

**BYLAWS OF
TIMBERLAKE PROPERTY OWNERS ASSOCIATION, INC.**

ARTICLE I -NAME

The name of this organization shall be: Timberlake Property Owners Association, Inc.

ARTICLE II - PURPOSE

The purpose of this organization shall be as stated in the Articles of Incorporation.

ARTICLE III - FUNDING AND FINANCIAL ARRANGEMENTS.

1. The corporation shall be funded by dues and assessments collected from members along with any other property that may be conveyed to it by any other entity and shall be operated as a tax exempt organization under State and Federal Law and all Internal Revenue Service requirements if the Board of Directors believe it is in the best interest of the corporation to be operated as a tax exempt entity.

2. The corporation shall file IRS form 1120-H each year to qualify as a tax exempt Homeowners Association if the Board of Directors has determined it is in the best interest of the corporation to be a tax exempt entity.

3. Fiscal Year. The fiscal year of this organization shall be from January 1, to December 31, of each year.

4. In the event of dissolution of this organization, the Board of Directors shall have charge of dispensing all remaining funds and/or properties. The Board shall follow the guidelines listed below in distributing assets;

A. If there is a successor organization to this organization, then all assets shall be transferred to that organization.

B. If there is no successor organization to this organization, then all assets be distributed to members of this organization at the time of dissolution in a prorated amount based on the amount of dues that each member has contributed from the inception of this organization. The exact distribution to each member shall be calculated by the Board of Directors.

ARTICLE IV - MEMBERSHIP

1. Classes of Membership.

A. Lot Owners. Membership and right to vote at meetings is established by ownership of lots or parcels of land in Timberlake Subdivision, Section One, as shown in Map Book 25, Page 12 of the Sampson County Registry or ownership of parcels or lots located in future sections of Timberlake Subdivision, as defined by DMB Development, Inc. or its assigns, that are subject to the Covenants, Easements, and Restrictions recorded in Book 1141 at Page 656 and all amendments, thereto. Voting members shall be entitled to have one vote for each lot that he or she owns.

B. Social Members, The Board of Directors shall have authority to allow social membership into this organization for the use of any recreational facilities that may be developed for the use of members. Social Members shall pay dues as assessed by the Board of Directors, but shall have no right to vote.

2. Membership Dues. The annual dues shall be as determined by the Board of Directors and shall be paid at a time to be determined by the Board of Directors. Any annual dues assessed in excess of ~~\$120.00~~ \$200.00 (amended at 2006 annual meeting) per lot shall require approval by a majority of voting members.

ARTICLE V - OFFICERS

1. General. The officers shall consist of a President, Vice-President, Secretary and Treasurer. Officers shall be nominated by the Board of Directors at a time prior to the annual meeting of the membership. The election of officers shall be held at the annual meeting of the membership.

A) Terms. The term for officers shall be three years with the terms initially staggered so that only one officer will be elected at each annual meeting.

2. Duties

A). President. The President shall preside at meetings of the organization and shall appoint all standing committee chairmen. He or she shall promote the interests of the organization and shall be the accredited representative of the organization at outside meetings unless he or she shall delegate this authority to another member.

B). Vice President. The Vice President shall preside in the absence of the President, shall serve as a ex-officio member of all committee and shall perform other duties as determined by the President or Board of Directors.

C). Secretary. The Secretary shall take minutes of all meetings and shall preserve the records of the organization.

D). Treasurer. The Treasurer shall handle all organization bank accounts and shall give a financial report at all meetings. He or she shall give an annual financial report and shall give receipt for and disburse all funds, maintain a record of payment or membership dues. The position of treasurer, in the discretion of the Board of Directors, may be assigned to an outside manager who will not serve on the Board of Directors.

3. Filling or Vacant office. Any vacancy which occurs in an office shall be filled by the Board of Directors until such time as the next annual meeting of the membership.

ARTICLE VI - BOARD OF DIRECTORS

1. Membership. The Board of Directors shall consist of the elected officers of the organization and shall consist of not less than three or more than seven individuals.

A) Appointed Board Members If there are less than seven individuals on the board, the Board of Directors may appoint other members of this organization to fill any open seats. It shall be the policy of the Board to fill the open seats with representatives from different sections of Timberlake so as to have broad representation of Timberlake on the Board.

I) Terms of Appointed Members. The terms of each appointed Board members shall be 2 years with the initial terms staggered so that following the four initial appointments a maximum number of two (2) Board members will be appointed each year.

2. Duties. The Board of Directors shall have the general control of the affairs, funds and property of the organization and shall determine policy and establish guidelines for the effective conduct of the business affairs of the organization. It shall be responsible for the accomplishment of the organizations purposes and objectives and shall present to the membership all proposed major program activities for ratification.

3. Fiscal Powers. The Board shall consider and approve a budget for each fiscal year.

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ARTICLE VII- MEETINGS

1. Time and Place. The time and place of the meetings of the membership shall be as specified by the Board of Directors.

2. Special Meetings. Special meetings of the membership may be called at the request of a majority of the Board of Directors.

3. Notice of Meetings. The Secretary shall notify each member of the time and place of all meetings called for by the Board of Directors. Such notification may be by written or verbal communication with the membership.

4. Quorum. ~~A simple majority of the voting members present in person or by proxy will constitute a quorum at membership meetings.~~ ***A quorum for any meeting shall be defined as at least 50 lots represented by their voting members present in person or by proxy at the meeting. (Amended at 2008 annual meeting)***

ARTICLE VIII - AMENDMENTS

The Bylaws of the organization may be amended by three-fourths affirmative vote of the members present at any duly called membership meeting, but only after the Board of Directors has made a recommendation for such a change and a 30-days notice has been given to the membership prior to any vote and a copy of the proposed Bylaw changes have been circulated to the membership for study and review.

ARTICLE IX - CONFLICT

Where any conflict arises between the Bylaws and the provisions contained in the Articles of Incorporation, the provisions contained in the Bylaws will control.

ARTICLE X - RULES OF ORDER

The most current edition of Roberts' Rules of Order shall be the authority on all points not covered by the Articles of Incorporation and Bylaws of the Organization.

This the ____ day of _____, 2005

Secretary