

STATE OF NORTH CAROLINA
COUNTY OF WAKE

AMENDMENT TO BYLAWS FOR
SEDFIELD PARK SUBDIVISION
REVIEW COMMITTEE, INC.

THIS AMENDMENT to the Bylaws for the Sedgfield Park Subdivision Review Committee, Inc., made this 5 day of December, 2006 by a majority of the Board of Directors for the Sedgfield Park Subdivision Review Committee, Inc. (hereinafter, "the Association").

WITNESSETH:

THAT WHEREAS, the Association was incorporated on or about 21 June 2005 to administer the affairs of the property identified in the Protective Covenants for Sedgfield Park Subdivision recorded at book 8807, page 2178 of the Wake County Register of Deeds and all amendments thereto (collectively, "Protective Covenants"); and

WHEREAS, Article XI.6 of the Bylaws for the Association provide that the Bylaws may be amended or repealed by the affirmative vote of a majority of the directors then holding office at any annual or special meeting of the Board of Directors provided that the notice of the proposed action shall be included in the notice of the meeting; and

WHEREAS, Article III.6 of the original Bylaws for the Association stated that members holding sixty percent (60%) of the votes of each class of Members that may be cast at any meeting shall constitute a quorum at such meeting; and

WHEREAS, Article IV.2 of the original Bylaws for the Association allowed Members to elect up to five (5) directors and did not call for staggered terms of directors; and

WHEREAS, Article IV.3 of the original Bylaws for the Association allowed for the possibility of election of directors at a special meeting; and

WHEREAS, the current Board desires to amend the Bylaws to reduce the quorum requirement to ten (10%) in accordance with N.C.G.S. §55A-7-22, provide for staggered terms for directors, increase the number of possible directors to seven (7) and require that directors be Members of the Association; and confirm the election of directors at annual meetings; and

WHEREAS, the affirmative vote of a majority of the directors holding office have approved this amendment after being duly noticed of such action; and

NOW THEREFORE, the undersigned does hereby declare that the Bylaws for the Association shall be amended as follows:

1. To amend Article III, Section 6 of the Bylaws by deleting the first sentence in this

section in its entirety and inserting in lieu thereof the following (new language appears in bold type):

“Quorum. The presence, in person or by proxy, of ten percent (10%) of the votes of each class of Members that may be cast at any meeting shall constitute a quorum at such meetings. If a quorum is not present at any meeting of members, a majority of the members present may adjourn the meeting and another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.”

2. To amend Article IV, Section 2 of the Bylaws by deleting the last three sentences in this section in their entirety and inserting in lieu thereof the following (new language appears in bold type):

“Number, Term and Qualifications. The number of directors constituting the initial Board of Directors shall be three. Beginning with the Annual Meeting for 2007, the Members may elect up to seven (7) directors. At the Annual Meeting for 2007 following adoption of this amendment, the Members shall elect two (2) directors for a term of one (1) year; two (2) directors for a term of two (2) years’ and three (3) directors for a term of three (3) years. At each annual meeting thereafter, the Members shall elect directors for the terms expiring that year for a term of three (3) years. At all times hereafter, the Board of Directors’ terms shall be staggered with two (2) directors serving a remaining one (1) year term, three (3) directors serving a remaining two (2) year term, and two directors serving a three (3) year term in duration at any given time in order to insure the continuity of experience and wisdom on the Board. All directors shall be Members of the Association and reside in the State of North Carolina.”

3. To amend Article IV, Section 3 of the Bylaws by deleting it in its entirety and inserting in lieu thereof the following (new language appears in bold type):

“Election of Directors. Directors shall be elected, as set forth in Article IV. 2, at annual meetings of the members at which a quorum is present by a majority of the members then present.”

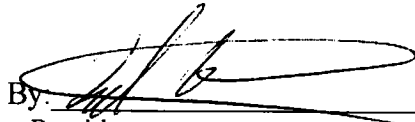
4. Except as amended hereinabove, the remaining portions of the Bylaws as originally existed are hereby restated and re-acknowledged:

WHEREFORE, the President and Secretary of the Association have hereunto affixed the corporate certification for the purpose of enacting the foregoing amendment.

CERTIFICATION OF VALIDITY OF AMENDMENT TO BYLAWS
FOR SEDGEFIELD PARK SUBDIVISION REVIEW COMMITTEE, INC.

By authority of its Board of Directors, the undersigned hereby certify that the foregoing instrument has been duly approved the affirmative vote of a majority of the directors holding office at a meeting of the Board of Directors duly noticed and is, therefore, a valid amendment to the existing Bylaws for the Sedgefield Park Subdivision Review Committee, Inc., pursuant to the requirements of Article XI.6 of the Bylaws.

SEDFIELD PARK SUBDIVISION REVIEW
COMMITTEE, INC.

By: 

President

ATTEST:



Secretary

STATE OF NORTH CAROLINA

ACKNOWLEDGMENT

COUNTY OF WAKE

I, Melissa L. Johnston, a Notary Public of the County and State aforesaid, certify that Carrie Thomas personally came before me this day and acknowledged that he/she is Secretary/Assistant Secretary of Sedgefield Park Subdivision Review Committee, Inc., a North Carolina non-profit corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President and attested by Carrie Thomas as its Secretary/Assistant Secretary.

Witness my hand and official stamp or seal, this 5 day of December, 2006.

My commission expires: May 7, 2011

Notary Public Melissa L. Johnston

Bylaws of
Sedgefield Park Subdivision Review Committee, Inc.

ARTICLE I
Offices

1.1 Principal Office. The principal office of the Corporation shall be located at 818 South White Street, Wake Forest, NC 27587, or at such other location designated by the Board of Directors.

1.2 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.

1.3 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 designate or as the affairs of the Corporation may require from time to time.

ARTICLE II
Members

2.1 Classes of Members. The Corporation shall have one class of members. The qualifications and rights of the members of such class shall be as follows:

Members shall be those persons or entities every owner of a recorded lot in Sedgefield Park Subdivision in Wake County, North Carolina. Such owner shall abide by the corporation's rules and regulations, shall pay the assessments provided for in the Protective Covenants for Sedgefield Park Subdivision as recorded in Book 8807, page 2178, as amended, in the Office of the Register of Deeds for Wake County, North Carolina (the "Covenants").

2.2 Selection of Members. Every lot owner in Sedgefield Park Subdivision shall automatically be Members.

2.3 Voting Rights. Each Member shall have one vote on each matter submitted to a vote of the Members for each Lot owned by that Member.

2.4 Termination of Membership. The Board of Directors by a majority vote of those present at any regularly constituted meeting, may terminate or suspend the membership of any member as provided in the Covenants.

2.5 Transfer of Membership. Membership in this Corporation is appurtenant to and shall pass with the title to each Lot in Sedgefield Park Subdivision.

ARTICLE III
Meetings of Members

3.1 Annual Meeting. An annual meeting of the members shall be held during the last quarter in each year, beginning with the year 2005, at a time to be determined by the Board of Directors, for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of North Carolina, such meeting shall be held on the next succeeding business day. If the election of directors shall not be held on the day designated herein for any annual meeting, or

at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the members as soon thereafter as is convenient.

3.2 Special Meetings. Special meetings of the members may be called by the Chairman, President, the Board of Directors, or not less than twenty percent of the members having voting rights.

3.3 Place of Meetings. The Board of Directors may designate any place within the State of North Carolina, as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be the principal office of the Corporation in the State of North Carolina; but if all of the members shall meet at any time and place, either within or without the State of North Carolina, and consent to the holding of a meeting, such meeting shall be valid without call or notice, and at such meeting any corporate action may be taken.

3.4 Notice of Meetings. Written or printed notice stating the place, day, and hour of any meeting of members shall be delivered, either personally or by mail, to each member entitled to vote at such meeting, not fewer than 15 nor more than 60 days before the date of such meeting, by or at the direction of the President, or the Secretary, or the officers or persons calling the meeting. In case of a special meeting or when required by statute or by these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears on the corporation's current list of members, with postage thereon prepaid. In the case of members who are residents of the same household and who have the same address, the corporation may mail a single notice to such members jointly.

3.5 Informal Action by Members. Any action required by law to be taken at a meeting of the members, or any action that may be taken at a meeting of 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 members entitled to vote with respect to the subject matter thereof.

3.6 Quorum. The members holding sixty percent of the votes of each class of Members that may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting of members, a majority of the members present may adjourn the meeting and another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half ($\frac{1}{2}$) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

3.7 Proxies. At any meeting of members, a member entitled to vote may vote by proxy executed in writing by the member or by his duly authorized attorney-in-fact. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.

3.8 Voting by Mail. Where directors or officers are to be elected by members or any class or classes of members, such election may be conducted by mail in such manner as the Board of Directors shall determine.

ARTICLE IV
Board of Directors

4.1 General Powers. The business and affairs of the Corporation shall be managed by its Board of Directors. Except as otherwise expressly provided by law, the Articles of Incorporation, these Bylaws, or the Covenants, all of the power of the Corporation shall be vested in the Board of Directors.

4.2 Number, Term, and Qualifications. The number of directors constituting the initial Board of Directors shall be three. Thereafter, the Members may elect up to five directors. Each director shall hold office until his death, resignation, retirement, removal, disqualification, or his successor shall have been elected and qualified. Directors need not be residents of the State of North Carolina.

4.3 Election of Directors. Directors shall be elected at any annual or special meeting of the members at which a quorum is present by a majority of the members then present.

4.4 Removal. Directors may be removed from office at any time with or without cause by the members by such vote as would be required to elect a member of the Board of Directors.

4.5 Vacancies. Any vacancy occurring in the Board of Directors may be filled by the members by such vote as would be required to elect a member of the Board. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

4.6 Chairman of the Board. There shall be a Chairman and Vice-Chairman of the Board of Directors elected by the directors from their number at any meeting of the Board of Directors. The Chairman, or in his absence the Vice-Chairman, shall preside at all meetings of the Board of Directors, and each shall perform such other duties as may be directed by the Board of Directors. The Chairman and Vice-Chairman shall be officers of the Corporation.

4.7 Compensation. The Board of Directors may not be compensated for their services as directors. This shall not preclude directors from serving the Corporation in other capacities and receiving compensation for such other services.

ARTICLE V
Meetings of Directors

5.1 Annual Meetings. The annual meeting of the Board of Directors shall be held during the fourth quarter of each year at a time selected by the Board of Directors, for the purpose of electing officers of the Corporation and for the transaction of any other business properly before the Board of Directors. If the day fixed for the annual meeting shall be a legal holiday, the meeting shall be held on the next succeeding business day that is not a legal holiday. If the annual meeting shall not be held on the day designated by these Bylaws, a substitute annual meeting may be called by or at the request of the Board of Directors and such meeting shall be designated and treated for all purposes as the annual meeting.

5.2 Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chairman or any two directors.

5.3 Place of Meetings. The annual or any special meeting of the Board of Directors may be held at the principal office of the Corporation or at such other place within the State of North Carolina, as shall be designated in the notice of the meeting or in a waiver of notice of the meeting signed by all the Directors then in office.

5.4 Notice of Meetings. The Secretary shall give notice of each annual meeting of the Board of Directors by mailing such notice to each director at least ten days before the meeting. The Chairman or other persons calling a special meeting of the Board of Directors shall give notice thereof (or cause the Secretary to give notice) by mailing such notice to each director at least three days before the meeting. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a meeting of the Board of Directors, except as otherwise provided by law or these Bylaws.

5.5 Waiver of Notice. Any director may waive notice of any meeting, either before or after the meeting. Written waivers of notice shall be filed by the Secretary with the corporate records or as part of the minutes of the 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.

5.6 Quorum. A majority of the number of directors in office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

5.7 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.

5.8 Presumption of Assent. A director of the Corporation 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 he objects at the beginning of the meeting, or promptly upon his arrival, to holding it or transacting business at the meeting or his dissent is otherwise entered in the minutes of the meeting, or unless he either files his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or forwards his written dissent by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. The right to dissent is not available to a director who voted in favor of such action.

5.9 Informal Action by Directors. Action taken by a majority of the directors without a meeting is nevertheless action of the Board of Directors if written consent to the action in question is signed by all of the directors and filed with the minutes of the proceedings of the Board of Directors, whether done before or after the action so taken.

5.10 Participation by Telephone. Any one or more directors may participate in a meeting of the Board of Directors by means of a conference telephone or similar communications device that allows all persons participating in the meeting to hear each other. Participation by these means shall be deemed presence in person at the meeting.

ARTICLE VI Committees

6.1 Committees of Directors. The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate and appoint one or more committees, each of which shall consist of two or more directors, which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the Corporation; provided, however, that no such committee shall have the authority of the Board of Directors in reference to adopting, amending, or repealing the Bylaws; electing, appointing,

removing, or filling the vacancy on such committee or any board or office of the Corporation; adopting, amending, or repealing the Articles of Incorporation; adopting a plan of merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease, exchange, or mortgage of all or substantially all of the property and assets of the Corporation; authorizing the voluntary dissolution of the Corporation or revoking proceedings therefor; adopting a plan for the distribution of the assets of the Corporation; authorizing any distributions by the Corporation; or amending, altering, or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered, or repealed by such committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual director, of any responsibility imposed upon it or him by law.

6.2 Other Committees. Other committees not having and exercising the authority of the Board of Directors in the management of the Corporation may be designated by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be members of the Corporation, and the Chairman of the Corporation shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Corporation shall be served by such removal.

6.3 Term of Office. Each member of a committee shall continue as such until the next annual meeting of the directors of the Corporation and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

6.4 Chairman. One member of each committee shall be appointed chairman by the person or persons authorized to appoint the members thereof.

6.5 Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

6.6 Quorum. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

6.7 Rules. Each committee may adopt rules for its own government not inconsistent with these Bylaws or with rules adopted by the Board of Directors.

ARTICLE VII Officers

7.1 Officers of the Corporation. The officers of the Corporation shall consist of a Chairman, a Vice-Chairman, a President, a Secretary, and a Treasurer. Other officers, including one or more Vice-Presidents (whose seniority and titles, including Executive Vice-Presidents and Senior Vice-Presidents, may be specified by the Board of Directors), Assistant Secretaries, and Assistant Treasurers, may from time to time be elected by the Board of Directors. Any two or more offices, except President and Secretary, may be held by the same person. No officer may act in more than one capacity where the actions of two or more officers are required.

7.2 Election and Term. The officers of the Corporation shall be elected by the Board of Directors, and each officer shall hold office until his death, resignation, retirement, removal, or disqualification or until his successor shall have been elected and qualified.

7.3 Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the Corporation will be served thereby.

7.4 Bonds. The Board of Directors may by resolution require any officer, agent, or employee of the Corporation to give bond to the Corporation, with sufficient sureties, conditioned on the faithful performance of the duties of his respective office or position, and to comply with such other conditions as may from time to time be required by the Board of Directors.

7.5 President. The President shall be the chief executive officer of the Corporation and shall be primarily responsible for the implementation of policies of the Board of Directors. He shall have authority over the general management of the Corporation in accordance with these Bylaws, subject only to the ultimate authority of the Board of Directors. He may sign and execute instruments in the name of the Corporation except in cases where the signing and the execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation or shall be required by law otherwise to be signed or executed. In addition, he shall perform all duties incident to the office of the President and such other duties as from time to time may be assigned to him by the Board of Directors.

7.6 Vice-Presidents. Each Vice-President, if any, shall have such powers and duties as may from time to time be assigned to him by the Board of Directors. Any Vice-President may sign and execute in the name of the Corporation instruments authorized by the Board of Directors, except where the signing and execution of such documents shall be expressly delegated by the Board of Directors or the President to some other officer or agent of the Corporation or shall be required by law otherwise to be signed or executed. 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.

7.7 Secretary. The Secretary shall keep the minutes of the meetings of the Board of Directors. He shall keep all minutes of all such meetings in books designated for those purposes. The Secretary shall see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law. He shall have charge of the books, records, and papers of the Corporation. He shall have custody of the seal of the Corporation and see that the seal of the Corporation is affixed to all documents the execution of which on behalf of the Corporation under its seal is duly authorized, and shall sign such instruments as may require his signature. He shall 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 Chairman, by the Board of Directors, or by these Bylaws.

7.8 Assistant Secretaries. In the absence of the Secretary or in the event of his death, inability, or refusal to act, any Assistant Secretary designated by the Chairman, unless otherwise determined by the Board of Directors, shall perform the duties of the Secretary and when so acting shall have all the powers of and be subject to all the restrictions upon the Secretary. The Assistant Secretaries shall perform such other duties as may be assigned to them by the Secretary,

by the Chairman, or by the Board of Directors. Any Assistant Secretary may sign, with the President or a Vice-President, documents authorized to be signed by the Secretary.

7.9 Treasurer. The Treasurer shall have charge of and be responsible for all funds and securities, receipts, and disbursements of the Corporation, and shall deposit all monies and securities of the Corporation in such banks and depositories as shall be designated by the Board of Directors, provided that the Board of Directors may appoint a custodian or depository for any such funds or securities, and the Board of Directors may designate those persons upon whose signature or authority such funds may be disbursed. He shall be responsible (i) for maintaining adequate financial accounts and records in accordance with generally accepted accounting practices; (ii) for the preparation of appropriate operating budgets and financial statements; and (iii) for the preparation and filing of all tax returns required by law.

7.10 Assistant Treasurers. In the absence of the Treasurer or in the event of his death, inability, or refusal to act, any Assistant Treasurer designated by the Chairman, unless otherwise determined by the Board of Directors, shall perform the duties of the Treasurer, and when so acting shall have all the powers of and be subject to all the restrictions upon the Treasurer. They shall perform such other duties as may be assigned to them by the Treasurer, by the Chairman, or by the Board of Directors.

7.11 Validity of Signatures. In case any person whose signature shall appear on any bond, note, or other evidence of indebtedness of the Corporation shall cease to be an officer or hold an office different from that held at the time of signature before the delivery of such instrument, such signature shall nevertheless be valid and sufficient for all purposes the same as if he had remained in such office until such delivery.

7.12 Compensation. The compensation of all officers of the Corporation shall be fixed by the Board of Directors, and no officer shall serve the Corporation in any other capacity and receive compensation therefor unless such additional compensation is authorized by the Board of Directors prior to the rendition of such services.

ARTICLE VIII

Indebtedness

No indebtedness of the Corporation in excess of \$1,000 shall be incurred other than in the normal course of business, except as may be approved by resolution adopted by a majority of the directors in office.

Any or all of such indebtedness may be represented by notes, debentures, bonds, or other securities, either unsecured or secured by, or issued under, a mortgage, trust indenture, or otherwise, and may be issued at such times and upon such terms as the Board of Directors shall determine.

ARTICLE IX

Contracts, Loans, Checks, and Deposits

9.1 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 Corporation, and such authority may be general or confined to specific instances.

9.2 Loans. No loans shall be contracted on behalf of the Corporation and no evidence 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.

9.3 Checks and Drafts. All checks, drafts, or other orders for the payment of money, issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents, or employee or employees of the Corporation and in such manner, including facsimile signatures, as shall from time to time be determined by resolution of the Board of Directors.

9.4 Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such depositories as the Board of Directors may select.

ARTICLE X Certificates of Membership and Their Transfer

10.1 Certificates of Membership. The corporation shall not have certificates of membership, except by a vote by a majority of the Members, the Board of Directors may provide for the issuance of certificates evidencing membership in the Corporation, which shall be in such form as may be determined by the Board of Directors. Such certificates shall be signed by the Chairman or Vice-Chairman and by the Secretary or an Assistant Secretary and shall be sealed with the seal of the Corporation. All certificates evidencing membership of any class shall be consecutively numbered. The name and address of each member and the date of issuance of the certificate shall be entered on the records of the Corporation. If any certificate shall become lost, mutilated, or destroyed, a new certificate may be issued therefor upon such terms and conditions as the Board of Directors may determine.

10.2 Issuance of Certificates. If certificates are established as provided above, when a member has been elected to membership and has paid any initiation fee and dues that may then be required, a certificate of membership shall be issued in his name and delivered to him by the Secretary.

ARTICLE XI General Provisions

11.1 Seal. If the Board of Directors adopts a corporate seal of the Corporation, it shall contain the name of the Corporation and shall be in such form as approved by the Board of Directors.

11.2 Waiver of Notice. Whenever any notice is required to be given to any director by law, by the Articles of Incorporation, or by these Bylaws, a waiver thereof in writing signed by the director or directors entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

11.3 Indemnification. The Corporation shall indemnify its officers and directors to the maximum extent required or permitted by Part 5 of Article 8 of Chapter 55A of the General Statutes of North Carolina as from time to time amended, and such officers and directors shall be deemed to have relied upon this Part.

11.4 Fiscal Year. The fiscal year of the Corporation shall be as fixed by the Board of Directors.

11.5 Dues.

(a) Annual Dues. The Board of Directors may determine from time to time the amount of initiation fee, if any, and annual dues payable to the Corporation by members of each class.

(b) Payment of Dues. Dues shall be payable in advance on the first day of January in each fiscal year. Dues of a new member shall be prorated from the first day of the month in which such new member is elected to membership; for the remainder of the fiscal year of the Corporation.

(c) Default and Termination of Membership. When any member of any class shall be in default in the payment of dues for a period of two months from the beginning of the fiscal year or period for which such dues became payable, his membership may thereupon be terminated by the Board of Directors in the manner provided in Article II of these Bylaws.

11.6 Amendment of Bylaws. Except as otherwise provided by law, by the Articles of Incorporation or herein, these Bylaws may be amended or repealed and new Bylaws may be adopted by the affirmative vote of a majority of the directors then holding office at any annual or special meeting of the Board of Directors; provided, however, that notice of the proposed action shall have been included in the notice of the meeting or shall have been waived as provided in these Bylaws.