

BY-LAWS OF HAYWOOD FOREST COMMUNITY CLUB, INC.

ARTICLE I. MEMBERSHIP

1. All property owners in the Haywood Forest Community as hereafter defined shall be eligible for membership. Membership privileges shall extend to the immediate family of each property owner.
2. For the purpose of this organization, the area designated as Haywood Forest on the recorded plat filed in plat book 4 at page 58 of the Henderson County Registry, plus such contiguous areas as the members shall approve, shall be known as the Haywood Forest Community.

ARTICLE II. MEMBERSHIP MEETINGS

1. An annual meeting of the members shall be held each year in August for the purpose of:
  - a. Electing officers and directors for the ensuing year.
  - b. Ratifying the budget and the annual assessment.
  - c. Considering any special projects.
  - d. Disposition of other business as may be brought before the meeting.
2. Special meetings of the members may be called at any time by the President. He shall call a special meeting upon petition signed by three or more voting members.
  - (a) Notice of a special meeting to all members must be given at least two days prior to the time set for the meeting.
  - (b) Notice may be given by any means chosen by the

President; but he must certify to the Secretary of the Club that he has made a bona fide attempt to notify all members (voting and non-voting) of the meeting.

(c) The notice shall state the purpose of the meeting and no business other than that stated shall be considered at the special meeting.

3. Subject to the provision of subparagraph 4, the owner or owners of each dwelling in the Haywood Forest Community shall be entitled to one vote in all decisions of the Club.

4. Only members who have paid the current annual assessment shall be entitled to vote in Club decisions.

5. No proxy voting shall be allowed, but with notice to the Secretary a property owner may authorize his tenant to cast the property owner's vote.

6. In all members' meetings, a majority of members then entitled to vote shall constitute a quorum.

#### ARTICLE III. ACTION WITHOUT A MEETING

1. The Club may take any action authorized at a regular or special meeting by written resolution signed by a majority of the voting members.

2. The written resolution shall contain a certification by the Club President that he has made a bona fide effort to present the resolution to all member of the Club ( voting and non-voting)

#### ARTICLE IV. DIRECTORS

1. The operation of the Club shall be the responsibility of the Board of Directors. They shall prepare an annual budget and recommend the amount of the annual assessment. They shall negotiate and execute contracts on behalf

of the Club. They shall consider the suggestions of all members and shall make an equitable distribution of funds and activity of the Club considering the diverse interests of all Club members.

2. The Directors shall consist of the officers named in Article III together with three other members elected at the annual meeting and the immediate past President. Vacancies among the officers and directors shall be filled from the membership by the remaining directors until the next annual meeting of the members.

3. Directors' meetings shall be held at the call of the President; but the President must call a meeting at the request of three or more Directors.

4. The Directors shall organize themselves into such committees as they shall determine appropriate.

5. A majority of all Directors, then serving, shall constitute a quorum.

ARTICLE V. OFFICERS

1. Officers shall be selected from the membership and shall consist of a President, a Vice-President, a Secretary, and a Treasurer. Each shall hold office for the ensuing year or until their successors have been selected and installed.

2. It shall be the duty of the President to preside at all meetings, to appoint committees, and to perform such other duties as may be assigned to him by the Board of Directors. The President shall be an ex-officio member of all committees.

3. The Vice-President shall perform such duties as may be assigned to him by the President and shall assume all the duties and authority of the President during his absence.

4. The Secretary shall keep accurate and complete minutes of the meetings of the Members and of the Board of Directors. He shall attend to all the correspondence and perform such other duties as ordinarily pertain to his office.

5. The Treasurer shall collect all contributions and shall notify the President of any delinquencies. He shall make all disbursement of funds on behalf of the Corporation and shall account for all funds of the Organization.

#### ARTICLE VI FISCAL MATTERS

1. The Directors shall prepare an annual budget consisting of two components. One component shall provide for all recurring expenses: and the other component shall provide a capital reserve for non-recurring expenses (defined as an expense not anticipated to occur more than once every three years) and other capital expenditures.

2. The Directors shall recommend an annual assessment to be charged the owners of each dwelling in Haywood Forest Community calculated to fund the annual budget. The budget and the annual assessment shall be presented to the membership at the annual meeting and must be ratified by a majority of the voting members.

3. No expenditure shall be made from the capital reserve without the approval of a majority of the voting members.

4. The fiscal year of the Club shall commence September 1st and end August 31st.

5. The annual assessment shall be delinquent after September 30th of each year.

ARTICLE V. AMENDMENTS

1. These by-laws may be amended at any duly constituted meeting of the membership by a vote of two-thirds of the voting members.