

BY-LAWS
OF
SINCLAIR OWNERS ASSOCIATION
(A Non_Profit Corporation)

ARTICLE I
GENERAL

The name of the corporation shall be Sinclair Owners Association. The term "corporation" may be used interchangeably with and shall be the equivalent to "Association" as defined in the Declaration of Restrictive Covenants of Sinclair, (details of recording in Moore Co.), as the same may be amended from time to time, (herein called the "Declaration"). All capitalized terms shall have the same meaning as set forth in the Declaration. The principal office of the corporation shall be located at the residence of the person holding the office of Secretary of the corporation, but meetings of Members and directors may be held at such places within the State of North Carolina, County of Moore, as may be designated by the Board of Directors.

ARTICLE II
MEMBERSHIP

Section 1. Definition: Each Owner shall be a Member of the corporation, and membership in the corporation shall be limited to Owners of Lots in Sinclair, Section One, (deed recording information), and additional Lots which may be annexed from time to time into said subdivision (said subdivision and additional annexed properties hereinafter collectively referred to as the "Subdivision").

Section 2. Transfer of Membership: Membership in the corporation may be transferred only as an incident to the transfer of the transferor's Lot in the Subdivision.

ARTICLE III
MEETINGS OF MEMBERSHIP

Section 1 Annual Meetings. The first annual meeting of the Members shall be held within one (1) year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter, at the hour of eight o'clock, p.m. If the day for the annual meeting of the Members is a legal holiday or weekend, the meeting will be held at the same hour on the first day following which is not a legal holiday.

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-fourth (1/4) of all of the votes.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be served 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 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 hours of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum: The presence at the meeting of Members entitled to cast or of proxies entitled to cast, one-third (1/3) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. 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 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. 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 of three (3) directors, who need not be Members of the Association. Two of the directors shall be the President and the Vice President of the Association.

Section 2. Term of Office. The Members shall elect one director for a term of one year, one director for a term of two years and one director for a term of three years; and at each annual meeting thereafter, the Members shall elect one successor director for a term of three years. No directors shall serve more than two consecutive terms.

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 directors, his successor shall be elected 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

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 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 nominations may be made from among Members or non-Members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election 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 MEETING OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held quarterly without notice at 7:30 p.m. on the first Thursday of the first calendar month of each quarter, or 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 held at the same time on the next day which is not a legal holiday.

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 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 the power to:

- (A) adopt and publish rules and regulations governing the use of the Common Properties and facilities, and the personal conduct of the Members and their guest

thereon, and to establish penalties for the infraction thereof;

- (B) suspend the voting rights and right to use the Common Properties facilities of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 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 for three (3) consecutive regular meetings of the Board of Directors; and
- (E) employ a manager, an independent contractor, or such other employees as they may deem necessary, and to prescribe their duties.

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

- (B) 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 when such statement is requested in writing by one-fourth (1/4th) of the Members who are entitled to vote;
- (C) supervise all officers, agents and employees of the Association, and to see that their duties are properly performed;
- (D) as more fully provided in the Declaration, to:
 - (1) fix the amount of the annual assessment against each developed Lot at least thirty (30) days in advance of each annual assessment period in an amount not less than \$180.00 per year and to assess an initial start up fee for each Lot in the amount of \$75.00;
 - (2) 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;
- (E) issue or cause an appropriate office to issue, upon demand by any person, a certificate setting forth whether or not any 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;

- (F) procure and maintain adequate liability and hazard insurance on property owned by the Association;
- (G) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- (H) cause the Common Properties to be maintained.

ARTICLE VIII OFFICERS AND THEIR DUTIES

Section 1. Officers: The officers of the corporation shall be a President, Secretary, and Vice President and Treasurer; and such other officers as the Board may from time to time by resolution create.

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 shall be elected annually by the Board and each shall hold office for one (1) year until his successor shall have been elected or appointed and qualified.

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 may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president or 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 he replaces.

Section 7. Duties. The duties of the officers are as follows:

President

- A. The President shall preside at all meetings of the Members and directors; shall see

that all orders and resolutions of the Board are carried into effect; shall sign all leases, mortgages, deeds of trust and other written instruments and shall co-sign all checks and promissory notes.

Vice President

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

Secretary

- (F) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meeting of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

- B. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board; shall sign all checks and promissory notes of the Association; keep proper books of account; and shall prepare an annual budget and a statement of income and expenditures to be represented to the membership at its regular annual meeting and deliver a copy of each to the Members.

ARTICLE IX COMMITTEES

The Board of Directors may appoint such committees as deemed appropriate in carrying out its purpose.

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 a 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 against which the assessment is made. Any assessments which are not paid when due shall be delinquent.

ARTICLE XII PERIOD OF DECLARANT CONTROL

Notwithstanding anything in these Bylaws to the contrary, during the Period of Declarant Control:

- D. The Association shall be governed by a Board of Directors consisting of three (3) persons who need not be Members;
- E. Declarant shall have the right to appoint and remove all three (3) persons on the Board and to appoint and remove all officers of the Association; and
- F. Declarant reserves the right to alter or amend these By-Laws without consent or joinder of the other Members.

ARTICLE XII AMENDMENT

Section 1. With the exception of Article XII, these By_Laws may be amended at a regular or special meeting of the Members by a vote of a majority of a quorum of Members present in person or by proxy.

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

ARTICLE XIII
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, except that the first fiscal year shall begin on the date of incorporation.

The foregoing were adopted as the By-Laws at the meeting of the Board of Directors held on the 29 day of July, 2008 D.R.N.

SINCLAIR OWNERS ASSOCIATION

BY: 

Title: President

Name: