

BY-LAWS
OF
RAVENWOOD HOMEOWNERS ASSOCIATION, INC.

Article I

This corporation is formed for the purposes as set forth in the Articles of Incorporation, which purposes without limiting those as set forth in such Articles, shall be construed to include the following:

X (a) To provide for the management, maintenance, care, and improvement of the areas and facilities owned by the corporation and available for common use by all members of the corporation.

(b) To engage in any lawful act or activity for which nonprofit corporations may be organized under the state of North Carolina which shall not be inconsistent with those purposes permitted by and qualifying the corporation under Section 528 of the Internal Revenue Code of 1954 as amended and the regulations thereunder.

Article II

Membership

1. ELIGIBILITY: One membership shall be available per Ravenwood Subdivision homeowner unless more than one home is owned by the same owner or owners in which event each such owner or group of owners shall be one member. The owner or owners of each home, as above qualified, shall become a member upon payment to the corporation of annual dues. Provided, however, that new homeowners purchasing from a previous member, and who desires to be a member, shall not be required to pay dues until the first fiscal year after becoming a homeowner if the prior member has paid dues for the year of sale of said member's home. A member shall pay all dues and assessments as shall be required pursuant to Article III hereof. Failure to so remit on or before the due date as specified for dues payment or as determined for payment of assessments shall result in suspension of membership rendering such non-paying member ineligible to vote or participate in the association until such arrearage is paid in full. X Unpaid dues and assessments shall in no manner be construed to be a lien upon any real property. X

X 2. REGULAR MEETINGS: X Meetings shall be held semi-annually in May and November on the first Monday of such months. The initial meeting shall be at the office of the corporation and thereafter as the members shall be majority decide in advance.

X 3. SPECIAL MEETINGS: A special meeting of the members shall be held whenever called by the President, Board of Directors, or by

members whose votes total Twenty Percent (20%) of the total number of votes entitled to be cast at such meeting.

4. NOTICE OF MEMBERS MEETING: Notice of membership meeting shall be mailed to each member at least ten (10) days prior to the time of the meeting, and the notice shall contain for special meetings a general statement of the business to be transacted at the meeting. ~~All notices shall specify the date, time, and place of the proposed meeting.~~

5. QUORUM: Twenty Five Percent (25%) of the members eligible to vote shall constitute a quorum for the transaction of business.

6. VOTING: Each eligible member shall be entitled to one vote in person or by proxy on any matter subject to vote.

X 7. MEMBERSHIP ROSTERS: A membership roster shall be prepared annually by the Secretary and a copy of said roster shall be distributed to every homeowner in the subdivision.

Article III

Dues and Assessments

1. DUES: Annual dues for membership in the corporation shall be as determined by a majority vote of the membership. Total Amount Due of all members shall not exceed that amount necessary to provide for payment of the regular expenses for the operation of the corporation. Dues shall be due and payable on or within 30 days from the filing of the Articles of Incorporation and thereafter by the same date of each succeeding year.

X 2. ASSESSMENTS: Assessments shall be determined by a vote of two thirds of the Directors with approval of a majority of members eligible to vote. Assessments shall be payable equally by all members. Assessments may be levied only for the purpose of providing corporate funds necessary to fulfill the purposes used in computing the amount of annual dues and only to the extent that such annual dues are not sufficient.

Article IV

Offices

7. 1. The PRINCIPAL OFFICE of the corporation shall be located at 801 Wachovia Bank Building, Raleigh, Wake County, North Carolina, 27602, % Manning, Fulton, and Skinner.

2. The REGISTERED OFFICE of the corporation required by law to be maintained in the State of North Carolina may be, but need not be, identical with the principle office.

3. 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 V

Board of Directors

Board of Directors

1. **GENERAL POWERS:** The business and affairs of the corporation shall be managed by the Board of Directors.

2. **NUMBER, TERM, AND QUALIFICATION:** The number of Directors of the corporation shall be five (5). Each Director shall hold office for a maximum of two successive years until his death, resignation, retirement, removal, disqualification, or his successor is elected and qualified. Directors must be eligible members of the corporation.

3. **ELECTION:** The original Board shall be composed of five eligible members, two of which shall serve one year and three to serve two years. An election shall be held each year to fill the vacated seats on the Board.

4. **VACANCIES:** Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the eligible members.

5. **REMOVAL:** Any Director may be removed at any time with or without cause of a vote of the majority of the eligible members.

6. **ELECTION OF OFFICERS:** Immediately after each election of Directors, the Board shall hold a regular meeting and organize by the election of a president, a vice-president, secretary and treasurer, each of whom shall hold office until the election and qualification of his successor unless earlier removed by death, resignation or for cause. Unless a Chairman of the Board is elected by it, the President shall act in that capacity at all Board meetings, but a Chairman may be elected to so preside at Board meetings if it so elects.

X 7. **BOARD MEETINGS:** The Board of Directors will hold an annual meeting on the second Monday following their election, and in addition will hold regular meetings at such times and places as the Board may determine, and otherwise as provided by these By-Laws.

8. **SPECIAL MEETINGS:** A special meeting of the Board of Directors shall be held whenever called by the president or by a majority of the Directors, and any and all business may be transacted at a special meeting that can be transacted at a regular meeting.

9. **NOTICE OF BOARD MEETINGS:** Notice of board meetings, unless waived by the members of the board, shall be mailed to each Director at least ten (10) days prior to the time of the meeting, and the notice shall contain for special meetings a general statement of the business to be transacted at the meeting. All notices shall specify the date, time and place of the proposed meeting.

10. **QUORUM:** A majority of the number of Directors fixed by these By-Laws shall constitute a quorum for the transaction of business.

11. **INFORMAL ACTION BY DIRECTORS:** Action taken by a majority of the Directors then holding office without a meeting is nevertheless Board action if written consent to the action in question is signed by all of the Directors and filed with the minutes of the proceedings of the Board, whether done before or after the action is taken.

12. **COMPENSATION:** Directors shall not be compensated by their service but the Board may provide upon due ratification by the membership for the payment of all expenses incurred by Directors on behalf of the corporation.

X 13. **COMMITTEES:** Other committees not having and exercising the authority of the Board of Directors in the management of the corporation may be designated by a resolution adopted by majority of

the Directors present at a meeting at which a quorum is present.
14. ACCOUNTING: The Directors shall render to the corporation an annual accounting based on an audit by such auditors or bookkeepers as are chosen by the Board of Directors.

Article VI Duties of Directors

The Board of Directors shall have general supervision and control of the business and the affairs of the corporation and shall make all rules and regulations not inconsistent with law or with the By-Laws for the management of the business and the guidance of the officers, employees, and agents of the corporation. They shall have installed an accounting system which shall be adequate to the requirements of the business, and it shall be their duty to require proper records to be kept of all business transactions. Directors shall ensure that corporate tax returns are filed as required by law and that proper elections for tax exempt status be timely made as required by Section 528 of the Internal Revenue Code of 1954 as amended and the regulations thereunder.

Article VII

Officers of the Corporation

1. OFFICERS OF THE CORPORATION: The officers of the corporation shall consist of president, a vice-president, a secretary and a treasurer. X Any two or more offices may be held by the same person except the offices of president and secretary.

2. ELECTION AND TERM: The officers of the corporation shall be elected by the membership and each officer shall hold office until his death, resignation, retirement, removal, disqualification, or successor shall have been elected.

3. PRESIDENT: The president shall be the principle executive officer of the corporation and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the corporation. He shall, when present, preside at all meetings of the Board of Directors.

4. VICE-PRESIDENT: In the absence of the president or in the event of his death, inability or refusal to act, the vice-president shall immediately be vested with and shall assume all of the duties of the president, and when so acting shall have all the powers of and be subject to all restrictions upon the president.

5. SECRETARY: The secretary shall perform such duties incident to the office of secretary as from time to time may be assigned by the president or by the Board of Directors.

6. TREASURER: The treasurer shall perform such duties with respect to the finances of the corporation as may be prescribed by the Board of Directors.

Article VIII

Contracts and Deposits

1. CONTRACTS: The Board of Directors may authorize any officer

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.

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.

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 depository or depositories as the Board of Directors shall direct.

Article II

Prohibition Against Sharing in Earnings

1. EARNINGS: No director, 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 operation 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 of any of the corporate assets upon the dissolution of the corporation.

2. DISSOLUTION: Upon dissolution 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 an entity which shall have as its purposes those set forth in Article I hereof or to charitable, religious, scientific, literary, or educational organizations which would then qualify under the provisions of Section 501 (c) (3) of the Internal Revenue Code and its regulations as they now exist or as they may hereafter be amended.

Article III

Investments

1. INVESTMENTS: The corporation shall have the right to retain all or any part of any securities or property acquired by it in whatever manner, and to invest and reinvest any funds held by it, according to the judgment of the Board of Directors, without being restricted to the class of investments which a trustee is or may hereafter be permitted by law to make or any similar restriction, provided, however, that no action shall be taken by or on behalf of the corporation if such action is a prohibited transaction or would result in the denial of the tax exemption under Section 528 of the Internal Revenue Code and its regulation as they now exist or as they

may hereafter be amended.

Article XI

Exempt Activities

1. **LIMITATION ON ACTIVITIES:** Notwithstanding any other provisions hereof, this corporation shall be organized and operated primarily as an homeowners association, and it shall not conduct or carry on any activities not permitted to be carried on by an organization within the intentment of Section 528 of the Internal Revenue Code of 1954 as amended and the regulations thereunder.

Article XII

1. **SEAL:** The corporate seal of the corporation shall consist of two concentric circles between which is the name of the corporation 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 corporation.

2. **WAIVER OF NOTICE:** Whenever any notice is required to be given to any Director by law, by the charter or by these By-Laws, 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.

3. **CALENDAR YEAR:** The accounting year of the corporation shall be the calendar year, unless otherwise fixed by the Board of Directors.

4. **AMENDMENTS:** These By-Laws may be amended at any time by two thirds vote of the membership attending a regular or special meeting at which a quorum is present, provided that notice of the general nature of the amendment and the fact that it will be voted upon at the meeting be included in the notice to the membership; provided, however, these By-Laws may be amended by a majority vote of the Directors necessary to qualify the corporation for tax exempt status under Section 528 of the Internal Revenue Code of 1954 as amended and the regulations thereunder.