

Golf Mountain Estates
Property Owners Association
By-laws
May 11, 2017

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PREAMBLE

In conformance with the "First Restatement of the Declaration of the Covenants and Restrictions, Golf Mountain Estates, Etowah, NC of November 1, 2013," the Golf Mountain Estates Property Owners Association, formed on March 7, 1979, issues this edition of the By-laws. This edition includes all past revisions approved at the Annual Meetings of the Association on June 19, 1984, October 2, 1986, May 4, 1992, May 3, 1993, May 2, 1994, May 4, 1998 and May 6, 2015. *This edition of the By-laws was approved by the Association members as the annual meeting on May 11, 2017.*

ARTICLE I

Name and Address

SECTION I. The name of this Association shall be "Golf Mountain Estates Property Owners Association". (For purpose of brevity this name will be abbreviated to "the Association" in these by-laws). Its address shall be a Post Office Box in the name of the Association at Etowah, NC.

ARTICLE II

Principle Objectives

SECTION I. It shall be the general purpose of the Association to:

- (1) Foster a feeling of Community within the Golf Mountain Estates Development.
- (2) Provide a forum where ideas and concerns of the members may be discussed, considered by the members or by its Board of Directors, and resolved by majority vote of the members, or Board, through an orderly process in accordance with the Covenants and Restrictions.
- (3) Encourage social activities among the members of the Association.
- (4) Promote the beautification of the Golf Mountain Estates Development and the implementation of the restrictions, limitations and protective covenants, as set forth in a document "First Restatement of Declaration of Restrictions, Limitations and Protective Covenants Golf Mountain Estates" dated November 1, 2013 and which restrictions, limitations and covenants are made an integral part of these by-laws.

(5) To collect dues, budget expenditures, establish committees and develop policies to achieve these principal objectives.

SECTION 2. To consider any community matters, which might be a concern to the members of the Association.

ARTICLE III

Membership

SECTION 1. Each Lot of real property in Blocks 1, 2, 3 and 4 of Golf Mountain Estates represents one member of the Association.

SECTION 2. Each member shall pay dues of a sum recommended by the Board of Directors and approved by members at the Annual Meeting. New members joining the Association will pay dues pro-rated for those quarters of the fiscal year for which they are members. Dues shall be payable to the Treasurer on or before the first day of June. Unpaid dues will become a lien on the property and the Treasurer shall maintain a cumulative record of unpaid dues owed by the member for the property.

ARTICLE IV

Voting

SECTION 1. A Member, whose dues are current, shall have one vote on matters of issue before the Association.

SECTION 2. An absentee member may vote on issues provided the vote is in writing, signed and dated, and received by the President of the Association prior to the voting on the issue by the membership.

ARTICLE V

Board of Directors

SECTION 1. The management of all the affairs, property, business and policy decisions of the Association shall be vested in a Board of Directors consisting of not less than five (5) members to be elected for a term of three years at the Annual Meeting by majority vote of the members attending at which a quorum is present. Directors may serve successive terms.

SECTION 2. A vacancy on the Board of Directors may be filled by a majority vote of the remaining directors attending a stated or special meeting called for that purpose.

A director thus elected shall hold office for the unexpired term of his predecessor and until his successor is elected.

SECTION 3. The Board of Directors shall hold regular meetings at least quarterly at such time and place as they may prescribe after seven (7) days notice.

SECTION 4. Special meetings of the Board of Directors may be held on call of the President, or, in his absence, by the Vice-President, or upon the call of any three (3) directors at such time and place as they may prescribe, provided notice of the time, place and purpose of the meeting is provided to all Board members at least seven (7) days prior to date of the meeting.

SECTION 5. Special meetings to deal with an emergency or urgent situation may be called by Directors as set forth in Section 4 of this article provided each Director provides the Association Secretary with a notice affirming that notice of the time, place and purpose of the meeting had been received by any usual means of communication (letter, telephone, conversation, e-mail) at least one (1) day before the date of the meeting.

SECTION 6. A majority of the Directors fixed by the by-laws shall constitute a quorum for the transaction of business. The vote of the majority of Directors attending a meeting at which a quorum is present shall be the act of the Board of Directors.

SECTION 7. Any Director may resign at any time. An unexcused absence from three consecutive regular Board meetings will constitute a resignation unless the Director has explained the absences to the Board and the Board agrees to continue the Director's term.

ARTICLE VI

Officers

SECTION 1. The officers of the Association shall consist of a President, Vice-president, a Secretary, and a Treasurer, all of whom shall be elected for three year terms by the Membership at the Annual Meeting and who shall hold office until their successors are elected and qualified. All officers shall be Directors of the Association and a Director may serve successive terms as an officer.

SECTION 2. The President shall be the chief executive officer of the Association and, subject to the control of the Board of Directors, shall supervise and control the management of the Association in accordance with these By-laws. He shall issue timely notices of meetings of the Directors and membership and preside at all meetings of the Board or of the members. He shall perform duties incidental to his office and such other duties as may be prescribed by the Board of Directors. He may

delegate to other officers or members of the Association such duties as from time to time may be necessary.

SECTION 3 . The Vice-President shall perform, in the absence or disability of the President, all duties and exercise all powers of the office of the President. The Vice-President shall also serve as the chair of the Covenants Advisory and Compliance Committee.

SECTION 4. The Secretary shall attend Board and Annual Meetings and keep the minutes, as well as perform such duties as are incidental to this office.

SECTION 5. The Treasurer shall have custody of the money of the Association, shall keep regular books of account, collect dues from members, pay accounts payable and perform such other duties incidental to this office. The Treasurer will report the status of the Association accounts to the Board of Directors as often as they may require and will report a year-to-year accounting to the members at the Annual Meeting of the association. Both the Treasurer and President shall have signature authority for disbursement of funds.

SECTION 6. The President, with approval of the Board, shall appoint a Webmaster having the expertise to maintain the GMEPOA website by working with the web services provider and by adding and deleting content. The Webmaster shall serve ex-officio without vote.

SECTION 7. In the case of absence or inability to act of any officer of the Association, the Board of Directors may delegate the powers or duties to any other officer, Director or member whom it may select.

SECTION 8. Vacancies in any office arising from any cause may be filled by the Directors at any Special or Regular Meeting of the Board.

Section 9. No member of the Board shall receive any compensation from the Association for serving as a Director. Directors, by assuming office, waive their rights to insinuate suit against or make claims upon the Association for compensation. However, each Director, upon approval of the Board, shall be reimbursed for documented out-of-pocket expense incurred on behalf of the Association.

Section 10. The Association shall indemnify every officer and director against any and all expenses, including legal fees, reasonably incurred by or imposed upon such officer or director in connection with any action, suit, or other proceeding (including settlement of any such action, suit or proceeding, if approved by the Board of Directors) to which he or she may be made a party by reason of being or having been an officer or director, whether or not such person is an officer or director at the time such expenses are incurred except that this indemnity shall not extend to any expenses arising from or incurred by any such individual's willful misfeasance or

malfeasance. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them in good faith on behalf of the Association and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director may be entitled. The Association shall, as a common expense, maintain general liability and directors' and officers' liability insurance to fund the obligation of the Association described in this Article.

ARTICLE VII

Committees

SECTION 1. The Board of Directors shall include three standing Committees. The Chairs of the standing committees are elected by the membership to a three year term and serve as members of the board. The Chairs will select other members of the Association to serve on their committees. The standing committees are:

1. Beautification and Grounds Maintenance. This committee is primarily responsible for maintenance of the entrance areas of the Golf Mountain Estates community and take any other action which would enhance the appearance and enjoyment of the community.
2. Membership and Hospitality. This committee is responsible for acquainting new owners with the Association and to convey the Association's concerns and good wishes to members who are ill or celebrating special occasions.
3. Social Committee. This committee is responsible for the planning and implementation of activities to promote the spirit of community fellowship among the residents. Such events may include Holiday celebrations as well as the annual Association Meeting and dinner.

The Board of Directors may designate such Ad hoc committees as deemed necessary for the orderly, proper and efficient functioning of the Association.

Covenants Advisory and Compliance Committee. An Ad hoc Committee, chaired by the Vice-President and consisting of two non-Board members will advise and interpret the Covenants for current and new lot owners. The Committee will also serve as the Adjudication Committee cited in the Covenants. The Committee chairperson will advise the Board of adjudicated decisions in writing as a record of the Committee's decision. The chairperson, as part of the duties as chair, shall ensure that all new owners are given copies of the By-laws and Covenants and Restrictions.

SECTION 2. The President shall appoint, at least thirty (30) days prior to each year's Annual meeting, a Chairperson of the Nominating Committee who shall be the most recent past President, or if unavailable, any past President. Such Chairperson will select two other members of the Association who are not Board members to form the Nominating Committee. This committee will submit a slate of qualified members to fill Board vacancies at the Annual Meeting. Additional nominations shall be accepted from the floor.

SECTION 3. The President may also designate Ad-hoc committees to address non-recurring issues of special interest to the membership. A Chairperson will be assigned who may or may not be a member of the Board. The Chairperson will select as many members from the Association as the Chairperson feels is necessary to fulfill the duties assigned to the Ad-hoc committee. Ad-hoc committees will be disbanded upon presentation of findings/recommendations to the Board of Directors.

SECTION 4. To meet the objectives of Article IV of the "First restatement of Declaration of Covenants and Restrictions, Golf Mountain Estates, Etowah, NC", The Board of Directors shall assign adjudication duties to the Covenants Advisory and Compliance Committee. This committee will carry out the functions outlined in the afore mentioned document.

SECTION 5. All committees will operate under a Budget approved by the general membership at the annual meeting in May each year. The Board may consider and/or approve a request for a reasonable amount of supplemental funds if necessary and desirable.

ARTICLE VIII

Meetings of Membership

SECTION 1. The Annual Meeting will be held in the month of May for the purpose of electing Directors to vacancies on the Board of Directors and to approve the budget proposals for the coming year, as brought forth by the outgoing Board. Other business as the Board or other members bring before the membership is also a part of the Annual Meeting agenda. The Order of Business at the Annual Meetings shall be:

- A. Reading and approval of the minutes
- B. Treasurer's Report.
- C. Committee Chairpersons' Reports.
- D. Unfinished Business.
- E. New Business.
- F. Next year's Budget and Approval
- G. Announcements

H. Adjournment

SECTION 2. Special meetings of the members may be called by the President or the Board of Directors on seven (7) days' notice setting forth the time, place and purpose of the Special Meeting.

SECTION 3. Any member may request a Special Meeting of the Association through the Board upon seven (7) days' notice to all members of the Board detailing the purpose of the meeting. The Board will then set forth the time, place and purpose of the Special Meeting.

SECTION 4. A majority of members eligible to vote shall constitute a quorum for the transaction of business. The vote of the majority of members attending a meeting at which a quorum is present will be binding on the Association.

SECTION 5. Meetings will be conducted according to the Robert's Rules of Order. A member of the association will be designated, by the Board, to advise on questions of Parliamentary Law at each meeting.

ARTICLE IX

SECTION 1. The fiscal year of the Association shall begin the first day of June.

ARTICLE X

SECTION 1. The By-laws may be altered, amended or repealed and new By-laws may be adopted as prescribed in Article X, Section 2.

SECTION 2. Proposed amendments to the By-laws may be initiated by the Board or by a member. A proposal to amend the By-laws originating from a member must be submitted in writing to the Secretary of the Association at least thirty (30) days prior to a Regular Meeting of the membership or a Special Meeting to be called to consider the proposed amendment or revision. Any proposed amendment or revision in the By-laws must be communicated in writing to the membership at least seven (7) days prior to the meeting at which the proposed amendment will be considered. Association members unable to attend may vote by proxy as set forth in Article IV, Section 2 of these By-laws.