

**BY - LAWS
OF THE
MARCHMONT PLANTATION PROPERTY OWNERS ASSOCIATION, INC.**

The Owners of Lots in Marchmont Plantation hereby adopt the following By-Laws for the Marchmont Plantation Property Owners Association, Inc.

GENERAL

The name of the corporation is Marchmont Plantation Property Owners Association, Inc., hereinafter referred to as the "Association". The principal office of the Association shall be located, and meetings of Members (as hereinafter defined) and the Board of Directors (as hereinafter defined) may be held, at such places within the State of North Carolina as may be designated by the Board the Board of Directors from time to time.

The By-Laws of "Marchmont Plantation Property Owners Associations" are as follows:

**ARTICLE I
DEFINITIONS**

Section 1.1. "Articles of Incorporation" or "Articles" means the Articles of Incorporation of MARCHMONT PLANTATION PROPERTY OWNERS ASSOCIATION, INC., when filed with the Secretary of State of the State of North Carolina.

Section 1.2. "Association" refers to MARCHMONT PLANTATION PROPERTY OWNERS ASSOCIATION, INC., a North Carolina non-profit corporation, its successors or assigns.

Section 1.3. "Board of Directors" or "Board" is the body responsible for administration of the Association, selected as provided in these By-Laws and generally serving the same role as a board of directors under North Carolina corporate law.

Section 1.4. "By-Laws" means these by-laws as they may be amended from time to time.

Section 1.5. "Covenants" means the Restrictive Covenants for Marchmont Plantation recorded in the Office of the Register of Deeds of Davie County in deed book 123, page 871 as amended from time to time.

Section 1.6. "Lot" means platted Lots, or Lots which have been re-platted by the Declarant in properties described in the Covenants. The term includes all portions of the Lot owned and all structures thereon.

Section 1.7. "Member" means a Person entitled to membership in the Association, as provided herein.

Section 1.8. "Owner" means one or more Persons who hold the record title to any Lot, but excluding any party holding merely a security interest in the lot. If a Lot is sold under a recorded contract of sale, and the contract specifically so provides, then the named purchaser will be considered the Owner.

Section 1.9. "Person" means a natural person, a corporation, a partnership, a limited liability company, a trustee, or any other legal entity.

Section 1.10. "Plat" means the Plat recorded in Plat Book 5, Page 130 in the office of the Register of Deeds of Davie County.

Section 1.11. "Properties" means all of the real property described in the Covenants which property is known generally as Marchmont Plantation.

Section 1.12. "Structure" means any structure, house, or building constructed on a Lot.

Section 1.13. "Voting Member" means a member of the Association entitled to vote on a particular matter.

ARTICLE II MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 2.1. Membership. Every Lot Owner shall be a member of the Association.

Section 2.2. Voting Rights. Each member shall have one vote for each Lot owned. When more than one person owns a Lot, the Owners shall designate in writing to the secretary of the Association the name of the person who shall exercise the right to cast the one vote for each Lot owned. Such written designation shall remain effective until amended or revoked in writing to the secretary of the Association.

ARTICLE III MEETINGS OF MEMBERS

Section 3.1. Annual Meetings. The annual meeting of the Members for the election of directors and for the transaction of such other business as may properly come before the meeting shall be held at _____ p.m. on the ____ day of _____ in each year, if not a legal holiday, and if a legal holiday, then on the next business day at a place designated by the President.

Section 3.2. Special Meetings. Special meetings of the Members may be called at any time by the President, or any two members of the Board of Directors, or by any Member pursuant to the written request of the holders of not less than one-tenth of all the votes entitled to be voted at a meeting.

Section 3.3. Voting Lists. At least ten days before each meeting of the Members, the Secretary of the Association shall prepare an alphabetical list of the Members entitled to vote at such meeting and the number of votes held by each, which list shall be subject to inspection by any Member at such reasonable time as the Member and the Secretary agree.

Section 3.4. Notices. Any notice required to be sent to any Member or Owner, under these provisions shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person to whom notice is being given or when personally notified by the President or Secretary. Notice to any Owner of a Lot is notice to all Owners of that Lot. Each Member has the affirmative duty and obligation keep the Association informed in writing of any change of address. No Member shall be excused from the Member's obligations established by these By-Laws or under the Covenants or challenge any notice to such Member if the Association mailed the notice to the address of the Member as recorded on the books of the Association. An Owner shall inform the Association in writing of any change in Ownership of a Lot which notice shall include a correct current address of the new Owner.

Section 3.5. Quorum. The presence in person or by proxy of holders of record of a majority of the votes entitled to vote at the meeting shall be necessary to constitute a quorum for the transaction of business.

ARTICLE IV

BOARD OF DIRECTORS

Section 4.1. General Powers. The property, affairs and business of the Association shall be managed by the Board of Directors.

Section 4.2. Number, Term of Office, Initial Board. The number of directors shall be seven (7). The term of office shall be one year or until a successor is elected, unless the director dies, resigns, or is disqualified or removed as provided in the By-Laws.

Section 4.3. Election of Directors. The initial Board of Directors shall be elected by the Members at the organizational meeting of the Association. Thereafter, the directors shall be elected at the annual meeting of the Members and the persons who shall receive the highest number of votes shall be the elected directors. The Board shall determine whether the vote shall be by ballot or by some other procedure.

Section 4.4. Removal of Directors. The Board of Directors or any individual director

may be removed from office with or without cause by a vote of the Members holding a majority of the votes entitled to be cast at an election of directors.

ARTICLE V MEETING OF DIRECTORS

Section 5.1. Regular Meetings. A regular annual meeting of the Board of Directors may be held immediately after the annual meeting of homeowners and if not then held, shall be held within a reasonable time thereafter.

Section 5.2. Special Meetings Special meetings of the Board of Directors may be called by or at the request of the President or any two directors.

Section 5.3. Place of Meetings. All meetings of the Board of Directors shall be held at the place designated by the President.

ARTICLE VI OFFICERS

Section 6.1. Number of Officers. The officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer. The office of Secretary and Treasurer may be held by the same person.

Section 6.2. Election, Term of Office and Qualifications. Each officer shall be elected by a majority vote of the Board of Directors. The term of office shall be one year or until a successor is elected, unless the officer dies, resigns, or is disqualified or removed as provided in the By-Laws.

Section 6.3. President. The President shall be the chief executive officer of the Association and, subject to the instructions of the Board of Directors, shall have general charge of the business, affairs, and property of the Association, and control over its officer, agents and employees. The President shall preside at all meetings of the Members and of the Board of Directors at which he may be present. The President shall do and perform such other duties as the Board of Directors may assign from time to time.

Section 6.4. Vice President. The Vice President shall fulfill the duties of the President when the President is unavailable to act. The Vice President shall perform such other duties and have such other authority as from time to time may be assigned to the Vice President as the Board of Directors may assign from time to time.

Section 6.5. Secretary. The Secretary shall keep the minutes of the meetings of the

Members and of the Board of Directors, and shall see that all notices are duly given in acceptance with the provisions of these By-laws or as required by law. The Secretary shall be custodian of the records, books, reports, statements, certificates and other documents of the association. In general, the Secretary shall perform all duties and possess all authority incident to the office of Secretary, and the Secretary shall perform such other duties and have such other authority as from time to time may be assigned to the Secretary by the Board of Directors.

Section 6.6. Treasurer. The Treasurer shall have supervision over the funds, securities, receipts and disbursements of the Association. The Treasurer shall keep full and accurate accounts of the finances of the Association in books especially provided for that purpose, and shall cause a true statement of its assets and liabilities, as of the close of each fiscal year, and of the results of its operations and of changes in surplus for each fiscal year, all in reasonable detail. The accounting shall be kept available for inspection by any Member for a period of three (3) years.

ARTICLE VII

CONTRACTS, LOANS, DEPOSITS, CHECKS, DRAFTS, ETC.

Section 7.1. Loans. No loans shall be contracted on behalf of the Association and no evidence of indebtedness shall be issued in its name.

Section 7.2. Deposits All funds of the Association shall be deposited from time to time to the credit of the Association in such banks or other depositories as the Board of Directors may select, or as may be selected by any officer or officers, agent or agents of the Association to whom such power may from time to time be given by the Board of Directors.

Section 7.3. Checks, Drafts, Etc. All notes, drafts, acceptances, checks and endorsements or other evidences of indebtedness shall be signed by the President and the Secretary or the Treasurer, or in such manner as the Board of Directors from time to time may determine. Endorsements for deposit to the credit of the Association in any of its duly authorized depositories will be made by the President or Treasurer or by any officers or agent who may be designated by resolution of the board of Directors in such manner as such resolution may provide.

ARTICLE VIII

POWERS, DUTIES AND RESPONSIBILITIES, ETC.

Section 8.1. Exercise of Developer's Rights. The Developer under the Covenants has assigned to the Association all developer's rights under the Covenants, as modified or as may be modified, waivers, modifications and agreements. The Association, through the Board, shall have the authority to exercise all of the rights given to the Developer under the Covenants.

Section 8.2. Enforcement of Covenants. The Association, through the Board, shall have the authority to carry out and enforce the Covenants (including all waivers, modifications and agreements pertaining thereto). This right does not supercede the right of Owners to seek enforcement of the Covenants.

Section 8.3. Miscellaneous. The Association shall also have such other duties, responsibilities and powers, necessary and implied, as are granted to non-profit corporations by law and as may be given the Association by the members.

ARTICLE IX **AMENDMENT**

Section 9.1 Amendment. The By-Laws may be amended by an affirmative vote two-thirds of the Membership having a right to vote.

IN WITNESS WHEREOF, these By-Laws are executed by the Secretary the 25th day of July, 2003.

MARCHMONT PLANTATION PROPERTY OWNERS ASSOCIATION, INC.

By *Zeth Van Hoy*
Secretary