

**BYLAWS  
OF  
GREENWOOD FIELDS HOME OWNERS ASSOCIATION, INC.,  
A NORTH CAROLINA NON-PROFIT CORPORATION**

**ARTICLE I  
Association of Owners**

Section 1. Purpose: These Bylaws ("Bylaws") are established to govern the Greenwood Fields Home Owners Association, Inc., a North Carolina non-profit corporation (herein the "Corporation"). These Bylaws are created under that DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR GREENWOOD FIELDS SUBDIVISION (herein the "Property") duly recorded in the Buncombe County, North Carolina Register of Deeds Office and all amendments thereto (herein collectively the "Declaration") with GREENWOOD FIELDS, LLC, a North Carolina limited liability company as the declarant (herein the "Declarant"), and all terms defined therein shall be incorporated herein and used without further definition.

Section 2. Location: The Property is located in Buncombe County, North Carolina. The principal office of the Corporation shall be located at a place, as determined from time to time by the Board and as designated most recently in the annual report of the Corporation or amendment thereto.

Section 3. Applicability: The provisions of these Bylaws shall apply to all Owners and occupants of Lots within the Property. Furthermore, the acquisition or occupancy of any Lot shall constitute acceptance of these Bylaws and an express agreement to be bound by the terms hereof.

**ARTICLE II  
Membership and Voting**

Section 1. Members: Every Owner within the Property shall be a Member of the Association, and shall remain a Member as long as they retain an ownership interest therein. When there is more than one Owner, all such persons shall be Members of the Association.

Section 2. Registration: It shall be the duty of all Owners to register their names and mailing addresses with the Association. If an Owner fails to properly register, the Association shall be under no obligation to recognize the privileges or rights of such Owner as Member of the Association. If the Owner's interest is subject to any obligation secured with a Deed of Trust or Mortgage, then the Owner shall register the name and address of the holder of such obligation. In determination of quorums and voting resolutions, only votes of registered Members shall be considered.

Section 3. Voting Rights: Each Lot shall be entitled to one (1) vote in all matters considered by the Association. Where more than one person or entity shares ownership of a Lot, then the Owners shall designate an individual to exercise the voting rights thereof and shall register the same with the Association.

Section 4. Assignment: A Member's interest in the Association assets cannot be transferred or encumbered except as an appurtenance to any such Lot.

**ARTICLE III**  
**Administration and Meetings**

Section 1. Place and Time of Meetings: Meetings of the Members shall be held at such place within the Property or at such other place as may be designated by the Board. An annual meeting of the Members shall be held at least once each year, the date and time of which shall be designated by the Board, and notice thereof shall be mailed to each Member at the address registered with the Association no less than ten (10) days but not more than sixty (60) days prior to the date of the meeting. Any business may be discussed and transacted at such annual meeting. Special meetings may be called, as necessary, by the President, the Board, or by request of Members entitled to cast at least ten (10) percent of votes, and notice thereof shall be mailed to each Member at the address registered with the Association no less than ten (10) days, but no more than sixty (60) days prior, to the date of such meeting. Only matters indicated in the notice of special meeting may be discussed and transacted at a special meeting.

Section 2. Agenda: The order of business at all meetings shall be as follows, unless otherwise agreed: (1) roll call; (2) proof of notice of meeting or waiver of notice; (3) reading of minutes of preceding meeting; (4) reports of Officers and Directors; (5) reports of committees; (6) unfinished business; (7) new business; (8) voting of Members/election of Officers and Directors; and (9) adjournment

Section 3. Authority: The Association shall act through the Board, in accordance with the votes cast by the Members. Unless otherwise set forth in the Declaration, or elsewhere herein, all matters shall be decided by a simple majority of votes cast at any meeting in which a quorum is maintained. The Board shall be charged with the managing the affairs of the Association in accordance with the consensus of the Members.

Section 4. Action Without Meeting: In lieu of a formal meeting, the Association and Board may be authorized to take specific actions without a meeting, provided the unanimous consent of all Members has been rendered in writing and registered with the Association.

Section 5. Records: The Association shall make available to Owners, Members, and mortgagees, within a reasonable time and upon reasonable request copies of the following: (1) Declaration or other restrictions, (2) these Bylaws, (3) any Rules and Regulations adopted, (4) the register of Members, and (5) the records and financial statements of the Association. Furthermore, the Association shall, within a reasonable time of request therefor, verify Assessments due and reasonably aid in the transfer of ownership. The Association may charge, and every requesting party shall pay, a reasonable fee to compensate for copying and other administrative expenses related to such a request.

Section 6. Representative: The Association shall represent the Owners in any condemnation proceedings or other legal action involving Common Elements. The Association shall have the authority to negotiate, settle, and obligate the Members with regard to such matters, unless such authority is specifically revoked in writing prior to any initial filing. Any awards or payments made to the Association shall be for the use and enjoyment of the Owners, which may or may not be distributed.

**ARTICLE IV**  
**Board of Directors**

Section 1. Composition and Election: The initial Board shall consist solely of the Declarant until such time as Declarant no longer owns any Lot in the Subdivision. Subsequent to the initial Board, the Board shall be composed of three (3) to five (5) Directors as deemed necessary by vote of the Association. The Declarant, in its sole and absolute discretion, may appoint the first Board of Directors to follow the initial Board, which may be comprised of persons who are not Members, but this shall in no way be construed so as to create any obligation upon Declarant for any such appointment. The Directors shall be elected to terms of three (3) years, and the terms of Directors shall be staggered such that no more than two-thirds

(2/3) of the existing Directors' terms shall expire at any one time. All Directors must be a Member, or the individual nominee of a Member, if other than a natural person.

**Section 2. General Powers and Duties:** The Board shall be charged with the general administration of the Association. All actions of the Board shall be pursuant to specific authority conferred by vote of the Members. The Board shall prepare the Association budget, determine and collect Assessments, and tender all payments on behalf of the Association.

**Section 3. Specific Powers and Duties:** In addition to the duties and powers provided elsewhere in these Bylaws, the Declaration, or by resolution of the Association, the Board shall be responsible for overseeing the following:

(i) Care, upkeep, and protection of the Property in the manner provided herein, including but not limited to the repair, maintenance, replacement, landscaping and mowing, liability insuring of, and otherwise keeping all Common Element(s) or Limited Common Element(s) in good and slightly conditions. It is the intention of the Declarant and all Owners that the obligations of Owners to pay the Assessments should never fail for lack of a standard to measure or for a lack of clarity as to what is to be maintained. By acceptance hereof and of a deed to any property within the Property, each and every Owner waives any and all right to claim the non-enforceability of Assessments for lack of a standard of clarity. Owners shall have the right to receive information as to such matters, but not to claim any lack of enforceability;

(ii) Employment and discharge of personnel for the maintenance and operation of the Common Element(s) or Limited Common Element(s), or to perform any other authorized services on behalf of the Association;

(iii) Fiscal management of the Association, including but not limited to the determination of and collection of all Assessments in accordance with the Declaration and these Bylaws. The Board shall prepare a formal budget to be presented at the annual meeting, including a statement of all projected expenses and reserve requirements, current status of all accounts, report of any unpaid Assessments owed, and the projected rate of Assessment for the following year;

(iv) Borrowing of money for the purpose of improving the Common Element(s) or Limited Common Element(s); and in aid thereof, to mortgage and grant liens secured by the Common Element(s) or Limited Common Element(s), subject to the Declaration. No such mortgage or lien shall be granted without the affirmative vote of all Owners, unless safety of property or life is threatened;

(v) Collecting Assessments, imposing penalties for failure to timely tender payment of Assessments, and foreclosing any lien for unpaid Assessments against any Owner; and

(vi) Enforcing the provisions of the Declaration, Bylaws, any Rules and Regulations, and resolutions of the Association, including the Assessment of penalties and fines for noncompliance and instituting legal action relating to such enforcement.

**Section 4. Contracts:** The Board may contract with or employ any person, firm, or corporation, including the Declarant or an affiliate of the Declarant, to serve as management agent for the Common Element(s), Limited Common Element(s) and the Association, at a reasonable compensation established by the Board.

**Section 5. Bonding and Insurance:** The Board shall require that all agents, Directors, employees, and Officers of the Association be bonded and insured, and the expense thereof shall be included in the Association budget. Copies of all bonding and insurance documents shall be filed with the Association. The Association shall indemnify any agents, Directors, employees, and Officers for such expenses and liabilities incurred incident to their good faith actions on behalf of the Association or Board, in such manner,

under such circumstances, and to such extent as permitted under North Carolina law, as now enacted or hereafter amended. It is the intent hereunder that all agents, Directors, employees, and Officers shall not be liable for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. No agents, Directors, employees, or Officers shall incur personal liability for authorized actions undertaken on behalf of the Association.

Section 6. Compensation: No Member of the Board shall receive any compensation for serving in said capacity, nor shall the expense of any meeting be borne by the Association, without the prior approval and affirmative vote of a two-thirds (2/3) majority of all Owners.

Section 7. Meetings: Regular meetings of the Board shall be held at such time and place as shall be determined by a majority of the Directors. Notices of such meetings shall be given to each Director personally, by mail, telephone, telefax, or electronically at least seven (7) days prior to such meeting. Directors may waive notice of any meeting either through actual attendance or in writing prior to the date of such meeting. A majority of Directors shall constitute a quorum for any meeting of the Board.

Section 8. Action Without Meeting: The Board may transact business without a formal meeting, provided that the unanimous agreement of all Directors is evidenced in writing with respect to such action.

Section 9. Removal and Vacancies: Except for those Directors appointed by the Declarant, any Director may be removed, with or without cause, by the affirmative vote of two-thirds (2/3) majority of all Owners, at a special meeting called for that purpose. Replacement Directors shall be nominated and elected immediately upon removal of any Director. In the event of a vacancy not caused by a removal hereunder, a successor Director may be appointed by unanimous consent of the remaining Directors to fill said vacancy until the next annual meeting.

## ARTICLE V Officers

Section 1. Designation of Officers: The Board shall appoint the Officers of the Association. The Board may designate a President, Vice President, Secretary, Treasurer, Assistant Secretary, and Assistant Treasurer, as it deems necessary. An individual may hold one or more such offices from time to time, except that the President shall not hold any other concurrent office. All such Officers shall serve at the pleasure of the Board and may be discharged with or without cause. The Board shall fill any vacancies.

Section 2. President: The President shall be the Chief Executive Officer of the Association and shall preside over all meetings of the Association and Board and shall affect all resolutions of the Board. The President shall form any committees mandated by the Board or Association, and shall have all other powers and duties customarily vested in the office of President of an Association.

Section 3. Vice President: The Vice President shall perform such duties of the President as shall be assigned by the President, and in the absence of the President shall perform the duties of the President.

Section 4. Secretary: The Secretary shall keep the minutes of all meetings of the Association and Board, maintain the records of the Association, issue all notices of meetings, and shall perform all other duties incident to the office of Secretary. Assistant Secretaries shall perform all duties and functions of the Secretary delegated to such assistants.

Section 5. Treasurer: The Treasurer shall have custody of all intangible property of the Association, including funds, securities and evidence of indebtedness. The Treasurer shall keep the financial records of the Association and prepare the budget of the Association. The Treasurer shall collect and record all Assessments of the Association, and shall coordinate the pursuit of any liens or foreclosures incident to the collection of Assessments. Assistant Treasurers shall perform all duties and functions of the Treasurer delegated to such assistants. In the sole discretion of the Board, all such duties, functions and

responsibilities of the Treasures and/or Assistant Treasurer may be assigned or delegated in all or part to a management firm if permissible under the terms and provisions of the Declaration.

Section 6. Execution of Agreements: All agreements, contracts, deeds, leases, checks, mortgages, deeds of trust, security agreements, notices, and other instruments to be executed on behalf of the Association may be executed by the President. In lieu of the President's execution, any Officer or other agent of the Board may execute the same, pursuant to an express written grant of signatory authority by the Board. Any such Board authorization shall be signed by the President, but need not be notarized to be effective.

Section 7. Compensation: No Officer shall receive any compensation for serving in said capacity, nor shall the expense of any meeting be borne by the Association, without the prior approval and affirmative vote of a two-thirds (2/3) majority of all Owners.

## **ARTICLE VI**

### **Assessments and Fiscal Management**

Section 1. Depository: The Board shall establish depository accounts for all funds of the Association, and may change such depository at any time. All withdrawals and payments from such depository shall be pursuant to the express prior authorization issued by the Board. All accounting and fiscal records of the Association shall be made available for inspection, as reasonably requested by any Member or Owner.

Section 2. Fiscal Year: The Fiscal Year of the Association shall run from the 1st day of January through the 31st day of December of the following calendar year. The Board, may, from time to time, change the Fiscal Year to some other period, by resolution.

Section 3. Accounts: Receipts and disbursements of the Association shall be credited and charged to accounts under the following classifications as appropriate and determined by the Board:

- (i) Current maintenance and administrative expenses, including a reasonable allowance for current contingencies and working funds other than expenditures chargeable to reserves, and amounts necessary to make up any deficiencies in expenses for any prior year. Any balance in this fund at the end of each year shall be applied to reduce the Assessments for current expenses for the succeeding year or shall be transferred to the appropriate reserve fund or general operating reserve, hereafter provided for, as determined by the Board;
- (ii) A general reserve fund for the purpose of performing periodic maintenance, replacement and repair of the Common Element(s) and for such other purposes as may, from time to time, appear to be necessary and appropriate. Specific reserves may also be established and kept separate from the general reserve for Limited Common Element(s). No use of the funds from any specific reserve may be used for any other purpose without the unanimous consent of all Owners;
- (iii) A general operating reserve for the purpose of providing a measure of financial stability during periods of financial stress, which may be used to meet deficiencies from time to time as a result of delinquent payment of Assessments and other contingencies, if so directed by the Board;
- (iv) The amounts to pay the premiums of insurance policies and bonds obtained and maintained in accordance with these Bylaws;
- (v) Repayment of any loans of the Association; and
- (vi) The amounts to pay any dues, taxes, or other levy assessed by any governmental authority or other association or community of which the Property is a constituent.

Section 4. Budget: The budget of the Association shall be prepared by the Treasurer and adopted by the Board of Directors. The budget shall be based upon the estimated costs of the Association.

Section 5. Notice of Budget and Assessment: Within thirty (30) days after adoption of any proposed budget, the Board of Directors shall provide to all Owners a summary of the budget and a notice of the meeting to consider ratification of the budget, including a statement that the budget may be ratified without a quorum. The Board of Directors shall set a date for a meeting of the Owners to consider ratification of the budget and such meeting shall be held not less than ten (10) nor more than sixty (60) days after mailing of the summary and notice. There shall be no requirement that a quorum be present at the meeting. The budget is ratified unless at that meeting a majority of all Owners rejects the budget. In the event the proposed budget is rejected, the periodic budget last ratified by the Owners shall be continued until such time as the Owners ratify a subsequent budget proposed by the Board of Directors. The notice provided herein shall serve as the official levy of Assessments.

Section 6. Assessment Levy: Each Owner shall be personally and severally liable for any Assessment levied by the Association, as provided in the Declaration or elsewhere herein. All Assessments shall be due in advance, in equal installments payable monthly, quarterly, annually, or as determined by the Board, from time to time. In the event that an Assessment proves to be insufficient, the Board may amend the budget and Assessment rate or mandate a Special Assessment subject to the limitations contained herein.

Section 7. Special Assessments: In addition to the annual Assessments authorized herein, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Element(s), including fixtures and personal property related thereto, provided that any such Assessment shall have the assent of two-thirds (2/3) of the vote the Members who are voting in person or by proxy at a meeting duly called for this purpose. Written notice of any meeting called for the purpose of taking any action authorized under this Section shall be sent to all Members not less than thirty (30) days and no more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty (60) percent of all of the votes of membership shall constitute a quorum. If the required quorum is not present, 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. Any Special Assessment shall be deemed levied and due after thirty (30) days notice to the affected Owners.

Section 8. Payment of Assessments and Liens: Assessments shall be paid within thirty (30) days of the date of levy, or such later time as indicated by notice from the Board. Every Assessment shall constitute a lien upon the applicable Lot so assessed from the date of levy, and shall be superior to all other liens except (1) real estate taxes, government Assessments, or other charges due to another association or community of which the Property is a constituent; and (2) liens and encumbrances recorded prior to the recording of the Declaration.

Section 9. Delinquent Assessments: If an Owner shall fail to timely pay any Assessment or installment thereof, the Association may accelerate any remaining installments of the current year's Assessments. Upon the acceleration of Assessments hereunder, the Board shall cause a notice of default to be transmitted to the delinquent Owner, demanding payment in full upon the date stated in said notice, but not less than fifteen (15) days after the forwarding of said notice to the Owner. Any Assessment or installment thereof which remains unpaid for a period exceeding thirty (30) days after it shall become due shall incur interest computed at the maximum rate permitted by law from the due date. Additionally, a late fee equal to the greater of Twenty and no/100ths Dollars (\$20.00) per month or ten (10) percent of the amount of such Assessment shall be charged for any Assessment installment which remains due and owing, and which remains unpaid for a period of thirty (30) days or longer. In addition to such late charges, delinquent Owners shall be liable for any collection costs and attorney's fees reasonably incurred pursuant to the collection of such unpaid Assessments. All such late fee interest, collection costs, and attorney's fees shall enjoy the same security and priority as the Assessment to which they relate.

Section 10. Enforcement of Assessments: If an Owner shall fail to tender payment of any Assessment, and the Assessment remains unpaid for a period exceeding thirty (30) days after it shall become due, the Association shall have the following rights immediately upon such occurrence:

(i) Institute legal proceedings to enforce its lien for Assessments. Any failure to pay Assessments shall be enforceable in accordance with North Carolina General Statutes Section Chapter 47F, Article 3. Owners, by acceptance of a deed for any Lot within the Property expressly agree that the Association shall be entitled to enforce the collection thereof under a Power of Sale in a like manner as applied to a mortgage or deed of trust in accordance with North Carolina General Statutes Chapter 45, Article 2 and 2A. The Association shall appoint a Trustee or Commissioner to conduct a foreclosure sale to collect unpaid, delinquent Assessments, and said Trustee or Commissioner shall be entitled to Trustee's Fees in an amount of five (5) percent of the higher of the foreclosed property's tax assessed value or the sale price, in accordance with the terms of North Carolina General Statutes Section 45-21.15; and

(ii) Issue a notice of delinquency to any mortgagee of the Owner of the delinquency of Assessments. All Owners acknowledge and agree that such notice shall not constitute a violation of any state or federal unfair debt collection laws; and

(iii) The Association shall be entitled to suspend the right of a defaulting Owner to use any Common Element(s) (except roads, vital utilities, and other access) until the delinquency is cured.

The remedies noted herein shall also include, without limitation, any and all remedies set forth in the Declaration or otherwise available under North Carolina law. Any delay in, or failure of the Association to exercise its enforcement rights hereunder shall not constitute a waiver or abrogation of the right of the Association or its agents to enforce such rights in the future, irrespective of the number of breaches thereof that may have occurred by that or any other Owner with respect to Assessments.

Section 11. Assessment Register, Certificates: All Assessments shall be set forth on a register of Lots which shall be available for inspection in the office(s) of the Association, upon reasonable request by Owners, mortgagees, and other security holders and their agents or duly authorized representatives. The register shall include the amount and rate of Assessment, and a payment history including notation of any unpaid Assessments. The Association shall, upon reasonable request and within ten (10) days of such request, furnish to an Owner, its agent or duly authorized representative a recordable certificate setting forth the amount and rate of Assessment and the amounts of any unpaid Assessments. The Association may charge a reasonable fee for such certificate. All Owners acknowledge that the register and any certificate issued in good faith shall not constitute a violation of any state or federal unfair debt collection laws.

Section 12. Failure to Prepare Budget or Levy Assessment(s): The failure of, or delay of, the Board to prepare any budget or to levy any Assessment shall not constitute a waiver or release of an Owner's obligation to pay Assessments. Until a new budget is adopted or new Assessments levied, the budget and Assessments for the preceding period shall apply. Any deficiencies, failure, or inadequacies in the procedure followed by the Board in preparing and adopting a budget, or the levy and collection of Assessments shall not in any way affect the validity of an Owner's obligation to pay Assessments.

Section 13. Allocation of Common Surplus: Any surplus funds of the Association remaining after payment of or provisions for Common Expense(s) and any prepayment shall be retained in the general operating funds or long range fund of the Association in the sole discretion of the Board, and no such surplus funds shall be paid to the Owners nor shall such surplus funds be used as a credit to reduce future Assessments.

**ARTICLE VII**  
**Enforcement of Restrictions and Covenants**

Section 1. General: A default in or failure to comply with any of the terms, conditions, obligations, and provisions of the Declaration, these Bylaws, or the Rules and Regulations, as the same may be amended from time to time, by any Owner or occupant, shall be grounds for relief that shall include, without intending to limit the same or to constitute an election of remedies, an action to recover fines and penalties as determined by the Board, sums due for damages, an injunction, or any combination thereof, and which relief may be sought by the Association, an aggrieved Owner, or by any person or class of persons adversely affected. Also, if any Owner fails to perform any obligation under any law, the Declaration, these Bylaws, or such Rules and Regulations as hereinafter promulgated, then the Association may, but is not obligated to, perform the same for the Owner's account, and for such purpose may enter upon his Lot to make necessary repairs, advance expenses or other sums necessary to cure the default, and for such expenses and costs may levy a Special Assessment against such defaulting Owner. The Association also shall be entitled to suspend the right of a defaulting Owner to use any Common Element(s) (except roads, vital utilities, and other access) until the default is cured.

Section 2. Notice of Default and Failure to Cure: In the event of any such default or failure, the Board shall serve upon or mail to the defaulting Owner, a written notice specifying the nature of the default or failure, the cure thereof, and the time within which the cure shall be effectuated. Within the time limit specified in the notice, the defaulting Owner may cure the default or failure specified, or serve upon, or mail during the specified cure period, a written notice to the Board requesting a hearing before the Board. If a hearing is so requested, the Board shall thereafter serve upon or mail to the defaulting Owner, a notice specifying the time and place for such hearing. At the hearing, the Board shall take such evidence and hear such testimony as it deems necessary or desirable. Upon taking such evidence and hearing such testimony, the Board, at the hearing or at such later time, shall determine, in writing, and at its sole option, to waive the default in whole or in part, to extend the time within which the default may be cured, or to proceed immediately to levy a fine or penalty, or to exercise any one or more of the remedies available to the Board due to such default. The Board shall serve upon or mail to the defaulting Owner, a copy of its determination, and the Board may then proceed to take such action as it deems necessary to obtain relief.

Section 3. Abatement: In the event that an Owner fails to effect the cure specified by the Board, where the default relates to a structure, thing, or condition existing on the Owner's Lot the Board, or its duly authorized representative, shall have the right to enter such areas where such default exists, and to summarily abate, remove, or terminate the structure, thing, or condition constituting the default at the Owner's expense through a levy hereunder. The Association, Board, and agents thereof shall not be guilty of or liable for any manner of trespass in the exercise of this remedy of abatement.

Section 4. Injunction: Any person or class of persons entitled to seek relief for any such default or failure may obtain a temporary restraining order, injunction, or similar relief immediately upon such occurrence. There shall be no obligation to seek any other form of redress prior to seeking relief hereunder.

Section 5. Attorney's Fees and Costs: In any proceeding arising because of an alleged default by an Owner, the prevailing party shall be entitled to recover the costs of such proceeding and such reasonable attorney's fees as may be allowed by the court.

Section 6. Non-waiver of Covenants: The failure of the Association or of any Owner to enforce any term, provision, covenant, or condition that may be granted by the Declaration, these Bylaws, the Rules and Regulations, or any law shall not constitute a waiver or abrogation of the right of the Association or any Owner to enforce such term, provision, covenant, or condition in the future, irrespective of the number of violations or breaches that may have occurred.

## **ARTICLE VIII Insurance**

Section 1. Association Insurance: The Board shall obtain and maintain any insurance required by the Declaration, these Bylaws, or as it may determine in its discretion. All such policies shall provide that adjustment of loss shall be made with the Board or its designated representatives. All policies of physical damage insurance shall contain waivers of subrogation and waivers of any defense based on the same.

Section 2. Owner's Insurance: Each Lot Owner must, at all times and at that Owner's expense, carry All-Risk Hazard Insurance in the amount of the replacement cost of all improvements on that Owner's respective Lot(s). The Association must be named as an added loss payee on all Owners insurance policies. All Owners policies must contain waivers of subrogation, and the liability of the carriers issuing insurance obtained by the Association, Board, or other Owners must not be affected or diminished by reason of such Owner's insurance. All Owners must provide evidence of their insurance upon reasonable request of the Board or any other Owner.

## **ARTICLE IX Amendment**

Section 1. Amendment: Only upon the termination of the Declarant Control Period, may these Bylaws be amended by the affirmative vote of a two-thirds (2/3) majority of the Owners and mortgagees thereof. No such amendment shall occur without notice of the proposed amendment being provided in the notice of the meeting in which said amendments are considered. Amendments to these Bylaws shall be effective without any recording thereof. A copy of all amendments, the minutes of meetings at which proposed amendments were considered, and a record of the votes cast for such amendments shall be kept with the records of the Association and shall be available for inspection as provided herein.

## **ARTICLE X General Provisions**

Section 1. Rules and Regulations: The Board may promulgate such rules, regulations and restrictions as it deems reasonable and necessary governing the administration, management, operation and use of the Common Element(s) and any Limited Common Element(s) to promote and ensure the common use, enjoyment, protection and preservation thereof. In addition, the Board may adopt such Rules and Regulations as it deems reasonable and necessary to provide for the common good of all Owners. Any rules or regulations adopted by the Board may be amended, modified, revoked, or established by the affirmative vote of a majority of the Owners at an annual or special meeting. Any rules or regulations amended, modified, revoked, or established by means of a vote of the Owners shall not be further amended, modified, revoked, or established unless by subsequent affirmative vote of a majority of the Owners. All Rules and Regulations shall be equally and uniformly applicable to all Owners and occupants, as reasonably applicable. Copies of all Rules and Regulations, including any amendments or modifications thereof shall be furnished to all Owners, and a copy shall be posted or otherwise made available to Owners and occupants at the office of the Association. Failure to furnish, post, or make available such Rules and Regulations shall in no way affect its validity or enforceability.

Section 2. Parliamentary Process: The conduct of the Association and all meetings thereof shall be in accordance with the then current "Robert's Rules of Order" when such shall not conflict with the Declaration, these Bylaws, or any law. The President shall have the authority to appoint a parliamentarian.

Section 3. Conflicts and Severability: These Bylaws are established in compliance the provisions of Chapter 47F of the North Carolina General Statutes known as the North Carolina Planned Community Act (herein the "Act"), and are intended to remain in compliance therewith. Should any term, condition, provision, paragraph, article, section, or clause of these Bylaws conflict with the Act, the Act shall control unless the Act permits these Bylaws to override the same. In the case of any conflict between the provisions

of these Bylaws, or any Rules and Regulations adopted hereunder, and the Declaration, the Declaration shall control. If any term, condition, provision, paragraph, article, section, or clause of these Bylaws, including the application thereof to any person or circumstance, is judicially held to be invalid, such determination shall not affect the enforceability, validity, or otherwise affect the remainder of these Bylaws, or the application thereof to any other person or circumstance.

Section 4. Notices: In any circumstance where notice is required under the Declaration, these Bylaws, or any law, it shall be required or permitted that notice or demand given or served on the Association, Board, or any Owner or occupant, shall be given in writing by certified or registered mail, postage paid to the address(es) registered with the Association, and shall be effective when received or when attempted to be delivered. Failure of actual delivery due to willful, negligent, or accidental refusal of delivery or due to deficiencies in the address(es) registered with the Association by an Owner shall not invalidate the effectiveness of any notice issued hereunder.

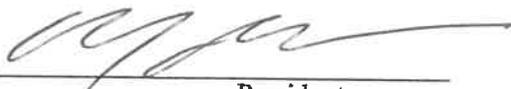
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**SIGNATURE PAGE FOR  
BYLAWS  
OF  
GREENWOOD FIELDS HOME OWNERS ASSOCIATION, INC.,  
A NORTH CAROLINA NON-PROFIT CORPORATION**

Adopted by:

**GREENWOOD FIELDS HOME OWNERS ASSOCIATION, INC.,**  
a North Carolina non-profit corporation

By:

  
\_\_\_\_\_  
*Albert Brown*, President