

# **BYLAWS**

## **South Landing Property Owners Association, Inc.**

**February 7, 2012**

**(Revision 7)**

# Bylaws of South Landing Property Owners' Association, Inc.

## Revision 7

Approved February 7, 2012

The Association is organized as a non-profit corporation in the State of North Carolina recorded in Book 11, Page 476, Department of the Secretary of State, Raleigh, North Carolina. The purpose of the Association is to promote the development and preservation of a safe, pleasant environment for home ownership within the South Landing community.

To achieve the purpose set forth, the Association's activities shall include but not necessarily be limited to:

- (a) management of roadways, common grounds, and facilities which are or will become property of the Association;
- (b) providing Architectural and other controls on structures and land use as specified more fully in Article VII, Section 1.

The general powers of the Association derive from the document entitled "Covenants and Restrictions for South Landing Property Owners Association, Inc." on file in the Lee County Public Registry, Book XXX, Page XXX.

## ARTICLE I

### OFFICES

**Section 1. Principal Office.** The principal office of the Association shall be located at South Landing, Sanford, North Carolina.

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

## ARTICLE II

### MEMBERSHIP

**Section 1. Who Are Members.** Members include all present owners of lots, with or without dwellings, in the South Landing I, II and III Subdivisions of Lee County, North Carolina.

## ARTICLE III

### MEETINGS OF MEMBERS

**Section 1.** Place of Meetings. All meetings of Members shall be held at Carolina Trace Country Club, or at such other place, either within or without the State of North Carolina, as shall be designated in the notice of the meeting or agreed upon by a majority of the Members entitled to vote thereat.

**Section 2. Annual Meetings.** The annual meeting of Members shall be held at the Carolina Trace Country Club during the first week of February of each year for the purpose of electing directors and an Architectural Committee of the Association and for the transaction of such other business as may be properly brought before the meeting.

**Section 3. Substitute Annual Meeting.** If the annual meeting shall not be held on the day designated by these bylaws, a substitute annual meeting may be called in accordance with the provisions of Section 4 of this Article III. A meeting so called shall be designated and treated for all purposes as the annual meeting.

**Section 4. Special Meetings.** Special meetings of the Members may be called at any time by the President, Secretary or Board of Directors of the Association, or by any Member pursuant to the written request of not less than one-tenth of all the members entitled to vote at the meeting.

**Section 5. Notice of Annual and Special Meetings.** Written or printed notice stating the time and place of the meeting shall be delivered not less than thirty nor more than fifty days before the date of any meeting, either personally or by mail, by or at the direction of the President, the Secretary, or other person calling the meeting, to each Member entitled to vote at such meeting. If mailed, such notice 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 record of members of the Association, with postage thereon prepaid.

In the case of a special meeting, the notice of meeting shall specifically state the purpose or purposes for which the meeting is called; but, in the case of an annual or substitute annual meeting, the notice of meeting need not specifically state the business to be transacted thereat.

When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. When a meeting is adjourned for less than thirty days in any one adjournment, it is not necessary to give any notice of the adjourned meeting other than by announcement at the meeting at which the adjournment is taken.

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

**Section 7. Quorum.** A majority of the outstanding Members of the Association entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of Members, except that at a substitute annual meeting of Members the number of Members there represented either in person or by proxy, even though less than a majority, shall constitute a quorum for the purpose of such meeting.

The Members present at a duly organized meeting may continue to transact business until adjournment notwithstanding the withdrawal of enough Members to leave less than a quorum.

In the absence of a quorum at the opening of any meeting of Members, such meeting may be adjourned from time to time by a vote of the majority of the Members voting on the motion to adjourn; and at any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the original meeting.

**Section 8. Proxies.** Members may vote either in person or by one or more agents authorized by a written proxy executed by the Member or by his duly authorized attorney in fact. A proxy is not valid after the expiration of eleven months from the date of its execution, unless the person executing it specified therein the length of time for which it is to continue in force, or limits its use to a particular meeting, but no proxy shall be valid after ten years from the date of its execution.

**Section 9. Voting of Members.** Each Member entitled to vote shall be entitled to one vote per lot owned by such Member. Each Member may cast his vote or votes on each matter submitted to a vote at a meeting of Members. When property described in Article II, Section 1. above, shall be titled in more than one owner's name, each of the joint owners shall be a Member of the Association, but jointly shall be entitled to only one vote per lot on each matter submitted to vote.

## ARTICLE IV

## BOARD OF DIRECTORS

- Section 1. General Powers.** The business and affairs of the Association shall be managed by its Board of Directors.
- Section 2. Number, Term and Qualifications.** The number of directors constituting the Board of Directors shall be 9. The Board of Directors shall be elected for a term of three years. Terms shall be staggered so that each year three new directors shall be elected to replace three retiring directors.
- Section 3. Election of Directors.** Except as provided in Section 5 of this article, a slate proposed by the Nominating Committee shall be presented for election at the annual meeting. A majority affirmative vote of those present and by proxy shall constitute election.
- Section 4. Removal.** Any director may be removed at any time for cause by a majority vote of the Members entitled to vote at an election of directors.
- Section 5. Vacancies.** Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining directors even though less than a quorum, or by the sole remaining director. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. Any directorship to be filled by reason of an increase in the authorized number of directors shall be filled only by election at an annual meeting or at the special meeting of Members called for that purpose.
- Section 6. Chairman of Board.** The President of the Association shall serve as Chairman of the Board of Directors, and shall preside at all meetings of the Board.
- Section 7. Compensation.** The Board of Directors shall not compensate directors for their services as such but may provide for the reimbursement of any or all reasonable expenses incurred by directors.
- Section 8. Nominating Committee.** A nominating committee consisting of three members shall be appointed by the President and approved by the Board of Directors. It shall present candidates for election to Board membership and the Architectural Committee. The members of the nominating committee need not be from the current Board.
- Section 9. Indemnity.** Each director, officer, and member of the Architectural Committee, now or hereinafter in office, and his heirs, executors and administrators, shall be indemnified by the Association against all costs, expenses, and amounts of liability imposed on him in connection with or resulting from any action, suit, proceeding or claim to which he may be a part or which may be asserted against him, or in which he may be made a

part or which may be asserted against him, or in which he may be or become involved by reason of his acts of omission or commission, or alleged acts of omission or commission, provided such actions are undertaken for the Association in good faith and without personal malice detrimental to third parties

## ARTICLE V

### MEETINGS OF DIRECTORS

**Section 1. Regular Meetings.** A regular meeting of the Board of Directors shall be held immediately after, and at the same place as, the annual meeting of Members. One item of business at this meeting shall be the election of officers. In addition, the Board of Directors may provide, by resolution, the time and place for the holding of additional regular meetings.

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

**Section 3. Notice of Meetings.** Regular meetings of the Board of Directors may be held without notice.

The person or persons calling a special meeting of the Board of Directors shall, at least five days before the meeting, give notice thereof by any usual means of communication. Such notice must specify the purpose for which the meeting is called.

**Section 4. Waiver of Notice.** Any director may waive notice of any meeting. The attendance by a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

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

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

**Section 7. Presumption of Assent.** A director of the Association who is present at a meeting of the Board of Directors at which action on any matter is taken

shall be presumed to have assented to the action taken unless his contrary vote is recorded or his dissent is otherwise entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Association within three days after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

**Section 8. Informal Action by Directors.** Action taken by a poll of each available member of the Board of Directors without a meeting is nevertheless Board action. Such action must be unanimous and the vote thereon shall be reported together with the names of those voting and recorded in the minutes at the next regular meeting of the board.

## ARTICLE VI

### OFFICERS

**Section 1. Officers of the Association.** The Board of Directors shall elect, from within its membership, the officers of the Association. The officers shall consist of a President, a Secretary, a Treasurer and such Vice Presidents Assistant Secretaries, Assistant Treasurers, and other officers as the Board of Directors may from time to time elect. No two or more offices may be held by the same person.

**Section 2. Election and Term.** The officers of the Association shall be elected by the Board of Directors and each officer shall hold office for one (1) year.

**Section 3. Compensation of Officers.** The compensation of all officers of the Association shall be fixed by the Board of Directors and no officer shall serve the Association in any other capacity and receive compensation therefor unless such additional compensation be authorized by the Board of Directors.

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

**Section 5. President.** The President shall be the principal executive officer of the Association and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Association. He shall, when present, preside at all meetings of the Association. He shall sign, with the Secretary, an Assistant Secretary, or any other proper officer of the Association thereunto authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these bylaws to some other officer or agent of the Association, or shall be required by law to be otherwise signed or executed; and in general he shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

**Section 6. Vice President.** In the absence of the President or in the event of his death, inability or refusal to act, the Vice Presidents in the order of their length of service as Vice President, unless otherwise determined by the Board of Directors, shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President may sign, with the Secretary or an Assistant Secretary, corporate documents; and shall perform such other duties as from time to time may be assigned to him by the President or Board of Directors. In December of each year, the Vice President shall be responsible for an in-house audit of the South Landing financial statements. The Vice President shall appoint a committee composed of up to three (but not less than 2) South Landing property owners who are not currently serving on the South Landing Board of Directors, to perform said audit. The audit committee report shall be presented by the Vice President to the Board of Directors in January.

**Section 7. Secretary.** The Secretary shall: (a) keep the minutes of the meetings of Members, of the Board of Directors and of all Executive Committees in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these bylaws or as required by law; (c) be custodian of the records and of the seal of the Association and see that the seal of the Association is affixed to all documents, the execution of which on behalf of the Association under its seal is duly authorized; (d) keep a register of the post office address of each Member which shall be furnished to the Secretary by such Member; (e) sign with the President, or a Vice President, corporate documents; (f)

keep or cause to be kept in the State of North Carolina at the Association's registered office or principal place of business a record of the Association's Members, giving the names and addresses of all Members, and prepare or cause to be prepared voting lists prior to each meeting of Members as required by law; and (g) in general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

**Section 8. Treasurer.** The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the Association; administer the collection of assessments and receive and give receipts for moneys due and payable to the Association from any source whatsoever, and deposit all such moneys in the name of the Association in such depositories as shall be selected in accordance with the provisions of Section 4 of Article IX of these bylaws; (b) prepare, or cause to be prepared, a true statement of the Association's assets and liabilities as of the close of each fiscal year, all in reasonable detail, which statement shall be made and filed at the Association's registered office or principal place of business in the State of North Carolina within four months after the end of such fiscal year and thereat kept available for a period of at least ten years; and (c) in general pay association bills and perform all of the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him by the President or by the Board of Directors, or by these bylaws.

## **ARTICLE VII**

### **ARCHITECTURAL COMMITTEE**

**Section 1. General Powers.** The architecture of homes, other structures, and improvements thereto, including but not limited to, exterior design/colors, materials, size, general quality, location on the lot, and harmony with existing structures and standards of the neighborhood, shall be controlled by an Architectural Committee, as set forth more fully in Section III, ARCHITECTURAL CONTROL of the Covenants and Restrictions, the provisions of which sections are included herein by reference. These provisions may be augmented from time to time by the issuance of Construction Guidelines issued by the Architectural Committee and approved by the Board of Directors.

**Section 2. Number and Term.** The Architectural Committee shall be composed of three persons, one of whom must be a Director and shall be elected as chairman. The members of the Architectural Committee shall be elected for a term of one year. A member of the committee may be elected to successive terms.

**Section 3. Election of Architectural Committee.** The Architectural Committee members shall be proposed by the Nominating Committee and elected by a majority favorable vote of those Members present and by proxy at the Annual Meeting.

**Section 4. Vacancies.** Any vacancy occurring in the Architectural Committee may be filled by the affirmative vote of a majority of the Board of Directors. A committee member elected to fill a vacancy shall be elected for the unexpired term of his predecessor.

**Section 5. Compensation.** The Board of Directors shall not compensate members of the Architectural Committee for their services as such but may provide for the reimbursement of any or all reasonable expenses incurred in performing their duties.

## ARTICLE VIII

### CAROLINA TRACE ASSOCIATION, INC. REPRESENTATION

**Section 1. General.** The Carolina Trace Association, Inc. (CTA) is a body comprised of all the individual subdivisions of Carolina Trace. This body is responsible for the common roads and areas of Trace, as well as the security of property and maintenance of the gate house. Each subdivision appoints an authorized representative and an authorized alternate to the CTA Board of Directors.

**Section 2. Selection of Representatives.** The President of the South Landing Association shall nominate a representative and an alternate from the resident property owners. Such property owner may or may not be a member of the Board of Directors of South Landing. Election will be by the majority vote of the Board of Directors of the South Landing Property Owners Association.

**Section 3. Duties.** Represent the South Landing Property Owners Association, Inc. as a voting member of the Carolina Trace Association, Inc. Board of Directors. Predetermine the position of the South Landing Board of Directors on pending issues and vote accordingly. Report to the South Landing Board of Directors significant actions and/or proposals that could or would impact the Carolina Trace community or the South Landing Property owners.

**Section 4. Term.** The appointment will be for a two year term and will begin on even numbered years. An individual so appointed may be re-appointed to successive terms.

## **ARTICLE IX**

### **CONTRACTS, LOANS, CHECKS AND DEPOSITS**

**Section 1. Contracts.** The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

**Section 2. Loans.** No loans shall be contracted on behalf of the Association and no evidences of indebtedness shall be issued in its name unless authorized by a resolution approved by a majority vote of the Board of Directors.

**Section 3. Checks and Drafts.** All checks, drafts or other orders for the payment of money, issued in the name of the Association, shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution approved by a majority vote of the Board of Directors. The Treasurer is authorized to disburse budgeted funds approved by the appropriate officer or agent.

**Section 4. Deposits.** All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such depositories as the Board of Directors may select.

**ARTICLE X**  
**ASSESSMENTS**

- Section 1. Amount.** Assessment of Members shall be such amount as shall be approved according to the Covenants and Restrictions for South Landing Property Owners Association, Lee County Public Registry, book XXX, Page XXX.
- Section 2. Due Date.** Annual Assessments shall be due and payable on January 1. Penalty for late payment shall be established by the Board and collectable by the Treasurer including any reasonable costs.
- Section 3. Delinquency.** Lots belonging to delinquent members are subject to liens and other legal remedies up to and including foreclosure.

**ARTICLE XI**  
**GENERAL PROVISIONS**

- Section 1. Seal.** The corporate seal of the Association shall consist of two concentric circles between which is the name of the Association and in the center of which is inscribed SEAL; and such seal, as impressed on the margin hereof, is hereby adopted as the corporate seal of the Association.
- Section 2. Waiver of Notice.** Whenever any notice is required to be given to any Member or director by law, by the charter or by these bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.
- Section 3. Fiscal Year.** Unless otherwise ordered by the Board of Directors, the fiscal year of the Association shall be from January 1st through December 31<sup>st</sup>.
- Section 4. Amendments.** Except as otherwise provided herein, these bylaws may be amended or repealed and new bylaws may be adopted by the affirmative vote of a majority of the Members of the Association.

