

**Amended and Restated Bylaws
of
Arbor Lea Landowners Association, Inc**

**RESOLUTION OF ARBOR LEA LANDOWNERS ASSOCIATION, INC.
APPROVING AMENDED AND RESTATED BYLAWS**

DULY PASSED ON JANUARY 16, 2020

WHEREAS, Arbor Lea Landowners Association, Inc. is a nonprofit corporation organized on March 6, 1990 and existing pursuant to the law of the State of North Carolina;

WHEREAS, immediately prior to the present resolution, Arbor Lea Landowners Association, Inc. was governed by, among other documents, Bylaws, as amended on September 30, 2015 (collectively, the "Original Bylaws");

WHEREAS, the Arbor Lea Landowners Association, Inc. Board of Directors presently consists of Edo Pellizzari, Jim Foster, and Kathy Tyndall, each having been duly voted and appointed to serve as members of the said Board of Directors;

WHEREAS, the Board of Directors duly convened for a meeting on January 16, 2020, and pursuant to the provisions of Article VIII, Section 6 of the Original Bylaws, the Board unanimously voted to adopt the present resolution approving and adopting the Amended and Restated Bylaws attached hereto as Exhibit A (the "Amended and Restated Bylaws").

RESOLVED, that the Board of Directors hereby unanimously approves and adopts the Amended and Restated Bylaws, which shall hereby supersede and replace the Original Bylaws.

We, the undersigned, hereby certify that Arbor Lea Landowners Association, Inc. is comprised of the three (3) undersigned members, and that a meeting with the required quorum was convened and held this 16th day of January, 2020, and that the foregoing Resolution was duly adopted at said meeting by the affirmative and unanimous vote of all three (3) members, and opposed by zero (0) members, and that said Resolution has been duly recorded in the Minute Book and is in full force and effect.

Jim Foster [Director]

Kathy Tyndall [Director]

Edo Pellizzari [Director]

EXHIBIT A
AMENDMENTS AND RESTATED BYLAWS OF ARBOR LEA LANDOWNERS ASSOCIATION

**AMENDED AND RESTATED BYLAWS OF
ARBOR LEA LANDOWNERS ASSOCIATION, INC.**

These Amended and Restated Bylaws of Arbor Lea Landowners Association, Inc., is made and entered into this 16th day of January, 2020, following unanimous vote and approval of the Board of Directors of Arbor Lea Landowners Association, Inc. at a meeting convened on January 16, 2020.

**ARTICLE I
DEFINITIONS**

- Section 1. “Arbor Lea” shall mean the property defined in Article I of the Declaration, plus any additional property otherwise made subject to the Declaration.
- Section 2. “Association” shall mean Arbor Lea Landowners Association, Inc., a North Carolina nonprofit corporation, its successors and assigns.
- Section 3. “Declaration” shall mean the Declaration of Protective Covenants, Easement Reservations, Road Dedication and Road Maintenance Agreement of Arbor Lea dated November 10, 1989 and recorded in Book 550 at Pages 91 through 120 of the Chatham County Registry, as the same may be amended from time to time.
- Section 4. “Lot” shall mean and refer to any lot located within the areas of Arbor Lea designated on the development plan or plat of Arbor Lea, or any amendment thereof, together with the dwelling, if any, constructed on such lot.
- Section 5. “Owner” shall mean the record owner, whether one or more persons or entities, of a fee simple title to any Lot in Arbor Lea, excluding, however, any mortgagee unless and until such mortgagee has acquired record title to such Lot pursuant to foreclosure or any proceeding in lieu of foreclosure.

**ARTICLE II
OFFICES**

- Section 1. Principal Office. The principal office of the Association shall be located at the address of the current Chair of the Board of Directors, or at such other place as the Board of Directors may adopt by resolution.
- Section 2. Registered Office. The registered office of the Association required by law to be maintained in the State of North Carolina shall be identical with the principal office of the Association, unless changed by resolution of the Board of Directors.
- Section 3. Other Offices. The Association may have offices at such other places, either within or without the State of North Carolina, as the Board of Directors may designate from time to time.

ARTICLE III
MEMBERSHIP, VOTING AND MEETINGS

- Section 1. Membership. Each Owner of a Lot, upon acquisition of the Lot, shall automatically become and remain a member of the Association for so long as such Owner remains the Owner of the Lot. Such membership shall be mandatory and may not be terminated by any Owner. No Owner, whether one or more persons or entities, shall have more than one (1) membership per Lot owned. No person or entity who holds an interest of any type or nature whatsoever in a Lot only as security for the performance of an obligation may be appointed as a member of the Association.
- Section 2. Voting. Each member of the Association (other than Associate Members, as defined in Article XV, Section One, of the Declaration) shall be entitled to one vote for each Lot owned by the member on each matter on which such members are entitled to vote. There shall be only one vote per Lot. If the Owner of a Lot consists of more than one person or is a corporation or other entity, the Owner shall file with the Secretary of the Association a written notice designating the name of the individual who shall be authorized to cast the votes for such Owner. In the absence of such written designation, the member shall not be allowed to vote on any matter.
- Section 3. Proxy. Members may vote either in person or by any agent authorized by written proxy executed by the member or his/her duly authorized attorney in fact.
- Section 4. Vote Required. The election of Directors shall be governed by the provisions of Article IV. On all other matters, the majority vote of the members present and voting on any matter at a duly convened meeting of members shall be the act of the members, unless the vote of a greater number is required by law, the Articles of Incorporation, the Declaration, or these Bylaws. Voting on all matters, except the election of Directors, may be made by voice vote or by a show of hands.
- Section 5. Place of Meetings. All meetings of the members shall be held at a location designated by the Board of Directors, provided the said location is within a fifty (50) mile radius of the principal office.
- Section 6. Annual Meetings. An annual meeting of the members shall be held annually for the purpose of electing Directors of the Association and for the transaction of such other business as may be properly brought before the meeting. Such annual meeting shall be held on such date as may be fixed by the Board of Directors, or if no date is so fixed, then on the third Tuesday in February in each and every year, unless such day shall be a legal holiday, in which case such meeting shall be held on the **next succeeding business day, at 10:00 a.m.** or at such other time as may be fixed by the Board of Directors.
- Section 7. Substitute Annual Meeting. If the annual meeting shall not be held as designated by these Bylaws, a substitute annual meeting may be called in accordance with the provisions of Section 8 of this Article III. A meeting so called shall be designated

and treated for all purposes as the annual meeting.

Section 8. Special Meetings. Special meetings of the members may be called at any time by the President or the Board of Directors of the Association and shall be called by the President at the written request of not less than one-fourth of all the members entitled to vote at such meeting. Special meetings shall be held at such times as may be fixed in the call and stated in the notice of such meeting or waiver thereof.

Section 9. Notice of Meetings. Written notice of each meeting of members shall be given to each member of record entitled to vote at such meeting. Such notices shall state the place, date and hour of the meeting. Such notices shall be delivered not less than thirty (30) nor more than sixty (60) days before the date of such meeting and shall be delivered either by personal delivery, e-mail, or mail, by or at the direction of the person or entity calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his/her address as it appears on the record of members of the Association, with postage thereon prepaid.

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 at the meeting unless such a statement is required by the provisions of the North Carolina Nonprofit Corporation Act.

Section 10. Adjournment. When a meeting is adjourned for less than thirty (30) days in any one adjournment, it is not necessary to give any notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken. When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given in the same manner as the original meeting. At the adjourned meeting, any business may be transacted that might have been transacted on the original date of the meeting.

Section 11. Voting Lists. At least once per year, the Secretary of the Association shall prepare an alphabetical list of the members entitled to vote pursuant to these Bylaws or the Declaration, with the address of each such member. The said list shall be maintained by the Secretary. With reasonable notice and during regular business hours, the said list shall be subject to inspection by any member. Furthermore, the said list shall be produced and kept open at the time and place of any membership meeting and shall be subject to inspection by any member during the entire time of the membership meeting.

Section 12. Quorum. At all meetings of the members, the presence at the commencement of such meetings, in person or by proxy, of members entitled to cast sixty percent (60%) of all votes of the membership at the said meeting shall constitute a quorum for the transaction of any business, except that at a substitute annual meeting of members the number of members there represented, either in person or by proxy,

even though less than sixty percent (60%) 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 members 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 13. 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, whether done before or after the action is so taken, and filed with the Secretary to be maintained by the Association.

Section 14. Electronic Transactions. Unless a specific form of communication is otherwise expressly required, the use of electronic transactions and transmissions by the Members and the Board is authorized in lieu of other forms of communication to the fullest extent allowed by North Carolina law, including without limitation, the Planned Community Act, Nonprofit Corporation Act, and the Uniform Electronic Transactions Act.

ARTICLE IV BOARD OF DIRECTORS

Section 1. General Powers. The business and affairs of the Association shall be managed by its Board of Directors.

Section 2. Number, Term and Qualifications. The number of Directors constituting the Board of Directors shall be three. The number of Alternate Directors shall be one. Directors shall serve for terms of four (4) years which term shall commence upon election and be staggered. Each Director and the Alternate Director shall hold office until his/her successor has been duly elected or until his/her resignation or removal, whichever occurs earlier. There are no limits on the number of terms Directors and the Alternate Director may serve. Directors and the Alternate Director must be Owners and residents of the State of North Carolina. No Director or Alternate Director position shall be paid, nor compensated as a reduction in annual dues.

Section 3. Election of Directors. Directors and the Alternate Director shall be elected by plurality vote of the membership. The Board of Directors shall decide whether Directors and the Alternate Director are elected at a membership meeting with quorum or, alternatively, by written or electronic ballots without a meeting. Those persons who receive the highest number of votes at a meeting at which a quorum is

present or through written or electronic ballot submission shall be deemed to have been elected.

- Section 4. Removal. Any Director and Alternate Director may be removed with or without cause by the majority vote of the members present, in person or by proxy, at a duly convened meeting called for such purpose. If any Director is removed, the Alternate Director shall be elevated to a full Director with voting privileges.
- Section 5. Vacancies. Any vacancy occurring in the Board of Directors shall be filled by the Alternate Director. A new Alternate Director shall be elected to the vacancy of Alternate Director as soon as reasonably practicable.
- Section 6. Chair of Board. If the President of the Association is a Director, then the President shall be the Chair of the Board of Directors. If the President is not a Director, then the Board of Directors shall elect a Director to serve as Chair, and that said Director shall continue to serve as Chair until the said Director's successor on the Board of Directors has been duly elected or until his/her resignation or removal as Director, whichever occurs earlier. The Chair shall preside at all meetings of the Board of Directors and perform such other duties as may be directed by the Board.
- Section 7. Architectural Review Board. The Architectural Review Board shall consist of three (3) members, two (2) of whom shall be members of the Association. Each member shall serve for terms of four (4) years and may be reappointed with no limits on the number of terms served. The Board of Directors shall appoint an Architectural Review Board for the purpose of establishing and enforcing criteria for the construction of improvements within Arbor Lea in accordance with the provisions of the Declaration. The Architectural Review Board shall have such other powers and authorities as may be determined by the Board of Directors of the Association. The Board of Directors shall designate the Chair of the Architectural Review Board from time to time as it may deem appropriate. No member shall be paid, nor compensated as a reduction in annual dues.
- Section 8. Commons, Roadway and Grounds Committee. The Board of Directors shall appoint a Commons, Roadways and Grounds Committee for the purpose of maintaining the roads, common areas, and grounds for Arbor Lea in accordance with the Declaration. Such committee shall have such other powers and authority as may be determined by the Board of Directors of the Association. The Board of Directors shall designate the Chair of such Committee from time to time as it deems appropriate.
- Section 9. Alternate Director. The Alternate Director shall attend Board of Director meetings but shall have no voting rights at the Board of Directors meetings. In the event that a director must recuse himself or herself because of a conflict of interest, or becomes temporarily incapacitated, the Alternate Director shall serve in the vacated position as a Director until the vacated Director is able to return to duty. If a

Director resigns from the Board of Directors, the Alternate Director is automatically elevated to Director with voting rights.

ARTICLE V MEETINGS OF DIRECTORS

- Section 1. Regular Meetings. A regular meeting of the Board of Directors shall be held within a reasonable period of time both before and after the annual meeting of members. In addition, the Board of Directors may provide, by resolution, the time and place for the holding of additional regular meetings. These said meetings shall be located within a fifty (50) mile radius of the principal office.
- Section 2. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chair of the Board of Directors, or by any two (2) Directors. Such meetings may be held within a fifty (50) mile radius of the principal office, as fixed by the person or persons calling the meeting.
- Section 3. Notice of Meetings. Regular meetings of the Board of Directors may be held without notice. The person or persons calling a special meeting of the Board of Directors shall, at least two (2) days before the meeting, give notice thereof by telephone or any other means of communication. Such notice shall 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. The presence of a majority of the Directors fixed by these Bylaws 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 Bylaws, 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. Members of the Board or of any committee that the Board appoints may participate in a meeting of the Board or committee by conference telephone, video conference, or similar method of communication, provided all persons participating in the meeting can hear each other simultaneously. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting
- Section 7. Presumption of Assent. A Director of the Association who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his/her contrary vote is recorded or his/her dissent is otherwise entered in the minutes of the meeting or unless he/she shall file his/her written dissent to such action with the person acting

as the Secretary of the meeting before the adjournment thereof or shall forward such dissent to the Secretary of the Association promptly after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

- Section 8. Informal Action by Directors. Action taken by a majority of the Directors without a meeting constitutes an action of the Board 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. Officers of the Association. The officers of the Association shall consist of a President, a Secretary and a Treasurer, and such 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; however, the President shall not serve as the Treasurer. Except as provided in the immediately subsequent sentence, the officers of the Association shall be Directors of the Board of Directors. Notwithstanding the immediately preceding sentence, if it is not reasonably practicable for any one or more offices to be filled by Directors, then the Board of Directors may allow any one or more offices to be filled by a member who is not a Director.
- Section 2. Election and Term. The officers of the Association shall be elected by the Board of Directors and each officer shall hold office until his/her successor shall have been elected and qualified, or earlier upon his/her death, resignation, or removal, disqualification.
- Section 3. 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 person so removed.
- Section 4. President. The President shall be the principal executive officer of the Association, subject to the control of the Board of Directors, and shall in general supervise and control all of the business and affairs of the Association. The President shall also serve as the Chair of the Board of Directors. The President shall sign, with the Treasurer, or any other proper officer of the Association thereunto authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Association, or shall be required by law to be otherwise signed or executed. The President shall perform all duties incident to his/her office and such other duties as may be prescribed by the Board of Directors from time to time.

Section 5. Secretary. The Secretary shall: (i) keep the minutes of the meetings of the members and of the Board of Directors in one or more books provided for that purpose; (ii) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (iii) be custodian of the corporate 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; (iv) keep a register of the address of each member which shall be furnished to the Secretary by such member; (v) sign with the President, **certificates for shares of the Association**, the issuance of which shall have been authorized by resolution of the Board of Directors; (vi) have general charge of the **stock transfer books of the Association**; (vii) keep or cause to be kept in the State of North Carolina at the Association's registered office or principal place of business a record of the Association's members, giving the names and addresses of all members, and prepare or cause to be prepared voting lists prior to each meeting of members as required by law; and (viii) 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 Board of Directors.

Section 6. Treasurer. The Treasurer shall: (i) 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 such moneys in the name of the Association in such depositories as shall be selected in accordance with the provisions of these Bylaws; (ii) 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 four months after the end of such fiscal year and kept available for a period of at least ten years; and (iii) 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 Bylaws.

ARTICLE VII CONTRACTS, LOANS, CHECKS 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 in the name of and 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 of 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 may select.

ARTICLE VIII GENERAL PROVISIONS

Section 1. Seal. The corporate seal of the Association shall be in a form adopted by resolution of the Board.

Section 2. Waiver of Notice. Whenever any notice is required to be given to any member or director by law, by the Articles of Incorporation or by these Bylaws, 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 3. Indemnification and Limited Liability. Any person who at any time serves or has served as a Director or Officer of the Association shall have a right to be indemnified by the Association to the fullest extent permitted by N.C. Gen. Stat. §§ 55A-8-51 to -57, and shall be afforded limited civil liability in accordance with N.C. Gen. Stat. § 55A-8-60.

The Board of Directors of the Association shall take all such action as may be necessary and appropriate to authorize the Association to pay the indemnification required by this Bylaw, 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 him and giving notice to, and obtaining approval by, the members of the Association.

Any person who at any time after the adoption of this Bylaw serves or has served as a Director or Officer of the Association shall be deemed to be doing or to have done so in reliance upon, and as consideration for, the right of indemnification provided herein. Such right shall inure to the benefit of the legal representatives of any such person and shall not be exclusive of any other rights to which such person may be entitled apart from the provision of this Bylaw.

To the fullest extent allowed by law, any member of the Architectural Review Board, the Commons, Roadway and Grounds Committee, or any other committee established by the Board, shall be entitled to the same rights and protections described in the present Section 3 for Directors or Officers.

Section 5. Fiscal Year. The fiscal year of the Association shall end on April 30 of each year unless otherwise fixed by the Board of Directors.

Section 6. Amendments. These Bylaws may be amended only by the members entitled to vote thereon by two-thirds (2/3) of the votes cast or a majority of the votes entitled to be cast on the amendment, whichever is less.