

**BYLAWS OF THE
SILVERLEAF PROPERTY OWNERS' ASSOCIATION, INC.**

ARTICLE I NAME AND PURPOSE OF CORPORATION

1.1 Name. The Silverleaf Property Owners' Association, Inc. is a planned community and non-profit corporation of North Carolina created by Articles of Incorporation, dated August 16, 1978, recorded at Book H of Corporations at page 222, and incorporating the Declaration of Restrictions, amended, and approved as of October 9, 2022, and recorded in the Registry Watauga County, Boone, North Carolina (hereinafter referred to as the "Silverleaf POA" or the "Association").

1.2 Purpose and Applicability. The Silverleaf POA is a North Carolina non-profit corporation formed for the purposes of:

a. promoting the health, safety, and welfare of property owners with the Silverleaf Subdivision, which subdivision is to include all that land which has been developed as a subdivision by Silverleaf and registered in the Registry of Watauga County, North Carolina;

b. owning, acquiring, building, operating, and maintaining recreational parks, playgrounds, swimming pools, swimming, and fishing lakes, and any such other facilities as the members desire including the common grounds, footpaths, and roads within the subdivision including snow removal, drainage, road maintenance, and gate maintenance and access;

c. arranging on a collective basis for garbage and trash collection and disposal, as applicable, for cable television and internet services, for fire and security protection, and for any other service or facilities the members desire;

d. fixing assessments or charges to be levied against the members for providing those services and facilities, which assessments, if unpaid are to become a lien on the land in the subdivision of the members not making such payment, pursuant to the various Declarations of Restrictions as are applicable to the various lots in the subdivision; and

e. doing any other thing which is in keeping with the promotion of the health, safety, and welfare of the property owners within the subdivision.

Article II Membership

2.1 Membership. The membership of the Association shall consist of those persons who presently own property within the Silverleaf Subdivision. Owners of each parcel of land shall be counted as one member. An annual fee shall be assessed for each tract of land with a dwelling. If a particular owner has more than one parcel of land without a dwelling, he/she is still considered one member and will be responsible for only one annual assessment. If an owner owns multiple tracts of land each with a home, the owner will be assessed a fee for each tract of land with a home. If two parties jointly own a parcel, (e.g., a married couple or partnership), they are considered as one owner, receive one vote between them, and shall be billed for only one annual assessment. If two parties jointly own multiple properties with dwellings on each property, each property will be billed for the annual assessment. If any tract or parcel of land is subdivided or if any property owner who owns more than one lot within the Silverleaf

Development sells one or more lots to other parties, those parties purchasing the lots shall become members. The Seller is required to notify the buyer of the assessment fee and shall notified the Association of the pending real estate sale prior to the closing of the sale. The buyer shall notify the Association and provide current contact information for membership.

2.2 Voting Member. There shall be one person with respect to each lot in the Subdivision who shall be entitled to vote at any meeting of the Association. Such person shall be known and hereafter referred to as a "voting member." Such voting member may be the owner of one or more of the groups composed of all the owners of a lot or may be some other person designated by such owner or owners to act as proxy on his or their behalf and who need not be an owner. Therefor, there is one voting member per household, or lot(s) owner. Owner(s) who own multiple lots, still have one vote. Such designation shall be made in writing to the Board and shall be revocable at any time by actual notice to the Board by the owner(s) due to the death or judicially declared incompetence of any designator, or by written notice to the Board by the owner or owners.

2.3 Waiver of Notice. Any owner at any time may waive notice of any meeting of this Association in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by an owner at any meeting of this Association shall constitute a waiver of notice by him/her of the time and place thereof, except where an owner attends a meeting and indicates immediately upon the meeting's being called to order that his sole purpose of attending is to object to the transaction of business because the meeting has not been lawfully called.

Article III Meetings

3.1 Annual Meeting of Members. Annual meetings of this Association shall be held at such times and places as may be designated by the Board and specified in the notice of such meeting, for the purpose of electing members of the Board and for transaction of such other business as may be properly brought before the meeting. To facilitate timely preparation and passing of the Association's operating budget before the beginning of the fiscal year on the first of January each year, the annual meeting should be held no later than October 31st of each year.

3.2 Special Meetings and Place.

A. Special Meetings. Special Meetings may be called by the Association's president, a majority of board members, or by a petition joined by at least ten percent of the community's homeowners. All meetings require at least ten (10) days, but not more than sixty (60) days, advance written notice, provided via hand-delivery, regular mail, or email, if the owner has provided an email address in writing to the Association. Notices must state the meeting's time and place and describe the agenda, including the nature of any proposed amendments, budget changes, or proposed removal of an officer or board member.

B. Place of Meetings. All meetings of this Association shall be held at the property or at such other place within the State of North Carolina as shall be determined by the Board of Directors of this Association. As provided for in a meeting notice, the membership may meet in person, via video conference technology, via telephone conferencing, or in any

combination of means, to facilitate participation of the membership.

3.3 Quorum for members' meetings. At all meetings of the Association, either regular or special, at least thirty percent (30%) of all members in good standing shall constitute a quorum. Members who have not paid their annual assessment or any special assessments are not in good standing and are therefore ineligible to vote. Votes may be obtained by mail for those not in attendance and those members who communicate either by mail, video conferencing, or telephone during the meeting, shall be counted as part of the quorum.

3.4 Lack of quorum. If a quorum is not present, the presiding officer must adjourn the meeting to a day and hour fixed by that officer. If a quorum is not met, the quorum required for the follow-up meeting shall be set at thirty percent (30%) of members in good standing. If desired, a follow-up meeting may be scheduled and advertised in the same notice as the annual or special meeting. If the required quorum is met during the first meeting, a follow-up meeting need not be held. Proxies used for the annual meeting may not be used for the follow-up meeting. Separate proxies are required.

3.5 Order of Business. At all meetings of the Association, the order of business shall be as follows:

- Reading of minutes of immediate prior meeting for information and approval.
- Reports of officers.
- Reports of committees.
- Election of directors.
- Unfinished/old business.
- New business.
- Budget
- Reading and approval of minutes of meeting just held, if requested. Minutes will be published and posted on the Association's website within 30 days of the meeting.

3.6 Meetings of the Board. Meetings of the Board of Directors shall be called by the President on his or her own initiative whenever in his/her judgment it may be deemed necessary, or by the Secretary upon request of any three (3) members of the Board. Ten days' notice of meetings of the Board shall be sent by mail or email to all directors and shall be deemed sufficient notice of such meetings. At regular intervals, the Board will notify Association members of an opportunity to attend at least a portion of the board meeting and voice issues and concerns of the community.

3.7 Minutes. The Board shall keep minutes of its proceedings and post them on the Association website.

3.8 Quorum for Board of Director's Meeting. A majority of the Board of Directors shall constitute a quorum.

Article IV Governance

4.1 Board of Directors. The general management of the affairs of the Association shall be vested in the Board of Directors (the “Board”), who shall be elected as provided in Section 1 of Article IV of these Bylaws. The number of directors shall be five (5), which number may be changed by amendment. Each Director shall hold office for a period of three years or until their death, resignation, retirement, removal, disqualification, or a successor is elected.

4.2 Officers. The officers of the Association shall consist of a president, a vice president, a secretary, a treasurer, and a member-at-large, selected from the Board of Directors, as provided in Section 5.2 of Article V of these Bylaws.

4.3 Compensation of Directors and Officers. Neither the officers, directors, nor members serving on committees shall receive any salary or compensation for services rendered to the Association for work conducted within the scope of their assigned position title or duties. The Association may not make any payment to a board member or officer, including in-kind exchanges, unless the transaction is expressly authorized in the bylaws or is approved in advance by a majority vote of the Board for distinct services rendered apart from the position of board member or officer.

Article V Election of Directors and Officers; Vacancy of Positions

5.1 Election of directors. The directors of the Association shall be elected at the annual meeting. Each active and qualified member shall be entitled to one vote for each director to be elected and the candidates receiving the most votes cast shall be declared elected. Each director shall be in good standing to fulfill the position.

5.2 Election of officers. Each Board of Director position will hold that office for a term of three years and follow the staggered schedule as follows:.

President: Three-year term starting October 2020, with new election in October 2023;

Vice President: Three-year term starting October 2021, with new election in October 2024;

Treasurer: Three-year term starting October 2021, with new election in October 2024;

Secretary: Three-year term starting October 2019, with new election in October 2022;
and

Member at Large: Three-year term starting in October 2020, with new election in October 2023.

5.3 Vacancies. If a vacancy occurs among the directors, for any reason, the Board of Directors may appoint an individual to fill the position until the next scheduled annual meeting, at which time an election will take place to fill the position for the remainder of its term. If a director is absent from three consecutive meetings of the Board, the Board may declare the position vacant and fill the position.

Article VI Duties of Officers

6.1 President. The President shall preside at all meetings of the Association and of the Board of Directors and shall appoint such committees as he/she or the Association shall consider expedient or necessary.

6.2 Vice President. The Vice President shall preside at any meetings of the Association and of the Board of Directors in which the President is unavailable.

6.3 Secretary. The Secretary shall mail out or email all notices for meetings of the Association or the Board of Directors, keep the minutes of all meetings of the Association and the Board of Directors; shall, if requested, read such minutes at the close of each meeting for approval; and perform such other duties as may be required of him/her by the Association governing documents, the President, or the Board of Directors.

6.4 Treasurer. The Treasurer shall have custody of all Association funds and securities and shall receive, deposit, or disburse the same under the direction of the Board. He/she shall keep accurate account and collect all Association fees, assessments, and charges due from members; keep full and accurate accounts of the finances of the Association; prepare a statement of the Association's assets and liabilities as of the close of each fiscal year; and prepare a report of the results of its operations and of changes in surplus for such fiscal year. All records shall be in reasonable detail, to be prepared and distributed to all owners and members of the Board on or before the 15th day of the third month following the close of each fiscal year. The statements or reports so filed shall be kept available for inspection by any owner for a period of three (3) years. The Treasurer shall also file all reports and returns required by federal, the State of North Carolina, or local laws and shall generally perform all other duties as may be assigned from time to time by the President or the Board. He/she shall sign checks and withdrawal slips on behalf of the Association for all its bank accounts, and the same shall be honored on his/her signature alone. If an association management company is used, the Treasurer is responsible for oversight of the company operations on behalf of the association. All payments must be approved by the Treasurer before the management company can release association funds.

6.5 Member-at-Large. The Member-at-Large may or may not have assigned duties, subject to the desires of the Board of Directors. The Member-at-Large is a full voting member of the Board.

6.6 Execution of instruments. The President, along with the Secretary or the Treasurer, shall sign all leases, contracts, or other instruments in writing, being so authorized and approved by the Board.

Article VII Duties and Powers of Board of Directors

7.1 Management of Association. The Board of Directors shall have general charge and management of the affairs, funds, and property of the Association. The Board shall have full power and it shall be the Board's duty to carry out the purposes of the Association according to its Articles of Incorporation and Bylaws; to determine whether the conduct of any member is

detrimental to the welfare of the Association; and to fix the penalty for such misconduct or any violation of the Bylaws or rules.

7.2 Authority to impose liability on members. The Board of Directors shall have the right to impose a lien upon a property owner's land in the relevant county's land records to secure payment of any unpaid amounts, including late charges, fines, interest, and any other charges permitted by the Association's governing documents.

7.3 Place of Board's meetings. The meetings of the Board of Directors may be held in the town of Zionville, the Town of Boone, North Carolina, or any other closer location as determined and set by the President. Additionally, meetings may be held via the use of technology or video/audio conferencing methods.

7.4 Liability of the Board. The members of the Board shall not be liable to the Association membership for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The owners shall indemnify and hold harmless each of the members of the Board against all contractual liability to others arising out of contracts made by the Board on behalf of the Association unless any such contract shall have been made in bad faith or knowingly contrary to the provisions of the Articles of Incorporation of these Bylaws. Said indemnity obligation, and all costs reasonably incurred in enforcing it, including reasonable attorneys' fees, shall be secured by a lien in favor of the Board and each of its members individually identical to that provided in connection with the annual assessed fees. It is intended that the members of the Board shall have no personal liability with respect to any contract made by them on behalf of the Association, except to the extent they are lot owner(s). It is also intended that the liability of any lot owner arising out of any contract made by the Board or out of the aforesaid indemnity in favor of the members of the Board shall be limited to such proportion of the total liability thereunder as his part of the annual assessed fees bears to the total annual assessed fees of all of the Lot Owners. Every agreement made by the Board or by the managing agent on behalf of the Association shall provide that the members of the Board or the managing agent, as the case may be, are acting only as agents for the lot owners and shall have no personal liability thereunder (except as individual lot owners), and that each lot owners' liability thereunder, shall be limited to such proportion of the total liability as his part of the annual assessed fees bears to the total annual assessed fees of all lot owners.

7.5 Authority to Insure the Association. The Board of Directors shall have the right to obtain insurance to protect the Association and to protect the Board members from potential liability.

Article VIII Assessments

8.1 Assessments.

a. New construction. To defray the costs incurred for increased use of the Association roadways and efforts necessary to enroll new members and review required documentation of new dwellings, the development of any permanent structure on any undeveloped lots will require a one-time payment of five hundred dollars (\$500.00).

b. Rental Properties. Owners that utilize their property as rental property exclusively, shall pay an additional Four Hundred Dollars (\$400.00) per year to the POA, per home. The rental assessment fee is in addition to the homeowner's Annual Assessment, as detailed in Section 9.2 below.

c. Assessments for Violations of Restrictions. The POA is authorized to assess fines if after written notification from the POA, owners fail to cure violations after 30 days and have not communicated plans to the Board of Directors addressing rectification of the particular violation. The owner will be subject to an assessment equal to the amount of five percent (5%) of the current Annual Assessment required of the membership.

d. Transfer of Property/Gate Code: Upon closing of the sale or conveyance of a Lot, the new owner will be assessed a fee of fifty dollars (\$50.00) to offset the additional cost of updating Association documentation, gate codes, and other administrative tasks. This fee is additional to any other assessments that may be due to the Association resulting from the conveyance of the Lot.

8.2 Annual Assessment. The Annual Assessment of members for each calendar year commencing are \$500.00 and shall be payable March 1st of each year. The Association reserves the right to increase the annual assessment as noticed and approved by the membership from time to time.

8.3 Nonpayment of Annual Assessment or Assessment Fees. The Board of Directors shall at its discretion, enforce payment of the Annual Assessment by imposing a late fee per month and notice to the homeowner to provide the owner an opportunity to cure the nonpayment. If the Annual Assessments are not paid within thirty days of the date specified in Section 9.2, the Board will assess a late fee in the amount of \$25.00, for each month the payment is late.

The Board of Directors may file a lien upon the delinquent member's property through a court of law. Said lien may later be foreclosed upon for satisfaction of lien.

Article IX Notices

All notices to members shall be mailed to their addresses as noted on the records of the Association, and such mailing shall constitute presumptive evidence of service thereof. Notices may be provided via hand-delivery, regular mail, or email, if the lot owner (or voting member) has provided an email address in writing.

Article X Amendments

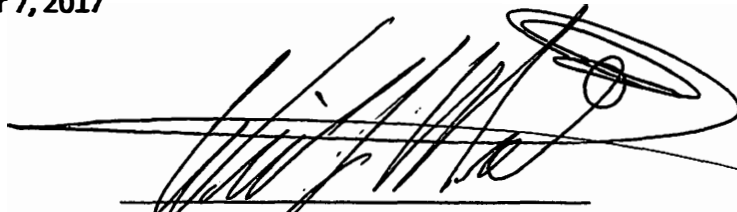
These Bylaws and other governing documents of the Silverleaf Property Owners' Association, Inc, may be amended by the affirmative vote of the majority of its members present at a regular or special meeting of the Association. All owners shall be bound to abide by any amendment upon the same being approved.

Amended and Approved – October 9, 2021

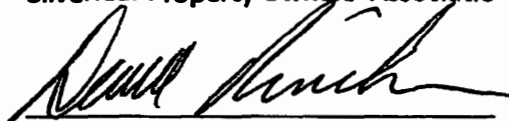
Amended and Approved – October 7, 2017

Approved – August 16, 1978

Approved on October 9, 2022.



William J. McGowan
President, Board of Directors
Silverleaf Property Owners' Association, Inc.



Don Richardson
Secretary, Board of Directors
Silverleaf Property Owners' Association, Inc.