

State of North Carolina
Department of the Secretary of State

ARTICLES OF INCORPORATION
NONPROFIT CORPORATION

Pursuant to §55A-2-02 of the General Statutes of North Carolina, the undersigned corporation does hereby submit these Articles of Incorporation for the purpose of forming a nonprofit corporation.

1. The name of the nonprofit corporation is: SPRING FOREST HOMEOWNERS ASSOCIATION OF WAYNE COUNTY, INC.
2. (Check only if applicable.) The corporation is a charitable or religious corporation as defined in NCGS §55A-1-40(4).
3. The name of the initial registered agent is: Ronald R. Sasser, III.
4. The street address and county of the initial registered agent's office of the corporation is:
Number and Street: 166 Perkins Road
City: Goldsboro State: NC Zip Code: 27530 County: Wayne
The mailing address *if different from the street address* of the initial registered agent's office is:
Number and Street or PO Box: 130
City: Pikeville State: NC Zip Code: 27863 County: Wayne
5. The name and address of each incorporator is as follows:
W. Mack Rice, 197 Hwy 70 West, Havelock, NC 28532

6. (Check either a or b below.)
 - a. The corporation will have members.
 - b. The corporation will not have members.
7. Attached are provisions regarding the distribution of the corporation's assets upon its dissolution.
8. Any other provisions which the corporation elects to include are attached.

9. The street address and county of the principal office of the corporation is:

Principal Office Telephone Number: 919-735-2807

Number and Street: 166 Perkins Road

City: Goldsboro State: NC Zip Code: 27530 County: Wayne

The mailing address *if different from the street address* of the principal office is:

Number and Street or PO Box: 130

City: Pikeville State: NC Zip Code: 27863 County: Wayne

10. (Optional): Please provide a business e-mail address: _____.

The Secretary of State's Office will e-mail the business automatically at the address provided at no charge when a document is filed. The e-mail provided will not be viewable on the website. For more information on why this service is being offered, please see the instructions for this document.

11. These articles will be effective upon filing, unless a future time and/or date is specified: _____

This is the 10th day of November, 2016.

Incorporator Business Entity Name



Signature of Incorporator

W. Mack Rice, Incorporator

Type or print Incorporator's name and title, if any

NOTES:

1. Filing fee is \$60. This document must be filed with the Secretary of State.

EXHIBIT "A"

No part of the net earnings of the Corporation shall inure to the benefit of any officer, director or member of the Corporation. Upon the dissolution of the Corporation, the assets of the Corporation shall be, after due provisions have been made for the satisfaction of all liabilities and obligations of the Corporation, distributed to another association or associations organized for purposes substantially similar to the purposes for which this Corporation was organized, that is exempt under Section 501(c) (3) of the Internal Revenue Code.

BYLAWS
OF
SPRING FOREST HOMEOWNERS ASSOCIATION
OF WAYNE COUNTY, INC.

ARTICLE I

Name and Definitions

Section 1.1 **Name**: The name of the association is SPRING FOREST HOMEOWNERS ASSOCIATION OF WAYNE COUNTY, INC. (hereinafter referred to as the "Association").

Section 1.2 **Definitions**: Terms specifically defined in the Declaration of Covenants, Conditions and Restrictions for Spring Forest Subdivision, as they may exist from time to time, and including all attachments (hereinafter referred to as the "Declaration") shall have the same meaning in these Bylaws, unless the context shall otherwise prohibit. Declarant's Control Period, as that term is used in these Bylaws, shall have the same meaning as "Development Period" as defined in the Declaration. For purposes of these Bylaws, the North Carolina Planned Community Act at Chapter 47F of the North Carolina General Statutes, including any amendments thereto, shall be referred to herein as the "Planned Community Act" and the North Carolina Nonprofit Corporation Act at Chapter 55 of the North Carolina General Statutes, including any amendments thereto, shall be referred to herein as the "Nonprofit Corporation Act".

ARTICLE II

Membership and Voting

Section 2.1 **Membership**: A Person shall become a member of the Association pursuant to the terms and conditions of the Declaration.

Section 2.2 **Notice of Membership**: Upon acquiring title to a Lot, each new Owner shall give such notice to the Association as is set forth in the Declaration.

Section 2.3 **Membership Rights**: The membership rights of a member shall not be suspended or terminated so long as the Person continues to hold an interest in a Lot in fee simple, is not in violation of any provision of the Association Documents, and is not in arrears in the payment of any assessment. The "Association Documents" means any document filed of record with the Wayne County Register of Deeds or the State of North Carolina and any other document that has been validly adopted and approved by the Declarant, said approval being necessary during Declarant's Control Period.

Section 2.4 Voting: The ownership of each Lot creates the right of one (1) vote for its owning member, or owning members collectively in the case of more than one Owner, on all matters upon which members vote as set forth in this Section. Members shall be entitled to vote on all matters as to which members may be entitled to vote under the Nonprofit Corporation Act, unless specifically provided otherwise in these Bylaws, the Articles of Incorporation, or the Declaration. In addition, members shall be entitled to vote on any other matters specifically provided for in the Declaration, the Articles of Incorporation, the Bylaws, or the Planned Community Act. Article IV of the Declaration shall govern the membership classes and voting rights of members.

Section 2.5 Association Votes: If the Association is an Owner, the Association shall not cast the vote appurtenant to such Lot, nor shall any such vote be counted for the purpose of establishing a quorum.

Section 2.6 Multiple-Person Owners: In the event that more than one Person owns any Lot, the vote appurtenant to such Lot shall be cast as is provided by the Planned Community Act.

Section 2.7 Voting Certificate: If a member is not a natural person, any natural person authorized by such member may cast the vote by such member. Such natural person must be named and a certificate signed by an authorized officer, partner, member, or trustee of such Person and filed with the Secretary; provided, however, that any vote cast by a natural person on behalf of such member shall be deemed valid unless successfully challenged prior to the adjournment of the meeting at which the vote is cast. Such certificate shall be valid until revoked by a subsequent certificate similarly executed and filed with the Secretary. Whenever the approval or disapproval of a member is required of any of the Association documents, any person who would be entitled to cast the vote of such member at any meeting of the Association may make such approval or disapproval.

Section 2.8 Delinquency: No member may vote at any meeting of the Association or be elected to serve on the Executive Board or be appointed to serve on any committee if payment of such member of any financial obligation to the Association is delinquent more than sixty (60) days and the amount necessary to bring the account current has not been paid by the record date set pursuant to Section 3.6 hereof for the applicable members' meeting (in the case of a member voting or being elected to serve on the Executive Board) or has not been paid by the date of appointment, in the case of appointment to serve on any committee.

Section 2.9 Manner of Voting: Except in the election of directors as provided in Section 4.1 herein, if a quorum is present, action on a matter at a meeting of members is approved as provided by the Nonprofit Corporation Act.

Section 2.10 Proxies: Members may vote by proxy as is provided in the Nonprofit Corporation Act, as long as the provisions regarding voting by proxy in the Planned Community Act also are met.

ARTICLE III

Meeting of Members

Section 3.1 Annual Meetings: The annual meeting of members shall be held at such place, date and time as may be determined on an annual basis by the Executive Board and stated in the notice of such members' meeting. The annual meeting of members shall be held for the purpose of electing directors of the Association and for such other purposes as may be included in the notice of such meeting.

Section 3.2 Special Meetings: Special meetings of the members may be called at any time by the President, a majority of the Executive Board of the Association, upon the written request of the members having ten percent (10%) of the votes in the Association, or as provided in the Declaration.

Section 3.3 Notice of Meetings: Written or printed notice stating the time, place, day, and hour of the meeting shall be delivered not less than fifteen (15) nor more than sixty (60) days before the date thereof, either personally, by United States Postal Service, or over the internet at an email address previously provided by a member, by or at the direction of the President, Secretary, or other person calling the meeting, to each member of record of the Association. Notice through the United States Postal Service shall be deemed given upon the mailing of same.

The notice of any meeting shall state the items on the agenda, including the general nature of any proposed amendment to the Declaration or Bylaws, any budget changes, and any proposal to remove a director or officer.

Section 3.4 Waiver of Notice of Meetings: A member may waive any notice required by the Nonprofit Corporation Act, the Articles of Incorporation, or Bylaws pursuant to the requirements of the Nonprofit Corporation Act.

Section 3.5 Quorum: Unless provided otherwise in these Bylaws or the Declaration, thirty-three percent (33%) of the votes entitled to be cast on a matter, represented in person or by proxy at a meeting of members, shall constitute a quorum on that matter. Applicable provisions of the Planned Community Act, because a quorum is not present, shall govern any adjournment of any members' meeting.

The members at a meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum in attendance.

Section 3.6 Record Date to Determine Members and List of Members: The record date for determining the members entitled to notice of a members' meeting shall be fixed in accordance with applicable provisions of the Nonprofit Corporation Act. Further, the Association shall comply with the requirements regarding a list of members who are entitled to notice of a meeting as set forth in the Nonprofit Corporation Act.

Section 3.7 Informal Action: Any action which may be taken at a meeting of the members may be taken without a meeting, if the consent, in writing, setting forth the actions so taken, is signed by all of the members who would be entitled to vote upon such action at a meeting and filed with the Secretary of the Association to be kept in the corporate minute book.

ARTICLE IV

Executive Board

Section 4.1 Number and Election of Directors: The number of directors constituting the Executive Board shall be not less than five (5) nor more than seven (7) as from time to time may be fixed or changed within said minimum and maximum by the members or by the Executive Board. The Executive Board of the Association also may be referred to herein from time to time as the "Executive Board" or the "Board". Except as provided in Section 6 hereof, the directors shall be elected, and the number of directors for the upcoming year shall be determined, at the annual meeting of members; and those persons who receive the highest number of votes by the members entitled to vote in the election at a meeting at which a quorum is present shall be deemed to have been elected.

Section 4.2 Term of Office of Directors: The first Executive Board shall be divided into two classes, as nearly equal in number as may be, to serve in the first instance for terms of one year and two years, respectively, and until their successors shall be elected and shall qualify, and thereafter the successors in each class of directors shall be elected to serve for terms of two years and until their successors shall be elected and shall qualify. In the event of any increase in the number of directors, the additional directors shall be so classified such that both classes of directors shall be increased equally, as nearly as may be, and, in the event of any decrease in the number of directors, both classes of directors shall be decreased equally, as nearly as may be. Except as specifically provided above, each director shall hold office for a term of two (2) years or until such director's death, resignation, retirement, removal or disqualification. Despite the expiration of a director's term, the director continues to serve as such until the director's successor is elected, designated, or appointed and qualifies, or there is a decrease in the number of directors. During the period of Declarant Control, Declarant shall appoint all members of the Board and may fill such appointments with members or non-members.

Section 4.3 Qualifications: Except for persons appointed by Declarant during the Period of Declarant Control, no person shall be eligible for election as a member of the

Executive Board, or remain qualified to serve as a member of the Executive Board, unless such person is a member of the Association. If such member is an entity, its representatives may be qualified to serve on the Executive Board. No member or representative of a member shall be elected as a director or continue to serve as a director if such member is more than sixty (60) days delinquent in meeting any financial obligation owed to the Association, if such delinquency is not cured by the record date set pursuant to Section 3.6 hereof for such members' meeting in the case of an election of directors.

Section 4.4 Voting, Quorum and Manner of Acting: Each director shall be entitled to one (1) vote on all matters that come before the Association. The quorum for directors and the vote of directors constituting an act of the Executive Board is as set forth in the Nonprofit Corporation Act.

Section 4.5 Removal of Directors: Directors may be removed pursuant to applicable provisions of the Nonprofit Corporation Act and by the Declarant during the Period of Declarant Control at Declarant's discretion. In addition, any director who is elected and who without a reasonable excuse (said reasonableness to be determined by the Board) misses three (3) consecutive meetings of the Executive Board, including all special and regular meetings, may be removed from the Executive Board by majority vote of the Board, or during the Period of Declarant Control may be removed by the Declarant. The removal and the reason therefore shall be noted in the minutes of the meeting of the Board at which the removal occurs.

Section 4.6 Vacancies: Vacancies on the Executive Board may be filled as is set forth in the Nonprofit Corporation Act, except during the Period of Declarant Control, during which time, the Declarant shall fill all vacancies.

Section 4.7 Resignation of Directors: A director may resign pursuant to the terms and conditions of the Nonprofit Corporation Act.

Section 4.8 Powers and Duties of the Board: The Executive Board shall manage the business and affairs of the Association. The Executive Board shall have all of the powers and duties necessary for the administration of the affairs of the Association, including, but not by way of limitation, all powers as set forth in Article 3 of the Nonprofit Corporation Act, and must do all such acts and things as are required by the Declaration or Bylaws to be exercised. The Executive Board shall delegate to one of its members, or to a Person employed for such purpose, the authority to act on behalf of the Board on such matters relating to the duties of the managing agent (as defined in Section 5.2 hereof), if any, which may arise between meetings of the Board as the Board deems appropriate. In addition to the duties imposed by any other provisions of the Declaration

or by any resolution of the Association that may hereafter be adopted, the Board shall perform the following duties and take the following action on behalf of the Association:

- (a) Provide services to the members in accordance with the Declaration, and provide for maintenance, repair and restoration of the Common Elements and the Property, as provided in the Declaration;
- (b) Designate, hire, dismiss and, where appropriate, compensate the personnel necessary to provide for the maintenance, repair and restoration of the Common Elements and the Property as provided for in the Declaration, and provide services to the Owners, as well as purchase equipment, supplies and materials to be used by such personnel in the performance of their duties;
- (c) Collect the assessments, deposit the proceeds thereof in depositories designated by the Executive Board and use the proceeds to carry out the maintenance, repair and restoration of the Common Elements and the Property as provided in the Declaration;
- (d) Adopt, amend and repeal and enforce any reasonable rules, regulations and fines not inconsistent with the Declaration;
- (e) Open bank accounts on behalf of the Association and designate the signatures thereon;
- (f) Enforce by legal means the provisions of the Association Documents as are in effect from time to time;
- (g) Act with respect to all matters arising out of any eminent domain proceeding affecting the Common Elements;
- (h) Notify the members of any litigation against the Association involving a claim in excess of ten percent (10%) of the amount of the annual budget;
- (i) Obtain and carry insurance pursuant to the applicable articles of the Declaration and pay the premiums therefor and adjust and settle any claims thereunder;
- (j) Pay the cost of all authorized goods and services rendered to the Association and not billed to Owners of Lots or otherwise provided for in the Declaration;
- (k) Charge reasonable fees for the use of the Common Elements and for services;
- (l) Suspend the right of any Owner or other occupant of a Lot, and the right of such Person's household guests, employees, customers, tenants, agents and invitees to use any recreational facilities, areas or amenities located in the Common Elements;

(m) For each fiscal year, the Board shall prepare and adopt a proposed budget, including therein, estimates of the amount considered necessary to pay the Common Expenses, together with amounts considered necessary by the Board for reserves. The process for approving and rejecting the budget is controlled by the Declaration;

(n) Adopt an annual budget and make assessments (general or special) against the Lots to defray the Common Expenses of the Association, establish the means and methods of collecting such assessments from the Owners and establish the period of the installment payment, if any, of the assessments for Common Expenses;

(o) With membership approval, borrow money on behalf of the Association when required for any valid purpose;

(p) Grant easements, rights of way and allow use of common property for septic fields and equipment and other uses when reasonably needed by a Lot owner or Declaration;

(q) Hire consultants for itself and/or its committees;

(r) Undertake any action authorized by the Declaration including the adjustment of Construction Deposits and Architectural review Fee amounts after the Declarant Control Period;

(s) Contract with any third-party service provider and administer the terms of such contract for the servicing of Lots and Common Elements with telephone, cable, internet and/or security systems. The Association shall have the specific authority to collect the cost of such services provided by the third-party service provider. The Association shall have the power to allocate the costs of such services to the Lot Owners in such a manner as is fair and reasonable and costs may be considered a Common Expense Liability. The amount of each Lot Owners portion of the costs required by the terms of the third-party contract may be allocated as a Common Expense Liability based upon the "basic plan" of services regardless of whether the services to be provided by the third-party services provider, those extra costs may be allocated to the individual Lot Owners who desire increased services and the extra cost may be included in such Lot Owner's assessment. The Association is authorized to hire third-parties to assist in the collection of such service costs. In the event that such contract is entered into, all members are required to comply with the terms of such third-party service provider. The Association is authorized and required to immediately notify all Owners who are in violation of the terms of such contract and if the same is not immediately cured, pursue all actions necessary to enforce such compliance;

(t) Perform all functions necessary to comply with and enforce any regulation, rule, statute or agency request that pertains to the Spring Forest Management Plan; and,

(u) Assess a fine against any Owner, tenant, guest, invitee, licensee or other individual who is found to be upon the 25' emergency vehicle access road extending from N.C.S.R. No. 1727 (Dollard Town Rd) to Quail Hollow Drive or to bring an action for trespass against such individual.

Section 4.9 Meetings of Directors: The annual meeting of the Board shall be held immediately after, and at the same place as, the annual meeting of members. In addition, the Board may provide, by resolution, the time and place for the holding of additional regular meetings. Special meetings of the Board may be called by or at the request of the President or any two directors.

Section 4.10 Notice of Meetings: Regular meetings of the Board of Directors may be held without notice. The person or persons calling a special meeting of the Board shall, at least seven (7) days before the meeting, give notice thereof by any usual means of communication.

Section 4.11 Informal Action by Directors: Action taken by a majority of the directors without a meeting is nevertheless board action if consent to the action in question is signed by all of the directors and filed with the minutes of the proceedings of the board, whether done before or after the action so taken.

ARTICLE V

Managing Agent

Section 5.1 Compensation: The Executive Board may employ for the purpose of managing and administering the Property and the Common Elements a "managing agent" at compensation to be established by the Board.

Section 5.2 Duties: The managing agent shall perform such duties and services, as the Executive Board shall direct. Such duties and services may include, without limitation, the duties listed in Section 4.8(a), (b), (c), (e), (f), (h), (i), (j), (n), (t), and (u). However, the Executive Board may not delegate to the managing agent the powers set forth in Section 4.8(d), (g), (l), (o), and (p). With respect to 4.8(m), the Board may not delegate the adoption of the budget, but the preparation and related administrative tasks may be delegated. In addition and generally, the managing agent shall perform the obligations, duties and services relating to the management of the Property and Common Elements in compliance with the provisions of the Declaration. The Executive Board shall impose appropriate standards of performance upon the managing agent.

ARTICLE VI

Officers

Section 6.1 Designation and Duties of Officers: The principal officers of the Association shall be the President (who shall also serve as Chairman of the Executive Board), the Vice President, the Secretary and the Treasurer, all of whom shall be elected by the Executive Board. The Executive Board may also elect an assistant treasurer, an assistant secretary and such other officers as in its judgment may be necessary. Except during the Period of Declarant Control, all officers shall be Owners, officers of corporate Owners, partners of partnership Owners, or members of limited liability company Owners and shall be members of the Executive Board. Each officer shall perform such duties as are normally associated with such office in parliamentary organizations, except to the extent, if any, inconsistent with the Declaration and these Bylaws, and shall perform such other duties as may be assigned to such office by resolution of the Executive Board. If any officer is unable for any reason to perform the duties of the office, the President (or the Executive Board if the President fails to do so) may appoint another qualified individual to act in such officer's stead on an interim basis.

Section 6.2 Election of Officers: The Executive Board shall elect the officers of the Association annually. Each officer shall hold office for a term of one (1) year or until such officer's death, resignation, retirement, removal or disqualification, or until the election and qualification of such officer's successors.

Section 6.3 Removal and Resignation: Officers may resign and be removed as is set forth in the Nonprofit Corporation Act, except during the Period of Declarant Control, when the Officers may be removed by the Declarant.

Section 6.4 Vacancies: Subject to the provisions set forth in Section 6.1 of these Bylaws, a vacancy in the office may be filled by appointment by the Executive Board. Individuals appointed to fill a vacancy by the Executive Board shall serve for the remainder of the term of the officer such individual replaces.

Section 6.5 President: The President shall be the principal executive officer of the Association and, subject to the control of the Executive Board, shall supervise and control the management of the Association in accordance with these Bylaws. The President, when present, shall preside at all meetings of members. The President, with any other proper officer, may sign any deeds, leases, mortgages, bonds, contracts or other instruments which lawfully may be executed on behalf of the Association, except where required or permitted by law otherwise to be signed and executed and except where the signing and execution thereof shall be delegated by the Executive Board to some other officer or agent. In addition, the President shall prepare, execute, certify, and record amendments to the Declaration on behalf of the Association. In general, the President

shall perform all duties incident to the office of President and the Executive Board may assign such other duties as from time to time.

Section 6.6 Vice President: In the absence of the President or in the event of his/her death, inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall perform such other duties as from time to time may be assigned to him/her by the President or the Executive Board.

Section 6.7 Secretary: The Secretary shall keep accurate records of the acts and proceedings of all meetings of the Association and of the Executive Board. The Secretary shall have general charge of the books and records of the Association. The Secretary shall give or cause to be given all notices required to be given by the Association; give each Owner notice of each assessment against such Owner's Lot as soon as practicable after assessment is made; provide for each Owner, upon request, a copy of the Rules and Regulations of the Association; maintain a register setting forth the place to which all notices to members hereunder shall be delivered; make it possible for any member to inspect and copy at reasonable times and by appointment the records of the Association in accordance with and as required by the Nonprofit Corporation Act; and, in general, perform all the duties incident to the office of Secretary.

Section 6.8 Treasurer: The Treasurer shall have custody of all funds and securities belonging to the Association and shall receive, deposit or disburse the same under the direction of the Executive Board. The Treasurer shall keep full and accurate accounts of the finances of the Association in books especially provided for that purpose; and he/she shall cause a true statement of its assets and liabilities as of the close of each fiscal year and of the results of its operations and of changes in surplus for such fiscal year, all in reasonable detail, to be made and filed at the registered or principal office of the Association. The statement so filed shall be kept available for inspection by any member. The Treasurer, in general, shall perform all duties incident to the office of Treasurer and such other duties as may be assigned to him/her from time to time by the President or by the Executive Board.

Section 6.9 Assistant Secretary and Treasurer: In the absence of the Secretary or Treasurer, or in the event of the death, inability or refusal to act, the Assistant Secretary or Treasurer, respective of the office, shall perform the duties of the Secretary or Treasurer, and when so acting shall have all the powers of and be subject to all the restrictions upon the Secretary or Treasurer. The Assistant Secretary or Assistant Treasurer shall perform such other duties as from time to time may be assigned by the President or by the Executive Board.

ARTICLE VII

Committees

Committees of the Executive Board and other committees may be set up in accordance with applicable provisions of the Nonprofit Corporation Act. During the Period of Declarant Control, Declarant shall appoint the members of the Architectural Review Committee.

ARTICLE VIII

Indemnification and Compensation

Section 8.1 Indemnification: The Association shall indemnify, to the fullest extent permitted by law and this Section, any person who is or was a party or is threatened to be made a party to any threatened, pending, or completed action, suit or proceeding (and any appeal therein), whether civil, criminal, administrative, arbitrative, or investigative and whether or not brought by or on behalf of the Association, by reason of the fact that such person is or was a director or officer of the Association, or is or was serving at the request of the Association as a director, officer, partner, trustee, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise or a trustee or administrator under an employee benefit plan, or arising out of such party's activities in any of the foregoing capacities, against all liability and litigation expense, including reasonable attorneys' fees; provided, however, that the Association shall not indemnify any such person against liability or expense incurred on account of such person's activities which were at the time taken known or believed by such person to be clearly in conflict with the best interest of the Association or if such person received an improper personal benefit from such activities. The Association likewise shall indemnify any such person for all reasonable costs and expenses (including attorneys' fees) incurred by such person in connection with the enforcement of such person's right to indemnification granted herein.

The Association shall pay all expenses incurred by any claimant hereunder in defending a civil or criminal action, suit, or proceeding upon receipt of an undertaking by or on behalf of such claimant to repay such amount unless it ultimately shall be determined that such claimant is entitled to be indemnified by the Association against such expenses.

The Executive Board of the Association shall take all such action as may be necessary and appropriate to authorize the Association to pay the indemnification required by this Bylaw, including without limitation, (a) a determination by a majority vote of disinterested directors (i) that the activities giving rise to the liability or expense for which indemnification is requested were not, at the time taken, known or believed by the person requesting indemnification to be clearly in conflict with the best interest of the

Association and (ii) that the person requesting indemnification did not receive an improper personal benefit from the activities giving rise to the liability or expense for which indemnification is requested, and (b) to the extent needed, giving notice to the members of the Association.

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 Association 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 8.2 Compensation of Directors and Officers: No salary or other compensation shall be paid by the Association to any director or officer of the Association for serving or acting as such, but this shall not preclude the payment of salary or other compensation for the performance by any person serving as a director or officer for services provided to the Association in a capacity other than that of director or officer not shall it preclude the reimbursement of reasonable, ordinary and necessary expenses incurred in serving or acting as a director or officer.

Section 8.3 Board to Purchase Insurance: The Board is required to purchase the directors and officers insurance, fidelity bond and general liability insurance described in the Declaration.

ARTICLE IX

Books and Records

Section 9.1 Maintenance: The Association shall keep books and records and financial information as required by applicable provisions of the Nonprofit Corporation Act and in compliance with the Planned Community Act.

Section 9.2 Availability: The books and records of the Association shall be available for inspection by the members pursuant to the Nonprofit Corporation Act.

Section 9.3 Fiscal Year: The Association's fiscal year shall be January 1 through December 31.

ARTICLE X

Amendment

These Bylaws may be amended or repealed and new Bylaws may be altered, amended, or repealed at any time by the membership and by the Executive Board pursuant to the applicable provisions of the Nonprofit Corporation Act. However, during

the Period of Declarant Control, the Declarant may amend these Bylaws to clarify provisions therein or correct any error or inconsistency in drafting, typing or reproduction or to clarify the Declarant's intention. This right shall be broadly construed.

ARTICLE XI

Construction

In the case of any conflict of law between the Planned Community Act and the Nonprofit Corporation Act as pertaining to the operation and governance of the Association, the provisions of the Planned Community Act shall control. In the case of any conflict between the Articles of Incorporation and the Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XII

Dissolution

The members and Executive Board of the Association may adopt a plan of dissolution provided the assets of the Association are conveyed to another non-profit corporation authorized to do business in North Carolina, or to a governmental agency, either of which shall be required to retain the assets as part of the plan of dissolution for the purposes set forth in the Articles of Incorporation of this Association.

ARTICLE XIII

Net Earnings

No part of the net earnings of the Association shall inure to any director or officer because of their position as such officer or director. The net earnings shall be expended on maintenance of the common property as defined in the Declaration and on such administrative expenses as approved by the Executive Board.

These Bylaws are adopted this the 5th day of January, 2017.

Spring Forest Homeowners Association of Wayne County, Inc.

By: 

Ronald R. Sasser, III, Executive Board Member

STATE OF NORTH CAROLINA
COUNTY OF WAYNE

I certify that the following person personally appeared before me this day and acknowledged the due execution of the foregoing instrument in the capacity indicated thereon: Ronald R. Sasser, III.

This the 5th day of January, 2017.

Victoria McBride Rice
Notary Public

My Commission Expires: 07/26/17

