

BY-LAWS OF  
WEXFORD SUBDIVISION HOMEOWNERS ASSOCIATION, INC.

ARTICLE I - OFFICES

Section 1: Principal Office.

The principal office of the corporation shall be located at 1560 North Main Street, Suite 101, High Point, North Carolina 27262, or at such other place as may be from time to time designated by the Board of Directors.

Section 2: Other Offices.

The corporation may have offices at such other places, either within or without the State of North Carolina, as the Board of Directors may from time to time determine, or as the affairs of the corporation may require.

ARTICLE II - MEMBERS

The Association shall have one class of members, which membership shall consist of all persons who are current in the payment of their annual membership dues.

ARTICLE III - DIRECTORS

Section 1: General Powers.

The business and affairs of the corporation shall be managed by the Board of Directors, who shall determine the policies and activities of the corporation within the confines of the stated purposes of the corporation contained in the Articles of Incorporation.

Section 2: Number, Term and Qualifications.

The number of Directors constituting the Board of Directors shall be three. Each Director shall hold office for a period of three years or until his death, resignation, retirement, removal or disqualification. Directors must be residents of Guilford County, North Carolina. At the first meeting of Members one-third of the Directors shall be elected to a one-year term, one-third to a two-year term and one-third to a three-year term, in order to create a staggered Board of Directors.

Section 3: Election of Directors.

Except as provided in Section 5 of this Article III, the Directors shall be elected at the regular meeting immediately preceding the annual meeting of the Directors; those persons who receive the highest number of votes shall be deemed to have been elected. If any Director so demands, election of Directors shall be by ballot.

Nominations may be made by any duly appointed nominating committee of the Board of Directors and shall also be received from the floor. Election of Directors shall be staggered with one-third (or as close to one-third as can be achieved) of the Board elected each year.

Section 4: Removal.

Directors may be removed from office with or without cause by not less than a two-thirds vote of the Members entitled to vote at any meeting. If any Directors are so removed, new Directors may be elected at the same meeting. Three unexcused absences from regular or special meetings shall be considered proper cause for removal.

Section 5: Vacancies.

A vacancy occurring in the Board of Directors may be filled by a majority of the remaining Directors though less than a quorum. A vacancy created by an increase in the authorized number of Directors shall be filled by election at the regular meeting immediately preceding the annual meeting of Directors.

Section 6: Compensation; Loans.

The Directors shall serve without compensation for their services. The Board of Directors shall not be empowered to lend money or corporate property to any Director, officer or employee of the corporation.

ARTICLE IV - EXECUTIVE AND OTHER COMMITTEES

Section 1: Appointment.

The Board of Directors, by resolution adopted by a majority of the number of Directors then in office, may designate from among its members an Executive Committee or one or more other committees, each consisting of two or more Directors. Employees and other members of the staff of the corporation may also be appointed to a committee to assist the Directors. The designation of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility or liability imposed upon it or him by law. Nominations for committee membership may be made by any duly appointed nominating committee of the Board of Directors and shall also be received from the floor. The nominating committee shall consist of at least three Directors selected by the Chairman of the Board of Directors.

Section 2: Authority.

The Executive Committee shall have and exercise all authority of the Board of Directors in the management of the corporation except

to the extent, if any, that such authority shall be limited by the resolution appointing such Executive Committee and except also to the extent limited by law. Other committees shall have and exercise only the authority expressly granted by the Board of Directors.

### Section 3: Tenure and Qualifications.

Each member of any committee shall hold office until the next regular annual meeting of the Board of Directors following his designation and until his successor is designated as a member of any such committee and is elected and qualified.

### Section 4: Meetings.

Regular meetings of any committee may be held without notice at such time and place as such committee may fix from time to time by resolution. Special meetings of any such committee may be called by any member thereof upon not less than one day's notice stating the place, date and hour of such meeting, which notice may be written or oral, and if mailed, shall be deemed to be delivered when deposited in the United States mail addressed to each member of such committee at his business address. Any member of such committee may waive notice of any meeting and no notice of any meeting need be given to any member thereof to attend in person. The notice of a meeting of the Executive Committee need not state the business proposed to be transacted at the meeting.

### Section 5: Quorum.

A majority of the members of any committee shall constitute a quorum for the transaction of business at any meeting thereof, and actions of such committee must be authorized by the affirmative vote of a majority of the members present at the meeting at which a quorum is present.

### Section 6: Informal Action.

Action taken by a majority of the members of any committee without a meeting is nevertheless action of such committee if written consent to the action in question is signed by all of the members of such committee and filed with the minutes of the proceedings of the committee, whether done before or after the actions so taken.

### Section 7: Removal.

Any member of any committee may be removed at any time with or without cause by resolution adopted by a majority of the Board of Directors.

### Section 8: Vacancies.

Any vacancy in any committee may be filled by resolution adopted by a majority of the Board of Directors.

Section 9: Procedure.

The Board of Directors shall appoint a presiding chairman for each committee from among its members, except that the Chairman of the Board shall serve as the presiding officer of the Executive Committee. Each committee may fix its own rules of procedure which shall not be inconsistent with these By-Laws. The Chairman shall keep regular minutes of its proceedings and report the same to the Executive Committee or the Board of Directors for its information at the meeting thereof held next after the proceedings shall have been taken.

Section 10: Meeting by Telephone.

Any one or more members of any committee may participate in a meeting of the committee by means of a conference telephone or similar communications device which allows all persons participating in the meeting to hear each other, and such participation in a meeting shall be deemed to constitute presence in person at such meeting.

ARTICLE V - MEETINGS OF DIRECTORS

Section 1: Meetings.

The annual meeting of the Directors shall be held in the month of August or at such other time as determined by the Directors. The Board of Directors shall meet once each quarter and shall also meet at the call of the Chairman of the Board of Directors of the Corporation. Special meetings may be called by the Secretary at the written request of two of the Directors.

Section 2: Notice of Meetings.

Written notice of regular and annual meetings of the Board of Directors stating the time, place and subject matter (if known) of the meeting shall be given not less than seven nor more than 30 days before the date of the meeting, but no notice of regularly scheduled meetings noticed annually shall be required.

The person or persons calling a special meeting of the Board of Directors shall, at least two days before the meeting, give notice thereof by any usual means of communications. Such notice need not specify the purpose for which the meeting is called.

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.

Section 3: Quorum.

A majority of the Directors fixed by these By-Laws shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section 4: Manner of Acting.

Except as otherwise provided in Article V, 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 5: Informal Action by Directors.

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

Section 6: Minutes.

The Secretary shall cause to be prepared and mailed or delivered to each Director minutes of each meeting of the Board of Directors within seven days of such meeting.

## ARTICLE VI - OFFICERS

Section 1: Number.

The officers of the corporation may consist of a Secretary, a Treasurer, Assistant Secretaries, Assistant Treasurers and other officers as the Board of Directors may from time to time elect to the extent provided or allowable by the laws of the State of North Carolina. Any two or more offices may be held by the same person. During the absence of an officer, the Board of Directors may transfer the powers or duties described herein of any officer to any other officer of the corporation. A Chairman and Vice-Chairman of the Board of Directors shall also be selected by a majority of the entire Board of Directors.

Section 2: Election and Term.

The officers of the corporation shall be elected by the Board of Directors. Such elections may be held at any regular or special meeting of the Board. Each officer shall hold office for a period of two years or until his death, resignation, retirement, removal or disqualification, and his successor is elected and qualifies. A duly appointed nominating committee consisting of at least 3 Directors appointed by the Chairman of the Board of Directors shall make nominations for officers and for Chairman and Vice-Chairman of the Board of Directors.

Section 3: Removal.

Any officer or agent elected or appointed by the Board of Directors may be removed by the Board with or without cause. Such removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4: Chairman of the Board.

The Chairman of the Board shall preside at all meetings of the Board of Directors and the Executive Committee at which the Chairman shall be present, and the Chairman shall have such other powers and duties as the Chairman shall be called upon to perform by the Board of Directors.

Section 5: Vice-Chairman of the Board.

The Vice-Chairman of the Board shall, in the absence or disability of the Chairman of the Board, perform the duties and exercise the powers of the Chairman of the Board and shall have such other duties and powers as the Board of Directors shall prescribe.

Section 6: Secretary.

The Secretary shall keep a record of all the proceedings of the meetings of Directors. The Secretary shall arrange for the giving of notices, have custody of the corporate seal and affix it to all instruments required to be executed under seal as authorized by the Board of Directors. The Secretary shall perform such other duties as are incident to the office of the Secretary and shall have such other powers and duties as may be conferred upon the Secretary by the Board of Directors.

Section 7: Treasurer.

The Treasurer shall have charge of all the monies and securities belonging to the corporation. The Treasurer shall deposit said property with such banks as the Board of Directors shall designate in the name of the corporation. The Treasurer shall control the records of all receipts and disbursements, and shall have charge of all records of the corporation relating to its finances. The Treasurer shall cause funds to be distributed in accordance with orders of the Board of Directors, insuring that proper vouchers are taken for such disbursements. The Treasurer shall perform such other duties as are incident to the office of the Treasurer and shall have such other powers and duties as may be conferred upon the Treasurer by the Board of Directors.

Section 8: Vacancies.

A vacancy in any office because of the death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

#### ARTICLE VII - EMPLOYEES AND AGENTS

##### Section 1: Number.

This corporation may have such agents and employees as shall be determined and appointed from time to time by the Board of Directors. The duties and responsibilities of such agents and employees shall be assigned and defined by the Board of Directors or its Executive Committee. Any annual review of such employees shall be made pursuant to personnel policies of the corporation or as directed by the Board of Directors or its Executive Committee.

#### ARTICLE VIII - CONTRACTS, 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 on behalf of the corporation, and such authority may be general or confined to specific instances.

##### Section 2: Checks and Drafts.

All checks, drafts or other orders for the payment of money issued in the name of the corporation shall be signed by such officer or officers, agent or agents, of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

##### Section 3: Deposits.

All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such depositories as the Board of Directors shall direct.

#### ARTICLE IX - GENERAL PROVISIONS

##### Section 1: Fiscal Year.

The fiscal year of the corporation shall be a year ending December 31.

##### Section 2: Amendments.

Except as otherwise provided herein, these By-Laws may be amended or repealed and new By-Laws may be adopted by the affirmative vote

of a majority of the Directors then holding office at any regular or special meeting of the Board of Directors; provided, however, no amendment, alteration, or rescission shall be made to Article X of these By-Laws as it relates to the prohibition against the sharing of corporate earnings and distribution of assets. No alteration, amendment or rescission of a By-Law shall be voted upon unless notice thereof has been given in the notice of the meeting or unless all of the Directors of the corporation execute a written waiver of notice stating that action upon the By-Laws is to be taken at the meeting, and the original of such waiver shall be recorded in the Minute Book.

#### ARTICLE X

##### PROHIBITION AGAINST SHARING IN CORPORATE EARNINGS

No officer or employee of or member of a committee of or person connected with the corporation, or any other private individual shall receive at any time any of the net earnings or pecuniary profit from the operations of the corporation, provided that this shall not prevent the payment to any such person of such reasonable compensation for services rendered to or for the corporation in effecting any of its purposes as shall be fixed by the Board of Directors; and no such person or persons shall be entitled to share in the distribution or winding up of the affairs of the corporation, whether voluntary or involuntary. The assets of the corporation, after all debts have been satisfied, then remaining in the hands of the Board of Directors, shall be distributed, transferred, conveyed, delivered and paid over, in such amounts as the Board of Directors may determine or as may be determined by a court of competent jurisdiction upon application of the Board of Directors, exclusively to charitable, religious, scientific, literary, or educational organizations which would then qualify under the applicable provisions of the Internal Revenue Code and its Regulations as they now exist or as they may hereafter be amended relating to charitable organizations.

The undersigned certify the foregoing By-Laws have been adopted as the first By-Laws of the corporation in accordance with Chapter 55A of the General Statutes of North Carolina, this \_\_\_\_ day of \_\_\_\_\_, 1993.

 (SEAL)  
Secretary

Wexford.Law  
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