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THE AMENDED AND RESTATED BYLAWS

OF

HADLEY PARK COMMUNITY  
ASSOCIATION, INC.

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AMENDED AND RESTATED BYLAWS  
OF  
HADLEY PARK COMMUNITY ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION

The name of the corporation is Hadley Park Community Association, Inc. The principal office of the corporation shall be located in the County of Mecklenburg, North Carolina, or Greenville County, South Carolina, as determined by the Board of Directors of the Association.

ARTICLE II

DEFINITIONS

All capitalized terms used in this Bylaws, or any amendment hereto (unless the context shall otherwise require or unless otherwise specified) shall have the meaning set forth in that certain Declaration of Covenants, Conditions and Restrictions for Hadley Park executed by Pace Development Group, Inc., and duly recorded in the Office of the Clerk of Court for Greenville County, South Carolina, as the same may be supplemented and amended from time to time (the "Declaration").

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Each Owner, including Declarant, shall automatically be a Member of the Association. No person or entity who is not an Owner shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of a Lot. Upon termination of ownership, an Owner's membership shall automatically terminate and be automatically transferred to the new Owner of the Lot.

Section 2. Voting. The Association shall have two (2) classes of voting membership:

Class A. Class A Members shall be all Owners with the exception of Declarant; provided, however, that Declarant shall become a Class A Member when its Class B membership ceases as provided hereinbelow. Class A Members shall be entitled to one (1) vote for each Lot owned. When more than one person holds an ownership interest in any Lot, all such persons shall be Members, but no more than one vote shall be cast with respect to any Lot. The vote for any such Lot shall be exercised as the Members holding an interest in such Lot determine among themselves. In the event of disagreement, the decision of Members holding a majority of the interest in such Lot shall govern. Unless otherwise notified by a co-owner as to a dispute between the co-owners regarding their vote prior to the casting of that vote, the vote of any co-owner shall be conclusively presumed to be the majority vote of the Owners of that Lot.

Class B. Declarant and Builders shall be the Class B Members. Declarant and Builders shall be entitled to three (3) votes for each Lot owned including each lot as shown on the Site Plan of Hadley Park dated July 26, 2001, a copy of which is on file in the office of Declarant. Declarant's and Builders' Class B memberships shall cease and be converted to Class A membership on the happening of one of the following events, whichever occurs earlier:

- (1) when the total number of votes of the Class A Members equals the total number of votes of the Class B Members; or
- (2) on December 31, 2026.

#### ARTICLE IV

##### MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within 180 days after the commencement of regular annual assessments as provided in the Declaration, but in no event shall the meeting be held later than four (4) months after the conveyance by Declarant of seventy-five percent (75%) of all Lots to Owners other than a successor Declarant for use as a residence. Subsequent regular annual meetings of the Members shall be held not less frequently than once each calendar year, at a date, time and place selected by the Board of Directors of the Association ("Board"). If the day for the annual meeting of the Members is a legal or religious holiday, a Saturday or a Sunday, the meeting shall be held at the same hour on the first working day thereafter.

Section 2. Special Meetings. Special meetings of the Members shall be promptly scheduled in response to a majority vote of a quorum of the Board, or upon receipt of a written request signed by Members representing not less than twenty-five percent (25%) of the total number of votes held by all Members of the Association.

Section 3. Notice of Meetings. Written notice of annual and special meetings of Members shall be given by, or at the direction of, the Secretary of the Association or other person authorized to call the meeting, by mailing a copy of such notice, first-class postage prepaid, not less than ten (10) days nor more than ninety (90) days before such meeting, to each Member entitled to vote, 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. Notice of a meeting shall specify the place, date and hour of the meeting, and, in the case of a special meeting, the general nature of the business to be undertaken. The notice of any meeting at which Directors are to be elected shall include the names of all those who are nominees at the time the notice is given to Members. Notice shall also be given to the mortgagees on Lots at the address supplied by the mortgagee to the Association and each mortgagee shall have the right to designate a representative to attend any meeting. Waiver by a Member in writing of the notice required herein, signed by him, shall be equivalent to the giving of such notice.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or of proxyholders entitled to cast, ten percent (10%) of the total number of votes held by all Members who are then entitled to vote ("Voting Power") shall constitute a quorum for any action, except as

may otherwise be provided in the Articles, the Declaration or these Bylaws. The Members present at any duly called or held meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the Members required to constitute a quorum. In the absence of a quorum, the Members entitled to vote at such meeting shall have the power to adjourn the meeting to another time without notice (other than announcement at the meeting). Any adjournment for lack of a quorum shall be to a date not less than five (5) days and not more than thirty (30) days from the original meeting date. If a time and place for the adjourned meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for the adjourned meeting after adjournment, notice of the time and place of the adjourned meeting shall be given to Members in the manner prescribed herein for regular meetings.

#### Section 5. Proxies.

(a) 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 of the Association or other person designated at the meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot or upon receipt by the Association of written notice of the death or incapacity of the Member who executed the proxy. Any proxy shall be invalid after expiration of eleven (11) months from the date it is executed.

(b) Any form of proxy or written ballot distributed to ten (10) or more Members shall afford an opportunity on the proxy or form of written ballot to specify a choice between approval and disapproval of each matter or group of related matters intended, at the time the written ballot or proxy is distributed, to be acted upon at the meeting for which the proxy is solicited or by such written ballot, and shall provide, subject to reasonable specific conditions, that where the Member solicited specifies a choice with respect to any such matter, the vote shall be cast in accordance therewith.

(c) Every form of proxy or written ballot, which provides an opportunity to specify approval or disapproval with respect to any proposal, shall also contain an appropriate space marked "abstain," whereby a Member may indicate a desire to abstain from voting on the proposal. A proxy marked "abstain" by the Member with respect to a particular proposal shall not be voted either for or against such proposal.

(d) In any election of Directors, any form of proxy or written ballot in which the Directors to be voted upon are named therein as candidates and which is marked by a Member "withhold" or otherwise marked in a manner indicating that the authority to vote for the election of Directors is withheld shall not be voted either for or against the election of a Director.

(e) Failure to comply with this section shall not invalidate any corporate action taken, but may be the basis for challenging any proxy at a meeting and a court having jurisdiction may compel compliance therewith at the suit of any Member.

Section 6. Location. Meetings of Members shall be held within the Hadley Park development (the "Project") or as close thereto as possible.

Section 7. Action Taken Without a Meeting. Any action which may be taken by the vote of Members at a regular or special meeting, except the election of the Board, may be taken in the absence of a meeting by written consent.

## ARTICLE V

### BOARD OF DIRECTORS

Section 1. Number. The affairs of the Association shall be managed and governed by a Board of not less than three (3) and not more than five (5) Directors, who shall be Members of the Association, except that a partner, employee, officer or director of any partnership, corporation or association that is an Owner shall be eligible to serve as a Director.

Section 2. Term of Office. As set forth in the Articles of Incorporation of the Association, the parties who are to act in the capacity of Directors until the election of their successors are R. Stephen Pace, Brian S. Pace, and David Faulkner. These persons (or such other persons as may be appointed by the Declarant pursuant to Section Three of Article IV of the Declaration) will serve as Directors until the special meeting of the Association to be held within ninety (90) days from the date of expiration of Declarant's rights under Section Three of Article IV of the Declaration. At such special meeting of the Association, the Members shall elect three (3) Directors for a term to serve until the next following annual meeting of the Association. At such next following annual meeting, the Members shall elect three (3) Directors for a term of two (2) years and two (2) Directors for a term of three (3) years. At each annual meeting thereafter, the Members shall elect successor Directors for Directors whose terms have expired, each to serve for a term of two (2) years.

Section 3. Removal. Directors appointed by the Declarant pursuant to its rights under Section Three of Article IV of the Declaration may be removed, and their replacements appointed, by the Declarant. Directors other than those appointed by the Declarant pursuant to its rights under Section Three of Article IV of the Declaration may be removed from the Board, with or without cause, at any regular or special meeting of the Members called for such purpose, by a majority of the votes of the Members cast at such meeting, except no individual Director shall be removed if the number of votes cast against his removal would be sufficient to elect the Director if voted cumulatively at an election at which the same total number of votes were cast and the entire authorized Board were then being elected. In the event of death, resignation or removal of a Director, the remaining Directors may appoint his successor and his successor 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 reasonable expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The Board shall have the right to take any action in the absence of a meeting which it could take at a meeting by obtaining the written consent of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Board. All such written consents shall be filed with the minutes of the proceedings of the Board and an explanation of the action taken shall be posted at a prominent

place within the Project within three (3) days after the written consents of all Board members have been obtained.

## ARTICLE VI

### NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board may be made by a nominating committee appointed by the Board prior to the annual meeting. The nominating committee shall consist of a chairman, who shall be a member of the Board, and two or more Members. The nominating committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not less than the number of vacancies to be filled. Nominations may also be made from the floor at the annual meeting.

Section 2. Election. The first election of the Board shall be conducted at the third meeting of the Association and the authorized number of Directors shall be elected at that meeting. Election to the Board shall be by secret written ballot. Election of Directors shall not be by cumulative voting in elections in which more than two Directors are to be elected. The persons receiving the largest number of votes shall be elected. X

Section 3. Vacancies. Any vacancy on the Board caused by death, disability, resignation or increase in the number of Directors may be filled by appointment by a majority of the remaining Directors or by the sole remaining Director. Any vacancy on the Board caused by removal of a Director shall be filled by election pursuant to Sections 2 and 3 of this Article.

Section 4. Rights of Declarant. The provisions of this Article VI are subject to the rights of Declarant to appoint and remove Directors pursuant to its rights under Section Three of Article IV of the Declaration. Until expiration of the period during which Declarant has the sole right to appoint and remove Directors, as set forth in Section Three of Article IV of the Declaration, Declarant may appoint and remove the Directors from time to time in such manner and with such frequency as Declarant may elect in its sole discretion.

## ARTICLE VII

### MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board shall be held at such intervals as the Board considers necessary and desirable, but not less often than once every year until after the first annual meeting of Members, and then not less often than once every six (6) months. Regular meetings shall be held at such place and at such hour as may be fixed from time to time by resolution of the Board. Notice of the time and place of regular meetings shall be posted at a prominent place or places in Hadley Park, and shall be communicated to all Directors not less than four (4) days prior to the meeting, provided, however, that notice of a meeting need not be given to any Director who has signed a waiver of notice or consent to holding of the meeting.

Section 2. Special Meetings. Special meetings of the Board shall be held when called by written notice signed by the president of the Association or by any two (2) Directors other than the president. The notice shall specify the time and place of the meeting and the nature of any

special business to be considered. The notice shall be sent to all Directors and posted in the manner prescribed for notice of regular meetings not less than seventy-two (72) hours before the scheduled time of the meeting, provided, however, that the notice need not be given to any Director who has signed a waiver of notice or consent to holding the meeting.

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.

Section 4. Open Meetings. Regular and special meetings of the Board shall be open to all Members of the Association: provided, however, that Members who are not Directors may not participate in any deliberation or discussion unless expressly so authorized by the vote of a majority of a quorum of the Board.

Section 5. Executive Session. The Board may, with the approval of a majority of a quorum of its members, adjourn a meeting and reconvene in closed executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

## ARTICLE VIII

### POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board shall have power to:

(A) Adopt, publish and enforce Rules and Regulations governing Hadley Park, the use and enjoyment of the Common Area and any facilities thereon, and the personal conduct thereon of the Members, their guests, invitees, members of their families or households, and tenants, provided the Rules and Regulations are approved by the vote or written consent of a majority of each class of Members, and provided that (i) the Members may amend any such Rules and Regulations adopted by the Board at any regular or special meeting of the Members called for such purpose (a) if a two-class voting structure is in effect, by the vote or written consent of sixty-seven percent (67%) of the total Voting Power of each class of Members, or (b) if a two-class voting structure is not in effect, by the vote or written consent of sixty-seven percent (67%) of the total Voting Power of the Association; (ii) such Rules and Regulations shall be reasonable, shall not discriminate against Declarant, and must be consistent with the Declaration, the Articles and these Bylaws; and (iii) Rules and Regulations shall not be effective until written notice thereof has been given by mailing a copy of the Rules and Regulations, postage prepaid, at least ten (10) days before the effective date of the Rules and Regulations, to each Member addressed to the Member's address last appearing in the books of the Association.

(B) After 15 days prior notice and an opportunity for hearing by the Board, (1) suspend an Owner's rights as a Member of the Association, including his voting rights and right to use of any recreational facilities on the Common Area, for any period during which any fine against such Member or any assessment against such Member's Lot remains unpaid; (2) impose monetary penalties as provided in the Declaration for any infraction of the Rules and Regulations or any

violation of or failure to comply with the provisions of the Declaration or these Bylaws, provided the Member shall have been warned in writing of a previous infraction within the preceding one (1) year; and (3) suspend an Owner's rights as a Member of the Association for a period not to exceed ninety (90) days for any infraction of the Rules and Regulations;

(C) Enforce and carry out provisions of the Declaration, these Bylaws and the Articles, and exercise all rights of the Association and the Board set forth in the Declaration, these Bylaws and the Articles;

(D) Pay any taxes or assessments which are or could become a lien on the Common Area or any portion thereof;

(E) Contract for casualty, liability and other insurance;

(F) Incur and pay expenses on behalf of the Association and contract for goods and services for the Common Area or any other real or personal property for which the Association is responsible and any other real or personal property for which the Association may be responsible or as to which the Association may have duties and obligations; provided, however, that: (i) no contract with a third person wherein the third person will furnish goods or services for the Common Area or any other real or personal property for which the Association is responsible or the Association shall exceed a term of one year (except for a management contract or a contract with a public utility regulated by the Public Utilities Commission, in which case the contract shall be limited to the shortest term allowable by such public utility at the regulated rate, or prepaid casualty or liability insurance policies which shall not exceed three (3) years' duration, provided the policy permits short rate cancellation by the insured); (ii) expenditures in the aggregate exceeding five percent (5%) of the budgeted gross expenses of the Association for any fiscal year of the Association shall not be incurred for capital improvements to the Common Area in any fiscal year; and (iii) any management agreement for the Project shall be terminable for cause upon thirty (30) days' written notice without payment of a termination fee. The restrictions contained in (i) and (ii) hereinabove shall not apply if the contract or expenditures are approved by the vote or written consent of a majority of the Voting Power of each class of Members so long as there are two classes of Members, and by a majority of the Voting Power residing in Members other than Declarant when there is one class of Members.

(G) Delegate to committees, officers, employees and other agents of the Association reasonable powers to carry out the powers and duties of the Board; provided, however, that the Board shall not delegate the power to impose discipline against Members or to levy fines against Members;

(H) Prepare and distribute budgets and financial statements of the Association;

(I) Enter any Lot, at reasonable hours, after forty-eight (48) hours' notice and with as little inconvenience to the Owners as possible, in connection with any work or thing required or permitted to be performed or done by the Association, by these Bylaws, the Declaration or the Rules and Regulations. In the event of emergency threatening injury to persons or property, or reasonable cause to believe there is such an emergency, the right of entry shall be immediate and may be exercised without notice, whether or not the Owner is present. The Association shall repair any damage caused by such entry;



(J) Employ a manager and such other employees as it deems necessary to carry out the powers and duties of the Association;

(K) Sell, transfer and convey the property of the Association, except that if a two-class voting structure is in effect, approval by vote or written consent of eighty percent (80.0%) of the Voting Power of each class of Members shall be required, or, if a two-class voting structure is not in effect, the approval by vote or written consent of eighty percent (80.0%) of the total Voting Power of the Association residing in Members other than Declarant shall be required when the sale, transfer or conveyance of any property exceeds in value five percent (5%) of the budgeted gross expenses of the Association for the fiscal year, or when the aggregate of all property sold in any fiscal year of the Association exceeds in value five percent (5%) of the budgeted gross expenses of the Association for the fiscal year, or for any transfer of real property of the Association. In addition, any sale, transfer or conveyance of Common Area shall require the approvals of Mortgagees to the extent set forth in the Declaration;

(L) Exercise all the powers set forth in the South Carolina Nonprofit Corporation Act of 1994, except those reserved to the Members by the provisions of these Bylaws, the Articles or the Declaration; and

(M) Compromise, settle, release and otherwise adjust claims, demands, causes of action and liabilities on behalf of the Association and Owners, as the case may be, provided any such claim, demand, cause of action or liability arises out of or relates to a condition or defect common to all or a majority of the Lots or improvements constructed thereon, or to the development, design, construction, condition, repair or maintenance of or damage or injury to or defect in the Common Area or part thereof, and make and receive all payment or other consideration necessary therefor or in connection therewith. For such purposes, the Board shall be, and hereby is, irrevocably appointed attorney-in-fact to act on behalf of all Owners upon such terms and conditions and for such consideration as may be approved by a majority of the Board.

Section 2. Non-Liability. A Director of the Board shall not be liable to the Members if he performs the duties of a Director, including the duties as a member of any committee of the Board upon which the Director may serve, in good faith, in a manner such Director believes to be in the best interests of the Association and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. In performing the duties of a Director, a Director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared and presented by:

(A) One or more officers or employees of the Association whom the Director believes to be reliable and competent in the matters presented;

(B) Counsel, independent accountants or other persons as to matters which the Director believes to be within such person's professional or expert competence; or

(C) A committee of the Board on which the Director does not serve, as to matters within its designated authority, which committee the Director believes to merit confidence; so long as, in any such case, the Director acts in good faith, after reasonable inquiry, when the need

therefor is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

Section 3. Duties. The Board shall:

(A) Cause to be kept a complete record of all its acts and corporate affairs and to present to the Members, and any Mortgagee making written request therefor, the following:

(1) A pro forma operating statement (budget) for each fiscal year, which statement shall be distributed not less than fifteen (15) days and not more than sixty (60) days before the beginning of the fiscal year;

(2) An annual report, which annual report shall be distributed within one hundred twenty (120) days after the closing of the fiscal year, consisting of the following:

(a) A balance sheet as of end of the fiscal year;

(b) An operating (income) statement for the fiscal year; and

(c) The annual report shall be prepared by an independent public accountant (but need not be certified) for any fiscal year in which the gross income of the Association exceeds \$75,000 and, if not prepared by an independent accountant, the annual report shall be accompanied by the certificate of an authorized officer of the Association that the statements were prepared without audit from the books and records of the Association.

(B) Supervise the officers, agents and employees of the Association in the proper performance of their duties;

(C) As more fully provided in the Declaration and subject to any limitations contained therein:

(1) Fix the amount of the annual assessment against each Lot at least fifteen (15) days in advance of each annual assessment period and, if necessary, revise such annual assessment;

(2) Send written notice of each assessment to every Owner in advance of each annual assessment period, provided that failure to comply with the provisions of this subparagraph shall not invalidate any assessment, lien or obligation to pay such assessment; and

(3) Take appropriate action against any Owner who is delinquent in the payment of any assessment to the Association, which action may include, but is not limited to, commencement of an action against the Owner for payment thereof and/or foreclosure of the lien against the Lot of such Owner.

(D) Issue, or cause an appropriate officer to issue, upon demand by any person having a legitimate interest, a certificate setting forth whether or not any assessment has been paid, for which certificate a reasonable charge may be made by the Board;

(E) Procure and maintain liability, fire and extended coverage casualty insurance, as required by the Declaration, worker's compensation insurance, and such additional insurance and endorsements as the Board may deem desirable;

(F) Cause the Common Area and any other real and personal property for which the Association may be responsible or as to which the Association may have duties and obligations to be kept in a good state of maintenance and repair;

(G) Pay proper expenses of the Association; and

(H) Establish and maintain reserve funds for Common Area replacements and maintenance in accordance with the initial budget of the Association or such budgets as may subsequently be adopted from time to time by the Board. Funds deposited in reserve for a particular purpose shall be held for that purpose and shall not be expended for any other purpose without (i) if a two-class voting structure is in effect, the vote or written consent of a majority of the Voting Power of each class of Members, or (ii) if a two-class voting structure is not in effect, the vote or written consent of a majority of the Voting Power of the Association, except that if the Board determines that funds held in reserve for a particular purpose exceed an amount reasonably required as a prudent reserve for that purpose, then, without the vote or written consent of Members, the excess may be allocated to any other reserve fund established by the Board and expended for the purpose for which such other reserve fund has been established.

## ARTICLE IX

### OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president and a vice-president, who shall at all times be members of the Board, 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 initial officers of the Association shall be elected by the Directors at the first meeting of the Board. Thereafter, the election of officers shall take place at the first meeting of the Board following each annual meeting of the Members.

Section 3. Term. After the first annual meeting of the Members, the officers of the Association shall be elected annually by the Board and each shall hold office for one (1) year unless such person sooner resigns, or is removed, or is otherwise disqualified to serve.

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

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 the 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. No person shall simultaneously hold more than one of any of the offices, except in the case of special offices created pursuant to Section 4 of this Article IX: provided, however, that notwithstanding the foregoing, the offices of secretary and treasurer may be held by the same person.

Section 8. Duties. The duties of the officers shall be those usually vested in their respective offices, including the following:

(A) President: The President shall preside at all meetings of the Board and shall see that orders and resolutions of the Board are carried out;

(B) Vice President: The Vice President shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board;

(C) Secretary: The Secretary, or an Assistant Secretary elected and authorized by the Board, shall keep minutes of all meetings of the Board and of the Members and shall have custody and charge of the Association's corporate seal, minute books, membership transfer books, and such other books, papers and documents as the Board may prescribe; and

(D) Treasurer: The Treasurer, or an Assistant Treasurer elected and authorized by the Board, shall be responsible for Association funds and securities and shall keep or supervise the keeping by persons designated by resolution of the Board of books of account of Association receipts and disbursements.

Section 9. Checks and Drafts. All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness issued in the name of or payable by the Association shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by resolution of the Board.

Section 10. Execution of Contracts and Other Documents. The Board by resolution may authorize any officer or officers, agent or agents to enter into any contract or execute any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances. Unless so authorized by the Board, no officer, agent or employee shall have any power or authority to bind the Association by any contract or agreement or to pledge its credit to render it liable for any purpose or for any amount.

## ARTICLE X

### BOOKS AND RECORDS

The membership register, books of account and minutes of meetings of the Members, Board and committees of the Board shall be made available for inspection and copying by any Member, any Member's duly appointed representative and any Mortgagee during normal business hours for a legitimate purpose, at such place or places within the Project as the Board may prescribe. The Board shall establish reasonable rules with respect to notice to be given to the custodian of the records by the Member or Mortgagee desiring to make the inspection; hours and days of the week when such an inspection may be made; and payment of the cost of reproducing documents requested by a Member or Mortgagee. The Declaration, the Articles and these Bylaws shall be available for inspection by any Member at the principal office of the Association, where copies may be obtained at reasonable cost. Every Director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association and the physical properties owned or controlled by the Association, including the right to make extracts and copies of documents.

## ARTICLE XI

### ASSESSMENTS

To the extent provided in the Declaration, each Member, including Declarant and Builder, is obligated to pay to the Association annual and special assessments which are secured by a lien upon the Lot against which the assessment is made. Any assessments which are not paid within fifteen (15) days of the due date shall be delinquent. The Board may require that any delinquent assessment bear a late charge to cover administrative expenses incurred as a result of the late payment of the assessment. Late charges on delinquent assessments shall not exceed the rates set forth in the Declaration. The Association may bring an action at law against the Owner personally obligated to pay a delinquent assessment, or foreclose the lien against his Lot and, after notice and opportunity for hearing, the Association may suspend a delinquent Owner's membership in the Association while the assessment remains unpaid. In any action to enforce payment of an assessment, the Association shall be entitled to recover interest, costs and reasonable attorneys' fees. No Owner may exempt himself from payment or assessments by waiver of the use or enjoyment of all or any portion of the Common Area or abandonment of his Lot.

## ARTICLE XII

### CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the name of the Association.

## ARTICLE XIII

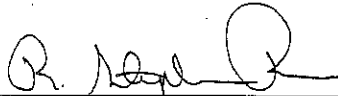
### AMENDMENTS AND INTERPRETATION OF DOCUMENTS


Section 1. Amendment. Any amendment of these Bylaws shall require (i) if a two-class voting structure is in effect, the vote or written consent of sixty-seven percent (67%) of the Voting Power of each class of Members as such classes of membership are set forth in the Declaration and these Bylaws: or (ii) if a two-class voting structure is not in effect, the vote or written consent of sixty-seven percent (67%) of the Voting Power of the Association: provided, however, that no such amendment shall change any provision hereof where such provision is contained in or governed by the Articles or the Declaration unless the applicable provisions of the Articles and/or Declaration are likewise amended as therein required, and provided further that the percentage of the Voting Power of the Association and of Members other than Declarant necessary to amend a specific provision of these Bylaws shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that provision, and provided further that so long as a Class B Membership exists, such amendment shall require the prior written consent of the Department of Housing and Urban Development and the Veterans' Administration if, at the time of such amendment, the Department of Housing and Urban Development or the Veterans' Administration are insurers or guarantors of any loan secured by a mortgage or deed of trust. Any amendment which establishes, governs, provides for or regulates any one of the following: (i) voting; (ii) assessments, assessment liens or subordination of such liens; (iii) reserves for maintenance, repair and replacement of the Common Area; (iv) insurance or fidelity bonds; (v) right to use of the Common Area; (vi) responsibility for maintenance and repair of the Project; (vii) expansion or contraction of the Project or the addition, annexation or withdrawal of property to or from the Project (other than as provided in Article I, Section Two of the Declaration); (viii) the boundaries of any Lot (except for changes in boundaries of Lots owned by Declarant, as permitted by the terms of the Declaration); (ix) interests in the Common Area; (x) leasing of ownership interests; (xi) imposition of any right of first refusal or similar restriction on the right of an Owner to sell, transfer, or otherwise convey his Lot; (xvii) any provisions which are for the express benefit of Mortgagees; or (xiii) any other material amendment, shall require written consent of sixty-seven percent (67%) of the Mortgagees (based on one vote for each Mortgage owned), and (a) if a two class voting structure is in effect, the vote or written consent of sixty-seven percent (67%) of the Voting Power of each class of Members, or (b) if a two-class voting structure is not in effect, the vote or written consent of sixty-seven percent (67%) of the total Voting Power of the Association.

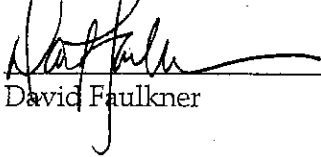
Section 2. Interpretation. In the case of any conflict between the Articles and these Bylaws, the Articles shall control. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control. In the case of any conflict between the Articles and the Declaration, the Declaration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

[SIGNATURES TO FOLLOW]

IN WITNESS WHEREOF, we, being all of the Directors of Hadley Park Community Association, Inc., have hereunto set our hands this 23 day of October, 2002.

  
\_\_\_\_\_[SEAL]  
R. Stephen Pace

  
\_\_\_\_\_[SEAL]  
Brian S. Pace

  
\_\_\_\_\_[SEAL]  
David Faulkner

HADLEY PARK COMMUNITY ASSOCIATION, INC.

POLICY RESOLUTION NO. \_\_\_\_\_

ANTENNA PLACEMENT PROCEDURES AND GUIDELINES

relating to the regulation and placement of permitted antennas within Hadley Park ("Community").

RECITALS:

R-1. Article IX, Section One of the Declaration of Covenants, Conditions and Restrictions for Hadley Park gives the Board of Directors ("Board") "the right to write, amend, supplement, adopt, publish and enforce Rules and Regulations governing the Project, the use and enjoyment of the Common Area, the Recreational Common Area and any facilities thereon, and the personal conduct thereon of the Owners, their guests, invitees, members of their families or households and tenants."

R-2. Section 207 of the Telecommunications Act of 1996 has made unenforceable certain restrictions on installation of certain antennas.

R-3. For the benefit and protection of Hadley Park Community Association, Inc. ("Association"), the owners and residents, the Board deems it necessary to establish guidelines



and procedures for regulation of and the installation, use and maintenance of permitted antennas within the community.

NOW, THEREFORE, BE IT RESOLVED THAT, the following Antenna Placement Procedures and Guidelines be adopted:

#### I. GENERAL

Except for Covered Antennas (as defined herein), which are subject to the Federal Communications Commission Over-the-Air Reception Devices Rule, no antenna used to transmit or receive video, radio or short-wave broadcast signals of any kind may be placed, installed or operated by any individual within the community without prior application to and written approval of the Board or the Architectural Control Committee ("Committee"), as appropriate.

#### II. EXCEPTION FOR ANTENNAS" INSTALLED WITHIN A BUILDING AND NOT VISIBLE FROM OUTSIDE THE BUILDING.

An antenna of any type may be installed totally within an individually owned building so long as the antenna is not visible from outside the building and the installation complies with all applicable health, safety, building code and licensing requirements.

III. EXCEPTION FOR COVERED ANTENNAS PLACED ON  
INDIVIDUALLY OWNED, EXCLUSIVE USE PROPERTY

A. In accordance with Federal law (Section 207 of the Telecommunications Act of 1996 and 47 C.F.R. § 1.4000 of the Rules of the Federal Communications Commission) , the placement of: (i) a direct broadcast satellite ("DBS") antenna that is one meter or less in diameter, (ii) a multipoint distribution service ("MDS") antenna that is one meter or less in diameter or diagonal measurement, (iii) a television broadcast signal ("TVBS") antenna, and (iv) an antenna mast measuring not more than 12 feet in height above the roof line (collectively, the "Covered Antennas") on (a) individually-owned property or (b) property in which the owner (or tenant) has a direct or indirect ownership (or leasehold) interest and which is within the exclusive use or control of such owner or tenant is permitted subject to prior notification of installation and subject to the restrictions and guidelines set forth in Section IV of this Resolution.

B. Before installing a Covered Antenna, owners and tenants must notify the Committee in writing of their intent to install a Covered Antenna and provide relevant information about the Covered Antenna by completing the Antenna Placement Notification

Form attached as Exhibit A. Prior approval is not required to install a Covered Antenna.

IV. GUIDELINES FOR THE INSTALLATION, USE AND MAINTENANCE OF COVERED ANTENNAS

A. Location.

1. If there is more than one location where an acceptable quality signal can be received, the Covered Antenna must be placed in the location that is least visible to persons not on the owner's property. Preferred locations in order of preference are: (1) rear yards, (2) rear patios, decks or balconies, (3) rear roof, (4) side yard adjacent to gas meters or mechanical equipment, or (5) front yard; in all cases preferably fully screened by shrubbery. Preferred roof locations are adjacent to a chimney or on the rear roof just above the gutter line or just below the ridge line of the roof. Preferred patio locations are adjacent to an exterior wall or fence. The preferred location on a deck or balcony is within the interior space of the deck or balcony below the height of the railing.

2. If the only location where an acceptable quality signal can be received is a highly visible location, then the Covered Antenna must be appropriately camouflaged or screened, to the extent signal quality is not diminished so extensively that

reception is unreasonably impaired, by paint or other means which do not unreasonably delay or increase the cost of the installation. The Board or the Committee may require disguising the Covered Antenna (e.g., as a rock or umbrella), camouflaging the Covered Antenna by painting or reducing visibility by screening. The Board or the Committee has the right but not the obligation to pay the cost of reasonable additional screening of any visible Covered Antenna, to the extent such screening does not unreasonably impair signal quality or unreasonably delay installation.

B. Installation.

1. The installation of any Covered Antenna must comply at all times with all applicable building codes and industry safety standards (e.g., not within two feet of electric power lines). The Covered Antenna must be affixed to its location in a safe and secure manner. Acceptable installation techniques for common Covered Antennas are as shown on the Installation Details furnished by the antenna manufacturer, unless a different Installation Detail is attached as an exhibit to this Resolution.

2. Any damage caused by the installation of the Covered Antenna shall be repaired at the sole expense of the owner immediately following the installation.

3. Cabling and grounding wire shall be installed in the least visible manner possible. When a Covered Antenna is located on the ground, cabling and wire shall be installed underground whenever possible unless doing so would be unreasonably costly (See Section VII).

4. If it is possible (without unreasonable delay, expense or signal impairment) to install the cable without penetrating an exterior surface (roof, window or wall) by using "ribbon cable" or a through-the-glass device, then the installation may not penetrate (make a hole through) such building components except in single family detached homes.

5. If a contractor is installing the Covered Antenna, the contractor shall (i) be appropriately licensed as required by law, (ii) employ personnel trained in the proper installation of such equipment and (iii) upon request, furnish evidence of all required insurance coverages.

C. Maintenance.

1. Maintenance of Covered Antennas shall be the responsibility of the owner. The Covered Antenna (and associated camouflaging and screening) shall be maintained in a manner that its appearance and condition remains consistent with the original appearance and condition of the Covered Antenna. Any damage, dislodgement, or wear and tear of the Covered Antenna that is visible by persons not on the owner's property shall be repaired by the owner as soon as practicable.

2. If an owner fails to maintain a Covered Antenna properly, the Committee shall notify the owner, in writing, that the Covered Antenna requires maintenance or repair and that such maintenance or repair must be completed within thirty days after such notification (or such lesser period as may be established by the Committee for safety reasons or other good cause shown) . If any required repair or maintenance is not performed by the owner within the time period allowed, the Association may complete such maintenance and repair and assess the reasonable cost of such work to the owner.

3. If a Covered Antenna must be removed to allow the Association to perform necessary maintenance or repair, the owner

shall be responsible for the removal of such Covered Antenna within seven days (or such shorter period as may be reasonably necessary under the circumstances) after notice of such maintenance or repair. If the owner fails to remove the Covered Antenna prior to the commencement of necessary maintenance or repairs, then the Association shall remove such Covered Antenna and assess the reasonable cost of such removal to the owner. If the owner pays the cost, the Association shall reinstall the Covered Antenna when the maintenance or repair has been completed. The Association shall not be liable for damage to the Covered Antenna during such removal or reinstallation except due to the Association's gross negligence or willful misconduct.

4. If the installation of or access to the Covered Antenna requires passage over restricted access common property in a manner that may be hazardous to the owner or tenant or may damage the restricted access common property, then the Association may, at its option, perform required maintenance at the reasonable expense of the owner or tenant.

D. Guidelines for TVBS Antenna Placement.

If the signal received by an indoor or attic TVBS antenna is sufficient to receive acceptable quality signal for local off-

the-air programming, installation of an outdoor antenna is prohibited. If an exterior installation is necessary, the use of the least obtrusive antenna possible, which will receive acceptable quality signal (such as the 12-inch or 18-inch circular dish antenna) is required unless doing so would be unreasonably costly (See Section VII). Any installation of an outdoor TVBS antenna shall conform to all guidelines set forth in Section IV of this Resolution.

#### V. SAFETY RESTRICTIONS FOR MAST-MOUNTED ANTENNAS

No antenna may be mounted on a mast measuring more than twelve feet in height above the roof line or one and one-half times the distance to the property line without prior application to and the written consent of the Committee. The Committee shall approve the proposed installation once it has determined that all applicable building codes, industry safety standards and local permitting requirements have been followed and complied with, and that no other installation could receive an acceptable quality signal without a mast of that height. All antenna masts shall be the minimum height necessary to receive an acceptable quality signal.



#### VI. DETERMINATION OF SUFFICIENCY OF RECEPTION

To the extent required, the Committee shall employ a knowledgeable, independent consultant to determine the acceptability of broadcast signals received in various locations on any owner's property and recommend a placement that:

(1) ensures an acceptable quality signal (if such reception is possible on such owner's property), (2) maximizes the safety of the installation and (3) minimizes the visibility of the antenna.

#### VII. COST

If the individual installing a Covered Antenna believes that compliance with these requirements cannot be accomplished at a reasonable cost, such individual may advise the Association of that fact and the Association may, at its option, share the cost of compliance.

#### VIII. RELOCATION AND REMOVAL

A. If a Covered Antenna has been installed prior to the date of general distribution of this resolution, the Association may require the owner or tenant served by that antenna to relocate the antenna in compliance with the provisions of this resolution; provided, however, that signal quality is not materially diminished, the relocation is scheduled at the

reasonable convenience of the owner or tenant and service is not disrupted for more than twenty-four hours.

B. If a Covered Antenna is installed prior to the Association providing the same service through a common antenna system, the Association may require its removal; provided, however, that the cost of the same service to the owner or tenant is no more than the cost of using the existing individual antenna, the changeover is scheduled at the reasonable convenience of the owner or tenant and service is not disrupted for more than twenty-four hours. Further, the Association may not charge such owner or tenant any portion of the cost of installation of the central antenna and the Association shall reimburse the owner or tenant for the cost of the covered Antenna, prorated over a useful life of five years. In either case, the cost of relocation or removal shall be at the expense of the Association.

C. If a Covered Antenna is installed after the date of general distribution of this resolution, the Association may require its relocation if not in compliance with this resolution; if a Covered Antenna is installed after the Association provides the same service through a common antenna system, the Association may require its removal. In either case, the cost of relocation

or removal shall be at the reasonable expense of the owner or tenant.

#### IX. ENFORCEMENT

A. If an individual installs an antenna not permitted by this Resolution, the Committee shall enforce the Association's rules in accordance with Policy Resolution No. 1.

B. If an individual installs a permitted antenna not in compliance with this Resolution (other than the prior notification requirement), then the Committee shall require the individual to comply.

C. If an individual installs a permitted antenna in compliance with this Resolution but fails to provide prior notification, the Committee shall not penalize the individual nor pursue any other enforcement action.