meeting, your vote at the meeting will supersede your proxy.

Remember that dues must be current in order to vote at the meeting. If you have questions about the meeting or your account, call Rob Powell at 704-478-4328 in the evenings.

Sincerely,

Dr. Terry Warren, President

Rob Powell  
Rob Powell, Secretary/  
Treasurer

APPROVED  
AT  
1997  
ANNUAL  
MTG.

approval by a majority of owners.

Section 2. Place of Meetings: Meetings of Association shall be held at the principal office of the project or such other suitable place convenient to the owners as may be designated by the Board of Directors.

Section 3. Annual Meetings: The first annual meeting of Association shall be held on July 8, 1988. Thereafter, annual meetings shall be held on the 1st week of July of 1988 of each succeeding year. At such meetings there shall be elected by ballot a Board of Directors in accordance with the requirements of Section Four of Article V of these By-Laws. The owners may also transact such other business of Association as may properly come before them.

Section 4. Special Meetings: It shall be the duty of the President to call a special meeting of the owners as directed by resolution of the Board of Directors or on a petition signed by a majority of the owners and having been presented to the Secretary. No business shall be transacted at a special meeting except as stated in the notice unless by consent of four-fifths of the votes present, either in person or by proxy.

Section 5. Notice of Meetings: It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place of the meeting, to each owner of record, at

least five but not more than ten days prior to such meeting. The mailing of notice in the manner provided in this Section shall be considered notice served.

## ARTICLE V

### Directors

Section 1. General Powers: The Board of Directors shall have the powers and duties necessary for the administration of association's affairs and may do all such acts and things as are not by law or by these By-Laws directed to be exercised and done by the owners.

Section 2. Number and Qualification: Association's affairs shall be governed by a Board of Directors composed of three (3) persons, all of whom must be owners of Lots in the project, or in the event all Lots have not been sold the Board of Directors may be composed of any representative(s) from the Declarant.

Section 3. Other Duties: In addition to duties imposed by these By-Laws or by resolutions of association, the Board of Directors shall be responsible for the following:

- (a) Care and upkeep of the common areas and facilities.
- (b) Collection of monthly assessments from the owners.
- (c) Designation and dismissal of the personnel necessary for the maintenance and operation of the project, the common areas and facilities, and the restricted common areas and facilities.

Section 4. Election and Term of Office: Except as provided in Section 5 of this Article, the Directors shall be

elected at the annual meeting of the association; and those persons who receive the highest number of votes shall be deemed to have been elected. If any member so demands, election of Directors shall be by ballot.

Section 5. Vacancies: Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum; and each person so elected shall be a Director until a successor is elected at association's next annual meeting.

Section 6. Removal of Directors: At any regular or special meeting duly called, any one or more of the Directors may be removed with or without cause by a majority of the owners, and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the owners shall be given an opportunity to be heard at the meeting prior to any vote on his or her removal.

Section 7. Chairman: There may be a Chairman of the Board of Directors elected by the Directors from their number at any meeting of the board. The Chairman shall reside at all meetings of the Board of Directors and perform such other duties as may be directed by the Board.

Section 8. Organization and Regular Meetings: A regular meeting of the Board of Directors shall be held



immediately after, and at the same place as, the annual meeting of the association. In addition, the Board of Directors may provide by resolution, the time and place either within or without the State of North Carolina, for the holding of additional regular meetings.

Section 9. Special Meetings: Special meetings of the Board of Directors may be called by or at the request of the President or any two (2) Directors, on three (3) days notice to each Director, given personally or by mail, telephone, or telegraph, which notice shall state the time, place and purpose of the meeting.

Section 10. Notice of Meetings: Regular meetings of the Board of Directors may be held without notice. Attendance by a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called. Before or at any meeting of the Board of Directors any Director may, in writing, waive notice of such meeting.

Section 11. Quorum: At all meetings of the Board of Directors a majority of the Directors shall constitute a Quorum for the transaction of business, and the acts of the Quorum shall be the acts of the Board of Directors.

Section 12. Informal Action by Directors: Action taken by a majority of the Directors without a meeting is nevertheless

Board action, if written consent to the action in question is signed by all the Directors and filed with the Minutes of the proceedings of the Board, whether done before or after the action, so taken.

## ARTICLE VI

### Officers

Section 1. Number: The officers of the Association shall consist of a President, a Secretary, a Treasurer, and such Vice-President, Assistant Secretaries, Assistant Treasurers and other officers as the Board of Directors may from time to time elect. Any two or more offices may be held by the same person, except the offices of President and Secretary.

Section 2. Election and Term: The officers of the Association shall be elected by the Board of Directors; such elections may be held at any regular or special meeting of the Board. Each officer shall hold office until his death, resignation, retirement, removal, disqualification, or his successor is elected and qualified.

Section 3. Removal: Any officer or agent elected or appointed by the Board of Directors may be removed by the Board with or without cause; but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4. President: The President shall be the principal executive officer of the Association and, subject to the control of the Board of Directors, shall supervise and control the management of the Association in accordance with these

By-Laws. He shall, when present, preside at all meetings of Directors. He shall sign, with any other proper officer, certificates for shares of the Association and any deeds, mortgages, bonds, contracts, or other instruments which may be lawfully executed on behalf of the Association, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be delegated by the Board of Directors to some other officer or agent; and, in general, he shall perform all duties incident to the Office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 5. Vice-President: The Vice-Presidents in the order of their election, unless otherwise determined by the Board of Directors, shall in the absence or disability of the President, perform the duties and exercise the powers of that office. In addition, they shall perform such other duties and have such other powers as the Board of Directors shall prescribe.

Section 6. Secretary: The Secretary shall keep accurate records of the acts and proceedings of all meetings of Members and Directors. He shall have general charge of the corporate books and records and of the corporate seal, and he shall affix the corporate seal to any lawfully executed instrument requiring it. He shall have general charge of the books of the Association and shall keep, at the

registered or principal office of the association, a record of members showing the name and address of each member and the number and class of the votes held by such. He shall sign such instruments as may require his signature, and in general, shall perform all duties incident to the office of Secretary and such other duties as may be assigned him from time to time by the President or by the Board of Directors.

Section 7. Treasurer: The Treasurer shall have custody of all funds and securities belonging to the Association and shall receive, deposit or disburse the same under the direction of the Board of Directors. He shall keep full and accurate accounts of the finances of the association in books especially provided for that purpose; and he shall cause a true statement of its assets and liabilities as of the close of each fiscal year and of the results of its operation and of changes in surplus for such fiscal year, all in reasonable detail, to be made and filed at the registered or principal office of the association within four months after the end of such fiscal year. The statement so filed shall be kept available for inspection by an member for a period of ten years; and the Treasurer shall mail or otherwise deliver a copy of the latest such statement to any member upon his written request therefor. The Treasurer shall, in general, perform all duties incident to his office and such other duties

as may be assigned to him from time to time by the President or by the Board of Directors.

Section 8. Assistant Secretaries and Treasurers: The Assistant Secretaries and Assistant Treasurers shall, in the absence or disability of the Secretary or the Treasurer, respectively, perform the duties and exercise the powers of those offices, and they shall, in general, perform such other duties as shall be assigned to them by the Secretary or the Treasurer, respectively, or by the President or the Board of Directors.

## ARTICLE VII

### Contracts, Loans and Deposits

Section 1. Contracts: The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument on behalf of the Association, and such authority may be general or confined to specific instances.

Section 2. Loans: No loans shall be contracted on behalf of the Association and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

Section 3. Checks and Drafts: All checks, drafts or other orders for the payment of money issued in the name of the Association shall be signed by such officer or officers, agent or agents, of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 4. Deposits: All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such depositories as the Board of Directors shall direct.

## ARTICLES VIII

### Obligations of Owners

Section 1. Assessments: All owners are obligated to pay monthly assessments imposed by Association to meet all project communal expenses, which may include a liability insurance policy premium and an insurance premium for a policy to cover repair and reconstruction work in case of hurricane, fire, earthquake or other hazard. The assessments shall be made pro rata according to the number of units owned.

Section 2. Maintenance and Repair:

(a) Every owner must perform promptly all maintenance and repair work within his own Lot which, if omitted, would affect the project in its entirety or in a part belonging to other owners, being expressly responsible for the damages and liabilities that his failure to do so may engender.

(b) An owner shall reimburse association for any expenditures incurred in repairing or replacing any common area and facility damaged through his fault.

Section 3. Use of Lot:

(a) All Lots shall be utilized for residential purposes only.

Section 4. Deposits: All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such depositories as the Board of Directors shall direct.

Section 5. Administrative Rules and Regulations: The Board of Directors may adopt Administrative Rules and Regulations governing the use and operation of Lots and common areas and facilities not in conflict with the Declaration or these By-Laws and Amendments thereto by a vote of the majority of the members of the Board. Such Administrative Rules and Regulations shall be recorded with the Secretary and shall be delivered to each Lot owner prior to the effective date of their application. Such Rules and Regulations may be amended from time to time by a majority vote of the members of the Board of Directors.

Section 6. Use of Lot and Compliance with By-Laws: Each Lot shall be used and occupied only as a private dwelling by the owner or his tenant. Each Lot or any part thereof shall not be used for any other purpose. Each owner or any other occupant of the Lot shall respect the comfort and peace of his neighbors.

#### ARTICLE IX

##### Indemnification

Section 1. General Provision: Each Director, Officer, Employee and Agent of the Association shall be indemnified by the Association against any and all claims and liabilities to which

he or she has or shall become subject by reason of serving or having served as such Director, Officer, Agent or Employee, or by reason of any action alleged to have been taken, omitted or neglected by him or her as such Director, Officer, Agent or Employee; and the Association shall reimburse each such person for all legal expenses reasonably incurred by him or her in connection with any such claim or liability, provided, however, that no such person shall be indemnified against, or be reimbursed for any expense incurred in connection with any claim or liability arising out of his or her own willful misconduct or gross negligence.

Section 2. Amount: The amount paid to any Officer, Director, Agent or Employee by way of indemnification shall not exceed his or her actual, reasonable and necessary expenses incurred in connection with the matter involved, and such additional amount as may be fixed by a committee of not less than three (3) nor more than five (5) persons selected by the Board of Directors, who shall be members of the Association and any determination so made shall be binding on the person to be indemnified.

Section 3. Not Exclusive: The right of indemnification hereinabove provided for shall not be exclusive of any rights to which any Director, Officer, Agent or Employee of the Association may otherwise be entitled by law.



## ARTICLE X

### General Provisions

Section 1. Seal: The seal of the Association shall consists of two (2) concentric circles between which is the name of the Association and in the center of which is inscribed SEAL; and such seal, as impressed on the margin hereof, is hereby adopted as the seal of the Association.

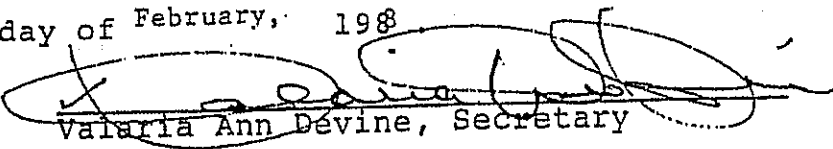
Section 2. Amendments: These By-Laws may be amended by the Association in a duly constituted meeting for such purpose, and no amendment shall take effect unless approved by at least sixty (60%) percent of the total number of all eligible votes in the project, except that the Federal Housing Administration or the Veterans Administration shall have the right to veto amendments while there is Class B membership.

Section 3. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

Section 4. Fiscal Year: Unless otherwise ordered by the Board of Directors, the fiscal year of the Association shall be from Jan 1 to Dec 31.

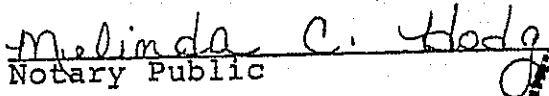
This is to certify that the By-Laws of the Lake Norman Woods Homeowners Association were duly adopted and approved by the Officers and Directors of Lake Norman Woods Homeowners Association.

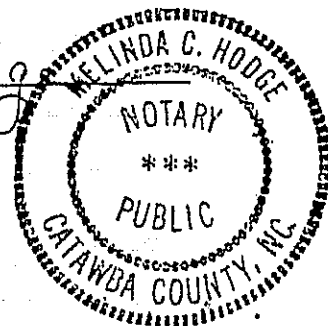
This the 22 day of February, 1988

  
Valaria Ann Devine, Secretary

This is to certify that on the 22 day of February, 1988 before me, a Notary Public, personally appeared Valaria Ann Devine, who I am satisfied is the person named in and who executed the foregoing By-Laws, and I have first made known to her the contents thereof and she did acknowledge that she signed and delivered the same as her voluntary act and deed for the uses and purposes therein expressed.

WITNESS my hand and notarial seal, this the 22 day of February, 1988.

  
Melinda C. Hodge  
Notary Public



My Commission Expires:

3-17-1991

STATE OF NORTH CAROLINA, CATAWBA COUNTY

The foregoing certificate of \_\_\_\_\_  
a Notary Public of Catawba County, North Carolina, is certified to be correct. This instrument was presented for registration this \_\_\_\_\_ day of \_\_\_\_\_, at \_\_\_\_\_ A.M., P.M. and duly recorded in the Office of the Register of Deeds of Catawba County, North Carolina, in Book \_\_\_\_\_ at Page \_\_\_\_\_.

By \_\_\_\_\_  
Register of Deeds Assistant