

AMENDED BY-LAWS

OF

ANCHORS LANDING HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME, LOCATION and PURPOSE

The name of the corporation is Anchors Landing Homeowners Association, Inc., hereinafter referred to as the "Association." The principal office is located at 185 Greens Road, P.O. Box 855, Granite Falls, North Carolina 28630, Caldwell County, North Carolina, but meetings of members and directors may be held at such places within the State of North Carolina, as may be designated by the Board of Directors.

"It is the mission of the Anchors Landing Home Owners Association to enhance the livability of our community while protecting the value of Member's investment in their property." The Association shall seek to accomplish these objectives through open communication with property owners and members of the Associations Board and committees. The Board will utilize these ideals to plan and develop a responsible and comprehensive budget and use these funds to preserve and protect the integrity of the development. The Board shall collect and manage financial resources and enforce CC&R guidelines while promoting the spirit of goodwill and fairness throughout the community".

ARTICLE II

DEFINITIONS

Section 1. The definitions for "Association", "Owner", "Property", "Common Property", and "Dwelling Unit" shall be defined pursuant to the terms and conditions of the definitions as set forth in Article I of the Declaration of Covenants, Conditions, and Restrictions of Anchors Landing Homeowners Association (the "Declaration") of which is duly recorded in the Office of the Register of Deeds for Caldwell County, North Carolina, the terms and conditions of which are incorporated herein and by reference.

Section 2. "Member" shall mean and refer to those persons or entities entitled to membership with voting rights as provided in the Declaration and in Article III, Section 1, of these By-Laws.

ARTICLE III

MEMBERSHIP AND PROPERTY RIGHTS

Section 1. Membership. Every Owner of a Lot which is subject to the Declaration shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot, and may not be assigned.

Section 2. Voting Rights. Members shall be all owners in good standing and shall be entitled to one (1) vote for each lot owned. When more than one (1) person owns an interest in a lot, all such persons shall be members. The vote for such lot shall be exercised as they among

themselves determine, but in no event shall more than one (1) vote be cast with respect to any lot.

Section 3. Property Rights. Each Member in good standing shall be entitled to the use and enjoyment of the Common Property as provided in the Declaration.

ARTICLE IV

MEETINGS OF MEMBERS

Section 1. Annual Meeting. The annual meeting of the Members shall be held between January 1 and December 31 of each calendar year, at the hour and location designated by the Board of Directors.

Section 2. Special Meetings. Special meetings of the Members may be called at any time at the request of the President of the Association or by any two Board Members. On a quarterly basis special meetings, designated as "Town Hall Meetings", will be held to hear feedback and concerns from the community. Town Hall Meetings will be open to all members in good standing, and the Minutes will be published on the Anchors Landing website.

Section 3. Notice of Meetings. Written notice of the annual 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, not less than 10 days nor more than 60 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. Waiver by a Member in writing of the notice required herein, signed by him before or after such meeting, shall be equivalent to the giving of such notice. In addition, the annual calendar of Board and Town Hall meeting schedules, locations and times will be displayed on the Anchors Landing website.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, at least 10% of the votes of the Membership (**§ 47F-3-109. Quorums**), 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 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. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

ARTICLE V

BOARD OF DIRECTORS, SELECTION, TERM OF OFFICE

Section 1. General Powers. The business and affairs of the Corporation shall be managed by its Board of Directors, except as otherwise expressly provided by law, the Articles of Incorporation, the Declaration, or these By-Laws.

Section 2. Number, Term and Qualifications. The number of Board of Directors Members

constituting the Board shall be five (5). Each Board of Directors Member shall hold office for a term of two years, or until his earlier death, resignation retirement, removal, disqualification, or his successor shall have been elected and qualified. Board of Directors Members need not be residents of the State of North Carolina.

Section 3. Removal. Any Board of Directors Member 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 Board of Directors Member, 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 Board of Directors Member shall receive compensation for any service he may render to the Association as a Board of Directors Member. However, any Board of Directors Member may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The Board of Directors Members 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 Board of Directors Members. Any action so approved shall have the same effect as though taken at a meeting of the Board of Directors.

Section 6. Reference in the Declaration. Section 3 of Article III of the Declaration refers to the Board of Directors. The Articles of Incorporation of the Association establishes a "Board of Directors". The term "Board of Directors" in the Declaration shall mean the "Board of Directors" as referred to in the Articles of Incorporation and in the By-Laws.

Section 7. Director Conflicts of Interest. No Director shall enter into a contract or be compensated for services or supplies furnished to the Association in a capacity other than as Director, nor shall any Director be involved in any transaction that may pose either a direct or indirect conflict of interest with the Association. All potential conflicts of interest shall be disclosed to the Board by the Director involved, and the Board shall then address the issue of conflict of interest in accordance with the procedures set forth in the North Carolina Nonprofit Corporation Act (§ 55A-8-31. **Director conflict of interest**).

ARTICLE VI

NOMINATION AND ELECTION OF BOARD OF DIRECTORS

Election and Nomination. The election of 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 person receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Nominations for elections to the Board of Directors shall be made by a Nominating Committee. Nominations for elections to the Board of Directors 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 and shall serve 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 election 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 may be made among members or non-members.

ARTICLE VII

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly, or at such other periodic intervals as may be established by the Board of Directors from time to time, at such place and hour as may be fixed from time to time by resolution of the Board. Any Member in good standing may attend the Regular meetings of the Board of Directors. All Committee Chairs or their designees are required to attend Regular meetings of the Board to report on activities of their Committee. All Committee reports and Board meeting Minutes, excluding any confidential executive sessions, will be published on the Anchors Landing website.

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 Board of Directors Members, after not less than three (3) days' notice to each Board of Directors Member. Special Board meetings will be held as closed, executive sessions, with attendance by invitation only and without formal published meeting minutes.

Section 3. Executive Sessions/Committee of The Whole. Generally executive sessions should be held for purposes of discussing litigation, contractual, or personnel matters; nevertheless, at the direction of the President or by majority vote of the Board, the Board may meet in private executive session or committee of the whole attended by Board members only, unless guests are invited by the President or Board majority. No official actions shall be taken in executive session unless notice has been given in the same manner as provided for special meetings or such private session occurs during a scheduled Board meeting. No official actions may be taken in a committee of the whole meeting.

Section 4. Quorum. A majority of the number of Board of Directors Members shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Board of Directors Members present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

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 two-thirds (2/3) of the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors. The written approvals shall be filed with the minutes of the Board.

ARTICLE VIII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

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

(a) Adopt and publish rules and regulations governing the use of the Common Property, and the personal conduct of the Members, and their guests thereon;

(b) Suspend the voting rights and any other rights of a Member during any period in which Member shall be in default in the payment of any assessment, dues or charge levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published roles 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 By-Laws, 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;

(e) Employ a manager, an independent contractor, or such other employees as deemed necessary to exercise their duties;

(f) Amend these By-Laws, as deemed necessary and appropriate for the good of the Association; and

(g) Employ attorneys to represent the Association when deemed necessary.

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 any special meeting when such statement is requested in writing by one-fourth (1/4) of the members who are entitled to vote;

(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 against each Lot at least thirty (30) days in advance of each annual assessment period;

(2) Send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

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

(d) Issue, or to cause an appropriate officer 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;

(e) Procure and maintain adequate liability insurance covering the Association, its directors, officers, agents, and employees and to procure and maintain adequate hazard insurance on any real and personal property owned by the Association;

(f) Obtain fidelity bonds on officers or employees, as deemed appropriate;

(g) Cause the Common Property to be properly maintained.

(h) Create committees within the community to provide support and oversight in Association matters such as proposing annual budgets, and in maintaining common property.

Section 3. Committees. The Board of Directors shall establish and direct Committees for the purpose of managing designated affairs of the Association. The standing Committees of the Association are: the Architectural Review Committee; the Budget and Finance Committee; the Buildings and Grounds Committee; the Community Watch Committee, the Community Relations Committee; and other ad hoc Committees and subcommittees as deemed proper by the Board to execute the matters of the Association.

Said Committees shall act:

- (a) under a governing Charter approved by the Board;
- (b) under the direction of a Chairperson elected by the Board;
- (c) through volunteer members and independent contractors, nominated by the Chair and approved by the Board;

At each regular Board Meeting, and otherwise as directed, each Committee Chair shall provide a status report of Committee issues, and actions.

The Committee meeting Minutes and Reports shall be published on the Anchors Landing website to provide Community insight and awareness.

Section 4. Policies. The Board of Directors shall create, by Board Resolution, executive policies to govern the fair and consistent execution of certain matters pertaining to the recurring exercise of Board authority. Such Policies shall exist for:

- (a) Construction plan review and appeal process (ARC Process).
- (b) The adjudication and enforcement of violations of CC&R and related provisions (Rules Enforcement Procedure);
- (c) The planning, budgeting and investment of financial resources (Financial Policies);
- (d) The receipt, hearing and acting upon of grievances raised by members in good standing (Request for Board Action process);
- (e) Other matters deemed by the Board to be necessary and prudent.

Section 5. Personal Liability. The Association shall maintain sufficient liability insurance to protect the Board of Directors from liability litigation. Personal liability for all Board of Directors Members for monetary damages arising out of an action or actions, whether by or in the right of the Association or otherwise for breach for any duty as a Board of Directors Member is eliminated except respect to acts, omissions, liabilities and/or transactions described and defined in North Carolina General Statutes Section 55A-2-02(b)(4)(i),(ii),(iii), and (iv).

ARTICLE IX

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a President and Vice-President, who shall at all times be members of the Board of Directors, a Secretary, and a Treasurer, and such other officers as the Board may from time to time appoint by resolution.

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. Thereafter, the appointment or removal of any office or officers of the Association shall be made by the Board of Directors.

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 shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board of Directors 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 of Directors 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 by giving written notice to the Board of Directors, the President or the Secretary. Such resignation shall take effect on the date and 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 of Directors. The office appointed to such vacancy shall serve for the remainder of the term of the office he replaces.

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 the case of special offices created pursuant to Section 4 of this Article.

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

(a) the **President**, shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board of Directors are carried out; shall sign all leases, mortgages) deeds and other written agreements.

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

(c) The **Secretary**, shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board of Directors and of the Association together with their addresses and shall perform such other duties as required by the Board of Directors.

(d) 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 of Directors; shall authorize payment of all checks and co-sign promissory notes of the Association; keep proper books of account; and shall prepare an annual budget and statement of income and expenditures to be presented to the membership at its annual meeting and deliver a copy of each to the members.

ARTICLE X

BOOKS AND RECORDS

Upon written request, the books, records and papers of the Association shall be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the By-Laws 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.

Section 1. Corporate Seal. The Association shall have a seal in circular form having within its circumference the words: Anchors Landing Homeowners Association, Inc., Caldwell County, North Carolina

Section 2. Adoption And Amendment Of By-Laws These By-Laws may be amended, at a regular or special meeting of the Directors, by a vote of not less than two-thirds (2/3) of the members of the Board, provided that those provisions of these By-Laws that are governed by the Articles of Incorporation of the Association or by the Declaration may not be amended except as provided in the Articles of Incorporation, the Declaration, or applicable law.

ORIGINAL ADOPTION OF BY-LAWS

RESOLVED, that Bylaws, which have been inserted into the minute book of the corporation immediately preceding this consent be, and they hereby are, adopted as the Bylaws of this corporation.

FURTHER RESOLVED, that the officers of the Corporation are hereby instructed to begin operation of the business of this association.

This action is effective this the 23rd day of April, 2002.

RITA A. COLLINS

MAXINE TURNER

AMON McCORMACK, JR.

VICTORIA ALLEN

DONNA PRINCE

ADOPTION OF AMENDED BY-LAWS



Anchors Landing Home Owners Association
Board of Directors

Resolution number: 09092013 A

A RESOLUTION TO AMEND THE BY-LAWS OF
THE ANCHORS LANDING HOMEOWNERS ASSOCIATION

WHEREAS, the Anchors Landing Homeowners Association By-Laws have never been updated to reflect the full transfer of responsibility from the Developer to the Association; and,

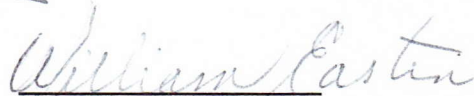
WHEREAS, the past and current Boards of Directors have established governing and operating practices and procedures; and,


WHEREAS, the Board of Directors now wishes to document and codify those practices and procedures for the benefit of future Boards and the Association,

NOW, THEREFORE, BE IT RESOLVED that the Amended By-Laws immediately preceding this consent are hereby adopted as the By-Laws of the Association, effective this 9th day of September 2013.


By:


Michael Vittorio


Skip Eastin


Pete McIlwain


Julia Tuminelli


David Weaver