

NORTH CAROLINA
WAKE COUNTY

AMENDED and RESTATED BYLAWS
of
PRESTWICKE PROPERTY OWNERS ASSOCIATION, Inc.

ARTICLE I

Name and Location

The name of the corporation is PRESTWICKE PROPERTY OWNERS ASSOCIATION INC., hereinafter referred to as the "ASSOCIATION". The principal office of the corporation shall be located at 1421 Jenkins Road, Wake County, Wake Forest, North Carolina 27587, but meetings of members and directors may be held at such places within the State of North Carolina, County of Wake, as may be designated by the Board of Directors.

ARTICLE II

Definitions

Section 1. "Association" shall mean and refer to PRESTWICKE PROPERTY OWNERS ASSOCIATION, INC., its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Properties" shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Properties.

Section 5. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 6. "Declarant" shall mean and refer to Wellesley Associates, LLC its successors and assigns if such successors and assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 7. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded in the Office of the Register of Deeds for Wake County, North Carolina.

Section 8. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

ARTICLE III

Meeting of Members

Section 1. Annual Meetings. The annual meeting date, location, and time shall be determined by the Board of Directors, so long as at least one annual meeting of the members is held each calendar year. The annual meetings shall be at least six months apart.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the president or by the Board of Directors, or upon written request of the members who are entitled to one-fourth (1/4) of all of the votes of the Class A membership.

Section 3. Notice of Meetings. Written notice of each 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, no less than twenty (20) nor more than sixty (60) days before such meeting, to each member, 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.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes shall constitute a quorum for any action except as otherwise provided in the ARTICLES OF INCORPORATION, the Declaration, or these BYLAWS. 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, shall expire six (6) months from the date of delivery to the Secretary. The Secretary shall enter the date of receipt on the face of the proxy instrument. Proxies shall terminate automatically upon conveyance by the member of his Lot.

Section 6. Order. The order of business at annual Members' meetings and, as far as practical, at all other Members' meetings shall be:

- a. Calling of the roll and certifying of proxies.
- b. Proof of notice of meeting or waiver of notice.
- c. Reading and disposal of any unapproved minutes.
- d. Unfinished business.
- e. New business.
- f. Adjournment.

Section 7. Loss of Right to Vote. The right to vote of any member who is shown on the books or records of the Association to be more than sixty (60) days delinquent in any payment due the Association is suspended, and any purported vote shall not be counted for purpose of deciding any question. The suspension shall terminate upon payment of any delinquent amount to the Association.

ARTICLE IV

Board of Directors: Selection: Term of office

Section 1. Number. The affairs of this Association shall be managed by a board of three (3) directors, who must be members of the Association.

Section 2. Qualification. The right of a member to serve on as a director who is shown on the books or records of the Association to be more than sixty (60) days delinquent in any payment due the Association is suspended, and shall be grounds for removal. Such director shall have ten (10) days to cure the delinquency.

Section 3. Term of Office. At the first annual meeting the members shall elect one (1) director for a term of one year, one (1) director for a term of two years and one (1) director for a term of three years; and at each annual meeting hereafter the members shall elect one (1) directors for a term of three years.

Section 4. Removal. Any director may be removed from the board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the board and shall serve for the unexpired term of his predecessor.

Section 5. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 6. 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 all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors. All directors shall sign the minutes setting out the action, and such signatures shall constitute a waiver of notice for the action taken.

ARTICLE V

Nomination and Election of Directors

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for 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. Nominees must be members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

Meetings of Directors

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held quarterly without notice, at such place and hour as may be fixed from time to time by resolution of the board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any one (1) director, *after* not less than three (3) days notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the board.

Section 5. Participation in Meetings by Conference Telephone. Members of the Board of Directors or any Committee thereof, may participate in a meeting of the Board or Committee by use of a conference telephone or similar communications device. All persons participating in such meetings shall have access to adequate auditory and oral equipment

ARTICLE VII

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 Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

B. Suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for infraction of published

rules and regulations;

C. Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;

D. Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

E. Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

F. Exercise such other powers as are conferred upon the Association by the Articles of Incorporation or the Declaration of Covenants.

Section 2. Duties of the Directors. 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 at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A 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:

i. Fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

ii. 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; Procure and maintain adequate liability and hazard insurance on property owned by the Association; Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; Cause the Common Area to be maintained as provided in the Declaration of Covenants.

E. Pay any license fees or government charges levied or imposed against the Common Area or other property, real or personal, owned by the Association.

F. To perform all other duties imposed by law, the Articles of Incorporation and the Declaration.

ARTICLE VIII

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 by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The Directors shall elect officers annually. Each shall hold office for one (1) year unless he shall sooner resign, be removed, otherwise disqualified to serve, or until his successor is elected.

Section 4. Special Appointments. The board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, *and* perform such duties as the board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the board. Any officer may resign at any time by giving written notice to the board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of the secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one or any of the other officers 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: i. preside at all meetings of the Board of Directors; ii. see that orders and resolutions of the board are carried out; iii. sign all leases, mortgages, deeds and other written instruments; iv. co-sign all checks and Promissory Notes; and v. perform all other duties of a chief executive officer.

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

C. The Secretary shall: i. record the votes and keep the Minutes of all meetings and proceedings of the board and of the membership; ii. keep the SEAL of the Association and affix it on all papers requiring said Seal; iii. serve notice of meetings of the board and of the members; iv. keep appropriate current records showing the members of the Association and their addresses; and v. perform such other duties as required by the board.

D. The Treasurer shall: i. receive and deposit in appropriate bank accounts all moneys of the Association; ii. shall disburse such funds as directed by resolution of the Board of Directors; iii. sign all checks and Promissory Notes of the Association; iv. keep current books of account; iv. at the completion of each fiscal year deliver the Association's books of account to the Financial Review Committee; v. prepare and present an annual budget and a statement of income and expenditures to the membership at its regular annual meeting, and deliver a copy of each to the members.

E. The Directors and Officers may engage a management company to perform all clerical duties of the Directors and Officers, and pay appropriate compensation for such services.

ARTICLE IX Committees

Section 1. Standing Committees. The Directors shall appoint the following standing Committees:

- A. Architecture Committee, as provided in the Declaration;
- B. Nominating Committee, as provided in these Bylaws; and
- C. Financial Review Committee to oversee the Association's financial affairs.

Section 2. Other Committees. The Directors may create additional *ad hoc* as it shall see fit to manage the affairs and carry out the business of the Association.

Section 3. Committee Membership. The Directors shall appoint committees annually from among themselves, Members of the Association, and non-members as might avail special talents to a committee.

ARTICLE X
Books and Records

Section 1. Records and Books of Account. During regular business hours Members may review and inspect the Declaration, the Articles of Incorporation, the Association Bylaws, Minutes of Director and Member Meetings, other records and papers of the Association, and all financial records and books of account. These records shall be available at the principal office of the Association (or its management company.) Members may purchase copies of all Association records for a reasonable fee related to the cost of copying.

Section 2. Certified Audits. The Members, by a petition signed by a majority of them and presented to the President, may request a certified audit of the books and records of account. The President shall within fifteen (15) days engage the services of a certified public accountant to perform the audit within forty five (45) days. Upon receipt of the Audit the Officers shall make copies conveniently available to Members upon payment of the cost of copying. The Directors shall pay all expenses of the audit immediately upon receipt of a statement.

ARTICLE XI
Assessments

Section 1. Payment of Assessments. As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Assessment is not paid within thirty (30) days after the due date are delinquent. All delinquent assessments are subject to a penalty equal to twenty (20%) percent of the delinquent amount. All unpaid sums due after delinquency shall bear interest at the maximum lawful rate (now 8%.)

Section 2. Remedies for Non Payment of Assessments. The Association may bring an action at law against the Owner personally obligated to pay the same, or, enforce by foreclose its lien against the property. All interest, costs, reasonable attorneys, and all costs of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape personal liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

ARTICLE XII
Corporate Seal

The Association shall have a Seal in a rectangular or circular form having within it the words: "PRESTWICKE PROPERTY OWNERS ASSOCIATION, INC." The Directors in their discretion may waive the use of a corporate seal.

ARTICLE XIII
Amendments

Section 1. These Bylaws may be amended, at a regular or special meeting of the members, by the affirmative vote of a majority of Association Members who are voting in person or by proxy.

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

ARTICLE X IV

Financial Management

Section 1. Financial Review Committee. The Financial Review Committee includes one member of the Board of Directors who shall be the Chairperson, and two (2) Members of the Association, shall be appointed by the Board of Directors prior to each Annual Meeting of the Members, to serve from and after the next annual meeting through the close of the next annual meeting and such appointment shall be announced at each annual meeting.

Section 2. Annual Financial Review. At the end of each fiscal year, the Financial Review Committee shall meet and review the accounts of the Treasurer and make and present a full report of their findings for the fiscal year just ending. The Report shall include a record of receipts and disbursements of the monies; the fund balances for the various funds at the beginning and the end of the fiscal year; and a financial statement of the assets and liabilities of the Association. This report shall be presented to the Board before its regular April Meeting.

Section 3. Budget. The Association shall adopt a budget for each fiscal year. It shall include estimates of the cost of performing the functions of the Association including, but not limited to the following items; (i) Common Area expense budget, including projected expenses for maintenance and operation of the Common Area, landscaping, walkways, utility services, taxes and governmental charges levied against the Common Area, casualty insurance, liability insurance, if any, and administration; and (ii) proposed assessments against each member. Copies of the proposed budget shall be sent to every owner with the invitation to the annual meeting.

ARTICLE X V

Miscellaneous

The Association's fiscal year shall begin on the first day of January and end on the 31st day of December of every year.

These Amended and Restated Bylaws of PRESTWICKE PROPERTY OWNERS ASSOCIATION INC., are unanimously ratified and adopted this 11th day of November 2010.

Date:

11/11/10

Signed:

Edward L. Moore Jr.

President, Prestwicke Property Owners Association, Inc.