RIVER WALK PLANTATION HOMEOWNERS ASSOCIATION BYLAWS

VERSION 1.0

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Document Revision List

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Article I - General

Section 1.1 - Name
The name of the corporation is River Walk Plantation Homeowners Association, Inc. (hereinafter referred to as the "Association").

Section 1.2 - Membership
As provided in Article VI of the Declarations of Restrictions, Conditions, Easements, Covenants, Agreements, Liens and Charges of River Walk Plantation Subdivision (hereinafter referred to as the "Declaration"), each Owner of a Lot shall become a Member of the Association upon taking title to the Lot and shall remain a Member for the entire period of the ownership. If title to a Lot is held by more than one person, the membership shall be shared in the same proportion as the title, but there shall be only one (1) membership and one (1) vote per Lot. Membership does not include persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the Owner's membership. Membership shall be appurtenant to each Lot and shall be transferred automatically by conveyance of that Lot and may be transferred only in connection with the transfer of title.

Section 1.3 - Voting
Each Lot shall be entitled to one (1) vote, which may be cast in accordance with the terms herein. A vote may be cast by the Owner, or by a lawful proxy, as provided below, and shall be allocated as provided in the Declaration. When more than one person owns a Lot, the vote for such as Lot shall be exercised as they between or amongst themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot. In the event of disagreement among such persons and an attempt by two or more of them to cast such vote or votes, such persons shall not be recognized and such vote or votes shall not be counted. The Board shall prohibit any owner from voting, either in person or by proxy, or from being elected to the Board of Directors if such owner is shown on the books or management accounts of the Association to be more than sixty (60) days delinquent in any payment due the Association.

Section 1.4 - Majority
As used in these Bylaws, for any vote of the membership held in accordance with or pursuant to the Declaration, the term "majority" shall mean those votes, owners, or other groups as the context may indicate totaling more than fifty percent (50%) of the total number of eligible votes, owners, or other groups. Unless otherwise specifically stated, the words "majority vote" shall mean more than fifty percent (50%) of the eligible votes of the Association represented at a meeting in person or by proxy. Unless otherwise provided in the Declaration or these Bylaws, all decisions shall be by majority vote.

Section 1.5 – Purpose
The Association shall have the responsibility of administering the River Walk Plantation subdivision and community, establishing the means and methods of collecting contributions for common expenses, arranging for management of the Subdivision, enforcing the Declaration and these Bylaws, and performing all other acts that may be required to be performed by the Association by the Declarations. The Association shall also amend and supplement that system of administration, the Declarations and these Bylaws as may be required from time to time and perform all other things or acts required or permitted. Except as to those matters which either the Declaration, these Bylaws or the North Carolina Nonprofit Corporation Act specifically require to be performed by the vote of the Association, the administration of the foregoing responsibilities shall be performed by the Board of Directors, as is more particularly set forth below.

Article II - Definitions

Section 2.1 - Definitions
Terms used in these bylaws shall have the meanings as set forth in Article I of the Declaration unless specifically provided otherwise or the context otherwise requires.

Article III – Meeting of Members

Section 3.1 – Annual Meetings
The regular annual meeting of the members shall be held at a time and place designated by the Board of Directors.

Section 3.2 – Substitute Annual Meetings
If an Annual Meeting is not held on the day scheduled and designated by the Board of Directors, then a Substitute Annual meeting shall be called in accordance with this Article. A meeting so called shall be designated and treated for all purposes as an Annual Meeting.

Section 3.3 – Special Meetings
Special meetings of the members for any purpose may be called at any time by the President, and shall be called upon the request of a majority of the Board of Directors, or upon the written request of Lot owners having twenty percent (20%) of the votes in the Assocation.

Section 3.4 – Notice of Meetings
It shall be the duty of the Secretary to mail or to cause to be delivered to the Lot Owners a notice of each annual or special meeting of the Association at least thirty (30) days and not more than sixty (60) days prior to each annual or special meeting. The notice of any meeting must state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or Bylaws, any budget changes, and any proposal to remove a director or officer. In the case of a Special Meeting, the notice of the meeting shall state specifically the purpose or purposes for which the meeting was called. Notices shall be delivered personally or mailed to each Owner of record at his Lot; if any Owner wishes notice to be given at an address other than his Lot, the Owner shall designate by notice in writing to the Secretary such other address. The mailing or delivering of a notice of meeting in the manner provided in this Section shall be considered service of notice.

Section 3.5 – Waiver of Notice
Waiver of notice of a meeting of the Owners shall be deemed the equivalent of proper notice. Any Owner may, in writing, waive notice of any meeting of the Owners, either before or after such meeting. Attendance at a meeting by an Owner, whether in person or by proxy, shall be deemed waiver by such Owner of notice of the time, date, and place thereof, unless such Owner specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted thereat, unless objection to lack of notice is raised before the business, of which proper notice was not given, is put to a vote.

Section 3.6 – Quorum
The presence of Owners entitled to cast sixty percent (60%) of the eligible votes of the Association, in person or by proxy, shall constitute a quorum. If a quorum is not met, refer to Section 10, Article B of the Covenants.

Section 3.7 – Adjournment

Any meeting of the Owners may be adjourned from time to time by the President or Chairperson or by a vote of the Owners holding the majority of the votes represented at such a meeting, regardless of whether a quorum is present. Any business which could be transacted properly at the original session of the meeting may be transacted at an adjourned session, and no additional notice of such adjourned session shall be required.

Section 3.8 – Proxy

Any Member entitled to vote may do so by written proxy duly executed by the Member setting forth the meeting at which the proxy is valid. To be valid, a proxy must be filed with the Secretary prior to the opening of the meeting for which it is to be used and must be dated. No proxy shall be revocable except by written notice delivered to the Association before a meeting or, if at the meeting, to the person presiding.

Section 3.9 – Vote by Written Ballot

In accordance with Section 55A-7-08 of the North Carolina Nonprofit Corporation Act, any action that may be taken at any annual, regular, or special meeting of the members may be taken without a meeting if the Association delivers by mail or otherwise a written ballot to every member entitled to vote on the matter.

Section 3.10 – Conduct and Business

Robert’s Rules of Order (latest edition) shall govern the conduct of the meeting, when not in conflict with the Declarations, Articles of Incorporation, these Bylaws, or any ruling made by the person presiding over the meeting.

Article IV – Board of Directors

Section 4.1 - Composition

The affairs of the Association shall be governed by a Board of Directors. The Board shall be composed of five (5) directors. Each director shall be an Owner, or the spouse of an Owner of at least one Lot; provided, however, two Owners of the same Lot may not serve on the Board at the same time.

Section 4.2 – Election and Term of Office

Directors shall be elected by vote of those persons present, in person or by proxy, at the annual meeting, a quorum being present. Those persons receiving the most votes shall be elected to the number of positions being filled. The term of office for directors shall be for two (2) years, commencing from the date of elections and continuing until the election of successors. An individual may be re-elected to the Board for one (1) additional two (2) year term. No continuous duration of service may exceed four (4) years.

Section 4.3 - Nomination

Nominations for election to the Board of Directors shall be by a Nominating Committee consisting of a Chairperson, who shall be a member of the Board, and at least two (2) members of the Association. The Nominating Committee shall be appointed by the Board prior to each annual meeting of the members to serve from the close of the annual meeting until the close of the next annual meeting, and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board as it shall, in its discretion, determine; however, in no event shall the nominations be less than the number of vacancies. Nominations may also be made from the floor of the annual meeting.

Section 4.4 – Removal of Members of the Board of Directors

At any regular or special meeting of the Association duly called at which a quorum is present, any one or more of the members of the Board of Directors may be removed, with or without cause, by a majority of all persons present and entitled to vote at such meeting, and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the Members shall be given at least ten (10) days' prior notice of the calling of the meeting and the purpose thereof and shall be given an opportunity to be heard at the meeting. Additionally, any member of the Board of Directors who has been absent without an excuse from two (2) consecutive Board meetings may be removed from the Board by the vote a a majority of the Board members present at a Board meeting, a quorum being had.

Section 4.5 - Vacancies

Vacancies in the Board of Directors caused by any reason, other than the removal of a director by a vote of the Association, shall be filled by a vote of the majority of the remaining directors, even though less than a quorum, at any meeting of the Board of Directors. Each person so selected shall serve until a successor shall be elected at the next annual meeting of the Association to fill the unexpired portion of the term.

Section 4.6 - Compensation

No Member of the Board shall receive any compensation from the Association for acting as such; provided, however, each Director, upon approval of the Board, shall be reimbursed for reasonable out-of-pocket expense incurred and paid by him on behalf of the Association, and nothing herein shall prohibit the Association from compensating a Director for unusual and extraordinary services rendered to the extent authorized by the Members of the Association at any meeting called for that purpose; further provided, each Director, by assuming office, waive his right to institute suit against or make claim upon the Association for compensation.

Section 4.7 – Organizational Meeting

The first meeting of a newly elected Board shall be held within ten (10) days of election at such time and place as may be determined by the directors.

Section 4.8 – Regular Meetings

Meetings of the Board of Directors shall be held regularly at such time and place as shall be determined from time to time by the Board. There shall be a minimum of six (6) meetings of the Board of Directors per year.

Section 4.9 – Special Meetings

Special Meetings of the Board of Directors may be called by the President on three (3) days' notice to each director given by mail, in person or by telephone, which notice shall state the time, place, and purpose of the meeting. Special meetings of the Board of Directors shall be called by the Vice President, Secretary, or Treasurer in like manner an on like notice on the written request of at least two (2) directors.

Section 4.10 – Waiver of Notice

Any director may, at any time, in writing, waive notice of any meeting of the Board of Directors, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board of Directors shall also constitute a waiver of notice by him of the time and place of such meeting. If all directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

Section 4.11 – Conduct of Meetings

The President shall preside over all meetings of the Board of Directors, and the Secretary shall keep a minute book recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings. Robert's Rules of Order (latest edition) shall govern the conduct of the meetings of the Board of Directors when not in conflict the Declaration, the Articles of Incorporation, or these Bylaws. A majority of directors shall constitute a quorum for the transaction of business. A decision of the Board of Directors shall be by a majority of those directors present at the duly called meeting. The President may vote.

Section 4.12 – Action Without a Meeting
Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of them members of the Board of Directors shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the Board of Directors. Any action taken without a meeting must be unanimously agreed upon by the Board and written consent to the action by all Directors must be filed with the minutes of the Board of Directors.

Section 4.13 – Tie Votes
In the event of a tie vote by the Board of Directors, the President may, in addition to his vote as a Board member, exercise a supplemental vote to break the tie vote. If a vote ends in a tie due to one Board member being absent from the meeting or excluding himself from voting, the following will occur:

First – an attempt must be made to contact the absent Board member to get their vote
Second – the vote will be deferred until the next meeting, if possible
Third – the Secretary gets the tiebreaker vote

Section 4.14 – Powers and Duties
The Board of Directors shall manage the affairs of the Association and shall have all the powers and duties necessary for the administration of the River Walk Plantation Subdivision and may do all such acts and things as are not by the Declaration, Articles of Incorporation, or these Bylaws directed to be done and exercised exclusively by the Association Members. The Board shall have the power to adopt, modify, and repeal such reasonable rules and regulations as it deems necessary and appropriate for the governance of the River Walk Plantation Subdivision or the administration of the affairs of the Association and to impose sanctions for violations therefore, including, without limitation, monetary fines. Such powers and duties shall include but be limited to:

(a) Adopt and amend Rules and Regulations;
(b) Adopt and amend budgets for revenues, expenditures, and reserves;
(c) Collect assessments for common expenses for Lot Owners;
(d) Hire and terminate managing agents and other employees, agents, and independent contractors;
(e) Institute, defined, or intervene in its own name in litigation or administrative proceedings on matters affecting the River Walk Plantation Subdivision;
(f) Make contracts, open bank accounts, and incur liabilities;
(g) Regulate the use, maintenance, repair, replacement, and modification of common elements;
(h) Cause additional improvements to be made as part of the common elements within the limits of expenditures permitted by the Declarations and/or Bylaws;
(i) Acquire, hold, encumber, and convey in its own name any right, title or interest to real or personal property;
(j) Grant easements, leases, licenses, and concessions through or over the common elements;
(k) Impose and receive any payments, fees, or charges for the use, rental, or operation of the common elements and for services provided to Lot Owners;
(l) Impose charges for late payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines not to exceed One Hundred Fifty Dollars ($150.00) per violation (on a daily bases for continuing violations) of the Declaration, Bylaws, and Rules and Regulations of the Association;
(m) Impose reasonable charges for the preparation and recordation of amendments to the Declaration or statements of unpaid assessments;
(n) Proved for the indemnification of and maintain liability insurance for its officers, directors, employees and agents;

(o) Borrow money and assign its right to future income, including the right to receive common expense assessments subject to approval of the purpose of the borrowing by a majority of the vote of the members of the Association;
(p) Prepare, execute, certify and record amendments to the Declaration and Bylaws on behalf of the Association;
(q) Exercise any other powers conferred by the Declaration or Bylaws;
(r) Exercise all other powers that may be exercise in this State by nonprofit corporations; and
(s) Exercise any other powers necessary and proper for the governance and operation of the Association.

All rules are subordinate to all governed city, county, state and federal law.

Section 4.15 – Management Agent

The Board of Directors may employ for the River Walk Plantation Subdivision a professional management agent or agents, at a compensation established by the Board of Directors, to perform such duties and services as the Board of Directors shall authorize. Any management contract shall contain a termination clause permitting termination without cause and without penalty, upon no more than thirty (30) days written notice.

Section 4.16 – Architectural Standards

The Board shall establish an Architectural Standards Committee for the purpose of establishing and maintaining architectural standards on River Walk Plantation Subdivision property, as hereinafter provided.

Section 4.17 – Additional Committees

The Board may establish such other committees as it deems desirable.

Section 4.18 – Committee Chairpersons and Members

The Board shall elect the chairperson and approve the members of each committee established.

Article V - Officers

Section 5.1 – Designation

The officers of the Association shall consist of a President, a Secretary, a Treasurer, and such Vice-Presidents, Assistant Secretaries, Assistant Treasurers, and other officers as the Board may from time to time elect. Except for the President, no officer need be a member of the Board.

Section 5.2 – Election of Officers

The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board following each annual meeting of the members and shall hold office at the pleasure of the Board of Directors and until a successor is elected. No one person shall hold more than one office.

Section 5.3 – Removal of Officers

Upon the affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and a successor may be elected.

Section 5.4 – President

The President shall be the chief executive officer of the Association and shall preside at all meetings of the Members and of the Board of Directors. The President shall have all the general powers and duties, which are incident to the office of the president of a corporation organized under the North Carolina Nonprofit Corporation Act.

Section 5.5 – Vice Presidents

The Vice Presidents, if any, in the order of their election, unless otherwise determined by the Board shall act in the President’s absence and shall have all powers, duties, and responsibilities provided for the President when so acting.

Section 5.6 – Secretary

The Secretary shall keep the minutes of all meetings of the members and of the Board of Directors and shall have charge of such books and papers as the Board of Directors may direct and shall, in general, perform all duties incident to the office of the secretary of a corporation organized in accordance with North Carolina law.

Section 5.7 – Treasurer

The Treasurer shall have the responsibility for the Association’s funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, for preparing all required financial statements and tax returns, and for the deposit of all monies and other valuable effects in the name of the Association or the managing agent in such depositories as may from time to time be designated by the Board of Directors. Furthermore, the Treasurer shall cause an annual audit or review of the Association’s books as directed by the Board or the Association pursuant to Section 6.6 of these Bylaws.

Section 5.8 – Amendments to Declaration and Bylaws

The Board of Directors shall prepare and ratify by a majority vote and the President shall execute, certify, and record amendments to the Declarations and Bylaws on behalf of the Association. The Secretary shall attest to such execution and certification.

Article VI – Indemnification of Officers and Directors

Section 6.1 – Indemnification of Officers and Directors

The Association shall indemnify every officer and director against any and all expenses, including legal fees, reasonably incurred by or imposed upon such officer or director in connection with any action, suit, or other proceeding (including settlement of any such action, suit, or proceeding, if approved by the then Board of Directors) to which he or she may be made a party by reason of being or having been an officer or director, whether or not such person is an officer or director at the time such expenses are incurred. The officers and directors shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance or other commitment made by them, in good faith, on behalf of the Association (except to the Association), and the Association shall indemnify and forever hold each such officer an director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director, or former officer or director, may be entitled. The Association shall, as a common expense, maintain adequate general liability and, if obtainable, officers’ and directors’ liability insurance to fund this obligation, and the issuance shall be written as provided in this Declaration.

Article VII - Miscellaneous

Section 7.1 – Notices

Unless otherwise provided in these Bylaws, all notices, demands, bills, statements, or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States mail, first class postage prepaid:

(a) if to a Lot Owner, at the address which the Lot Owner has designated in writing and filed with the Secretary, or, if no such address has been designated, at the address of the Lot of such Owner; or

(b) if to the Association, the Board of Directors, or the managing agent, at the principal office of the Association or the managing agent, if any, or at such other address as shall be designated in accordance with subsection (a) hereof.

Section 7.2 – Severability

The invalidity of any part of the Declaration or these Bylaws shall not impair or affect in any manner the validity, enforceability, or effect of the balance of the Declaration or these Bylaws.

Section 7.3 – Captions

The captions herein are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope of the Declaration or these Bylaws or the intent of any provision thereof.

Section 7.4 – Gender and Grammar

The use of the masculine gender in the Declaration or these Bylaws shall be deemed to include the feminine gender, and the use of the singular shall be deemed to include the plural, whenever the context so requires.

Section 7.5 – Fiscal Year

The fiscal year shall be the same as the calendar year (January 1st to December 31st).

Section 7.6 – Audit

An audit or review of the accounts of the Association shall be made annually in the manner directed by the Board and results communicated to each of the members. However, after having received the Board's audit or review at the annual meeting, the Owners may, by a majority of the total Association vote, require that the accounts of the Association be audited as a common expense by an independent accountant.

Section 7.7 – Conflicts

In the event of conflicts between the North Carolina Subdivision Act, the Declarations, these Bylaws, and Board Resolutions, the North Carolina Subdivision Act, the Declarations, these Bylaws, and Board Resolutions shall control, in that order.

Section 7.8 – Amendment

These Bylaws may be amended by the affirmative vote, written consent, or any combination of affirmative vote and written consent of the members holding a majority of the total votes entitled to be cast on the amendment. Notice of any meeting at which an amendment will be considered shall state that fact and the subject matter of the proposed amendment.

Section 7.9 – Books and Records

All members of the Association and all mortgages shall, upon written request, be entitled to inspect all books and records of the Association during normal business hours at the office of the Association or other place designated reasonably by the Board of Directors as the depository of such books and records.