

BYLAWS
OF
Quail Creek Homeowners Association, Inc.

ARTICLE I.
OFFICES

Section 1. **PRINCIPAL OFFICE.** The principal office of Trotter Ridge II Homeowners Association, Inc. (hereinafter referred to as the "Association") shall be located in Guilford County, North Carolina, at 7231 Summerfield Road, Summerfield, Guilford County, North Carolina.

Section 2. **REGISTERED OFFICE.** The registered office of the Association required by law to be maintained in the State of North Carolina may, but need not be, identical with the principal office.

Section 3. **OTHER OFFICES.** The Association may have offices at such other places either within or without the State of North Carolina as the Board of Directors may designate or as the affairs of the Association may require from time to time.

ARTICLE II.
ASSOCIATION MEETINGS

Section 1. **PLACE OF MEETINGS.** All meetings of the Association shall be held at: 7231 Summerfield Road, Summerfield, Guilford County, North Carolina, or at such other place, either within or without the State of North Carolina, as shall be designated on the notice of the meeting; or at such other place as agreed upon by a majority of the members entitled to vote thereat.

Section 2. **ANNUAL MEETING.** The annual meeting of the Association members shall be held at 5 o'clock p.m. on the 1st Thursday in April of each year for the purpose of electing directors of the corporation and for the transaction of such other business as may be properly brought before the meeting. If the day fixed for the annual meeting shall be a legal holiday, such meeting shall be held on the next succeeding business day.

Section 3. **SUBSTITUTE ANNUAL MEETINGS.** If the annual meeting shall not be held on the day designated by these by-laws, a substitute annual meeting may be called in accordance with the provisions of Section 4 of this Article II. A meeting so called shall be designated and treated for all purposes as the annual meeting.

Section 4. **SPECIAL MEETINGS.** Special meetings of the Association may be called at any time by the President, Secretary, Board of Directors of the corporation or by any Class A or Class B

member pursuant to the written request of not less than one-tenth of all entitled Class A or Class B voters entitled to vote at the annual meeting.

Section 5. NOTICE OF MEETINGS. Written or printed notice stating the time and place of the meeting shall be delivered not less than ten nor more than fifty days before the date of any Association meeting. Delivery may be made either personally or by mail, by or at the direction of the President, the Secretary, or other person calling the meeting. Each owner of record entitled to vote at such meeting shall be entitled to notice, provided that notice must be given not less than twenty days before the date of any meeting at which merger or consolidation is to be considered. If mailed, notice shall be deemed to be delivered when deposited in the United States mail, addressed to the owner at his/her address within the development, with postage thereon prepaid.

In the case of a special meeting, the notice of meeting shall specifically state the purpose or purposes for which the meeting is called; but, in the case of an annual or substitute annual meeting, the notice of meeting need not specifically state the business to be transacted thereat unless such a statement is required by the provisions of the North Carolina Business Corporation Act.

When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. When a meeting is adjourned for less than thirty days in any one adjournment, it is not necessary to give any notice of the adjourned meeting other than by announcement as the meeting as which the adjournment is taken.

Any homeowner may waive any notice of any meeting.

Section 6. VOTING LISTS. At least ten days before each Association meeting, the Secretary of the corporation shall prepare an alphabetical list of the members entitled to vote at the meeting or any adjournment thereof. The list shall state the address of and the number of votes held by each, shall be kept on file at the registered office of the corporation for a period of ten days prior to the meeting, and shall be subject to inspection by any eligible member at any time during usual business hours. This list shall also be produced and kept open at the time and place of the meeting and shall be subject to inspection by any eligible member during the whole time of the meeting.

Section 7. QUORUM. A majority of the members entitled to vote, represented in person or by proxy, shall constitute a quorum at an Association meeting, except that at a substitute annual meeting, the number of votes there represented either in person or by proxy, even though less than a majority, shall constitute a quorum for the purpose of such meeting.

The eligible members present at a duly organized meeting may continue to transact business until adjournment notwithstanding the withdrawal of enough members to leave less than a quorum.

In the absence of a quorum at the opening of any meeting, such meeting may be adjourned from time to time by a vote of the majority of the eligible voters. At any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the original meeting.

Section 8. PROXIES. Votes may be made either in person or by one or more agents' authorized attorney in fact. A proxy is not valid after the expiration of eleven months from the date of its execution, unless the person executing it specifies therein the length of time for which it is to continue in force or limits its use to a particular meeting, but no proxy shall be valid after ten years from the date of its execution.

Section 9. VOTING RIGHTS. Subject to the provisions of Section 4 of Article III, each Class A member entitled to vote shall be entitled to one vote for each lot owned on each matter submitted to a vote at a meeting of members. The Class B member(s) shall be entitled to three votes for each lot owned pursuant to Article VI of the Articles of Incorporation.

Except in the election of directors as governed by the provisions of Section 3 of Article III, a majority vote on any matter at an Association meeting at which a quorum is present shall be the act of the members on that matter, unless the vote of a greater number is required by law or by the charter of by-laws of this corporation.

Section 10. IRREGULAR MEETINGS. The transaction of any meeting however called and with whatever notice, if any, are as valid as though had a meeting duly held after regular call and notice if: all the members entitled to vote are present in person or by proxy; a quorum is present either in person or by proxy and no objection to holding the meeting is made by anyone so present; and if, either before or after the meeting, each of the persons entitled to vote not present in person or by proxy signs a written waiver of notice, a consent to the holding of the meeting or an approval of the action taken as shown by the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records and made a part of the minutes of the meeting.

Section 11. INFORMAL ACTION BY THE MEMBERS. Any action which may be taken at an Association meeting may be taken without a meeting if a consent in writing setting forth the action taken shall be signed by all if the persons entitled to vote upon the action at the meeting, is filed with the Secretary of the corporation. The consent shall be kept as part of the corporate records.

ARTICLE III. BOARD OF DIRECTORS

Section 1. GENERAL POWERS. The business and affairs of the corporation shall be managed by its Board of Directors.

Section 2. NUMBER, TERMS AND QUALIFICATIONS. The number of directors constituting the initial Board of Directors shall be two. The name and addresses of the persons who are to act in the capacity of Directors until the selection of their successors are:

William Todd Monroe	PO Box 711, Summerfield, NC 27358
DeWayne Sessoms	PO Box 711, Summerfield, NC 27358

The number of directors after the first annual meeting shall be five (5); thereafter, the number of directors may be changed by amendment of the By-Laws of the Association.

Each director shall hold office until his death, resignation, retirement, removal, disqualification or his successor shall have been elected and qualified. Directors need not be residents of the State of North Carolina nor members of the Association.

Section 3. ELECTION OF DIRECTORS. Except as provided in Section 7 of this Article III, the directors shall be elected at the annual meeting of the Association. Those persons who receive the highest number of votes shall be deemed elected. If any eligible member demands, the election of directors shall be by ballot.

Section 4. CUMULATIVE VOTING. Every member entitled to vote at an election of directors shall have the right to one vote for each lot in the development owned by that member: for as many persons as there are directors to be elected and for whose election he has a right to vote; to cumulate his votes by giving one candidate as many votes as the number of such directors multiplied by the number of lots owned by that member shall equal; or by distributing his votes on the same principle among any number of candidates. This right of cumulative voting shall not be exercised unless some member or proxy holder announces in open meeting, before the voting for the directors start, his intention to vote cumulatively. If announcement is made, the chair shall declare that all members entitled to vote have the right to vote cumulatively and shall grant a recess of not less than one nor more than four hours, as he shall determine, or of such other period of time as is unanimously then agreed upon.

Section 5. REMOVAL. Any Director may be removed at any time with or without cause by vote of the members holding a majority of the eligible members entitled to vote at an election of directors. However, unless the entire Board is removed, an individual director shall not be removed when the number of eligible members voting against the proposal for removal would be sufficient to elect a director if such votes could be cast cumulatively at an annual election. If any director is removed, a new director may be elected at the same meeting.

Section 6. RESIGNATION. Any director may resign at any time by giving written notice to the Board of Directors, the President or the Secretary of the corporation. Unless otherwise specified in the written notice, resignation shall take effect upon receipt by the Board of Directors or officers, and the acceptance of the resignation shall not be necessary to make it effective.

Section 7. VACANCIES. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining directors even though less than a quorum, or by the sole remaining director. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. Any directorship to be filled by reason of an increase in the authorized number of directors shall be filled only by election at an annual meeting or at a special Association meeting called for that purpose.

Section 8. CHAIRMAN OF BOARD. There may be a Chairman of the Board of Directors elected by the directors from their number at any meeting of the Board. The Chairman shall preside at all meetings of the Board of Directors and perform other duties as may be directed by the Board.

Section 9. COMPENSATION. The Board of Directors may compensate directors of their services and may provide for the payment of any expenses incurred by directors in attending regular and special meetings of the Board; provided, that nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity and receiving compensation therefor.

Section 10. ADVERSE INTEREST. No contract or other transaction between this corporation and any other corporation shall be impaired, affected or invalidated, nor shall any director be liable in any way by reason of the fact that any one or more of the directors of this corporation is or are interested in, or is a director or officer, or the directors or officers of such other corporation, provided that such facts are disclosed or made known to the Board of Directors.

Any director, personally and individually, may be party to or may be interest in any contract or transaction of this corporation. No director shall be liable in any way by reason of such interest provided; that the fact of the interest is disclosed to the Board of Directors; and provided that the Board of Directors shall authorize, approve and ratify the contract of transaction by vote (not counting the vote of any such director) of a majority of a quorum, notwithstanding the presence of any such director at the meeting at which such action is taken. Such director or directors may be counted in determining the presence of a quorum at such meeting. This Section shall not be construed to impair or invalidate or in any way affect any contract or other transaction which would otherwise be valid under the law (common, statutory or otherwise) applicable thereto.

ARTICLE IV. MEETING OF DIRECTORS

Section 1. REGULAR MEETINGS. A regular meeting of the Board of Directors shall be held immediately after, and at the same place as, the annual Association meeting. In addition, the Board of Directors may provide by resolution the time and place, either within or without the State of North Carolina, for the holding of additional regular meetings.

Section 2. SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by or at the request of the President or any two directors if the corporation has three or more directors. If the corporation has less than three directors, special meetings of the Board of Directors may be called by or at the request of the President or any director. The meeting may be held within or without the State of North Carolina as fixed by the party calling the meeting.

Section 3. NOTICE OF MEETING. Regular meetings of the Board of Directors may be held without notice. The party calling a special meeting of the Board of Directors at least two days before the meeting shall give notice by any usual means of communication. The notice need not specify the purpose for which the meeting is called.

Section 4. **WAIVER OF NOTICE.** Any director may waive notice of any meeting. The attendance by a director at a meeting shall constitute a waiver of notice of the meeting except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 5. **QUORUM.** A majority of the number of directors fixed by these bylaws shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section 6. **MANNER OF ACTING.** At all meetings of the Board of Directors each director present shall have one vote irrespective of the number of votes, if any, he may be entitled to cast. Except as otherwise provided in these bylaws, the act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 7. **PRESUMPTION OF ASSENT.** A director of the corporation who is present at a meeting of the Board of Directors at which action of any corporate matter is taken shall be presumed to have assented to the action taken unless his contrary vote is recorded; his dissent is entered in the minutes of the meeting; he shall file his written dissent to the action with the person acting as secretary of the meeting before the adjournment thereof; or shall forward his dissent by registered mail to the Secretary of the corporation immediately after the adjournment of the meeting. The right to dissent shall not apply to a director who voted in favor of the action.

Section 8. **INFORMAL ACTION BY DIRECTORS.** Action taken by a majority of the directors without a meeting is nevertheless Board action if written consent to the action in question is signed by all directors, filed with the minutes of the proceedings of the Board, before or after the action is taken.

Section 9. **COMMITTEES OF THE BOARD.** The Board of Directors, by resolution adopted by a majority of the number of directors fixed by these bylaws, may designate three or more directors to constitute an Executive Committee and other committees. Each committee to the extent authorized by law and provided in the resolution, shall have and may exercise all of the authority of the Board of Directors in the management of the corporation. The designation of a committee and the delegation of authority shall not operate to relieve the Board of Directors, or any member, of any responsibility or liability imposed upon it or him by law.

ARTICLE V. OFFICERS

Section 1. **OFFICERS OF THE CORPORATION.** The officers of the corporation shall consist of a President, a Secretary, and such Vice-Presidents, Assistant Secretaries, [Assistant] Treasurers, and other officers as the Board of Directors may from time to time elect. Any two or more offices may be held by the same person, but no officer may act in more than one capacity where action of two or more officers is required.

Section 2. ELECTION AND TERM. The officers of the corporation shall be elected by the Board of Directors at the regular meeting of the Board of Directors following the annual Association meeting, and each officer shall hold office until his death, resignation, retirement, removal, disqualification, or his successor is elected and qualified. Any vacancy occurring among the officers may be filled by the affirmative vote of a majority of the directors at a regular or special meeting of the Board of Directors called for that purpose. An officer elected to fill a vacancy is for the unexpired term of his predecessor in office.

Section 3. COMPENSATION OF OFFICERS. The compensation of all officers of the corporation shall be fixed by the Board of Directors. No officer shall serve the corporation in any other capacity and receive compensation unless the additional compensation is authorized by the Board of Directors.

Section 4. REMOVAL. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the corporation will be served, but removal shall be without prejudice to the contract rights, if any, of the person removed.

Section 5. RESIGNATION. Any officer may resign at any time by giving written notice of such resignation to the Board of Directors, the President or the Secretary of the corporation. Unless otherwise specified in the written notice, resignation shall take effect upon receipt thereof by the Board of Directors or by an officer. Acceptance of the resignation shall not be necessary to make it effective.

Section 6. BONDS. The Board of Directors may by resolution require an officer, agent or employee of the corporation to give bond to the corporation with sufficient sureties conditioned on the faithful performance of the duties of his respective office or position, and to comply with the other conditions as may from time to time be required by the Board of Directors.

Section 7. SHARES OF THE CORPORATION. Whenever the corporation is the holder of shares of any other corporation, any right or power of the corporation as such shareholder (including the attendance, acting and voting at shareholders' meeting and execution of waivers, consents, proxies and other instruments) may be exercised on behalf of the corporation by the President, any Vice-President or such other person as the Board of Directors may authorize.

Section 8. PRESIDENT. The President shall be the principal executive officer of the corporation. Subject to the control of the Board of Directors, he shall in general supervise and control all of the business and affairs of the corporation. He shall sign, with the Secretary, an Assistant Secretary or other proper officer of the corporation authorized by the Board of Directors, deeds, mortgages, bonds, contracts or other instruments which the Board of Directors has authorized executed except in cases where the signing and execution shall be expressly delegated by the Board of Directors or by these bylaws to some other officer or agent of the corporation, or shall be required by law to be otherwise signed or executed. In general he shall perform all duties incident to the office of the President and such other duties as may be prescribed by the Board Directors from time to time.

Section 9. VICE-PRESIDENTS. In the absence of the President or in the event of his death, inability or refusal to act, the Vice-President in the order of their length of service as Vice-Presidents, unless otherwise determined by the Board of Directors, shall perform the duties of the President. Then acting a Vice-President shall have all the powers of and be subject to all the restrictions of the President.

Section 10. SECRETARY. The Secretary shall: (a) keep the minutes of the meetings of members, the Board of Directors and all Executive Committees in one or more books provided for that purpose; (b) see that all notices are given in accordance with the provisions of these bylaws or as required by law; (c) be custodian of the corporate records and corporate seal of the corporation, and see that the seal of the corporation is affixed to all documents the execution of which on behalf of the corporation under its seal is duly authorized; (d) keep a register of the address of each member entitled to vote, which shall be furnished to the Secretary by such member; (e) keep or cause to be kept in the State of North Carolina at the corporation's registered office or principal place of business a record of the corporation's members, giving the names and addresses of all members and the number of votes held by each; (h) prepare or cause to be prepared voting lists prior to each member meeting as required by law; and (i) in general perform all duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 11. ASSISTANT SECRETARIES. In the absence of the Secretary or in the event of his death, inability or refusal to act, the Assistant Secretaries in the order of their length of service as Assistant Secretary, unless otherwise determined by the Board of Directors, shall perform the duties of the Secretary. When so acting, an Assistant Secretary shall have all the powers of and be subject to all the restrictions upon the Secretary. They shall perform such other duties as may be assigned to the Secretary, by the Secretary, by the President or by the Board of Directors.

Section 12. TREASURER. The Treasurer shall: (a) have charge, custody of and be responsible for all funds and securities of the corporation; receive and give receipts for moneys due and payable to the corporation from any source; and deposit all moneys in the name of the corporation in depositories as selected in accordance with the provisions of Section 4 of Article VI of these bylaws; (b) prepare, or cause to be prepared, a true statement of the corporation's assets and liabilities as of the close of each fiscal year, all in reasonable detail, which statement shall be filed at the corporation's registered office or principal place of business in the State of North Carolina within four months after the end of the fiscal year and kept available for a period of at least three years; and (c) in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or the Board of Directors, or by these bylaws.

Section 13. ASSISTANT TREASURERS. In the absence of the Treasurer or in the event of his death, inability or refusal to act, the Assistant Treasurers in the order of their length of service as Assistant Treasurer, unless otherwise determined by the Board of Directors, shall perform the duties of the Treasurer. When so acting an Assistant Treasurer shall have all the powers of and be subject to all the restrictions upon the Treasurer. They shall perform such other duties as may be assigned to them by the Treasurer, by the President, or by the Board of Directors.

ARTICLE VI.
CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. **CONTRACTS.** The Board of Directors may authorize any officer or agent to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation. Authority may be general or confined to specific instances.

Section 2. **LOANS.** No loan shall be contracted on behalf of the corporation and no evidence of indebtedness shall be issued in its name unless authorized by the Board of Directors. Authority may be general or confined to specific instances.

Section 3. **CHECKS AND DRAFTS.** All checks, drafts or other orders for the payment of money issued in the name of the corporation shall be signed by an officer or agent of the corporation in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 4. **DEPOSITS.** All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in depositories selected by the Board of Directors.

ARTICLE VII.
GENERAL PROVISIONS

Section 1. **SEAL.** The corporate seal of the corporation shall consist of two concentric circles between which is the name of the corporation and in the center of which is inscribed **SEAL** and such seal, as written on the margin hereof, is hereby adopted as the corporate seal of the corporation.

Section 2. **WAIVER OF NOTICE.** Whenever any notice is required to be given to any member or director by law, by the charter or by these bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

Section 3. **INDEMNIFICATION.** Any person who at any time serves or has served as a director, officer, employee or agent of the corporation, or in such capacity at the request of the corporation for any other corporation, partnership, joint venture, trust or other enterprise, shall have a right to be indemnified by the corporation to the fullest extent permitted by law against (a) reasonable expenses, including attorney's fees, actually and necessarily incurred by him in connection with any threatened, pending or completed action, suit or proceedings, whether civil, criminal, administrative or investigative, and whether or not brought by or on behalf of the corporation, seeking to hold him liable by reason of the fact that he is or was acting in such capacity; and (b) reasonable payments made by him in satisfaction of any judgment, money decree, fine, penalty or settlement for which he may have become liable in any such action, suit or proceedings.

The Board of Directors of the corporation shall take all such action as may be necessary and appropriate to authorize the corporation to pay the indemnification required by this bylaw, including without limitation, to the extent needed, making a good faith evaluation of the manner in which the claimant for indemnity acted and of the reasonable amount of indemnity due him and giving notice to, and obtaining approval by, the Association members.

Any person who at any time after the adoption of this bylaw serves or has served in any of the aforesaid capacities for or on behalf of the corporation shall be deemed to be doing or to have done so in reliance upon, and as consideration for, the right of indemnification provided herein. Such right shall inure to the benefit of the legal representatives of any such person and shall not be exclusive of any other rights to which such person may be entitled apart from the Provision of this bylaw.

Section 5. FISCAL YEAR. The fiscal year of the corporation shall be fixed by the Board of Directors.

Section 6. AMENDMENTS. Except as otherwise provided herein, these bylaws may be amended or repealed and new bylaws may be adopted by the affirmative vote of a majority of the directors then holding office at any regular or special meeting of the Board of Directors, or by affirmative vote of a majority of the members entitled to vote in the election of directors at any annual or special meeting of members.

The Board of Directors shall have no power to adopt a bylaw: (a) prescribing quorum or voting requirements for action by eligible members or directors different from those prescribed by law; (b) increasing or decreasing the number of directors; or (c) classifying and staggering the election of directors.

No bylaw adopted or amended by the members shall be amended or repealed by the Board of Directors, except to the extent that such bylaw expressly authorized its amendment or repeal by the Board of Directors.

Dated: _____

William Todd Monroe
Director

DeWayne Sessoms
Director