AMENDED AND RESTATED BYLAWS
OF
AUBURN VILLAGE HOMEOWNERS ASSOCIATION, INC.
Adopted Date May 4, 2026

The Auburn Village Homeowners Association, Inc. (HOA) amends and restates the original bylaws in its entirety which are for the purpose of protecting the value, use, enjoyment and desirability of the property and providing for democratic governance of the community. HOA business shall be conducted in an open and public manner whereby Members may observe the workings of HOA Board of Directors and participate in the operations of this association, unless otherwise stated in these Bylaws. These Bylaws shall run with the property and shall be binding on all parties having any right, title of interest in the Property or any part thereof, their heirs, successors and assigns. If a conflict arises among the HOA governing documents, the order of hierarchy is as follows: 1. **Declaration of Covenants;** 2. **Articles of Incorporation;** 3 Bylaws. The Declaration controls in conflict with the Bylaws **(North Carolina General Statutes (N.C.G.S.) § 47F-2-103(c)).** The Articles control in a conflict with the **Bylaws (N.C.G.S.-§ 55A-2-06(b)).**

ARTICLE l
NAME AND LOCATION

The name of the corporation is Auburn Village Homeowners Association, Inc. The principal office of the corporation shall be located in Wake County, North Carolina.

ARTICLE 2
DEFINITIONS

The defined terms set forth in Article 1 of the Declaration of Covenants, Conditions and Restrictions for Auburn Village ("Declaration"), recorded or to be recorded in the Wake County Public Registry are incorporated herein by reference and, unless specifically provided herein, the capitalized terms used in these Bylaws shall have the same meaning given them in the Declaration.

ARTICLE 3
MEMBERSHIP AND VOTING RIGHTS

Section 1. Governing Body. The Association shall be the governing body for all Owners with respect to the management, administration, maintenance, repair and replacement of the Property, as provided by the Declaration and the Bylaws. (Declaration Article 8.01)

Section 2. Membership. Membership in the Association shall be composed of and limited to Owners. Each Owner shall automatically be a Member of the Association and entitled to vote as set forth below. Membership shall be appurtenant to and may not be separated from ownership of a Lot. Upon termination of ownership, an Owner's membership shall automatically terminate and be automatically transferred to the new Owner of the Lot. (Declaration Article 8.02)

Section 3. Voting. A Member shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an ownership interest in any Lot, all such persons shall be Members, but no

more than one (1) vote shall be cast with respect to any Lot. The vote for any such Lot shall be exercised as the Members holding an interest in such Lot determine among themselves. In the event of disagreement, the decision of Members holding a majority of interest in such Lot shall govern. Unless otherwise notified by a co-owner as to a dispute between the co-owners regarding their vote prior to the casting of that vote, the vote of any co-owner shall be conclusively presumed to be the majority vote of the Owners of that Lot. (Declaration Article 8.03)

ARTICLE 4
MEETING OF MEMBERS

Section 1. Annual Meetings. Regular annual meetings of the Members shall be held not less frequently than once each calendar year, at a date time and place selected by the Board. If the day for the annual meeting of the Members is a legal or religious holiday, a Saturday or a Sunday, the meeting shall be held at the same hour on the first working day thereafter (North Carolina General Statutes (N.C.G.S.) § 47F-3-108). **Draft minutes of the meeting shall be available to the members upon completion. Minutes shall be approved at the next Members Meeting and posted in the Members Portal.**

Section 2. Special Meetings. Special meetings of the Members shall be promptly scheduled in response to a majority vote of a quorum of the Board, or upon receipt of a written request signed by Members representing not less than ten percent (10%) of the total Voting Power of the Association (N.C.G.S.) § 55A-7-02). **Draft minutes of the meeting shall be available to the members upon completion. Minutes shall be approved at the next Members Meeting and posted in the Members Portal.**

Section 3. Notice of Meetings. Notice of annual and special meetings of Members shall be given by, or at the direction of, the Secretary of the Association or other person authorized to call the meeting. Each Member entitled to vote shall be notified of the meeting.

a. Notice of the annual meeting shall be given not less than thirty (30) days nor more than sixty (60) days before such meeting. Notice of a special meeting shall be given not less than 10 (ten) day nor more than sixty (60) days before such meeting.
b. Written notice shall be sent first-class postage prepaid to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Alternately, such notice shall be sent by electronic means provided the Member has designated an electronic mailing address by which the Member agrees to receive notices and conduct business. Waiver by a Member in writing of the notice required herein, signed by him/her, shall be equivalent to the giving of such notice.
c. Notice of a meeting shall specify the place, date and hour of the meeting and the items on the agenda including the general nature of any proposed amendment to the Declaration or these Bylaws, any budget changes, and any proposal to remove a director or officer (N.C.G.S.) § 47F-3-108). The notice of any meeting at which Directors are to be elected shall include the names of all those who are nominees at the time the notice is given to Members. Waiver by a Member in writing of the notice required herein, signed by him/her, shall be equivalent to the giving of such notice.

Section 4. Quorum. The presence, in person or electronically, at the beginning of any meeting of Members entitled to cast, or of proxy holders entitled to cast, ten percent (10%) of the total Voting Power of the Association shall constitute a quorum for any action, except as may otherwise be provided in the Articles, the Declaration or these Bylaws (N.C.G.S.) § 47F-3-109). The Members present at any duly called or held meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the Members required to constitute a quorum. In the absence of a quorum, the Members entitled to vote at such meeting shall have the power, upon an affirmative vote of a majority of those Members present in person, electronically, or by proxy, to adjourn the meeting to another time without notice (other than announcement at the meeting); provided, however, the quorum requirement at the next meeting shall be one-half (1/2) of the quorum requirement applicable to the meeting adjourned for lack of a quorum. This section shall continue to reduce the quorum by fifty percent (50%) from that required at the previous meeting, as previously reduced, until such time as a quorum is present and business can be conducted. If a time and place for the adjourned meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for the adjourned meeting after adjournment, notice of the time and place of the adjourned meeting shall be given to Members in the manner prescribed herein for regular meetings.

Section 5. Proxies.

a. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing, dated and filed with the Secretary of the Association or other person designated at the meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his/hers Lot or upon receipt by the Association of written notice of the death or incapacity of the Member who executed the proxy. Any proxy shall be invalid after expiration of eleven (11) months from the date it is executed (unless the proxy specifies a shorter term).
b. Any form of proxy or written ballot distributed to ten (10) or more Members shall afford an opportunity on the proxy or form of written ballot to specify a choice between approval and disapproval of each matter or group of related matters intended, at the time the written ballot or proxy is distributed, to be acted upon at the meeting for which the proxy is solicited or by such written ballot, and shall provide, subject to reasonable specific conditions, that where the Member solicited specifies a choice with respect to any such matter, the vote shall be cast in accordance therewith.
c. Every form of proxy or written ballot, which provides an opportunity to specify approval or disapproval with respect to any proposal, shall also contain an appropriate space marked "abstain," whereby a Member may indicate a desire to abstain from voting on the proposal. A proxy marked "abstain" by the Member with respect to a particular proposal shall not be voted either for or against such proposal.
d. In any election of Directors, any form of proxy or written ballot in which the Directors to be voted upon are named therein as candidates and which is marked by a Member "withhold" or otherwise marked in a manner indicating that the authority to vote for the election of Directors is withheld shall not be voted either for or against the election of a Director.

e. Failure to comply with this section shall not invalidate any corporate action taken, but may be the basis for challenging any proxy at a meeting and any court having jurisdiction may compel compliance therewith at the suit of any Member.

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

Section 7. Action Taken Without a Meeting. Any action which may be taken by the vote of Members at a regular or special meeting, except the election of the Board, may be taken in the absence of a meeting by written consent.

ARTICLE 5
BOARD OF DIRECTORS

Section 1. Number. The affairs of the Association shall be managed and governed by a Board who shall all be Members of the Association. The Board shall consist of five (5) Members.

Section 2. Term of Office. Directors shall be elected by the Members for a term of two (2) years. Directors may serve successive terms (N.C.G.S. § 55A-8-05). Terms shall be staggered to provide for continuity of experience and wisdom in the operation of the Association. At each annual meeting, the members shall elect successor Directors for Directors whose terms have expired. The newly elected Directors shall take office after the adjournment of the annual Members meeting.

Section 3. Removal. Directors may be removed from the Board

a. with or without cause by a majority vote of all persons present and entitled to vote at any meeting of the Members at which a quorum is present.
b. at a meeting called for the purpose of removing the director and the meeting notice shall state that the purpose, or one of the purposes, of the meeting is removal of the director (N.C.G.S. § 55A-8-08(e)).

Section 4. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his/her actual, reasonable, Board approved, expenses incurred in the performance of his/her duties.

Section 5. Action Taken Without a Meeting. The Board shall have the right to take any action in the absence of a meeting which it could take at a meeting by obtaining the written consent of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Board. All such written consents shall be filed with the minutes of the proceedings of the Board.

ARTICLE 6
NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nominations for election to the Board may be made by a nominating committee of at least three members appointed by the Board. The nominating committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not less than the number of vacancies to be filled. In addition to names submitted by the Board's

nominating committee, community members may self-nominate and/or nominate another member with their approval. Nominations may also be made from the floor at the annual meeting. Nominees must be in good standing within the Auburn Village HOA (current on dues, assessments and fines as well as compliant with governing documents)

Section 2. Election.

Election to the Board of Directors shall be held at the Annual Meeting and conducted by written and/or electronic ballot. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted. Elected Board Members shall take office at the conclusion of the Annual Meeting of the Members.

Section 3. Vacancies. In the event of any vacancy on the Board caused by death, disability, resignation, removal or increase in the number of Directors, his/her successor shall be identified by self-nomination, another Member nomination or a nominating committee and selected by the remaining members of the Board. The successor shall serve for the unexpired term of his/her predecessor.

ARTICLE 7
MEETINGS OF DIRECTORS

Section 1. Meeting Types

a. Regular Meetings. Regular meetings of the Board shall be held at such intervals as the Board considers necessary and desirable, but not less often than once every quarter at such place as designated by the Board and at such hour as may be fixed from time to time by resolution of the Board. Notice of the time, place and **agenda** of regular meetings shall be communicated to all Directors and Members not less than four (4) days prior to the meeting. **Minutes of the meeting shall be documented and available to Members upon approval.**
b. Special Meetings. Special meetings of the Board shall be held when called by written notice signed by the president of the Association or by any two (2) Directors other than the president. The notice shall specify the time, place and agenda of the meeting and the nature of any special business to be considered. The notice shall be sent to all Directors and Members not less than seventy-two (72) hours before the scheduled time of the meeting. **Minutes of the meeting shall be documented and available to Members upon approval.**
c. Executive Session. The Board may, with the approval of a majority of a quorum of its members, adjourn a regular or special meeting and reconvene in closed executive session to discuss and act upon items such as legal matters; existing or potential litigation or mediation; arbitration or administrative procedures; personnel matters; contract, lease or other commercial transactions; or information that public knowledge would violate the privacy of a Member. The nature of any and all business to be considered in executive session shall first be announced in open session and shall be included in the minutes.

Section 2-Member Participation in Board Meetings. Regular and special meetings of the Board shall be open to all Members of the Association; provided, however, that Members who are not Directors may not participate in any deliberation or discussion unless expressly so authorized by the vote of a majority of a quorum of the Board. The Board may choose to conduct a Member question and answer forum and may also place reasonable restrictions on the number of persons

who speak and may place reasonable restrictions on the amount of time each person may speak. As such, the Board may choose to require written questions to be pre-submitted in advance and/or Members may be given the opportunity to speak from the floor.

Section 3 Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE 8
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. Except as may be specifically limited by the terms and provisions of the Act, the Board shall have power to:

a. Adopt, publish, amend and enforce Rules and Regulations governing the Property, the use and enjoyment of the Common Area and any facilities thereon, and the personal conduct thereon of the Members, their guests, invitees, members of their families or households, and tenants, provided that
   i. the Members may amend any such Rules and Regulations adopted by the Board at any regular or special meeting of the Members called for such purpose by the vote or written consent of sixty-seven percent (67%) of the total Voting Power of the Association;
   ii. such Rules and Regulations shall be reasonable, must be consistent with the Declaration, the Articles and these Bylaws; and
   iii. Rules and Regulations shall be effective upon Board approval and shall be mailed to each Member addressed to the Member's address last appearing in the books of the Association, postage prepaid, within thirty (30) days of Board approval. Alternately, such notice shall be sent by electronic means provided the Member has designated an electronic mailing address by which the Member agrees to receive notices and conduct business.
b. After Notice and Opportunity for Hearing by the Board,
   i. suspend an Owner's rights as a Member of the Association, including his/her voting rights and right to use any Common Area facilities on the Common Area, for any period during which any fine against such Member or any assessment against such Member's Lot remains unpaid;
   ii. impose monetary penalties as provided in the Declaration for any infraction of the Rules and Regulations or any violation of or failure to comply with the provisions of the Declaration or these Bylaws, provided the Member shall have been warned in writing of a previous infraction within the preceding one (1) year; and
   iii. suspend an Owner's rights as a Member of the Association for a period not to exceed thirty (30) days for any infraction of the Rules and Regulations;
c. Enforce and carry out provisions of the Declaration, these Bylaws and the Articles, including, without limitation, all provisions related to the maintenance, repair and upkeep of all storm water facilities located on the Property, and exercise all rights of the Association and the Board set forth in the Declaration, these Bylaws and the Articles;
d. Pay any taxes or assessments which are or could become a lien on the Common Area or any portion thereof;
e. Contract for casualty, liability and other insurance;

f. Incur and pay expenses on behalf of the Association and contract for goods and services for the Common Area or any other real or personal property for which the Association is responsible and any other real or personal property for which the Association may be responsible or as to which the Association may have duties and obligations
g. Delegate to committees, officers, employees and other agents of the Association reasonable powers to carry out the powers and duties of the Board; provided, however, that the Board shall not delegate the power to impose discipline against Members or to levy fines against Members;
    i. The Board shall create charters for committees that define the purpose, responsibilities and authority delegated. Charters must be adopted prior to creation of committees. A list of committees, charters and members shall be available to Members and updated semi-annually.
    ii. Committee meeting minutes shall be documented and available to Members upon approval
h. Prepare and distribute budgets and financial statements of the Association;
i. Enter any Lot, at reasonable hours, after forty-eight (48) hours' notice and with as little inconvenience to the Owners as possible, in connection with any work or thing required or permitted to be performed or done by the Association by these Bylaws, the Declaration or the Rules and Regulations. In the event of emergency threatening injury to persons or property, or reasonable cause to believe there is such an emergency, the right of entry shall be immediate and may be exercised without notice, whether or not the Owner is present. The Association shall repair any damage caused by such entry;
j. Employ a manager and such other employees as it deems necessary to carry out the powers and duties of the Association;
k. Sell, transfer, dedicate, hypothecate, partition, subdivide, abandon, release or alienate the Common Area as permitted by the Act;
l. Exercise all the powers set forth in the North Carolina Nonprofit Corporation Act and the Act, except those reserved to the Members by the provisions of these Bylaws, the Articles or the Declaration; and
m. Compromise, settle, release and otherwise adjust claims, demands, causes of action and liabilities on behalf of the Association and Owners, as the case may be, provided any such claim, demand, cause of action or liability arises out of or relates to a condition or defect common to all or a majority of the Lots or improvements constructed thereon, or to the development, design, construction, condition, repair or maintenance of or damage or injury to or defect in the Common Area or part thereof, and make and receive all payment or other consideration necessary therefor or in connection therewith. For such purposes, the Board shall be, and hereby is, irrevocably appointed attorney-in-fact to act on behalf of all Owners upon such terms and conditions and for such consideration as may be approved by a majority of the Board.

Section 2. Non-Liability. A Director of the Board shall not be liable to the Members if he performs the duties of a Director, including the duties as a member of any committee of the Board upon which the Director may serve, in good faith, in a manner such Director believes to be in the best interests of the Association and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. In performing the duties

of a Director, a Director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared and presented by:

a. One or more officers or employees of the Association whom the Director believes to be reliable and competent in the matters presented;
b. Counsel, independent accountants or other persons as to matters which the Director believes to be within such person's professional or expert competence; or
c. A committee of the Board on which the Director does not serve, as to matters within its designated authority, which committee the Director believes to merit confidence; so long as, in any such case, the Director acts in good faith, after reasonable inquiry, when the need therefor is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

Section 3. Duties. The Board shall:

a. Cause to be kept a complete record of all its acts and corporate affairs and to present to the Members, and any Mortgagee making written request therefor, the following:
    i. Provide Members with a detailed line-item proposed budget thirty days (30) before the Members meeting to ratify the budget. The proposed budget shall include a pro forma Operating Fund budget and a projection of capital spending from the Reserve Funds for the upcoming fiscal year.
    ii. Distribute not less than 30 days before the beginning of the fiscal year the Board approved and ratified budget.
    iii. Provide an Operating and Reserve financial statement with month and year-to-date data to Members no later than thirty (30) days following the monthly financial closing date
    iv. Distribute within one-hundred eighty (180) days after the closing of the fiscal year, a final annual report prepared using Generally Acceptable Accounting Principles (GAAP) . The report shall consist of the following:
        A. A balance sheet **for each fund** as of end of the fiscal year;
        B. **A Statement of Activity (Income and Expense statement)** for **each fund for** the fiscal year
b. Supervise the officers, agents and employees of the Association in the proper performance of their duties;
c. As more fully provided in the Declaration and subject to any limitations contained therein:
    i. Fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period and, if necessary, revise such annual assessment;
    ii. Send notice of each assessment to every Member in advance of each annual assessment period. Notice shall be sent first class postage paid. Alternately, such notice shall be sent by electronic means provided the Member has designated an electronic mailing address by which the Member agrees to receive notices and conduct business. Failure to comply with the provisions of this subparagraph shall not invalidate any assessment, lien or obligation to pay such assessment~~;~~ and
    iii. Take appropriate action against any Member who is delinquent in the payment of any assessment to the Association, which action may include, but is not limited to, commencement of an action against the Member for payment thereof and/or foreclosure of the lien against the Lot of such Member.

d. Issue, or cause an appropriate officer to issue, upon demand by any person having a legitimate interest, a certificate setting forth whether or not any assessment has been paid, for which certificate a reasonable charge may be made by the Board;
e. Procure and maintain liability, fire and extended coverage casualty insurance, as required by the Declaration, worker's compensation insurance, and such additional insurance and endorsements as the Board may deem desirable;
f. Cause the Common Area, the amenities located thereon, any private streets, public streets or rights-of-way which have been dedicated but not yet accepted for maintenance by the appropriate governmental entity, and any other real and personal property for which the Association may be responsible or as to which the Association may have duties and obligations to be kept in a good state of maintenance and repair;
g. Pay proper expenses of the Association; and
h. Establish and maintain reserve funds for Common Area replacements and maintenance in accordance with the initial budget of the Association or such budgets as may subsequently be adopted from time to time by the Board.
    i. Funds deposited in reserve for a particular purpose shall be held for that purpose and shall not be expended for any other purpose without the vote or written consent of sixty-seven percent (67%) of the total Voting Power of the Association, except that if the Board determines that funds held in reserve for a particular purpose exceed an amount reasonably required as a prudent reserve for that purpose,
    ii. Without the vote or written consent of Members, the excess may be allocated to any other reserve fund established by the Board and expended for the purpose for which such other reserve fund has been established.
    iii. The Board may authorize the temporary transfer of funds from the reserve fund to the association's general operating fund to meet short-term cashflow requirements or other expenses.
    iv. Any fund transfer(s), from a reserve fund to the operating fund shall be presented to the Members, as an agenda item at a regular meeting.
    v. Such transfer shall be recorded in the Board's meeting minutes, explaining the reason(s) for the transfer, and describing when and how the funds will be repaid to the reserve fund.
    vi. **A reserve study shall be conducted every three (3) to five (5) years to ensure adequate funding to maintain community infrastructure. A financial review of the reserve study should be done annually during the budgeting and planning process**.

ARTICLE 9
OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president and vice-presidents, who shall at all times be members of the Board, a secretary, and a treasurer, and such other officers as the Board may, from time to time, by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board following each annual meeting of the Members. Board members' names and term shall be available to Members.

Section 3. Term. The officers of the Association shall be elected annually by the Board and each shall hold office for one (1) year unless such person sooner resigns, or is removed, or is otherwise disqualified to serve. The Board may remove any officer at any time with or without cause. Upon removal or resignation, the Board will elect another person to serve in that office.

Section 4. Special Appointments. The Board may appoint such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board may determine from time to time. Special appointees' name and responsibilities shall be available to Members.

Section 5. Resignation and Removal. Any officer may be removed from office, with or without cause, by the Board. Any officer may resign at any time by giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

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

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

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

a. President: The President shall preside at all meetings of the Board and shall see that orders and resolutions of the Board are carried out;
b. Vice President: The Vice President(s) shall act in the place and stead of the President in the event of his/her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him/her by the Board;
c. Secretary: The Secretary, or an assistant secretary elected and authorized by the Board, shall keep or supervise the keeping by persons designated by resolution of the Board minutes of all meetings of the Board and of the Members and shall have custody and charge of the Association's corporate seal, minute books, membership transfer books, and such other books, papers and documents as the Board may prescribe; and
d. Treasurer: The Treasurer, or an assistant treasurer elected and authorized by the Board, shall be responsible for Association funds and securities and shall keep or supervise the keeping by persons designated by resolution of the Board of books of account of Association receipts and disbursements.
e. The Secretary and Treasurer are not required to be members of the Board.

Section 9. Checks and Drafts. All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness issued in the name of or payable by the Association

shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by the Board.

Section 10. Execution of Contracts and Other Documents. The Board by resolution may authorize any officer or officers, agent or agents to enter into any contract or execute any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances. Unless so authorized by the Board, no officer, agent or employee shall have any power or authority to bind the Association by any contract or agreement or to pledge its credit to render it liable for any purpose or for any amount.

ARTICLE l0
BOOKS AND RECORDS

Section 1. Books and Records Availability. The files of the membership register, books of account and minutes of meetings of the Members, Board and committees of the Board shall be made available for inspection and copying by any Member, any Member's duly appointed representative and any Mortgagee. Inspection and copying shall occur during normal business hours for a legitimate purpose, at such place or places within the Property as the Board may prescribe and at the cost of the requestor.
The Board shall establish reasonable rules with respect to notice to be given to the custodian of the records by the Member or Mortgagee desiring to make the inspection; hours and days of the week when such an inspection may be made; and payment of the cost of reproducing documents requested by a Member or Mortgagee.

Section 2. Governing Documents Availability. The Declaration, the Articles and these Bylaws shall be available for inspection by any Member at the principal office of the Association, where copies may be obtained at reasonable cost to the Member.

Section 3. Rights of Directors. Every Director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association and the physical properties owned or controlled by the Association, including the right to make extracts and copies of documents.

ARTICLE 11
ASSESSMENTS

The terms and provisions of the Declaration entitled "Article 9 Covenants for Assessments" are incorporated herein by reference.

ARTICLE 12
RESERVED

ARTICLE 13
AMENDMENTS AND INTERPRETATION OF DOCUMENTS

Section 1. Amendment. Any amendment of these Bylaws requires approval by either sixty-seven percent (67%) of the votes by Members and proxy holders entitled to cast at a meeting with a

quorum present or a majority of votes of the total Voting Power of the Association whichever is less. No such amendment shall change any provision hereof where such provision is governed by the Articles or the Declaration, unless the applicable provisions of the Articles and/or Declaration are likewise amended as therein required.

Section 2. Dissolution. The Association shall be dissolved upon the termination of the Declaration, or upon the written assent given in writing and signed by not less than sixty-seven percent (67%) of the Voting Power of the Association, or upon such more restrictive or additional conditions and in manner as otherwise provided by the laws of the State of North Carolina. Upon dissolution or insolvency of the Association or upon loss of ownership of the Common Area by the Association for any reason whatsoever (except for exchange or dedication or conveyance of any part or all of the Common Area as allowed by the Declaration or by reason of merger and/or consolidation with any other association as allowed by the Declaration), any portion of the Common Area not under the jurisdiction and being maintained by the Association, shall be offered to the Town, or to some other appropriate governmental entity or public agency (as determined by the Board) to be dedicated for public use for purposes similar to those to which the Common Area and such assets were required to be devoted by the Association. If the Town or such other appropriate governmental entity or public agency accepts the offer of dedication, such portion of the Common Area and assets shall be conveyed by the Association to the Town or such other appropriate governmental entity or public agency, subject to the superior right of the Owner of each Lot to an easement (if necessary) for reasonable ingress and egress to and from such Owner's Lot and the public or private street(s) on which such Lot is located, and subject to all other applicable rights of way and easements and subject to ad valorem property taxes subsequent to the date of such conveyance.
In the event that the Town or such other appropriate governmental entity or public agency refuses the offer of dedication and conveyance, the Association may transfer and convey such Common Area and assets to any nonprofit corporation, association, trust or other entity which is or shall be devoted to purposes and uses that would most nearly conform to the purposes and uses to which the Common Area was required to be devoted by the Declaration, such conveyance to be made subject to the rights of Owners and other matters set forth in the immediately preceding paragraph.

Section 3. Interpretation. In the case of any conflict between the Articles and these Bylaws, the Articles shall control. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control. In the case of any conflict between the Articles and the Declaration, the Declaration shall control.