

**BYLAWS OF  
TRAILS CROSSING OF BURLINGTON OWNERS' ASSOCIATION, INC.**

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**Article I  
Name and Location**

The name of the corporation is TRIALS CROSSING OF BURLINGTON OWNERS' ASSOCIATION, INC., hereinafter referred to as "the Association". The principal office of the corporation shall be located at 1400 Battleground Avenue, Suite 204, Greensboro, Guilford County, North Carolina 27408 or at such other place as the Board of Directors shall designate from time to time.

**Article II  
Definitions**

**Section 1.** "Association" shall mean and refer to Trails Crossing of Burlington Owners' Association, Inc., its successors and assigns.

**Section 2.** "Properties" shall mean and refer to that certain real property described in the Declaration herein referred to.

**Section 3.** "Common Area" shall mean all of the Properties except Lots and dedicated streets, and shall refer to all real property owned by the Association for the common use and enjoyment of the Owners.

**Section 4.** "Lot" shall mean and refer to any numbered plot of land designated by letter or number (for example, "1") shown upon any recorded subdivision map of the Properties with the exception of the Common Area and dedicated streets.

**Section 5.** "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, but excluding those having an interest as security for the performance of an obligation.

**Section 6.** "Living Unit" shall mean and refer to any portion of a building situated upon the Properties designated and intended for use and occupancy as a residence by a single family.

**Section 7.** "Declarant" shall mean and refer to Trails Crossing of Burlington Owners' Association, Inc., its successors and assigns.

**Section 8.** "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions of even date applicable to the Properties.

**Section 9.** "Member" shall mean and refer to those persons or entities entitled to membership with voting rights as provided in Article III of these Bylaws.

### **Article III** **Membership and Property Rights**

**Section 1 - Membership.** Every Owner of a Lot which is subject to a lien for assessments shall be a Member of the Association. 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.

**Section 2 - Property Rights.** Each Member shall be entitled to the use and enjoyment of the facilities as provided in the Declaration. Any member may delegate his rights of enjoyment of the Common Area and facilities to the members of his family, his tenants or contract purchasers who reside on the property. Such Member shall notify the secretary of the Association in writing of the name of the delegate. The rights and privileges of such delegates are subject to suspension to the same extent as those of the Member.

### **Article IV** **Meetings of Members**

**Section 1 - Annual Meetings.** The first annual meeting of the Members shall be held during the calendar year in which the Articles of Incorporation are filed, and the next regular annual meeting shall be held during the subsequent calendar year at such times and at such places as may be determined by the Board of Directors. Each subsequent regular annual meeting of the Members shall be held each year thereafter at a regular time not earlier than ten (10) months nor later than fourteen (14) months after the preceding annual meeting at such times and at such places in Alamance County, North Carolina as the Board of Directors may determine.

**Section 2 - Special Meeting.** Special Meetings of the Members may be called at any time by the president, or by a majority of the Board of Directors, and shall be called by said Board upon a written request of twenty-five percent (25%) of the Members who are entitled to vote. The agenda for such special meetings shall be limited to the items of business stated in the notice of said meetings given in the manner hereinbelow provided.

**Section 3 - Notice of Meetings.** Written notice of each meeting of the Member shall be given by, or at the direction of, the secretary or person authorized to call the meeting by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Proof of such mailing shall be given by the Affidavit of the person giving the notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, items of business to be considered at the meeting. Waiver by a Member in writing of the notice required herein, signed by him before or after such meeting, shall be equivalent to the giving of such notice.

**Section 4 - Quorum.** The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, one tenth (1/10) of the votes shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

**Section 5 - Proxies.** At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

#### Article V

##### Board of Directors: Selection; Term of Office

**Section 1 - Number.** The affairs of this Association may be managed by a Board of five (5) Directors, a majority of whom must be Members of the Association. Provided, however, until such time as 50% of the lots in Trails Crossing of Burlington have been sold, there shall be one director named in the Articles of Incorporation.

**Section 2 - Term of Office.** At the first meeting, and at such annual meeting thereafter, the Members shall elect five (5) Directors who shall serve for a term of two (2) years or until their respective successors are properly chosen as set forth in the Articles of Incorporation; provided, however, that the number of Directors shall be one (1) until more than fifty percent (50%) of the lots in Trails Crossing of Burlington shall be sold as stated in the Articles of Incorporation. Directors shall serve until their respective successors are duly elected or until removed in the manner elsewhere provided herein or as may be provided by law.

**Section 3 - Removal.** Any Director may be removed from the Board with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal of a Director, his successor shall be selected by the

remaining members of the Board, and shall serve for the unexpired term of his predecessor.

**Section 4 - Compensation.** No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

**Section 5 - Action Taken Without a Meeting.** The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

#### **Article VI Nomination and Election of Directors**

**Section 1 - Nomination.** Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the President prior to each annual meeting to serve until the close of the annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or nonmembers.

**Section 2 - Election.** Election to the Board of Directors shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

#### **Article VII Meetings of Directors**

**Section 1 - Regular Meetings.** Regular meetings of the Board of Directors shall be held monthly, or at such other periodic intervals as may be established by the Board of Directors from time to time at such place and hour as may be fixed from time to time by resolution of the Board.

**Section 2 - Special Meetings.** Special meetings of the Board of Directors shall be held when called by the President of the Association or by two (2) Directors, after not less than three (3) days notice to each Director.

**Section 3 - Quorum.** A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority

of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

### **Article VIII Powers and Duties of the Board of Directors**

**Section 1 - Powers.** The Board of Directors shall have the power to:

- a) Adopt and publish rules and regulations governing the use of the Common Area and facilities, the personal conduct of the Members and their guests thereon and to establish penalties for the infraction thereof;
- b) Suspend the voting rights of a Member during any period in which such Member shall be in default in the payment of any assessment, dues or charge levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for infraction of published rules and regulations;
- c) Exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership in other provisions of these Bylaws, the Articles of Incorporation or the Declaration;
- d) Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings;
- e) Employ a manager, an independent contractor or such other employees as they deem necessary and to prescribe their duties;
- f) Employ attorneys and accountants to perform professional services for the Association as deemed necessary; and
- g) Perform those duties hereinafter specified.

**Section 2 - Duties.** It shall be the duty of the Board of Directors to:

- a) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members, or any special meeting when such statement is requested in writing by one fourth (1/4) of the Members who are entitled to vote;
- b) Supervise all officers, agents and employees of this Association and to see that their duties are properly performed;
- c) As more fully provided in the Declaration, to:



- 1) fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period;
  - 2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and
  - 3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the Owner personally obligated to pay the same;
- d) Issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certification states an assessment has been paid, such certificate shall be conclusive evidence of such payment.
- e) Procure and maintain adequate liability insurance covering the Association, its Directors, officers, agents and employees and to procure and maintain adequate hazard insurance on the real and personal property owned by the Association as it deems necessary and desirable;
- f) Cause all officers and employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- g) Cause the Common Area to be maintained;
- h) Cause the subdivision signage to be maintained;
- i) Cause all water and sewer lines and connections for which the City of Burlington is not responsible, exclusive of internal plumbing, to be maintained where such are located under or upon the Common Area;
- j) Provide water to the Common Area and pay the costs thereof; provide lighting and such other electrical services and utilities to the Common Area as may be deemed necessary or desirable by the Directors of the Association, and pay the cost thereof;
- k) Adopt and approve a budget for each fiscal year which shall contain itemized estimates of the income of the Association and expenditures involved in performing the functions of the Association; such budget shall be adopted and approved by the Board on or before December 31 of each calendar year and such budget shall be based on income and expenditures for twelve (12) months next preceding November 30 of that year;

l) At the time of the approval and adoption of the annual budget, set the maximum annual assessment for the succeeding year;

## **Article IX Officers and Their Duties**

**Section 1 - Enumeration of Officers.** The officers of this Association shall be a president and vice-president, who shall at all times be Members of the Board of Directors, and elected from its membership, a secretary and a treasurer and such other officers as the Board may from time to time by resolution create.

**Section 2 - Election of Officers.** The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of Members.

**Section 3 - Term.** The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year, unless such officer shall sooner resign, or shall be removed or otherwise disqualified to serve.

**Section 4 - Special Appointments.** The Board may elect such others as the affairs of the Association may require, each of whom shall hold office for such period of time, have such authority and perform such duties as the Board may, from time to time, determine.

**Section 5 - Resignation and Removal.** Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the president or secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

**Section 6 - Vacancies.** A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

**Section 7 - Multiple Offices.** The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

**Section 8 - Duties.** The duties of the officers are as follows:

a) **President** - The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes;

b) Vice President - The vice-president shall act in the place and stead of the president in the event of the absence, inability or refusal of the president 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 all the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notices of meetings of the Board and of the Association, together with their addresses and shall perform such other duties as required by the Board. The secretary shall not be a member of the Board of Directors. The secretary shall be compensated for services as such as the Board of Directors may determine.

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; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and statement of income and expenditures to be presented to the membership at its regular annual meeting and deliver a copy of each to the Members. The treasurer may be compensated for services as such as the Board of Directors may determine. The treasurer shall be bonded by a corporate surety licensed to do business in North Carolina in an amount determined by the Board of Directors.

#### **Article X Committees**

The Board of Directors shall appoint a Nominating Committee as provided in these Bylaws, and such other committees and subcommittees as are deemed appropriate in carrying out its purpose.

An executive committee shall be composed of past presidents of the Association for such time as they remain Members of the Association; executive committee members shall receive notice of and copies of the agenda of regular meetings of the Board of Directors, may attend such meetings and may give such advice and counsel and perform such duties as directed and requested by the Board of Directors; members of the executive committee shall have no voting rights at the meetings of the Board of Directors.

#### **Article XI Books and Records**

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.



## **Article XII Assessments**

As more fully provided in the Declaration of Restrictive and Covenants, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eight percent (8%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessments. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

## **Article XIII Corporate Seal**

The Association shall have a seal in circular form having within its circumference the words: Trails Crossing of Burlington Owners' Association, Inc.

## **Article XIV Amendments**

**Section 1.** These Bylaws may be amended at a regular or special meeting of the Members or by a vote of a majority of a quorum of Members present, in person or by proxy. Upon the approval of any amendment or amendments, the same shall become binding upon all Members of the Association.

**Section 2.** In the case of any conflict between the Articles of Incorporation and the Bylaws, the Articles of Incorporation shall control, and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

## **Article XV Miscellaneous**

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

## **Article XVI Parliamentary Rules**

Roberts Rules of Order (latest edition) shall govern the conduct of the proceedings of the Association and the Board of Directors when not in conflict with the Articles of

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Incorporation, the Declaration, these Bylaws or with the General Statutes of the State of North Carolina.

Unofficial