FOR REGISTRATION WILLIE L. COVINGTON
REGISTER OF DEEDS
DURHAM COUNTY, NC
2000 APR 18 11:36:29 AM
BOOK:2818 PAGE:14-23 FEE:$24.00
INSTRUMENT # 2000013200

AMENDED BYLAWS
OF
FOREST OAKS OWNERS ASSOCIATION, INC.

11/15/99

ARTICLE I

Pursuant to Article XIII, Section 1, the Bylaws of Forest Oaks Owners Association, Inc., are hereby amended by replacing said existing Bylaws with the following Bylaws. These Amended Bylaws were adopted by a majority of a quorum of members present in person or proxy at a meeting on November 15, 1999.

The name of the corporation is FOREST OAKS OWNERS ASSOCATION, INC., hereinafter referred to as the "Association." The principal office of the corporation shall be located at Allenton Management, 3500 Westgate Drive, Building 901, Durham, Durham County, North Carolina 27707, but the meetings of members and directors may be held at such places within the State of North Carolina, County of Durham, as may be designated by the Board of Directors.

ARTICLE II

Section 1. "Association" shall mean and refer to FOREST OAKS HOMEOWNERS ASSOCIATION, INC. its successor and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners. Common areas shall specifically include but shall not be limited to all private streets as shown on record plats.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 5. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properities, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 6. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded in the Office of the Register of Deeds of Durham, County, North Carolina.

Section 7. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

ARTICLE III

Section 1. Annual Meeting. The annual meeting of the members shall be held during the month of November of each year at a time and date to be determined by the Board of Directors.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of the members who are entitled to vote one-half (1/2) of all of the votes of the membership.

Section 3. Notice of Meetings. Unless otherwise specified in the Declaration, Articles of Incorporation, or Bylaws, written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. Unless otherwise specified in the Declaration, Articles of Incorporation, or Bylaws, the presence at the meeting of members entitled to cast, or of proxies entitled to cast, thirty percent (30%) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary/or person authorized. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot.

ARTICLE IV

BOARD OF DIRECTORS: SELECTION, TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board comprised of at least seven (7) but not more than nine (9) directors selected from the membership.

Section 2. Term of Office. At each annual meeting the members shall elect directors for terms of two (2) years for vacancies caused by expiring terms of current directors.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation, or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as through taken at a meeting of the directors.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two (2) or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members to serve from the close of such annual meeting until the close of the next annual meeting, and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for elections to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations must be made from among members.

Section 2. Election. Election to the Board of Directors shall be by secret ballot. At such elections the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be rescheduled by the President in consultation with the Board.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two (2) directors, after not less than three (3) days notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(a) Adopt, amend and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and right to use the recreational facilities of a member during any period in which such member shall be default in the payment of any assessment levied by the Association. Such right may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations.

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration.

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties; and

(f) approve the annual budget of the Association.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting which such statement is requested in writing by one-half (1/2) of the members;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration to:

(1) fix the amount of the annual assessment, based upon the approved annual budget, against each Lot at least thirty (30) days in advance of each annual assessment period;
(2) establish the terms of payment of the annual assessments;
(3) establish and maintain the reserve/replacement assessments;
(4) send written notice of each assessment to every Owner subject thereto at least thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same;

(5) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date and/or bring an action at law against the owner personally obligated to pay the same.

(d) issue, or cause an appropriate officer to issue, upon demand by any person with just cause, a certificate setting forth whether an assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association and on the real property owned by its members individually;

(f) cause all officers or employees having fiscal responsibilities on property owned by the Association to be bonded, as it may deem appropriate;

(g) cause the Common Area to be maintained, including the parking areas and roadways; and

(h) cause the exterior of the dwellings to be maintained.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a President and Vice President, Secretary and a Treasurer, who shall at all times be members of the Board of Directors.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he/she shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer of the Association may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer being replaced.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

(a) President. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes. In the event of the resignation or removal of the President, the Vice President shall become President, and a new Vice President shall be appointed as specified in Section 6.

(b) Vice President. The Vice President shall act in the place and stead of the President in the event of his/her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him/her by the Board.

(c) Secretary. The Secretary shall record the votes and keep minutes of all meetings and Proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; keep appropriate current records showing the members of the Association together with their addresses; serve notice of meetings of the membership; and shall perform such other duties as required by the Board.

(d) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse the funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account, cause an annual audit of the Association books to be made by an independent public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members. The Treasurer shall issue certificates indicating the payment or nonpayment of assessments on specified lots.

(e) The Board may direct the management company to perform on behalf of the officers any of the duties and acts enumerated in this section.

ARTICLE IX

COMMITTEES

The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these Bylaws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE XIV

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year.

IN WITNESS WHEREOF, we, being all of the Directors of the Forest Oaks Owners Association, Inc., have hereunto set our hands this 15 day of February, ~~1999.~~ 2000

Eileen S. Lowenbach, President

Joanne Lager, Vice President

Kathryn L. Farris, Secretary-Treasurer

Josephine Ellis

Wayne Fox

Thomas Stephenson

NORTH CAROLINA

DURHAM COUNTY

I, ARNOLD R. SPELL, Notary Public for said County and State, certify that KATHLYN L. FARRIS, personally came before me this day and acknowledged that SHE is SECRETARY, of FOREST OAKS OWNERS, a corporation, and that by authority duly given and as the act of the corporation the foregoing instrument was signed by its PRESIDENT, and attested by HER as its SECRETARY.

Witness my hand and official seal, this the 15 day of FEBRUARY, 2000

Notary Public

(SEAL)

My Commission Expires: 4/21/02

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting Secretary of the Forest Oaks Owners Association, Inc., a North Carolina corporation and,

THAT the foregoing Bylaws constitute the Amended Bylaws of said Association, as duly adopted at a meeting of members of the Forest Oaks Owners Association, held on the 15TH day of NOVEMBER, 1999.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 15TH day of FEBRUARY, 1999 (2000).

Kathlyn L. Farris
SECRETARY

ARTICLE X

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI

ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property for which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within fifteen (15) days after the due date, the assessment shall be assessed a late fee of $20.00, and the Association may bring an action at law against the Owner personally obligated to pay the same and/or foreclose the lien against the property in the same manner that Deeds of Trust may be foreclosed under Power of Sale under Chapter 45 of the North Carolina General Statutes, or its successors; and interest, costs and reasonable attorney's fee of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

ARTICLE XII

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: Forest Oaks Owners Association, Inc.

ARTICLE XIII

AMENDMENTS

Section 1. These Bylaws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of the members present in person or by proxy.

Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles of Incorporation shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

WILLIE L. COVINGTON
REGISTER OF DEEDS , DURHAM COUNTY
DURHAM COUNTY COURTHOUSE
200 E. MAIN STREET
DURHAM, NC 27701

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Filed For Registration: 04/18/2000 11:36:29 AM

Book: RE 2818 Page: 14-23

Document No.: 2000013200

AMD 10 PGS $24.00

Recorder: CAROL JENKINS

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State of North Carolina, County of Durham

The foregoing certificate of ARNOLD R SPELL Notary is certified to be correct. This 18TH of April 2000

WILLIE L. COVINGTON , REGISTER OF DEEDS By: Carol J Jenkins

Deputy/~~Assistant~~ Register of Deeds

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