

**AMENDED BYLAWS OF
THE WILLOWS PROPERTY OWNERS ASSOCIATION, INC.**

**ARTICLE I
NAME**

The name of this corporation shall be The Willows Property Owners Association, Inc.

**ARTICLE II
OBJECT**

The object of the Association shall be to govern the planned community named above pursuant to any Declaration over which the Association has authority, Articles of Incorporation, and these Bylaws.

**ARTICLE III
MEMBERS**

3.1 Members. Every Owner of a Lot shall be a Member of the Association as provided by the Declaration. Membership shall be appurtenant to and may not be separated from ownership of any Lot subject to assessment. The voting rights of the Members shall be as provided by the Declaration. When more than one person holds an interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

**ARTICLE IV
MEETINGS OF MEMBERS**

4.1 Annual Meetings. A meeting of the Association shall be held annually in October at a place, date, and time determined by the Board of Directors for the purpose of electing Directors, ratifying the budget, receiving reports, and transacting such other business as may properly come before it.

4.2 Special Meetings. Special meetings of the Association may be called by the President, by a majority of the Board of Directors, or by Lot Owners having ten percent (10%) of the votes in the Association. The purpose of the meeting shall be stated in the call, and only business mentioned in the call can be transacted at such a meeting.

4.3 Notice. Not less than 30 days nor more than 60 days in advance of any meeting, the Secretary or other officer specified in the Bylaws shall cause notice to be hand-delivered or sent prepaid by United States mail to the mailing address of each Lot or to any other mailing address designated in writing by the Lot Owner, or sent by electronic means, including by electronic mail over the Internet, to an electronic mailing address designated in writing by the Lot Owner. The notice of the meeting shall state the place, date, and time of the meeting and the items on the agenda. Waiver by a Member in writing of the notice, signed by the Member before or after such meeting, shall be equivalent to the giving of such notice.

4.4 Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, sixty percent (60%) of the votes in the Association shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws.

In the event business cannot be conducted at any meeting because a quorum is not present, that meeting may be adjourned to a later date by the affirmative vote of a majority of those present in person or by proxy. The quorum requirement at the next meeting shall be one-half of the quorum requirement applicable to the meeting adjourned for lack of a quorum. This provision shall continue to reduce the quorum by fifty percent (50%) from that required at the previous meeting, as previously reduced, until such time as a quorum is present and business can be conducted.

4.5 Proxy. All proxies shall be in writing, on a form provided by the Association, and must be filed with the Secretary prior to the opening of the meeting for which it is to be used. Every proxy shall be revocable, shall lapse after each Association meeting, and shall automatically cease upon conveyance by the Member of his/her Lot. Any Member entitled to vote may do so by written proxy. A proxy shall only be valid for one meeting of the Association for which it is given.

4.6 Vote by Written Ballot. In accordance with Section 55A-7-08 of the North Carolina Nonprofit Corporation Act, any action that may be taken at an annual, regular, or special meeting of Members may be taken without a meeting if the Association delivers, by mail or otherwise, a written ballot to every Member entitled to vote on the matter.

4.7 Virtual Meetings or Electronic Voting. At the discretion of the Board, membership meetings may be held virtually or decisions made by the membership electronically to the fullest extent allowed by law.

ARTICLE V BOARD OF DIRECTORS

5.1 Composition. The affairs of this Association shall be managed by a Board of not less than three (3) Directors nor more than five (5) Directors, at least a majority of whom shall reside in the community. If any Lot is owned by a partnership or corporation, any officer, partner or employee shall be eligible to serve as a Director. A Member may be prohibited from being elected to the Board of Directors if such Member is in violation of the Declaration, Bylaws, Rules and Regulations, or is shown on the books or management accounts of the Association to be more than sixty (60) days delinquent in any payment due the Association. Directors shall act according to the standards for directors of a nonprofit corporation as set forth in G.S. 55A-8-30.

5.2 Term of Office. Directors shall serve staggered three-year terms.

5.3 Powers and Duties. The Board of Directors shall manage the affairs of the Association and shall have all the powers and duties necessary for the administration of the Planned Community including those existing under the Declaration, the Articles of Incorporation, and these Bylaws. Such powers and duties shall include but not be limited to:

- (a) Adopt and amend Rules and Regulations;

- (b) Adopt for ratification budgets for revenues, expenditures, and reserves;
- (c) Collect assessments for common expenses from Lot Owners;
- (d) Hire and discharge managing agents and other employees, agents, and independent contractors;
- (e) Institute, defend, or intervene in its own name in litigation or administrative proceedings on matters affecting the Planned Community;
- (f) Make contracts, open bank accounts, and incur liabilities;
- (g) Regulate the use, maintenance, repair, replacement, and modification of common elements;
- (h) Cause additional improvements to be made as a part of the common elements;
- (a) Acquire, hold, encumber, and convey in its own name any right, title, or interest to real or personal property provided that common elements may be conveyed or subjected to a security interest only pursuant to Section 47F-3-113 of the Planned Community Act;
- (j) Grant easements, leases, licenses, and concessions through or over the common elements;
- (k) Impose and receive any payments, fees, or charges for the use, rental, or operation of the common elements and for services provided to Lot Owners;
- (l) Impose reasonable charges for the late payment of assessments;
- (m) After notice and an opportunity to be heard, impose reasonable fines for violations of the Declaration, Bylaws, and Rules and Regulations of the Association;
- (n) Impose reasonable charges for the preparation and recordation of amendments to the Declaration or statements of unpaid assessments;
- (o) Provide for the indemnification of and maintain liability insurance for its officers, directors, employees, and agents;
- (p) Borrow money and assign its right to future income, including the right to receive common expense assessments subject to approval of the purpose of the borrowing by a majority vote of the Members of the Association;
- (q) Exercise all other powers that may be exercised in this State by legal entities of the same type as the Association; and
- (r) Exercise any other powers necessary and proper for the governance and operation of the Association.

5.4 Management Agent. The Board of Directors may employ for the Planned Community a professional management agent or agents, at a compensation established by the Board of Directors, to perform such duties and services as the Board of Directors shall authorize.

5.5 Additional Committees. The Board may establish such other committees as it deems desirable.

5.6 Committee Chairpersons and Members. The Board shall elect the Chairperson and approve the members of each committee established.

5.7 Removal and Resignation. Any Director may be removed from the Board, with or without cause, by a majority vote of all persons present and entitled to vote at any meeting at which a quorum is present. Any Director may resign at any time by communicating the resignation to the President, the Secretary, or the Board of Directors. A resignation is effective when it is communicated unless the notice specifies a later effective date or subsequent event upon which it will become effective.

5.8 Vacancies. A vacancy on the Board may be filled with an appointment by the Board for the unexpired portion of the term.

5.9 Compensation. No financial payments, including payments in the form of goods and services, may be made to any Director or to a business, business associate, or relative of a Director, except for services or expenses paid on behalf of the Association which are approved in advance by the Board.

5.10 Action Taken Without a Meeting. Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Board of Directors shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the Board of Directors.

ARTICLE VI NOMINATION AND ELECTION OF DIRECTORS

6.1 Nomination. The Board of Directors may appoint a Nominating Committee of three (3) members no later than three months prior to the annual meeting. If appointed, it shall be the duty of this committee to nominate candidates for the Board of Directors to be filled at the annual meeting. The Board shall prescribe the opening and closing dates of a reasonable filing period in which eligible persons may submit their names for consideration. Before the election at the annual meeting, additional nominations from the floor shall be permitted.

6.2 Election. Directors are elected by a plurality of the votes cast by the Members entitled to vote in the election at the annual meeting at which a quorum is present. Board members shall serve for three years and their term of office shall begin on January 1. Cumulative voting is not permitted.

ARTICLE VII MEETINGS OF DIRECTORS

7.1 Regular Meetings. Regular meetings of the Board of Directors shall be held at such time and place and with such notice as shall be determined by resolution of a majority of the Directors. Meetings of the Board may be held via conference call as long as all Directors can hear each other. Members who wish to speak at a Board meeting need to submit their request to the Secretary to be put on the Agenda. All meetings of the Board shall be open to all Members but Members other than Directors may not participate in any discussion or deliberation unless expressly so authorized by the Board.

7.2 Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days' notice to each Director given by electronic mail, in person, or by telephone, which notice shall state the time, place, and purpose of the meeting. Special meetings of the Board of Directors shall be called by the Vice President, Secretary, or Treasurer in like manner and on like notice on the written request of at least two (2) Directors.

7.3 Quorum. A majority of the membership of the Board shall constitute a quorum.

7.4 Conduct of Meetings. The President shall preside over all meetings of the Board of Directors. In the absence of the President, the Vice President is next. If neither are present, the Secretary calls the meeting to order and conducts an election for a Chairperson Pro Tem, a presiding officer for that meeting only.

ARTICLE VIII OFFICERS

8.1 Officers. The officers of the Association shall be a President, Vice-President, Secretary, and Treasurer, and such other officers as the Board may from time to time by resolution create, who may be selected from outside the Board of Directors. Any two offices may be held by the same person, except the offices of President and Secretary. Except for the President, no Officer needs to be a member of the Board of Directors.

8.2 Election of Officers. Officers shall be elected at a meeting of the Board of Directors prior to the annual meeting of the Members.

8.3 Term. The officers shall be elected to serve for one year and their term of office shall begin on January 1.

8.4 Removal and Resignation. Any officer may be removed from office with or without cause by the Board of Directors. Any officer may resign at any time by communicating the resignation to the President, the Secretary, or the Board of Directors. A resignation is effective when it is communicated unless the notice specifies a later effective date or subsequent event upon which it will become effective.

8.5 Vacancies. A vacancy in any office may be filled by appointment by the Board for the unexpired portion of the term.

8.6 Duties. The Officers shall perform the duties prescribed by these Bylaws and by the parliamentary authority adopted by the Association, specifically including the following:

(a) President. The President shall preside at all meetings of the Board; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds, amendments to the Declaration, and other written instruments. In the event of a tie vote by the Board of Directors, the President may, in addition to his vote as a Board member, exercise a supplemental vote to break the tie vote.

(b) Vice-President. The Vice-President shall act in the place and stead of the President in the event of the President's absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required by the Board.

(c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; serve notice of meetings of the Board and of the Association together with their addresses and shall perform such other duties as required by the Board. In the event the Secretary is unable to temporarily fulfill their duties, the Treasurer, or other Board approved designee, shall fulfill the duties of the Secretary.

(d) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; keep proper books of account; and shall prepare an annual budget and statement of income and expenditures to be represented to the membership at its regular annual meeting, and deliver a copy of each to the Members. Any or all of these duties may be shared with any property management company hired by the Association. An audit, compilation, or review of the Association's books and records for the current or immediately preceding fiscal year may be required by a vote of the majority of the Board or by the affirmative vote of a majority of the Lot Owners present and voting in person or by proxy at any annual meeting or any special meeting duly called for that purpose. In the event the Treasurer is unable to temporarily fulfill their duties, the Secretary, or other Board approved designee, shall fulfill the duties of the Treasurer.

8.7 Compensation. No financial payments, including payments in the form of goods and services, may be made to any Officer or to a business, business associate, or relative of an Officer, except for services or expenses paid on behalf of the Association which are approved in advance by the Board.

ARTICLE IX COMMITTEES

9.1 Committees. Committees, standing or special, shall be appointed by the President as the Board shall from time to time deem necessary to carry on the work of the Association.

ARTICLE X INDEMNIFICATION

The Association shall have the power to indemnify any present or former Director, Officer, employee or agent or any person who has served or is serving in such capacity at the request of the Association with respect to any liability or litigation expense, including reasonable attorney's fees, incurred by any such person to the extent and upon the terms and conditions provided by law.

To the extent provided by law, the Association shall indemnify any and all of its Officers and Directors against liability and litigation expense, including reasonable attorneys' fees, arising out of their status as such or their activities in any of the foregoing capacities (excluding, however, liability or litigation expense which any of the foregoing may incur on account of activities which were at the time taken known or believed to be clearly in conflict with the best interests of the Association), and said officers and Directors shall be entitled to recover from the Association, and the Association shall pay, all reasonable costs, expenses, and attorneys' fees in connection with the enforcement of rights to indemnification granted herein.

ARTICLE XI AMENDMENT

These Bylaws may be amended at the annual meeting of the Association or a special meeting of the Association called for that purpose by a majority vote of all Members, who are eligible to vote, in person or by proxy.

ADOPTED 10/25/2025