

## BY-LAWS OF WOOD SPRING HOMEOWNERS ASSOCIATION, INC.

Revision	Date	Description
1	January 24, 2005	Revised and Rewritten. As approved by Membership Special Meeting (May 13, 2004) and Annual Meeting (January 24, 2005)

### ARTICLE I

**Section 1.** “**Association**” shall mean and refer to Wood Spring Homeowners Association, Inc., its successors and assigns.

**Section 2.** “**Property**” shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

**Section 3.** “**Common Area**” shall mean all real property owned by the Association and the easements granted thereto for the common use and enjoyment of the owners.

**Section 4.** “**Lot**” shall mean and refer to any plot of land described by a metes and bounds description shown upon any recorded subdivision map of the Property with the exception of the Common Area.

**Section 5.** “**Owner**” shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

**Section 6.** “**Declarant**” shall mean and refer to Wood Spring Associates, a North Carolina general partnership, its successors and assigns, if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development or if such successors or assigns should acquire more than one Lot, whether developed or undeveloped, pursuant to foreclosure or a deed in lieu of foreclosure.

**Section 7.** “**Declaration**” shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Property recorded in the Office of the Register of Deeds, Wake County, North Carolina, and all amendments thereto.

**Section 8.** “**Member**” shall mean and refer to every person or entity that holds membership in the Association.

**Section 9.** “**Classes of Membership**”. The Association shall have two classes, A and B, of membership:

**Class A:** Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one (1) vote for each Lot owned. Declarant may, however, be a Class A Member upon the termination of Class B membership, as provided below. When more than one person holds an interest in any Lot, all such persons shall be Members. The vote of such Lot shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast with respect to any Lot. Fractional voting shall be prohibited.

**Class B:** The Class B Member(s) shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership upon either of the following events, whichever occurs first:

- a. When the total votes outstanding in Class A membership equal the total votes outstanding in Class B membership, but provided that the Class B membership shall be reinstated if thereafter and before the time stated in subparagraph (b) below, additional lands are annexed to the Property without the assent of Class A Members for the development of such additional lands by the Declarant, as provided in the Declaration; or

b. On December 31, 2008; or

c. Upon the surrender of all class B memberships by the holder thereof or cancellation by the Association.

**Section 10.** “Web Site” shall mean the public World Wide Web site maintained by the Board of Directors on behalf of the Association not only to provide information of the events of the Association to the Members but also to include budget and spending information, home owner directory, board of directors contact information and meeting schedule, official Association mailing address, agent name and address, By-Laws, Articles of Incorporation, Covenants and Architectural Control Guidelines.

## ARTICLE II

### OFFICES

**Section 1.** “**Principal Office**”. The principal office of the Association shall be located in Wake County and published on the Web Site.

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



## ARTICLE III

### MEETINGS OF MEMBERS

**Section 1. "Place of Meetings"**. All meetings of Members shall be held at the principal office of the Association, or at such other place, either within the city limits of Raleigh, North Carolina, as shall be designated on the notice of the meeting or agreed upon by a majority of the votes of the Members entitled to vote thereat.

**Section 2. "Annual Meetings"**. The annual meeting of Members for the election of directors and the transaction of other business shall be held in January of each year, commencing with the year 1995, on any day (except a Saturday, Sunday or legal holiday) in that month as determined by the Board of Directors.

**Section 3. "Substitute Annual Meeting"**. If the annual meeting shall not be held on the day designated by these By-Laws, a substitute annual meeting shall be called within thirty, 30, days of the date announced as the date for the annual meeting. A meeting so called shall be designated and treated for all purposes as the annual meeting.

**Section 4. "Special Meeting"**. Special meetings of the Members may be called at any time by the President or a majority of the Board of Directors of the Association and shall be called by the President upon the written request of the Members who are entitled to vote one-fifth (1/5) of all of the votes of the Class A membership. Business transacted at all special meetings shall be confined to the objects or purposes stated in the call.

**Section 5. "Notice of Meetings"**. Written or printed notice stating the time and place of the meeting shall be delivered not less than ten (10) nor more than fifty (50) days before the date of any Members' meeting by mail to each Member of record entitled to vote at such meeting; provided that such notice must be given not less than twenty (20) days before the date of any meeting at which a merger, dissolution or consolidation is to be considered. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the Member at their address as it appears on the record of members of the Association, with postage thereon prepaid.

The notice shall include an agenda with any proposed budget by category for the coming year, the actual spending through the most recent month-end and a listing of any vacancies due to resignation or end of term and any nominations of candidates by the Board of Directors.

In the case of a special meeting, the notice of meeting shall specifically state the purpose or purposes for which the meeting is called; but, in the case of an annual or substitute annual meeting, the notice of meeting need not specifically state the business to be transacted thereat unless such a statement is required by the provisions of Chapter 55A of the North Carolina General Statutes.

When a meeting is adjourned for more than thirty (30) days, notice of the adjourned meeting shall be given as in the case of an original meeting. When a meeting is adjourned for less than or equal to thirty (30) days in any one adjournment, it is not necessary to give any notice of the adjourned meeting other than by announcement at the meeting at which the adjournment is taken as to the date, time and place to be reconvened and if given after must be done five, 5, days in advance by mail to all of the attendees of the adjourned meeting.

**Section 6. "Voting Lists"**. At least ten (10) days before each meeting of Members the Secretary of the Association shall prepare an alphabetical list of the Members entitled to vote at such meeting or any adjournment thereof, with the address of and number of votes held by each, which list shall be kept on file at the registered office of the Association for a period of ten (10) days prior to such meeting, and shall be subject to inspection by any Member at any time during the usual business hours. This list shall be produced and kept open at the time and place of the meeting and shall be subject to inspection by any Member during the whole time of the meeting.

**Section 7. "Quorum"**. Except as otherwise provided by these By-Laws, fifteen percent (15%) of the votes of each class of the Association entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of Members, except that at a substitute annual meeting of Members ten percent (10%) of the votes of



Class A membership shall constitute a quorum for the purpose of such meeting. The Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum. In the absence of a quorum at the opening of any meeting of Members, such meeting may be adjourned from time to time by a vote of the majority of the votes voting on the motion to adjourn; and at any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the original meeting.

**Section 8. "Proxies"**. Votes may be voted either in person or by one or more agents authorized by a written proxy executed by the Member or by their duly authorized attorney in fact. A proxy is not valid after the expiration of eleven months from the date of its execution, unless the person executing it specifies therein the length of time for which it is to continue in force, or limits its use to a particular meeting. The proxy is void if not dated. Every proxy shall be revocable and shall automatically cease upon conveyance of the Member of their Lot.

**Section 9. "Voting"**. The vote of a majority of the votes on any matter present at a meeting of Members at which a quorum is present, regardless of class, shall be the act of the Members on that matter, unless the vote of a greater number is required by law or by the charter, declaration or by-laws of this Association. No fractional voting shall be allowed.

**Section 10. "Informal Action by Members"**. Any action which may be taken at a meeting of the Members may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the persons who would be entitled to vote upon such action at a meeting, and filed with the Secretary of the Association to be kept as part of the Association's records.

**Section 11. "Presiding Officer"**. The President of the Association, or in the absence of the President, the Vice-President shall preside at all meetings of the Members and the Secretary of the Association shall act as the Secretary thereof. In the absence of the Secretary, the President shall designate some other person to act as the Secretary of the meeting. In the absence of both the President and the Vice President, the Members present at the meeting shall elect a presiding Officer for such meeting.

**Section 12. "Order of Business"**. The order of business at the annual meeting and at any special meeting of the Members shall be as follows:

- (a) The calling of the meeting to order;
- (b) The calling of the roll;
- (c) The announcement by the Presiding Officer of the purpose of the meeting and of the nature of the business which may be presented by it;
- (d) The reading and approval of the minutes of any former meeting of the Members, the Minutes of which have not been previously read and approved;
- (e) The presentation of and action, if required, upon reports of officers and committees;
- (f) The actual expenditures for the prior fiscal year if the meeting be an annual meeting;
- (g) Unfinished business;
- (h) New business, including the election of directors for the forthcoming year if the meeting be an annual meeting;
- (i) Proposed budget to be submitted to the body of members for approval if the meeting be an annual meeting or a special meeting for such purpose; and
- (j) Adjournment.

**Section 13. "Recording of Meetings"**. Audio or video recording of any and all Meetings of the Members and Board of Directors is permitted as long as the recording device or person does not interfere with the business of the Association. In no case shall the act of recording a Meeting be determined to not be permitted.



## ARTICLE IV

### BOARD OF DIRECTORS

**Section 1. "Number"**. The number of directors constituting the initial Board of Directors shall be nine (9). Thereafter, the number of directors constituting the Board of Directors shall be not less than five (5) nor more than nine (9) as may be fixed by resolution duly adopted by the Members or by the Board of Directors prior to the annual meeting at which such directors are to be elected for a *two year term*; and, in the absence of such a resolution, the number of directors shall be the number elected at the preceding annual meeting. Any directorships below the minimum number not filled by the Members shall be treated as vacancies to be filled by and in the discretion of the Board of Directors.

**Section 2. "Term"**. The term of a director shall continue until the adjournment of the second annual meeting after being elected. This should be approximately *two (2) years*. Directors shall be elected by the Members where four directors shall be elected for one-year terms, and five directors shall be elected for two-year terms. The use of 'year' means the time between the adjournment of an annual meeting and continuing to the adjournment of the annual meeting of the following year.

**Section 3. "Qualification"**. For a Member to be qualified to be elected as a director the Member shall be in good standing related to any and all annual assessments due. A Member may serve as a director for up to a *maximum of two consecutive terms before having to take a hiatus*. A Member that has just completed serving as a director must take a one (1) year *per elected term* hiatus before being able to be elected as or fill the vacancy of a director again. In no case shall two (2) or more members representing the same vote serve as directors at the same time. In no case shall a Member serve in the capacity of an appointed director for more than one year upon *where the service will be considered the equivalent of one elected term*.

**Section 4. "Nomination"**. Nomination for election to the Board of Directors shall be made by the Board of Directors. Nominating may also be made from the floor at the annual meeting. The Board of Directors 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 only from among Members.

**Section 5. "Election of Directors"**. Except as provided in **Section 7** of this **Article IV**, the directors shall be elected at the annual meeting of Members; and those persons who receive the highest number of votes shall be deemed to have been elected. If any Member so demands, the election of directors shall be by ballot using proxy votes and having a quorum in attendance. Cumulative voting is not permitted.

**Section 6. "Removal"**. Any director may be removed at any time with or without cause by a vote of the Members holding a majority of the outstanding votes entitled to vote at an election of directors. If any directors are so removed, new directors may be elected at the same meeting.

**Section 7. "Vacancies"**. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining directors even though less than a quorum, or by the sole remaining director which vacancy will be filled until the next Annual Meeting or Special Meeting where elections will be held for the balance of the term. Any vacancy filled must meet the qualification standards set forth in Section 3 of Article IV. A director elected to fill a vacancy shall be elected for the un-expired term of his predecessor in office. Any directorship to be filled by reason of any increase in the authorized number of directors shall be filled only by election at an annual meeting or at a special meeting of Members called for that purpose. For example, if at the first elections, only seven members are elected, the two vacant positions may not be filled by the Board of Directors.

**Section 8. "Compensation"**. No Director shall receive compensation for any service he may render to the Association as a director. Any director, however, can be reimbursed for their actual expenses incurred in the performance of their duties.



## ARTICLE V

### MEETINGS OF DIRECTORS

**Section 1. "Regular Meetings"**. Regular meetings of the Board of Directors shall be held quarterly, at a place and time to be posted on the Web Site a minimum of ten (10) days in advance of the meeting date. In addition, the Board of Directors may provide, by resolution, the time and place, within the city of Raleigh, North Carolina for the holding of additional regular meetings. Notice of these meetings must also be made a minimum of ten (10) days in advance on the web site and must include the Agenda.

**Section 2. "Special Meetings"**. Special meetings of the Board of Directors may be called by or at the request of the President or any two directors.

**Section 3. "Notice of Meetings"**. The person or persons calling a special meeting of the Board of Directors shall, at least ten (10) days before the meeting, give notice thereof by posting or having caused to be posted the time, date and place of the meeting on the Web Site. . Also, mailing or having caused to be mailed notice to each director. Such notice shall deemed to be delivered when addressed to the director at their address as it appears on the record of the members of the Association and deposited in the United States mail with postage thereon prepaid. Such notice must specify the purpose for which the meeting is called.

**Section 4. "Waiver of Notice"**. Any director may waive notice of any meeting. The attendance by a director at a 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 or convened.

**Section 5. "Quorum"**. A majority of the number of directors fixed by these by-laws shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

**Section 6. "Manner of Acting"**. Except as otherwise provided in these by-laws, the act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

**Section 7. "Committees of the Board"**. The Board of Directors, by resolution adopted by a majority of the number of directors fixed by these by-laws, shall designate three or more directors, but not the President or Vice President, to constitute an Architectural Control Committee as provided in the Declaration and up to three At-Large Members can be appointed from those wishing to serve. The decision of the Committee can be appealed to the full Board of Directors. And at the next regularly scheduled meeting of the Board. *Any member of the Board of Directors on the Architectural Control Committee can not vote when an Appeal is brought to the Board. The Board* may appoint other committees as it deems appropriate. The designation of any committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility or liability imposed upon it or him by law.

**Section 8. "Attendance of Meetings"**. All meetings of the Board of Directors are open to any and all members of the Association. A part of each meeting shall be made available for any members in attendance to bring up issues which will then be discussed. Any issues to be discussed must have been sent to the Board of Directors by United States mail at least three (3) days prior to the time of the Meeting.



## ARTICLE VI

### POWERS AND DUTIES OF THE BOARD OF DIRECTORS

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

- (a) Recommend, publish and enforce rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof as approved by the Members;
- (b) Suspend the voting rights and right to use of the recreational facilities of a Member, their family, quests, etc., during any period in which such Member shall be default in the payment of any assessment levied by the Association;
- (c) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;
- (d) Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;
- (e) Establish an independent contractor as manager, as they deem necessary, and to prescribe their duties; and
- (f) Establish a Budget for Approval by the Members, and manage spending to remain within the total budget for the fiscal year subject to the restrictions stated in **Section 2(k) of Article VI**;

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

- (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-fifth (1/5) of the Class A Members who are entitled to vote and to be posted on the web site;
- (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 assessment against each Lot at least thirty (30) days in advance of each annual assessment period;
  - (2) Send written notice of each assessment to every owner subject thereto at least twenty-five (25) days in advance of each annual assessment period; and
  - (3) Make every effort to collect the assessment by sending Notice by Certified Mail Return Receipt Requested, prior to initiating any action to foreclose the lien against any property for which assessments are not paid within sixty (60) days after due date or to bring an action at law against the owner personally obligated to pay the same.

- (d) Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (e) Procure and maintain adequate liability and hazard insurance on property owned by the Association;
- (f) Pay ad valorem taxes and public assessments levied against the Common Area;
- (g) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- (h) Cause the Common Area to be maintained;
- (i) Upon written request to the Association, identifying:
  - (i) The name and address of the mortgage holder, insurer or guarantor and
  - (ii) The address of the Lot, any such mortgage holder, insurer, or guarantor will be entitled to timely written notice of:
    1. Any condemnation or casualty loss that affects either a material portion of the Common Area securing its mortgage.
    2. Any 60-day delinquency in the payment of assessments or charges owed by the owner of any Lot on which it holds the mortgage.
    3. A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association.
    4. Any proposed action that requires the consent of a specified percentage of mortgage holders.
- (j) Maintain the Association's Web Site; and
- (k)
  - 1.) If Year To Date (YTD) non-discretionary expense (defined as water, electricity, insurance, bank charges, yard service, management fee, office supplies printing and postage) with a yearly budget of less than five thousand dollars exceeds the budget by 50% or more, the members are to be notified. If YTD non-discretionary expense with a yearly budget greater than or equal to five thousand dollars exceeds the budget by 25% or more, the members are to be notified.
  - 2.) If YTD proposed discretionary expense (all other budget items not listed as non-discretionary above) with a yearly budget of less than five thousand dollars is to exceed the budget by \$1,000.00 or 50%, whichever is greater, a special meeting is to be called to vote on approval of the expenditure. If YTD proposed discretionary expense with an annual budget greater than or equal to five thousand dollars is to exceed the budget by 25% or more, a special meeting is to be called to vote on the approval of the expenditure.
  - 3) In cases of emergency discretionary expenses, up to \$5000.00 may be used in a calendar year when the Board of Directors unanimously agrees.



## ARTICLE VII

### OFFICERS

**Section 1. "Officers of the Association"**. The officers of the Association shall be Members of the Board of Directors and shall consist of a President, a Secretary, a Treasurer and Vice-President elected by the Members of the Board of Directors. No Director may hold more than one office at a time.

**Section 2. "Election, Term and End of Term Qualification"**. The officers shall be elected by the Board of Directors and each officer shall hold office until their term expires; death, resignation, retirement, removal, disqualification or their successor shall have been elected and qualified. The term of office shall end at the end of the period for which the Director was elected.

**Section 3. "Compensation of Officers"**. The Board of Directors shall fix the compensation of officers; however, in no event shall Members of the Association be compensated for serving as an officer except to the extent necessary to reimburse said officer for expenses incurred in performing their duties on behalf of the Association.

**Section 4. "Removal"**. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board whenever in its judgment the best interests of the Association will be served thereby; but such removal shall be without prejudice to the contract rights, if any, of the persons so removed.

**Section 5. "Bonds"**. The Board of Directors shall require any officer of the Association handling or responsible for Association funds to be covered by an adequate fidelity bond. The premiums on such bond shall constitute a Common Expense.

**Section 6. "President"**. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all written instruments and shall co-sign all checks.

**Section 7. "Vice-President"**. In the absence of the President or in the event of his death, inability or refusal to act, the Vice-Presidents in the order of their length of service as Vice-Presidents, unless otherwise determined by the Board of Directors, shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President. Any Vice-President shall perform such other duties as from time to time may be assigned to him by the President or Board of Directors.

**Section 8. "Secretary"**. The Secretary shall: (a) keep the minutes of the meetings of Members, of the Board of Directors and of all Committees in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law; (c) be custodian of the Association records and of the seal of the Association and see that the seal of the Association is affixed to all documents the execution of which on behalf of the Association under its seal is duly authorized; (d) keep a register of the post office address of each Member which shall be furnished to the Secretary by such Member; (e) keep or cause to be kept a record of the Association's Members, giving the names and addresses of all Members and the number of votes held by and addresses of all Members and the number of votes held by each, and prepare or cause to be prepared voting lists prior to each meeting of Members as required by law; (f) post or cause to be posted, all Minutes of all Meetings and information as required by these By-Laws on the Association Web Site; and (g) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

**Section 9. "Treasurer".** The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the Association; receive and give receipts for moneys due and payable to the Association from any source whatsoever, and deposit all such moneys in the name of the Association in such depositories as shall be selected; (b) prepare, or cause to be prepared, a true statement of the Association's assets and liabilities as of the close of each fiscal year, all in reasonable detail, which statement shall be made and filed at the Association's registered office or principal place of business in the State of North Carolina within one month after the end of such fiscal year and thereat kept available for a period of at least ten years; (c) issue, at the direction of the Board of Directors, certificates as to whether assessments on a specified lot have been paid; (d) cause an annual audit of the Association books to be made by an independent public accountant at the completion of each fiscal year and report the results to the Members at the Annual Meeting; (e) shall prepare an annual budget and statement of income and expenditures to be presented to the membership at its regular annual meetings and deliver a copy of each to the Members; (f) Post the monthly financial statement comparing actual spending to the budget current month and year to date on the Wood Spring Homeowners Association web site; and (g) in general perform all of the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him by the President or by the Board of Directors, or by these By-Laws.

## ARTICLE VIII

### MEMBERSHIP REGISTER

For the purpose of determining members of the Association entitled to notice of or to vote at any meeting of Members or any adjournment thereof, or in order to make a determination of Members for any other proper purpose, the Board of Directors may provide that the membership register shall be closed for a stated period but not to exceed, in any case, fifty (50) days. If the membership register shall be closed for the purposes of determining members entitled to notice of or to vote at a meeting of Members, such books shall be closed for at least ten (10) days immediately preceding such meeting.

In lieu of closing the membership register, the Board of Directors may fix in advance a date as the record date for any such determination of Members, such record date in any case to be not more than fifty (50) days and, in case of a meeting of Members, not less than ten (10) days immediately preceding the date on which the particular action, requiring such determination of Members is to be taken.

If the membership register is not closed and no record date is fixed for the determination of Members entitled to notice of or to vote at a meeting of Members, the date on which notice of the meeting is mailed shall be the record date for such determination of Members.

When a determination of Members entitled to vote at any meeting of Members has been made as provided in this Section, such determination shall apply to any adjournment thereof except where the determination has been made through the closing of the membership register and the stated period of closing expired.



## ARTICLE IX

### GENERAL PROVISIONS

**Section 1. "Books & Records"**. The books, records and papers of the Association shall at all times, during reasonable business hours be subject to inspection by any Member, their agent or attorney, for any proper purpose. The Declaration, the Articles of Incorporation and the By-Laws of the Association and the financial statements for the Association for the immediately preceding fiscal year shall be available for inspection by any Member and any first mortgage holders, their insurers or guarantors, at the principal office of the Association, where copies may be purchased at reasonable cost.

**Section 2. "Seal"**. The seal of the Association shall consist of two 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 Association's seal.

**Section 3. "Waiver of Notice"**. Whenever any notice is required to be given to any Member or director by law, by the charter, declaration or by these by-laws, a waiver thereof in writing signed by the person or persons entitled to such notice whether before or after the time stated therein, shall be equivalent to the giving of such notice.

**Section 4. "Fiscal Year"**. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation, and end on December 31, 1994.

**Section 5. "Amendments"**. Except as provided below, these By-Laws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of Members present in person or by proxy. Prior Notice of the intent to introduce any changes to these By-Laws must be given by forwarding the language of the change to the Secretary of the Board. The Secretary is required to post the Notice and language on the Web Site and state the intention to the Members when Notice of Meeting is given. Amendment of the Articles of incorporation shall require the assent of seventy-five percent of all Members.

**Section 6. "Conflicts"**. 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 Declaration and these By-Laws, the Declaration shall control.