

**BYLAWS OF  
WOLF LAUREL ROAD MAINTENANCE AND SECURITY HOMEOWNER'S  
ASSOCIATION, INC.  
A NORTH CAROLINA NON-PROFIT CORPORATION**

**ARTICLE I  
Identity**

These are the Bylaws of the Wolf Laurel Road Maintenance and Security Homeowner's Association, Inc., a North Carolina Non-Profit Corporation, (the "Association").

For purposes of these Bylaws, terms specifically defined either in the Amended and Restated Declaration of Protective Covenants, Restrictions, and Reservations and any amendments thereto (the "Restrictions") recorded in Madison County North Carolina Register of Deeds at Book 284, Page 776 and Yancey County North Carolina Register of Deeds at Book 404, Page 562, or the North Carolina Nonprofit Corporation Act, Chapter 55A, North Carolina General Statutes (the "Act"), shall have the same meaning herein. Unless the Restrictions or Bylaws expressly provide otherwise, the procedures and substantive matters governing the Association can be determined by reference to the Act.

**ARTICLE II  
Definitions**

**2.1. "Wolf Laurel"** shall mean that real estate that is subject to the Restrictions, whether originally or as amended.

**2.2. "Common Element", "Community Property", and/or "Common Community Areas"** shall mean those areas used in common by all the Owners of lots within Wolf Laurel, including such areas defined as "Common Rights-of-Way", "Common Park" or "Sports Area" in the Restrictions.

**2.3. "Lot"** shall mean any improved or unimproved parcel of land located within Wolf Laurel and subject to the terms of the Restrictions, and intended to be developed now or hereafter as single-family residential dwelling.

**2.4. "Lot Owner" or "Owner"** shall mean and refer to the Owner or Owners as shown by the real estate records in the offices of the Register of Deeds of Madison County North Carolina and the Register of Deeds of Yancey County North Carolina, of fee simple title to any lot situated within the Wolf Laurel.

**2.5. "The Corporation"** shall mean "Bald Mountain Development Corporation, its successors and/or assigns."

**ARTICLE III  
Directors**

**3.1. Number and Qualifications of Directors.** The Board shall consist of seven (7) natural persons. Each Director must be a Lot Owner or (i) if the Lot Owner is an individual, the spouse of such individual; (ii) if the Lot Owner is a trust, the settlor of the trust or the spouse of such settlor; (iii) if the Lot Owner is a corporation or limited liability company, any authorized shareholder or authorized member of such entity; and (iv) if the Lot Owner is a partnership, any authorized partner. To be eligible to serve, each Director or entity must be fully current in payment of applicable Road Maintenance and Security Assessments.

Initially there shall be two classes of directors. Four directors shall be designated as “**Class A**” **Directors** who shall be appointed by the Corporation. The Corporation shall have the power of appointment of all directors in this “Class A” until October 1, 2015 or until the Corporation elects to relinquish its power of appointment, whichever occurs first. At that time, all directors will be or become “Class B” Directors.

Initially three directors shall be designated as “**Class B**” **Directors**.

Until the termination of “Class A” directorships as described above, the Corporation shall be entitled to appoint all Directors of that “Class A.”

The Corporation intends that by October 1, 2015 or sooner in the event that the Corporation elects to relinquish its power of appointment, all directors will be of “Class B” designation and will be elected by the electoral process set forth in 3.4 below.

**3.2. Initial Directors.** The initial directors constituting the first Board under these bylaws shall be:

Two Year Terms

Class A director – name Ronald Anselmo  
Class A director – name Warren Johnson

Three Year Terms

Class A director – name Thomas Eller  
Class A director – name J. Lewis Daniels

Four Year Terms

Class B director – name Frank Colvett  
Class B director – name T. Michael Kaney  
Class B director – name Nathaniel G.W. Pieper

**3.3. Term.** The initial terms of the Directors shall be staggered for two (2), three (3) and four (4) years. All subsequent terms shall be for three (3) years. Once elected, a Director shall hold office until his successor has been duly elected and has qualified.

### **3.4. Election of “Class B” Directors.**

(a) **Voting.** The “Class B” Directors, other than the Initial Directors, shall be elected in August of each year by vote of all eligible Lot Owners who are fully current in payment of their Road Maintenance and Security Assessments. Each Lot Owner shall be entitled to one vote for each separate lot owned which has not been combined for assessment purposes. If a Lot Owner owns lot(s) that are fully current in payment of the applicable Road Maintenance and Security Assessments and lot(s) that are delinquent in payment of assessments, The Lot Owner is permitted one vote for each separate lot owned which has not been combined for assessment purposes which is fully current in payment of the assessments. The Lot Owner shall have no vote for the delinquent lot(s).

#### **(b) Nominating Procedures.**

- (i) The President shall appoint a Nominating Committee consisting of one present Director and three Lot Owners who are fully current in payment of their Road Maintenance and Security Assessments and whom are not present directors. The members of the nominating committee are subject to Board approval. It is the responsibility of the nominating committee to provide a list of nominees to the Board no less than thirty (30) days prior to the election date designated in August. Those names, and others, if nominated by Lot Owner petition, shall be made known to the electorate at least twenty-one (21) days prior to the election.
- (ii) Each year the Nominating Committee shall submit two nominees for each director vacancy.
- (iii) In addition to the above nominees, ten percent (10%) or more of the Lot Owners who are fully current in payment of their Road Maintenance and Security Assessments may petition to include a Lot Owner who is fully current in payment of Road Maintenance and Security Assessments for inclusion on the ballot. The signed petition for each nominee must be submitted to the Secretary at least thirty (30) days prior to the date set for the election.
- (iv) All nominees must be fully current in payment of their Road Maintenance and Security Assessments.

#### **(c) Election.**

The elections of Directors shall be by the vote of Lot Owners who are fully current in payment of their Road Maintenance and Security Assessments. The voting shall be by mail and/or electronically.

**3.5. Removal.** At such time as the Board is comprised solely of “Class B” Directors, any “Class B” Director may be removed, with or without cause, by a vote of two-thirds (2/3) of the Directors, at a regular or special meeting called for such purpose. A successor to serve the balance of the removed Director’s term shall be selected by a vote of a majority of the Directors following an expulsion.

**3.6. Vacancies.** Any vacancy in the Board arising by death or resignation of a Director shall be filled by a vote of a majority of the Directors. A Director so elected shall serve for the unexpired term of his predecessor in office. Provided, however, if any vacancy on the Board be created in a directorship previously filled by any person appointed by Bald Mountain Development Corporation, such vacancy shall be filled by Bald Mountain Development Corporation appointing by written instrument delivered to any officer of the Association the successor director, who shall fill the vacated directorship for the unexpired term thereof.

**3.7. Annual Meetings.** The Board shall meet at least once each year in October, the day being specified in the notice of such meeting. Notice of annual meetings shall be given to each Director, personally or by mail, telephone, facsimile or e-mail, at least thirty (30) days prior to the meeting.

**3.8. Regular Meetings.** Open public monthly meetings shall be held at a preset regular date and time for the purpose of transacting business of interest to all property owners. There shall be a minimum of six monthly meetings within a calendar year. Monthly meetings during the winter shall be at the request of the Board of Directors or the President.

**3.9. Special Meetings.** Special meetings of the Board may be called by the President and shall be held within ten (10) days after written request signed by two (2) Directors is delivered to any other Director or the President or the Secretary. Not less than seventy-two (72) hours notice of such special meeting shall be given personally or by mail, telephone, facsimile or telegraph to each Director; provided that in case the President or any Director determines that an emergency exists, a special meeting may be called by giving such notice as is reasonably possible under the circumstances. All notices of a special meeting shall state the time, place and purpose thereof. No business shall be transacted at a special meeting except that which is stated in the notice thereof.

**3.10. Waiver of Notice.** Any Director may waive notice of a meeting before, at or after the meeting, and such waiver shall be deemed equivalent to the giving of notice. At each annual meeting, the Board may transact any business properly coming before them.

**3.11. Quorum: Adjournment if No Quorum.** Fifty percent (50.0%) of the Board shall constitute a quorum for the transaction of business at any meeting of the Board. If a quorum is not present, the meeting shall be adjourned from time to time until a quorum is present. The signing by a Director of the minutes of a meeting shall constitute the presence of such Director at that meeting for the purpose of determining a quorum.

**3.12. Manner of Acting.** Each Director shall be entitled to one (1) vote. The act of a majority of the Directors present at a meeting shall constitute the act of the Board unless the act of a greater number is required by the provisions of applicable law, the Restrictions or these Bylaws.

**3.13. Meeting Forums: Board Action Without Meeting.** Although regular or special meetings may occur at such places as specified in the notice, regular or special meetings by means of a conference telephone or similar communication device are permissible as long as the required notice is given. Any action that may be taken at a meeting of the Board may be taken without a meeting if such action is authorized in writing, setting forth the action taken, signed by all Directors.

**3.14. Compensation of Directors Restricted.** Directors shall receive no compensation for their services but may be paid for out-of-pocket expenses incurred in the performance of their duties as Directors.

**3.15. Powers and Duties of Board.** All of the powers and duties of the Association shall be exercised by the Board, including those existing under the common law, applicable statutes, the Act, the Restrictions, the Articles, and these Bylaws, as any thereof may from time to time be amended. Such powers and duties shall be exercised in accordance with the provisions of applicable law, the Act, the Restrictions, the Articles, and these Bylaws, and shall include, but not be limited to, the following:

(a) To prepare and make available to Lot Owners in the office of the Association, annually by November 15th, a proposed budget report for the fiscal year commencing January 1st and concluding December 31st of the following calendar year (the "Fiscal Year"), said report containing at least the following:

(i) A statement of the status and amount of any reserve or replacement fund and any portion of the fund designated for any specified project by the Board.

(ii) A statement of the financial condition of the Association for the last Fiscal Year.

(iii) A statement of the status of any pending suits or judgments in which the Association is a party.

(iv) A statement of the insurance coverage provided by the Association, if any.

(v) A statement of any unpaid assessments payable to the Association, identifying the Lot and Lot Owner and the amount of the unpaid assessment, shall be made available to Lot Owners in the office of the Association. All Lot Owners do hereby acknowledge that this reporting of unpaid assessments shall not constitute a violation of any federal or state unfair debt collection laws.

(b) To propose and/or amend budgets and to determine, and collect assessments to pay the Association's common expenses, including operating expenses and Community

Property maintenance fees (the term “Common Expenses” being defined with more particularity in Section 7.10). The Board may engage an accountant to do the Association bookkeeping, to file annual returns and to assist in preparing the report described above.

(c) To regulate the use of, and to maintain, repair, replace, and modify the Common Elements.

(d) To adopt and amend rules and regulations and to establish reasonable penalties for infraction thereof.

(e) To enforce the provisions of the Restrictions, the Articles, these Bylaws, the Act, and other such rules and regulations by all legal means, including injunction and recovery of monetary penalties.

(f) To hire and terminate agents and independent contractors.

(g) To institute, defend, intervene in, or settle any litigation or administrative proceeding in its own name on behalf of itself or two (2) or more Lot Owners on matters affecting the Community Property.

(h) To establish and dissolve and liquidate, from time to time, reserve accounts for any purpose.

(i) To borrow money for the maintenance, repair, replacement, or modification of the Community Property and to pledge and pay assessments, and any and all other revenue and income, for such purpose.

(j) To impose and collect reasonable charges, including reasonable costs and attorneys’ fees, for the enforcement of any use restrictions or rules and regulations set forth in the Restrictions or these Bylaws.

(k) To provide for indemnification of the Association’s Officers and Directors and maintain Officers’ and Directors’ liability insurance.

(l) To impose charges for late payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of the Restrictions, these Bylaws, or the rules and regulations.

(m) To create and dissolve such committees as the Directors should deem appropriate, and to appoint Lot Owners who would otherwise qualify as Directors to staff each committee. Each committee member shall serve at the pleasure of the Board.

(n) To operate and enforce the provisions of the Architectural Review Board as contained in the Restrictions.

(n) To merge the corporation with another nonprofit corporation or corporations, if the plan of merger is consistent with 55A-11-01 through 55A-11-10 of the Act.

**3.16. Participation by Conference Telephone.** Any or all Directors may participate in any annual, special, or regular meetings of the Board through the use of any means of communication by which all Directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting by this means is deemed to be present in person at the meeting.

## **ARTICLE IV Officers**

**4.1. Designation of Officers.** The officers of this Association shall be a President, a Vice President, a Secretary, and a Treasurer. Each officer shall be a Lot Owner or (i) if the Lot Owner is an individual, the spouse of such individual; (ii) if the Lot Owner is a trust, the settlor of the trust or the spouse of such settlor; and (iii) if the Lot Owner is a corporation or limited liability company, any authorized shareholder or member of such entity. A person may hold one or more of such offices at one time, except that the President shall not at the same time hold another office in the Association. The Board may elect an assistant treasurer, an assistant secretary and such other officers as in its judgment may be necessary.

**4.2. Election of Officers.** Officers of the Association shall be elected by the Board. Elections shall be held every year at the annual meeting of the Board. The first Board shall elect officers as soon as practicable after filing of the Articles.

**4.3 Term.** Each officer shall serve until his successor has been duly elected and has qualified.

**4.4. Removal.** Any officer may be removed, with or without cause, and without notice, by the Board.

**4.5. Vacancy.** Any vacancy in any office shall be filled by the Board, and an officer elected to fill a vacancy shall serve for the unexpired term of his predecessor in office.

**4.6. Powers and Duties of Officers.**

(a) **President.** The President shall be the chief executive officer of the Association and shall see that all actions and resolutions of the Board are carried into effect.

(b) **Vice President.** The Vice-President shall perform such duties of the President as shall be assigned to him by the President, and in the absence of the President shall perform the duties and functions of the President.

(c) **Secretary.** The Secretary shall keep the minutes of all meetings and actions of the Board and of the members; shall give all required notices to the Directors and members; shall keep the records of the Association, except those kept by the Treasurer; shall

perform all other duties incident to the office of a secretary of a corporation; and shall perform such other duties required by the Board or the President.

(d) **Treasurer.** The Treasurer shall have custody of all intangible property of the Association, including funds, securities, and evidences of indebtedness; shall keep the books of the Association in accordance with good accounting practices and principles, and upon request, shall submit them, together with all vouchers, receipts, records, and other papers to the Board for examination and approval; shall deposit all monies and other valuable effects in depositories designated by the Board; shall disburse funds of the Association as directed by the Board; and shall perform all other duties incident to the office of a treasurer of a corporation.

**4.7 Execution of Agreements, Etc.** All agreements, deeds, mortgages, or other instruments (including amendments to the Restrictions) shall be executed by the President or Vice President with an attest by the Secretary (or Assistant Secretary if appointed), or by such other person or persons as may be designated by the Board.

**4.8 Compensation of Officers Restricted.** No officer shall be compensated for his services in such capacity, but may be reimbursed for out-of-pocket expenses incurred in performing his duties.

## **ARTICLE V Indemnification of Directors and Officers**

The Association shall indemnify such persons, for such expenses and liabilities, in such manner, under such circumstances, and to such extent, as permitted by the North Carolina General Statutes, as now enacted or hereafter amended. In addition, the Association is authorized to maintain Officers and Directors Liability Insurance.

## **ARTICLE VI Fiscal Management**

**6.1. Depository.** The Board shall designate a depository for the funds of the Association, and may change such depository at any time. Withdrawal of funds from such depository shall be only by checks signed by any two (2) officers of the Association, or as authorized by the Board.

**6.2. Fiscal Year.** The Fiscal Year of the Association shall run January 1st through December 31<sup>st</sup>. The Board from time to time, by resolution, may change the Fiscal Year to some other designated period.

## **ARTICLE VII Assessments**

**7.1. General Assessments and Additional Limited Assessments.** Each Lot Owner shall be personally and severally liable for an assessment for the Association's Common Expenses in

accordance with the allocations set forth in the Restrictions and the provisions of N.C.G.S. 47F-3-102(2) and N.C.G.S. 47F-3-115.

**7.2. Allocation of Common Surplus.** Any common surplus, including funds in reserve accounts, may be allocated to each Lot in accordance with its percentage of the share of assessments, and, if allocated, shall be owned by the Lot Owner, and, if allocated, may be paid to the Lot Owner or credited against that Lot's share of Common Expenses subsequently assessed. Notwithstanding the above, the Board shall retain the authority to apply said surpluses to any current Fiscal Year expenditures in order to satisfy the exempt function income qualification for Nonprofit corporations under Section 528 of the Internal Revenue Code.

**7.3. Preparation of Budget and Levying of Assessment.** Except as hereinafter provided, for each Calendar Year, the Board shall prepare and adopt a budget, including therein estimates of the amount necessary to pay the Common Expenses, together with amounts considered necessary by the Board for reserves. After preparation and adoption of each such budget, the Board shall provide each Lot Owner with a copy, and shall give each Lot Owner notice of the assessment made against that Owner's Lot based upon such budget and may also state the late fees to be charges for delinquent payment (other than as provided in these Bylaws). The assessment shall be deemed levied upon the giving of such notice.

**7.4. Assessment is a Lien.** Every assessment shall constitute a lien upon each Lot in accordance with the provisions of N.C.G.S. 47F-3-116, prior to all other liens except only (i) real estate taxes and other governmental assessments or charges against that Lot and (ii) liens and encumbrances recorded before the docketing of the claim of lien in the Offices of the Clerk of Superior Court of Madison County North Carolina and Yancey County North Carolina.

**7.5. Payment of Assessments.** Assessments shall be payable when notice thereof is given, but shall not be delinquent if paid at the times and in the amounts specified by the Board in the notice of assessment. Payments shall be made to the Association, or as the Board may from time to time otherwise direct.

**7.6. Notice to First Mortgagees.** Although the lien of assessments may be superior to the lien of a First Mortgagee, any enforcement of said assessment lien by the Association's filing of a collection or foreclosure action with the courts shall require the giving of notice to the applicable First Mortgagee, if any. All Owners of Lots acknowledge that such notice shall not constitute a violation of any state or federal unfair debt collection laws. Failure to give the notice provided for herein shall not be a defense for the defaulting Lot Owner in the enforcement action filed by the Association.

**7.7. Failure to Prepare Budget and Levy Annual Assessment: Deficiencies in Procedure.** The failure of the Board or delay of the Board in preparing any budget, and to levy or in levying assessments, shall not constitute a waiver or release of the Lot Owner's obligation to pay assessments whenever the same shall be determined and levied by the Board. Until a new assessment is levied by the Board pursuant to Section 7.3, each Lot Owner shall continue to pay the assessment then previously levied pursuant to Section 7.3 in the same amount and at the same periodic times as levied, or as the Board may otherwise advise in writing. Also, any

deficiencies or inadequacies in the procedure followed by the Board in levying an assessment shall not in any way affect its validity or the obligation of Lot Owners to pay such assessment.

**7.8. Assessment Roll: Certificate.** All assessments shall be set forth upon a roll of the Lots which shall be available in the office of the Association for inspection at all reasonable times by Lot Owners, and their duly authorized representatives. Such roll shall include, for each Lot, the name and address of the Lot Owner or Lot Owners, all assessments levied, and the amount of all assessments unpaid. The Association, upon written request, shall furnish to a Lot Owner, or his authorized agent, a recordable certificate setting forth the amount of unpaid assessments currently levied against his Lot. The certificate shall be furnished within fourteen (14) business days after receipt of the request and shall be binding upon the Association and all Lot Owners. For such certificate a reasonable fee may be charged by the Board. All Lot Owners acknowledge that such notice provided in an assessment roll or certificate shall not constitute a violation of any state or federal unfair debt collection laws.

**7.9. Default and Enforcement.** If any assessment, or installment thereof, remains delinquent for thirty (30) days, then that assessment, and all other assessments then a lien against that Lot, may be declared by the Board to be immediately due and payable in full, with interest, without further notice, and such lien may be enforced in accordance with Article 2, Chapter 44A of the North Carolina General Statutes, with Chapter 47A for liens on unpaid common expenses or such other relief allowed by law. All fees, late charges, attorneys' fees, fines or interest levied or collected by the Association in connection with any unpaid assessments shall have the same priority as the assessment to which they relate. The Association also shall be entitled to suspend the right of a defaulting Lot Owner to use the Community Property (except roads) and its facilities until the delinquency is cured. The remedies noted herein for default on assessments shall include, without limitation, any and all remedies set forth in the Restrictions. The failure of the Association to enforce any assessment delinquency shall not constitute a waiver or abrogation of the right of the Association or its agents to enforce such delinquency in the future, irrespective of the number of breaches thereof that may have occurred by the member regarding assessments.

**7.10. Common Expenses.** Common Expenses shall mean and include all sums declared Common Expenses by any specific provision of these Bylaws or the Restrictions, and shall include, without limitation, the following: real estate taxes, and other governmental assessments or charges against the Common Elements; costs associated with the maintenance and repair of the Common Elements; premiums for any and all insurance maintained by the Association, including any deductible or coinsurance amount not covered by insurance; legal and accounting fees; costs and expenses incurred in connection with any litigation or administrative proceeding pursuant to Section 3.13(g) hereof; deficits remaining from any prior assessment period; the cost, including fees and interests, incurred in connection with any borrowing done by the Association; the cost of all fidelity bonds; costs imposed upon the Association or any part of the Common Element by, or incurred by the Association as a result of the performance, enforcement or amendment of, any agreement or easement to which the Association is a party or to which the Common Element, or any part of either thereof, is or may be subject including, but not limited to amounts determined necessary for reserve funds; and indemnity payments made by the Association pursuant to Article V hereof.

7.11. Any assessments, charges or fines levied against Lot Owners shall specifically relate to the need to preserve and fulfill the purposes set forth in the Association's Articles of Incorporation and are applied to Lot Owners in their capacity as lot owners rather than in some other capacity such as customers for services.

### **ARTICLE XIII**

#### **Compliance, Enforcement, Fines and Penalties. Other Than Assessment Liens**

**8.1. Default and Remedies.** A default in or failure to comply with any of the terms, conditions, obligations, and provisions of the Restrictions, these Bylaws, the Articles, or the rules and regulations, as the same may be amended from time to time, by any Lot Owner, shall be grounds for relief that may 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 Lot Owner, or by any person or class of persons adversely affected. The Association also shall be entitled to suspend the right of a defaulting Lot Owner to use the Common Community Areas (except roads) and its facilities until the default is cured.

**8.2. 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 Lot Owner a written notice specifying the nature of the default or failure, the cure thereof, and the time within which the cure shall be effected. Within the time limit specified in the notice, the defaulting Lot 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 Lot 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. The Board shall not exercise any remedies to obtain relief from the default until the hearing is over and Board has made its determination and served upon or mailed the same to the defaulting Lot Owner. The hearing may be continued from time to time as determined by the Board. 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 Lot Owner a copy of its determination. A violating party shall have thirty (30) days to appeal a decision of the Board to a court of law and failure to file said appeal within thirty (30) days after receipt of the hearing determination or notice of default and cure if a hearing is not requested shall bar any challenges or any causes of action brought afterwards by said party. The Board's finding of default shall be conclusive in a case of a party's failure to appeal within the above prescribed time. If the defaulting Lot Owner (i) does not cure the default or request a hearing within the time limit specified in the original notice of default given pursuant to this Section, or (ii) so requests a hearing, but fails to cure the default (to the extent not waived by the Board) within the extended time, if any, granted by the Board after hearing, then the Board shall serve upon or mail to the defaulting Lot Owner, and to each such First Mortgagee which was entitled to notice of the default as above provided, a written notice of such Lot Owner's failure to effect a cure, and the Board may then proceed to take such action as it deems necessary to obtain relief.

**8.3. Remedy of Abatement in Addition to Other Remedies.** In the event a Lot Owner fails to effect the cure specified by the Board within the time period set out in Section 8.2. hereof, where the default is a structure, thing, or condition existing in or on the premises of the Owner's Lot, the Board, or its duly authorized representative, shall have the right to enter upon the premises of the Owner's Lot in which, on which, or as to which, such default exists, and summarily to abate and remove, at the defaulting Lot Owner's expense (and levy an assessment therefor as provided in Section 8.1. hereof), the structure, thing, or condition constituting the default, and the Board, the Association, and their agents, employees, and representatives shall not thereby be deemed guilty of any manner of trespass.

**8.4. 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, without first using the procedure established by Section 8.2 hereof, if such default or failure creates an emergency or a situation dangerous to persons or property.

**8.5. Recovery of Attorneys' Fees and Costs.** In any proceeding arising because of an alleged default by a Lot Owner, the prevailing party shall be entitled to recover the costs of such proceeding and such reasonable attorneys' fees as may be allowed by the court, with interest thereon at the higher of (i) 4% over the prime rate announced by the Wells Fargo Bank, N.A. at the time the costs are incurred and (ii) the highest rate allowed by law at the time the costs are incurred, from the dates such costs are incurred until paid.

**8.6. Nonwaiver of Covenants.** The failure of the Association or of any Lot Owner thereof to enforce any term, provision, right, restriction, covenant, or condition that may be granted by the Restrictions, these Bylaws, the Articles, the rules and regulations or the Act, as the same may from time to time be amended, shall not constitute a waiver or abrogation of the right of the Association or a Lot Owner to enforce such term, provision, right, restriction, covenant, or condition in the future, irrespective of the number of violations or breaches thereof that may have occurred.

**8.7. Assessment Liens.** Assessments liens shall be enforced pursuant to Article VII hereof and not pursuant to this Article XIII.

## **ARTICLE IX Amendment**

The amendment of Bylaws or adoption of new Bylaws can only occur at a regular meeting of the Board and shall require an affirmative vote of two-thirds (2/3) of the Directors to adopt such changes.

## **ARTICLE X General Provisions**

**10.1. Rules and Regulations.**

(a) **By the Board.** The Board, including the first Board, may promulgate from time to time such rules and regulations as it deems reasonable and necessary governing the administration, management, operation and use of the Community Property so as to promote the common use and enjoyment thereof by Lot Owners and for the protection and preservation thereof. In addition, the Board may adopt such rules and regulations as it deems reasonable and necessary with respect to Lots to provide for the common good and enjoyment of all Lot Owners.

(b) **Uniform Application.** All rules and regulations shall be equally and uniformly applicable to all Lot Owners, but need not be equally and uniformly applicable if it is determined that such unequal or non-uniform application is in the best interest of the Association or if equal and uniform application is not practicable.

**10.2. Parliamentary Authority.** Robert's Rules of Order, Newly Revised, shall govern the conduct of Association proceeding when not in conflict with the Restrictions, these Bylaws, the Articles, the Act, or any statutes of the State of North Carolina applicable thereto. The President of the Association shall have the authority to appoint a parliamentarian.

**10.3. Compliance with the Act: Conflict: Severability.** These Bylaws are established in compliance with the Act. Should any of the terms, conditions, provisions, paragraphs, or clauses of these Bylaws conflict with any of the provisions of said Act, the provisions of said Act shall control unless the Act permits these Bylaws to override the Act, in which event these Bylaws shall control. In the case of any conflict between the provisions of these Bylaws and the Restrictions, the Restrictions shall control. If any term, provision, limitation, paragraph, or clause of these Bylaws, or the application thereof to any person or circumstance, is judicially held to be invalid, such determination shall not affect the enforceability, validity, or effect of the remainder of these Bylaws, or the application thereof to any other person or circumstance.

**10.4. Form of Notice.** Whenever in the Restrictions, the Act or these Bylaws it shall be required or permitted that notice or demand be given or served on the Association or a Lot Owner or other party entitled to notice, such notice or demand may be given in writing by registered or certified mail, postage prepaid, to the respective addressee. All notices or demands provided under the terms of the Restrictions, the Act or these Bylaws shall be effective when actually received by a party entitled to notice or when attempted to be delivered as authorized above.

Adopted, effective September 29, 2011.

**Wolf Laurel Road Maintenance and Security Homeowner's Association, Inc.**

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T. Michael Kaney, President