

***BYLAWS
OF
COUNTRY HAVEN PROPERTY OWNERS'
ASSOCIATION, INC***

BYLAWS OF COUNTRY HAVEN PROPERTY OWNERS' ASSOCIATION, INC.
A Nonprofit Corporation

Article 1

OFFICES

The principal office of the Corporation shall be in the State of North Carolina. The Corporation shall designate a registered office in accordance with law and shall maintain it continuously. The Corporation may have offices at such other places within the State of North Carolina as the Board of Directors may from time to time determine.

Article 2

MEMBERS

Section 1. Qualification. Membership is open to all persons over the age of eighteen (18) years who are property owners in Country Haven Subdivision.

Section 2. Membership Classes. There shall be two classes of Membership:

(a) CLASS A - Class A, which members shall be all owners with the exception of Declarant and shall be entitled to one vote for each lot owned. When more than one person holds an interest in any lot, all such persons shall be members, however, the vote for such lot shall be exercised as the multiple owners determine among themselves, but in no event shall more than one vote be cast with respect to any lot.

(b) CLASS B - Class B members shall be the Declarant and shall be entitled to three (3) votes for each lot owned. The Class B Membership shall cease and be converted to Class A membership on the happening of either of the following two events, whichever occurs earlier:

(A) October 1, 1990; or

(B) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership.

However, in the event Declarant expands Country Haven Subdivision, the Class B membership shall not end, or shall be reinstated, as applicable, and Declarant shall have sufficient votes to assure Declarant a majority of votes in all matters under the control of the Homeowners' Association. All lot owners in Country Haven Subdivision, by acceptance of a deed to a lot in Country Haven Subdivision, are deemed to assent to Declarant retaining, or regaining, as applicable, majority voting control of the Homeowners Association upon expansion of Country Haven Subdivision.

Section 3. Annual Meetings. The purpose of the annual meeting of Members is to elect Directors and to transact such other matters as may properly come before the Members. The annual meeting of the Members of the Corporation shall be held at the times and places designated by the Board of Directors or the President of the Corporation. The annual meeting of Members for any year shall be held no later than ~~thirteen (13) months after the last annual meeting of~~ Members. However, failure to hold an annual meeting timely shall in no way affect the terms of Officers or Directors of the Corporation or the validity of actions of the Corporation.

Section 4. Special Meetings. Special meetings of Members may be called by the President or by a majority of the Board of Directors then in office or by Members having one-fourth (1/4) or more of the outstanding votes of the Corporation. The purpose of each special meeting shall be stated in the notice and may only include purposes which are lawful and proper for Members to consider.

Section 5. Place of Meeting. The Board of Directors may designate any place, within the State of North Carolina, the place of meeting for any meeting of Members. If no

designation is made, then the place of meeting shall be the principal office of the Corporation in the State of North Carolina.

Section 6. Waiver of Notice. A written waiver of notice signed by a Member, whether before or after a meeting, shall be equivalent to the giving of such notice. Attendance of a Member at a meeting shall constitute a waiver of notice of such meeting, except when the Member attends for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

Section 7. Action Without Meeting. Any action of the Members may be taken without a meeting, without prior notice and without a vote, if a consent in writing setting forth the action so taken is signed by a majority of Members of the Corporation. Within ten (10) days after obtaining such authorization by written consent, notice must be given to those Members who have not consented in writing. The notice shall fairly summarize the material features of the authorized action. Any certificate to be filed as a result of the Members' action under this section shall state that written consent was given in accordance with Section , laws of .

Section 8. Voting Record. If the Corporation has six (6) or more Members of record, the officers having charge of the membership records of the Corporation shall make, at least ten (10) days before each meeting of Members, a complete list of the Members entitled to vote at such meeting or any adjournment thereof. The list shall be kept on file at the registered office of the Corporation or at the principal place of business of the Corporation, and any Member shall be entitled to inspect the list at any time during usual business hours. The list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any Member at any time during the meeting. If the requirements of this section have not been substantially complied with, then upon demand of any Member in person or by proxy, the meeting shall be adjourned until requirements are complied with. If no such demand is made, failure to comply with the requirements of this section shall not affect the validity of any action taken at such meeting.

Section 9. Member quorum and Voting. Unless otherwise required in the Articles of Incorporation, a majority of the Members appearing in person or by proxy shall constitute a quorum at a meeting of Members. When a specified item of business is required to be voted on by a class of Members, unless otherwise required in the Articles of Incorporation, a majority of the Members of such class shall constitute a quorum for the transaction of such items of business by that class. If a quorum is present, unless otherwise provided by law or in the Articles of Incorporation, the affirmative vote of a majority of the Members at the meeting entitled to vote on the subject matter shall be the act of the Members. After a quorum, shall not affect the validity of any action taken at the meeting or any adjournment thereof. If a quorum is not present when a meeting starts, then a majority of the Members ~~at the meeting may adjourn the meeting from time to time~~ without further notice until a quorum is present.

Section 10. Votes. Each Voting Member shall be entitled to one vote on each matter submitted to a vote at a meeting of Members subject to the provisions found in Article II of these By-Laws.

Section 11. Proxies. Every Member entitled to vote at a meeting of Members or to express consent or dissent without a meeting may authorize another person or persons to act for him by proxy. Every proxy shall be in writing and shall be signed by the Member or his otherwise duly authorized attorney-in-fact. No proxy shall be valid after the expiration of eleven (11) months from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the Member executing it, except as otherwise provided by law.

Article 3

BOARD OF DIRECTORS

Section 1. General Powers. Subject to the limitations of the Articles of Incorporation, these Bylaws, and the nonprofit corporation statutes concerning corporate action that must be authorized or approved by the Members of the Corporation, all corporate powers shall be exercised by or under the authority of the Board of Directors, and the management and affairs of the Corporation shall be controlled by the Board of Directors.

Section 2. Number, Qualification, Election and Tenure. The number of Directors shall be the number of Directors elected from time to time in accordance with these Bylaws, but shall never be less than three. The number of Directors may be increased or decreased from time to time by election in accordance with these bylaws. The Directors need be Members of this Corporation and property owners of Country Haven Directors shall be elected by the Members at the annual meeting of Members and shall serve until the next succeeding annual meeting and until their successors have been elected and qualified.

Section 3. Annual Meetings. The Board of Directors shall hold its annual meeting at the same place as and immediately following each annual meeting of Members for the purpose of the election of Officers and the transaction of such other business as may come before the meeting. If a majority of the Directors are present at the annual meeting of Members, no prior notice of the annual meeting of the Board of Directors shall be required. However, another place and time for such meeting may be fixed by written consent of the Directors.

Section 4. Regular Meetings. Regular meetings of the Board of Directors may be held without notice at such time and at such place as shall be determined from time to time by the Board of Directors.

Section 5. Special Meetings. Special meetings of the Board of Directors may be called by the Chairman of the Board (if there is one), the President or any Trustee. The person or persons authorized to call special meetings of the Board of Directors may fix a reasonable time and place for holding them.

Section 6. Telephone Meetings. Directors may participate in meetings of the Board of Directors by means of a conference telephone or similar communications equipment by which all persons participating can hear each other at the same time, and participation by such means constitute presence in person at such a meeting.

Section 7. Action Without Meeting. Any action of the Board of Directors may be taken without a meeting if a consent in writing setting forth the action so taken signed by all of the Directors is filed in the minutes of the Board of Directors. Such consent shall have the same effect as a unanimous vote.

Section 8. Notice and Waiver. Notice of any special meeting shall be given at least three (3) days prior thereto by written notice delivered personally, by mail or by telegram to each Trustee at his address. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail with postage prepaid. If notice is given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any Trustee may waive notice of any meeting, either before, at, or after such meeting by signing a waiver of notice. The attendance of a Trustee at a meeting shall constitute a waiver of notice of such meeting and a waiver of any and all objections to the place of such meeting or the manner in which it has been called or convened, except when a Trustee states at the beginning of the meeting any objection to the transaction of business because the meeting is not lawfully

called or convened.

Section 9. Quorum and Voting. A majority of Directors in office shall constitute a quorum for the transaction of business. The vote of a majority of Directors present at a meeting at which a quorum is present shall constitute the action of the Board of Directors. If less than a quorum is present, then a majority of those Directors present may adjourn the meeting from time to time without notice until a quorum is present.

Section 10. 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 it is less than a quorum of the Board of Directors, unless otherwise provided by law or the Articles of Incorporation. A trustee elected to fill a vacancy shall hold office only until the next election of Directors by the Members. Any directorship to be filled by reason of an increase in the number of Directors shall be filled by election at an annual meeting of Members or a special meeting of Members called for that purpose.

Section 11. Removal. At any meeting of Members called expressly for that purpose, any Trustee or Directors may be removed from office, with or without cause, by vote of holders of a majority of the outstanding shares then entitled to vote at an election of Directors. New Directors may be elected by the Members for the unexpired terms of Directors removed from office at the same meetings at which such removals are voted. If the Members fail to elect persons to fill the unexpired terms of removed Directors, and if the Members did not intend to decrease the number of Directors to serve on the Board, then the vacancies unfilled shall be filled in accordance with provisions in these Bylaws for vacancies.

Section 12. Presumption of Assent. A Trustee of the Corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless he votes against such action or abstains from voting because of an asserted conflict of interest.

Article 4

OFFICERS

Section 1. Officers. The Officers of this Corporation shall be a President, Secretary and Treasurer, each of whom shall be elected by the Board of Directors. A Chairman of the Board, Vice President, and such other officers and assistant officers as may be deemed appropriate may be elected by the Board of Directors from time to time. Any two or more offices may be held by the same person. A failure to elect a President, Secretary or Treasurer shall not affect the existence of the Corporation.

Section 2. Election and Term of Office. The Officers of the Corporation shall be elected annually by the Board of Directors at its meeting after each annual meeting of Members. If the election of Officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each Officer shall hold office until his successor shall have been duly elected and shall have been removed in the manner hereinafter provided.

Section 3. Removal. Any Officer may be removed from office at any time, with or without cause, on the affirmative vote of a majority of the Board of Directors whenever, in its judgment, the best interests of the Corporation will be served thereby. Removal shall be without prejudice to any contract rights of the person so removed, but election of an Officer shall not of itself create contract rights.

Section 4. Vacancies. Vacancies in offices, however occasioned, may be filled at any time by election by the Board of Directors for the unexpired terms of such offices.

Section 5. Duties. The Chairman of the Board, or the President if there is no Chairman of the Board, shall preside at all meetings of the Board of Directors and of the Members. The President shall be the chief executive officer of the Corporation. Subject to the foregoing, the Officers of the Corporation shall have such powers and duties as usually pertain to their respective offices and such additional powers and duties specifically conferred by law, by the Articles of Incorporation, by these Bylaws, or as may be assigned to them from time to time by the Board of Directors.

Section 6. Delegation of Duties. In the absence or disability of any Officer of the Corporation or for any other reason deemed sufficient by the Board of Directors, the Board may delegate his powers or duties to any other Officer or any other Trustee.

Article 5

EXECUTIVE AND OTHER COMMITTEES

Section 1. Creation of Committees. The Board of Directors may, by resolution passed by a majority of the whole Board, designate and Executive Committee and one or more other committees.

Section 2. Executive Committee. The Executive Committee (if there is one) shall consult with and advise the Officers of the Corporation in the management of its affairs and shall have and may exercise, to the extent provided in the resolution of the Board of Directors creating such Executive Committee, such powers of the Board of Directors as can be lawfully delegated by the Board.

Section 3. Other Committees. Such other committees shall have such functions and may exercise such power of the Board of Directors as can be lawfully delegated and to the extent provided in the resolution or resolutions creating such committee or committees.

Section 4. Meetings. Regular meetings of the Executive Committee and other committees may be held without notice at such time and at such place as shall from time to time be determined by the Executive Committee or such other committees, and special meetings of the Executive Committee or such other committees may be agreed to in writing by each of the other members of such committee, given either personally or in the manner provided in these Bylaws pertaining to notice for Directors' meeting.

Section 5. Vacancies. Vacancies on the Executive Committee or on other committees shall be filled by the Board of Directors then in office at any regular or special meeting of the Board of Directors.

Section 6. Quorum. At all meetings of the Executive Committee or other committees, a majority of the committee's members then in office shall constitute a quorum for the transaction of business.

Section 7. Manner of Acting. The acts of a majority of the members of the Executive Committee or other committees present at any meeting at which there is a quorum shall be the act of such committee.

Section 8. Minutes. The Executive Committee (if there is one) and the other committees shall keep regular minutes of their proceedings and report the same to the Board of Directors when required.

Article 6

MEMBERSHIP CERTIFICATES

Section 1. Form and Issuance. Members of the Corporation may be issued certificates signed by the President or a Vice President, and by the Secretary or an Assistant Secretary. Each Membership certificate shall state the following: (a) the name of the Corporation; (b) the Corporation is organized under the laws of the State of North Carolina; (c) the name

of the person or persons to whom issued; and (d) the class of Membership. The Membership certificate itself shall convey no rights or privileges, but shall only be for identification.

Section 2. Lost, Stolen or Destroyed Certificates. The Corporation may issue a new Membership certificate in the place of any certificate previously issued if the Member named in the certificate (a) makes proof in affidavit form that it has been lost, destroyed or stolen; (b) requests the issuance of a new certificate; and (c) satisfies any other reasonable requirements imposed by the Corporation.

Article 7

BOOKS, RECORDS AND REPORTS

Section 1. Report to Members. The Corporation shall send an annual report to the Members of the Corporation not later than four months after the close of each fiscal year of the Corporation. Such report shall include a balance sheet as of the close of the fiscal year of the Corporation and a revenue and disbursement statement for the year ending on such closing date. Such financial statements shall be prepared from and in accordance with the books of the Corporation, in conformity with generally accepted accounting principles applied on a consistent basis.

Section 2. Inspection of Corporate Records. Any person who is a Voting Member of the Corporation shall have the right, for any proper purpose and at any reasonable time, on written demand stating the purpose thereof, to examine and make copies from the relevant books and records of accounts, minutes, and records of Members of the Corporation. Upon the written request of any Voting Members, the Corporation shall mail to such Member a copy of the most recent balance sheet and revenue and disbursement statement. If such request is received by the Corporation before such financial statements are available for its last fiscal year, the Corporation shall mail such financial statements as soon as they become available. In any event, the financial statements must be mailed within four months after the close of the last fiscal year. Additionally, balance sheets and revenue and disbursement statements shall be filed in the registered office of the Corporation, shall be kept for at least five years, and shall be subject to inspection during business hours by any Voting Member, in person or by agent.

Article 8

NONPROFIT OPERATION

The Corporation will not have or issue shares of stock. No dividends will be paid. No part of the income or assets of the Corporation will be distributed to its Members, Directors or Officers without full consideration. No Member of the Corporation has any vested right, interest or privilege in or to the assets, property, functions or activities of the Corporation. The Corporation may contract in due course with its Members, Directors and Officers without violating this provision.

Article 9

FISCAL YEAR

The fiscal year of the Corporation shall be the period selected by the Board of Directors as the fiscal year of the Corporation.

Article 10

SEAL

The corporate seal shall bear the name of the Corporation between two concentric circles and in the inside of the inner circle shall be the year of incorporation.

Article 11

INDEMNIFICATION

The Corporation shall indemnify each Officer and Trustee, including former Officers and Directors, to the full extent permitted by the state corporation law.

Article 12

AMENDMENTS

These Bylaws may be altered, amended or replaced and new Bylaws may be adopted by the Board of Directors may be altered, amended or repealed by vote of the Members, or a new Bylaw in lieu thereof may be adopted by the Members. No Bylaw which has been altered, amended, repealed or adopted by such a vote of the Members may be altered, amended or repealed by a vote of the Board of Directors for a period of two (2) years after the action of the Members.
