

CODE OF BY-LAWS Of COULWOOD COMMUNITY COUNCIL, LTD.

ARTICLE I Name - Offices - Seal

Section 1. Name:

The name of the Corporation is COULWOOD COMMUNITY COUNCIL, LTD. (hereinafter referred to as the "Corporation").

Section 2. Principal Office:

The principal office of the Corporation shall be located at 506 Coulwood Drive, Charlotte, N. C.

Section 3. Registered Office:

The registered office of the Corporation as required by law shall be Paw Creek, North Carolina. The address of the Registered Agent of the Corporation shall be the same as the address of the registered office.

Section 4. Other Offices:

The Corporation may have offices at such other places as the Board of Directors may from time to time direct, or as the affairs of the Corporation may require.

Section 5. Seal:

The Board of Directors shall provide a suitable seal showing the name of this Corporation and "Charlotte, N. C." around the perimeter with the word "Seal" and "1958" appearing in the center, and said seal when obtained shall be impressed at the margin of the minute book containing the Code of By-laws.

ARTICLE II Membership

Section 1. Classification:

There shall be two types of membership in the Corporation, to wit: resident and non-resident.

Section 2. Resident Members:

Each resident of a Coulwood Hills development shall, upon payment of the prescribed dues, be a resident member of the Corporation.

Section 3. Non-resident Members:

Non-residents of the Coulwood Hills development who have received an invitation from the Membership Committee shall, upon payment of the prescribed dues, be non-resident members of the Corporation.

Section 4. Assignability:

The membership in this Corporation shall be non-transferable and non-assignable.

ARTICLE III
Membership - Meetings

Section 1. Place of Meetings:

Meetings of the membership of the Corporation shall be held at the principal office of the Corporation, to wit, 506 Coulwood Drive, Charlotte, N.C.

Section 2. Annual Meeting:

The annual meeting of the membership for the election of Directors shall be held on the second Monday in May of each year.

Section 3. Special Meetings:

The special meetings of the membership may be called by the President, two thirds of the members of the Board of Directors, or by no less than one fourth of the members.

Section 4. Notice of Meetings Waiver:

Written or printed notice, stating the place, date, day and hour of the meeting and, in case of a special meeting the purpose or purposes for which the meeting is called, shall be delivered not less than five nor more than thirty days before the date of the meeting, either personally or by mail, by or at the direction of the President, the Secretary, Treasurer, or the officer or person calling such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears on the books of the Corporation, with postage thereon prepaid. Waiver by a member in writing of notice of a membership meeting, signed by him whether before or after such meeting, shall be equivalent to the giving of such notice.

Section 5. Quorum:

Forty per cent of the members entitled to vote shall constitute a quorum at a meeting of the membership. The members present at a duly organized meeting may continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

Section 6. Voting:

Each resident and non-resident member shall be entitled to cast one vote for each Director to be elected to the Board of Directors. Each member must be present at the meeting to cast his vote. However, the Board of Directors may~ at a regular or special meeting, by majority vote, allow a member for good cause shown to vote by proxy. The proxy must be in writing and shall in no event be valid for a period of time in excess of thirty days after it was executed.

ARTICLE IV

Board of Directors

Section 1. Number and Qualification:

The number of the Directors of the Corporation shall be nine. Each director shall hold office until his death, resignation, retirement, removal, disqualification, or his successor is elected and qualifies. Directors must be members of the Corporation. ~No Director who has completed his full term of office shall be eligible for re-election to the Board of Directors until one year after his regular term of office has expired. Any Director who was elected by the Board of Directors or the membership to fill a vacancy and who served for a term less than three years shall be eligible for re-election to the Board of Directors immediately upon expiration of his interim term of office.

Section 2. Term of Office:

Each Director shall hold office for a period of three years. Three Directors shall be elected each year. The terms of office shall begin immediately upon election by the membership, i.e., on the second Monday of each May. Three members of the initial Board of Directors shall be elected for a three-year term, three members shall be elected for a two-year term, and three members shall be elected for a one-year term.

Section 3. Vacancies:

A vacancy occurring in the Board of Directors may be filled by a majority vote of the remaining Directors, though less than a quorum; but a vacancy created by an increase in the authorized number of Directors shall be filled only by election at an annual meeting or at a special meeting of the membership called for that purpose. The membership may elect a Director at any time to fill any vacancy not filled by the Directors. A 'director appointed by the members of the Board of Directors to fill a vacancy shall hold office until the next annual meeting of the membership, at which time the membership shall elect a Director to fill said vacancy.

Section 4. Removal:

Directors may be removed from office with or without cause by a majority vote of the membership at any regular or special called meeting of the membership. If any Directors are so removed, new Directors may be elected at the same meeting to fill the unexpired term of the removed Directors. Any Director may be removed from office with or without cause by a two-thirds vote of the members of the Board of Directors at a special meeting or regular meeting of the Board of Directors. No Director shall be subject to be removed from office at a membership meeting or a meeting of the Board of Directors unless he has first received five days' written notice of the meeting which notice states that among the other matters to be considered is the subject of his removal from office. Any vacancy created by the removal of a Director by the Board of Directors shall be filled by a majority vote of the remaining members of the Board of Directors. The Directors thus elected shall hold office until the next annual meeting of the membership, at which time the membership shall elect a Director to fill the unexpired term of the vacancy.

Section 5. Compensation:

The Board of Directors shall not receive compensation for their services as Directors. However, any Director may be compensated by the Corporation for services rendered to the Corporation beyond the scope of his office as a Director of the Corporation. Any Director may be compensated for the actual expenses incurred by him in attending to corporate matters.

ARTICLE V
Meetings of Directors**Section 1. Regular Annual Meetings:**

The regular annual meetings of the Board of Directors shall be held on the first Monday of each May at the same place that the annual meeting of the membership is to be held the following week. However, the President may, by giving two days' written notice to the members of the Board or Directors, designate a different place for the regular annual meeting of the Board of Directors.

Section 2. Other Regular Meetings:

Other regular meetings of the Board of Directors may be held at such time and at such place and the Board of Directors may by resolution adopt.

Section 3. Special Meetings:

Special meetings of the Board of Directors may be called by or at the request of the President or any three Directors. Such meetings shall be held at such time and place as the President may direct.

Section 4. Notice of Meetings:

Regular annual meetings and other regular meetings of the Board of Directors may be held without notice. The person or persons calling a special meeting of the Board of Directors shall, at least two days before the meeting, give written notice thereof by the usual means of communication. Such notice need not specify the purpose for which the meeting is called unless it relates to the removal of a member of the Board of Directors. Attendance by a Director at a meeting shall constitute a waiver of notice of such 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.

Section 5. Quorum:

Six members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section 6. Voting:

(a) Ordinary matters: Except as otherwise provided in these By-laws, 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.

(b) Amending Charter or By-laws: The vote of two thirds of the members of the Board of Directors as fixed by these By-laws shall be required to adopt, amend, or repeal a by-law or to amend the charter.

Section 7. 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 the Directors and filed with the minutes of the proceedings of the Board, whether done before or after the action so taken.

ARTICLE VI
Officers

Section 1. Number:

The officers of the Corporation shall be elected by the Board of Directors and shall consist of a president, vice-president, secretary, and treasurer and such other officers as may be deemed necessary by the Board of Directors. The officers so elected by the Board of Directors shall serve both as officers of the Board of Directors and in like capacity in the management of the Corporation's business.

Section 2. Election and Term:

The officers of the Corporation shall be elected by the Board of Directors. Such elections may be held at any regular or special meeting of the Board following the regular annual meeting of the membership. The officers shall be elected for a one-year term; however, each officer shall hold office until his death, resignation, retirement, removal, disqualification, or his successor is elected and qualifies.

Section 3. Removal:

Any officer or agent elected or appointed by the Board of Directors may be removed from office by the Board with or without cause by a majority vote at a regular or special meeting of the Board of Directors. In order to be removed from office the officer in question must have first received five days' written notice that the subject of his removal would be considered in said meeting.

Section 4. Compensation:

The officers of the Corporation shall receive no compensation for their services as said officers. However, the officers may be compensated for services rendered beyond the scope of their office and/or for actual expenses incurred for services on behalf of the Corporation.

Section 5. President:

The president shall be the principal executive officer of the Corporation and, subject to the control of the Board of Directors, shall supervise and control the management of the Corporation in accordance with these By-laws. He shall, when present, preside at all meetings of the membership and the Board of Directors.

Section 6. Vice-President:

The vice-president shall perform the duties of the president, in the latter's absence or disability, and such other duties as may be assigned to him by the president or the Board of Directors.

Section 7. Secretary:

The secretary shall keep accurate records of the acts and proceedings of all meetings of the membership and Directors. He shall give all notices required by law and by these By-laws. He shall have general charge of the corporate books and the corporate seal, and he shall affix the corporate seal to any lawfully executed instrument requiring it. He shall have general charge of the membership books of the Corporation and shall keep, at the registered or principal office of the Corporation, a record of the membership showing the name and address of each member. He shall sign such instruments as may require his signature and, in general, shall perform all duties incident to the office of secretary and such other duties as may be assigned him from time to time by the president or by the Board of Directors.

Section 8. Treasurer:

The treasurer shall keep correct and complete records of account, showing accurately at all times the financial condition of the Corporation. He shall be the legal custodian of all moneys, notes, securities and other valuables which may from time to time come into the possession of the Corporation. He shall immediately deposit all funds of the Corporation coming into his hands in some reliable bank or other depository to be designated by the Board of Directors, and shall keep such bank account in the name of the Corporation. He shall furnish at meetings of the Board of Directors, or whenever requested, a statement of the financial condition of the Corporation, and shall perform such other duties as this Code of By-laws requires or the Board of Directors may prescribe. The Treasurer may be required to furnish bond in such amount as shall be determined by the Board of Directors.

Section 9. Vacancies:

Whenever any vacancies shall occur in any office by death, resignation, increase in the number of offices of the Corporation or otherwise, the unexpired term shall be filled by the Board of Directors, and the officer so elected shall hold office until his successor is chosen and qualified.

ARTICLE VII
Permanent Committees

Section 1. Designation:

There shall be twelve permanent committees of the Corporation, to wit: Membership, Finance, Entertainment, Athletic, Building Construction, House Supervision, Grounds, Ways and Means, Welcoming, Grievance, Maintenances and New Projects. The Board of Directors may, however, designate such additional committees as they deem necessary to accomplish the purposes of this Corporation.

Section 2. Appointment - Term of Office:

Each committee shall be composed of three or more members appointed by the Board of Directors. Each committee member shall serve on the committee for a one-year term or until his successor has been duly appointed. Each committee member shall be eligible for reappointment upon the expiration of his term of office,

Section 3. Membership Committee:

The Membership Committee shall have full power to organize, keep its own records and determine its own method for passing on applications for membership received from non-residents of Coulwood Hills communities. All applicants receiving the recommendation by the Membership Committee shall be notified in writing by the President of the Corporation. Thereafter said applicant shall, upon payment of the prescribed dues, become a member of the Corporation and entitled to all of the rights and privileges of the other members. Any member who is sponsoring an applicant who did not receive a favorable recommendation by the Committee may appeal to the Board of Directors at any regular or special meeting of the Board. Upon a favorable vote of two thirds of the Board of Directors present at said meeting, the applicant shall be invited to join the Corporation. The chairman of the Membership Committee shall be present or represented at said meeting of the Board of Directors and shall state the Committee's reasons for not recommending a membership for the particular applicant in question.

Section 4. Finance Committee:

The Finance Committee shall consist of the President, Treasurer and such other members as the Board of Directors elect. The Treasurer shall be the chairman of the Finance Committee. The Finance Committee shall prepare an annual budget for the operation of the Corporation in all departments, and shall supervise the accounting and financing of the Corporation. Except in case of an emergency, no expenditure shall be made unless the amount thereof has been provided within the scope of the budget or authorized by the Board of Directors upon the recommendation of the Finance Committee.

Section 5. Entertainment Committee:

The Entertainment Committee shall plan regular and special social events for the benefit of the entire membership. It shall cooperate with the Ways and Means Committee for the planning and carrying out of social occasions in connection with projects for the raising of corporate funds.

Section 6. Athletic Committee:

The Athletic Committee shall prepare and carry out plans for the construction, maintenance and supervision of appropriate athletic facilities. It shall arrange such athletic tournaments, events and occasions as will encourage the use of said athletic facilities. It is authorized to appoint special committees, such as tennis, basketball, tournaments, children's facilities, etc., and to delegate authority for such activities to the respective committees. It shall regularly report to the Board of Directors upon the athletic activities, the condition of the athletic facilities and the needs for improving same.

Section 7. Building Construction Committee:

The officers of the Corporation and such other members as the Board of Directors elect shall compose the Building Construction Committee. This Committee shall present plans to the Board of Directors for the construction of appropriate community centers as stated in Article III, subparagraph 4, of the Articles of Incorporation. After approval of the plans by the Board of Directors, this Committee shall be primarily responsible for the construction, maintenance and improvement of said buildings.

Section 8. House Supervision Committee:

The House Supervision Committee shall plan the program, services, and facilities of the buildings owned by the Corporation and allot the time for the use of said buildings in such a manner as will best accomplish the purposes of the Corporation.

Section 9. Grounds Committee:

The Grounds Committee shall adopt and carry out appropriate plans for the improvement and beautification of the Coulwood Hills community.

Section 10. Ways and Means Committee:

It shall be the responsibility of this Committee to devise and plan the way and means or securing the necessary additional funds required by the Corporation for its activities. This Committee shall also be responsible for carrying out such plans and projects.

Section 11. Welcoming Committee:

It shall be the responsibility of the Welcoming Committee to introduce and welcome new resident and non-resident members and, in that connection, to acquaint the new members with the plans, purposes, and facilities of the Corporation. The Welcoming Committee shall contact each new resident of Coulwood Hills and if possible secure their membership in the Corporation.

Section 12. Grievance Committee:

The Grievance Committee shall submit to the Board of Directors at any regular or special meeting complaints which it has received from the members and which it deems to be of sufficient merit to be considered by the Board of Directors. The Grievance Committee may suspend members permanently or for a limited period of time for any action deemed to be, in the opinion of the Committee, against the best interests of the Corporation. No member shall be expelled unless he shall first have received written notice of the Grievance Committee's meeting and given an opportunity at said meeting to answer the charges against him. Any member whose membership was suspended or terminated by the Grievance Committee may appeal to the full Board of Directors at a regular meeting or special meeting. A majority vote by the members of the Board of Directors who are present at such meeting will be necessary to reinstate the suspended member.

Section 13. Maintenance Committee:

The Maintenance Committee shall be responsible for the proper maintenance of the Corporation's tangible assets, including the building and all athletic facilities.

Section 14. New Projects Committee:

The New Projects Committee shall formulate plans and make recommendations to the Board of Directors for expanding the Corporation's facilities. It shall also be responsible for the naming of streets in the Coulwood Hills developments. It shall make such recommendations to any of the other permanent committees as it deems proper for the purpose of improving that committee's program.

Section 15. Ex-officio:

The President shall be an ex-officio member of all regular committees except those wherein he is designated as a regular member of said committee.

ARTICLE VIII
Dues

Section 1. Amount:

Each resident and non-resident member of the Corporation shall pay dues in the amount of \$10.00 per year.

Section 2. Payment:

All annual dues shall be due on or before the first day of April of each year.

Section 3. Fiscal Year:

The fiscal year of the Corporation shall be from May first through April thirtieth of each year.

ARTICLE IX
Expulsion of Membership

Section 1. Expulsion:

Any member's membership may be withdrawn or suspended by the Grievance Committee as provided in Article VII, subparagraph 12, of the By-laws. Said membership may be withdrawn or suspended for delinquency in dues, improper behavior, failing to cooperate in carrying out the plans and purposes of the Corporation, or for any other good cause found by the Grievance Committee. The accused member shall be entitled to be heard by the Grievance Committee and shall be entitled to such appeal as is provided in the said Article VII, subparagraph 12.

ARTICLE X
Corporate Liability

Section 1. Damages:

The Corporation shall not be responsible to the members or their guests for loss of, or damage to, their property in the building or buildings owned by the Corporation or on the Corporation's grounds.

ARTICLE XI

Guests

Section 1. Minors:

All minor children of each member shall be guests of the Corporation and entitled to the use of all the corporate facilities. All other minor children shall be entitled to the use of the athletic facilities as the Board of Directors may by resolution from time to time direct.

Section 2. Coulwood Hills Residents:

Other than said minors, no resident of Coulwood Hills who is not a member of the Corporation shall be entitled to the use of the corporate facilities unless otherwise specified by the Board of Directors.

Section 3. Others:

The Board of Directors shall from time to time adopt such regulations as it deems necessary or expedient concerning the privileges to be extended to the guests of the members.

Section 4. Membership Responsibility:

Each member shall be responsible for the conduct of his guests and shall reimburse the Corporation for any damages to the corporate property caused by the negligence or willful intent of said guests.

ARTICLE XII

Liquidation

Section 1. Remaining Assets:

Upon liquidation or dissolution of this Corporation the remaining assets of the Corporation shall be placed in trust by the Directors to be expended for such charitable use or uses as the Board of Directors may direct.

ARTICLE XIII

Amendments

Section 1. Board of Directors:

Two thirds of the members of the Board of Directors at any regular or special meeting may amend, alter, repeal or add to any of the By-laws of the Corporation.

Section 2. Membership:

A majority of the membership at any regular or special meeting of the members wherein a quorum is present may alter, amend, repeal or add to any of the By-laws of the Corporation. No By-law adopted or amended by the members shall be altered or repealed by the Board of Directors.

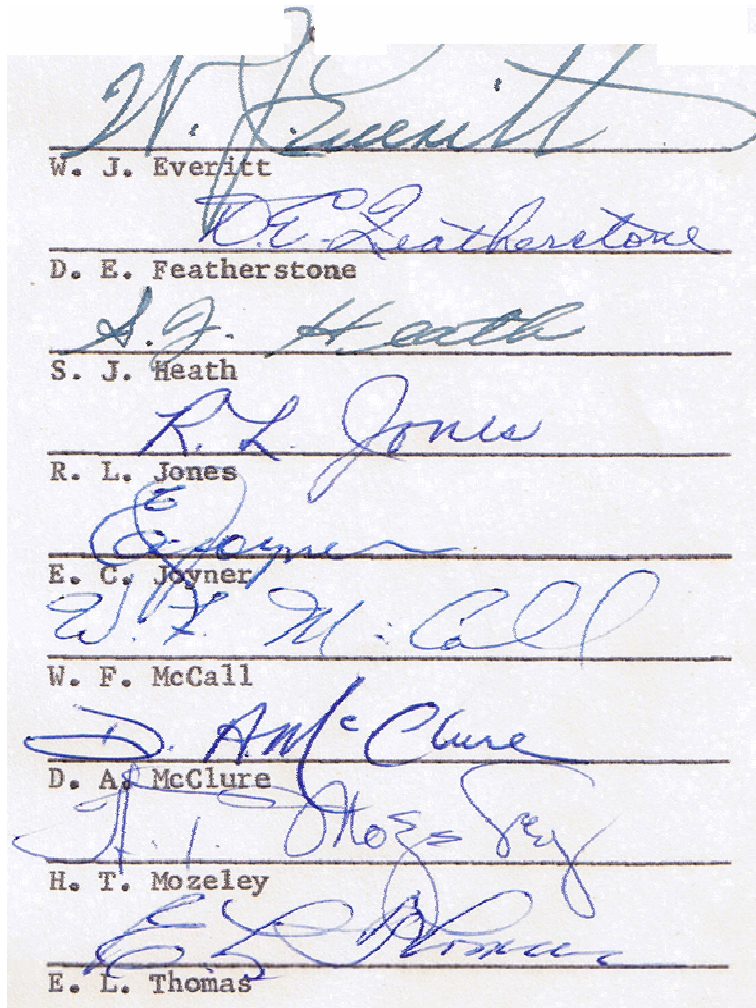
Adopted by the initial Board of Directors at the first meeting held at the McClure Lumber Company on the 3rd day of November, 1958.

R. L. Jones, Secretary

**WAIVER OF NOTICE OF THE FIRST MEETING
OF THE INITIAL BOARD OF DIRECTORS OF
COULWOOD COMMUNITY COUNCIL, LTD.**

We, the undersigned, being all of the members of the initial Board of Directors of Coulwood Community Council, Ltd., a North Carolina corporation, hereby severally waiver notice of the time, place, and purposes of the first meeting of the initial Board of Directors of said Corporation, and consent that it be held at the offices of McClure Lumber Company, Charlotte, North Carolina, on the 3rd day of November, 1958, at 7:30 o'clock p.m. for the transaction of any business which may properly come before said meeting.

We, the undersigned, being all of the members of the initial Board of Directors of Coulwood Community Council, Ltd., a North Carolina corporation, hereby severally waiver notice of the time, place, and purposes of the first meeting of the initial Board of Directors of said Corporation, and consent that it be held at the offices of McClure Lumber Company, Charlotte, North Carolina, on the 3rd day of November, 1958, at 7:30 o'clock p.m. for the transaction of any business which may properly come before said meeting



W. J. Everitt

D. E. Featherstone

S. J. Heath

R. L. Jones

E. C. Joyner

W. F. McCall

D. A. McClure

H. T. Mozeley

E. L. Thomas