

**BYLAWS**  
**OF**  
**PARK CROSSING RECREATION CLUB, INC.**

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**BY-LAWS  
OF  
PARK CROSSING RECREATION CLUB, INC.**

**ARTICLE I**

**OFFICES**

- Section 1.** Principal Office. The principal office of the Corporation shall be located at the registered office of the Corporation except as the Board of Directors may from time to time otherwise designate.
- Section 2.** Registered Office. The registered office of the Corporation required by law to be maintained in the State of North Carolina may be, but need not be, identical with the principal office.

**ARTICLE II**

**MEMBERS**

- Section 1.** Classes of Membership. There shall be two classes of members of the club, Resident members and non-resident Associate members. The aggregate number of Resident members shall be limited to six hundred (600); provided, however, that 800 membership certificates may be issued to First Carolina Investors of Mecklenburg, Inc., as provided by the agreement described in Article VIII hereof, and there shall be no limit to the number of Associate members; provided, however, that Associate memberships may be discontinued at any time by the Board of Directors upon the vote of a majority of the then members of the Board of Directors.
- Section 2.** Resident Members. Every beneficial owner, as distinguished from a security owner, of a single family residential unit in that portion of the Park Crossing community which has been duly annexed to the Park Crossing Owners Association, shall be eligible upon election by the membership of the club to be a Resident member.
- Section 3.** Associate Members. Non-resident persons shall be eligible to election to membership by the Membership Committee as an Associate Member. Associate membership shall be of one year's duration and membership dues paid by Associate members shall not be subject to refund for any reason.
- Section 4.** Obligation of Membership. Membership shall include an undertaking by the applicant to comply with and be bound by the Articles of Incorporation, these bylaws, and the amendments thereto, together with the policies, rules and regulations at any time adopted by the corporation in accordance with these bylaws. Membership applications

shall be accompanied by payment of one-half the initiation fees and one-half the first year's dues for the current pay period.

**Section 5.** Initiation Fees. In addition to annual dues payable by Resident members, payment of initiation fees as described in Section 15 hereof shall be a condition of initial membership.

**Section 6.** Option to Purchase Membership Certificates by the Club. [Section 6 is applicable to members who still hold original membership certificates. Otherwise, Section 6 shall be of no force or effect.] The club may at its sole option purchase the membership certificate of a Resident member for the sum of \$300 in cash; provided, however, that upon such purchase the club shall have the right to set off against the purchase price to be paid such member any arrears in dues or other indebtedness to the club by such member. Any Resident member who shall give notice in writing to the club of such intent, and from and after the date of receipt of such notice, the club shall have fifteen (15) days to exercise the foregoing option and pay the purchase price for such membership certificate. Upon payment of the purchase price for such membership certificate, the Resident member shall surrender the membership certificate to the Secretary of the club duly endorsed.

**Section 7.** Transfer of Membership. [Section 7 is applicable to members who still hold original membership certificates. Otherwise, Section 7 shall be of no force or effect.] In the event the club shall fail to purchase the membership certificate of a Resident member in accordance with the foregoing provisions of Section 6, then and in such event, such Resident member who is not in arrears in the payment of dues and does not have any other indebtedness to the club shall have the right to transfer his membership to a new Resident member procured by him; provided, however, the new Resident member shall meet all of the admission requirements of the club, shall be elected in the same manner as any other new Resident member, and shall pay the same initiation fee required by any other new Resident member. The compensation received by the transferor shall be wholly a matter between the transferor and the transferee. In all cases of transfer, the transferor and the transferee shall indemnify the club for any liability whatsoever to any tax authority arising out of the transfer. The transfer of membership as described in this Section shall not be effective until the surrender of the existing membership certificate to the Secretary of the club and the reissuance of the new certificate of membership to the newly elected Resident member.

**Section 8.** Voting. Each duly elected Resident member as described in Sections 1 and 2 of this Article shall be entitled to one vote for each single residential building site beneficially owned by him in that portion of Park Crossing community which has been duly annexed to Park Crossing Owners Association on each matter submitted to a vote of the members; provided, however, that such Resident member is in good standing at the time of such vote. When two or more owners own a lot or in the event of resubdivision, only one vote for such lot or unit owned shall be allowed and such joint owners shall designate and register with the Secretary of the club the name of that

owner in time to cast such single vote. At membership meetings, all votes shall be cast in person or by proxy registered with the Secretary.

**Section 9.** Assignment of Rights of a Resident Member. A Resident member may assign his membership rights to the tenant residing in or on the beneficial owner's single family building site and such assignment shall be effected by filing of assignment signed by the beneficial owner.

**Section 10.** Use of Club Facilities. All Resident and Associate members shall upon the payment of the initiation fees and membership fees, the continued compliance with any and all of the club's rules and regulations, and the continued payment of annual dues, enjoy all of the recreational and other facilities of the club, together with such additional facilities as may hereafter be added to the club or provided for use by its members.

**Section 11.** Use of Club Facilities by Other Persons. Use of the club facilities as set forth in Section 10 above is hereby restricted to the person who shall have signed an application for membership in the club and whose application has been accepted, his spouse and the members of his family, together with bona fide out-of-town guests of such member, his spouse or family. The Steering Committee may adopt rules and regulations from time to time governing the use of club facilities by members and other persons.

**Section 12.** Membership Cards and Guests.

- A. The club may furnish to each member and to each person named on his application cards referred to as "membership cards." Except for bona fide out-of-town guests of such person, and unless otherwise provided by the club, no person shall be admitted to the club facilities except upon presentation of the membership card. The club may further require identification of the person exhibiting such card and, if not satisfied, may withhold admission;
- B. Members will not permit any person other than the one named therein to use the membership cards, and any infraction of this Section shall be sufficient cause for the termination of all membership rights of the member and his family;
- C. The club may limit the number of guests in the period or periods of time when a member may bring guests;
- D. The club may in its sole discretion reject any guest if in its opinion he does not conform to the conduct and standards set for members.

**Section 13.** Membership Certificates. Deleted.

**Section 14.** Membership Committee. Deleted.

**Section 15.** Admission to Membership of the Club. A person may become a member of the club by:

- A. Written application for membership on a prescribed form and approval by the Board of Directors, together with payment of an initiation fee in an amount set by the Board of Directors from time to time.
- B. Payment of membership dues as described in Section 4 hereinafter within thirty (30) days after notification of election to membership.

**Section 16.** Condition to Continued Membership. It shall be a condition of continued membership that any person admitted to membership by the club shall make prompt payment of any and all dues as provided from time to time by these bylaws and shall comply with any and all rules and regulations of the club. Any person whose application for membership in the club has been accepted by the Board of Directors, pursuant to these bylaws, shall become a member of the club immediately upon payment of the initiation fees, membership fees and dues provided in these bylaws. If such initiation fees, membership fees and dues are not paid within thirty (30) days after notification of the acceptance, the application shall be deemed to have been rejected.

**Section 17.** Dues and Assessments of Members.

- A. Members of the club shall be liable for payment of annual dues in the following amounts:
  - (i) Resident members - In an amount as may be set from time to time by the Board of Directors, payable in two equal semi-annual installments with the initial installment payable as described in Section 16 above and the remaining installments payable six months thereafter;
  - (ii) Associate members - In an amount as may be set from time to time by the Board of Directors, the entire amount of which must be paid as described in Section 16 above and thereafter on the anniversary of such payment.
- B. The Board of Directors may at its option elect to prorate the initial membership dues payable by members of the club in order that the dues of all members may become due at the commencement of the calendar or fiscal year of the club, as the case may be; provided, however, that no proration of initial membership dues shall be made with respect to dues of members joining the club between May 1 and September 1 of each year. Such initial prorated dues shall be payable as described in Section 16 and 17(a)(I) above.
- C. Upon the failure of a member to pay such dues, notice shall be given by the Secretary of the club informing such member that he has a grace period of fifteen (15) days after the due date within which to pay such dues. Upon the failure of

the member to pay such dues within such grace period, the club shall assess a late charge of \$25.00 per month, or such amount as may be determined from time to time by the Board, against such delinquent member which shall be immediately due and payable. Upon the continued failure of the member to pay the dues, such member shall be expelled from membership, or suspended from all privileges of membership in the club, as the Board of Directors may deem proper until such time as the amount in arrears is paid in full.

**Section 18.** Voluntary Termination of Membership. Any member in good standing in the club whose account is fully paid may resign from the club and his resignation shall be accepted at the next meeting of the Board of Directors and shall be effective as of the date of his resignation. All sums due and owing to the club from any such person shall remain a debt owed to the club by such person, which debt shall be enforceable against such person or his estate. Upon termination of the membership of a member for any reason whatsoever, no refund of dues shall be made to such person.

**Section 19.** Suspension or Expulsion of Members. The Board of Directors may by affirmative vote of a majority of its members expel any member and cause his membership to be forfeited or suspend any member for any conduct that in its opinion is likely to endanger the welfare, interest or harmony of the club.

**A. Suspension:**

- (i) Members may be suspended for willful infraction of the rules or by-laws of the club, or for acts or conduct which the Board of Directors may deem disorderly, injurious or hostile to the interest or objects of the club;
- (ii) The offender may appeal the sentence of suspension and shall be entitled to notice of such suspension and hearing before the Board of Directors, whichever such offender may elect;
- (iii) A member suspended from the club by the Board of Directors may appeal within thirty (30) days after notice to him by the Secretary of the club with reasons for such suspension. All appeals shall be heard at a meeting of the Board of Directors of the club after notice of the appeal has been filed with the Secretary.

**B. Expulsion.** For continued violation of the club's Articles of Incorporation, by-laws, regulations or house rules, the Board of Directors shall have authority to demand any member's written resignation from the club and upon his refusal to give same, shall have the authority to expel such person by a two-thirds vote of the Board. No member shall be expelled or otherwise subjected to club discipline without being accorded the right to appear before the Board of Directors to defend himself. A member expelled from the club pursuant to these bylaws shall immediately forfeit all of his rights as a member.

**Section 20. Meetings of Members.**

- A. **Annual Meetings.** Annual meetings of Resident members for the purposes of hearing reports from the officers and standing committees and electing directors shall be held in Mecklenburg County, North Carolina at such time and place as may be fixed from time to time by the Board of Directors.
- B. **Regular Meetings of Members.** In addition to the annual meetings, regular meetings of Resident members shall be had at such time and place as may be determined by the Board of Directors.
- C. **Special Meetings.** A special meeting of such members must be called within fifteen (15) days by the President or Board of Directors if requested by not less than 25% of the Resident members having voting rights.
- D. **Notice of Meetings.** Written notice stating the place, day and hour of any meeting of Resident members shall be delivered either personally or by mail to each member entitled to vote at such meeting not less than fifteen (15) days before the date of such meeting, or at the direction of the Secretary.
- E. **Quorum.** The Resident members holding 25% of the votes that may be cast at any meeting shall constitute a quorum at any meeting of such members. In the absence of a quorum, a majority of the Resident members present may adjourn the meeting from time to time without further notice.
- F. **Proxies.** At any meeting of the members, a member entitled to vote may vote by proxy executed in writing by the member. No proxy shall be valid after nine (9) months from the date of its execution unless otherwise provided in the proxy.

**Section 21. Committees of Members.** The Board of Directors of the club may establish such committee or committees as it may deem advisable for the efficient operation and management of the club. All of the members of such committee or committees shall not be required to be a member of the Board of Directors.

**Section 22. Club Rules and Regulations.** The Board of Directors may from time to time adopt such rules and regulations as it may deem proper for the use of the club property and facilities by its members; provided, however, that the Board may delegate the authority to adopt such rules and regulations to any committee established pursuant to the provisions of the foregoing Section. In any event, any rules and regulations adopted by any such committee shall be subject to amendment, modification or withdrawal by action of the Board of Directors of the club.

## ARTICLE III

### DIRECTORS

- Section 1.** General Powers. The business and affairs of the corporation shall be managed by the Board of Directors or by such Executive Committee as the Board may establish pursuant to these bylaws.
- Section 2.** Number, Term and Qualifications. The number of Directors of the Corporation shall be fixed by the Board of Directors, but in no event shall be less than three nor more than fifteen. The number of Directors constituting the Board of Directors shall be three until changed by amendment to these bylaws. Each Director shall hold office until his death, resignation, retirement, removal, disqualification, or his successor is elected and qualified. Directors must be a club member and a resident of Park Crossing.
- Section 3.** Election of Directors. Except as provided in Section 5 of this Article, the Directors shall be elected at the Annual Meeting.
- Section 4.** Removal. Directors may be removed from office with or without cause by a vote of a majority of the Directors then holding office. If any Directors are so removed, new Directors may be elected at the same meeting.
- Section 5.** Vacancies. A vacancy occurring in the Board of Directors may be filled by a majority of the remaining Directors, though less than a quorum, or by sole remaining Director.
- Section 6.** Chairman. There may be a Chairman of the Board of Directors elected by the Directors from their number at any meeting of the Board. The Chairman shall preside at all meetings of the Board of Directors and perform such other duties as may be directed by the Board.
- Section 7.** Compensation. Directors as such shall not receive any salary for their services but by resolution of the Board of Directors a fixed sum and expenses of attendance, if any, may be allowed for attendance at such regular or special meetings of the Board of Directors.
- Section 8.** Executive Committee. The Board of Directors may, by resolution adopted by a majority of the number of Directors fixed by these bylaws, designate two or more Directors to constitute an Executive Committee, which Committee, to the extent provided in such Resolution, shall have and may exercise all of the authority of the Board of Directors in the management of the Corporation.

## ARTICLE IV

### MEETINGS OF DIRECTORS

**Section 1.** Regular Meetings. A Regular Annual Meeting of the Board of Directors shall be held on the second Tuesday of March of each year, or on any alternate date established by resolution of the Board of Directors. In addition, the Board of Directors may provide, by resolution, the time and place, either within or without the State of North Carolina, for holding of additional regular meetings.

**Section 2.** Special Meetings. Special Meetings of the Board of Directors may be called by or at the request of the President or any two Directors. Such meetings may be held either within or without the State of North Carolina.

**Section 3.** Notice of Meetings. Regular Meetings of the Board of Directors may be held without notice.

The person or persons calling a Special Meeting of the Board of Directors shall, at least two days before the meeting, give notice thereof by any usual means of communication. Such notice need not specify the purpose for which the meeting is called.

Attendance by a Director at a meeting shall constitute waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because of the meeting not being lawfully called.

**Section 4.** Quorum. A majority of the Directors fixed by these bylaws shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

**Section 5.** Manner of Acting. Except as otherwise provided in this section, the act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

The vote of a majority of the number of Directors fixed by these bylaws shall be required to adopt a resolution constituting an Executive Committee. The vote of a majority of the Directors then holding office shall be required to adopt, amend or repeal a bylaw, or to adopt a resolution dissolving the Corporation without the shareholders. Vacancies in the Board of Directors may be filled as provided in Article III, Section 5, of these bylaws.

**Section 6.** Presumption of Assent. A director of the corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his contrary vote is recorded or his dissent is otherwise entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the

Secretary of the corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

## ARTICLE V

### OFFICERS

- Section 1.** Number. The officers of the Corporation shall consist of President, a Vice President, a Secretary and a Treasurer. In addition to these officers, the Board of Directors may, from time to time as it may be necessary, appoint additional Vice Presidents, one or more Assistant Secretaries and one or more Assistant Treasurers. Any two or more offices may be held by the same person, except the offices of President and Secretary, but no officer may act in more than one capacity where action of two or more officers is required.
- Section 2.** Election and Term. The officers of the Corporation shall be elected by the Board of Directors at either a regular or special meeting of the Board. Each officer shall hold office until his death, resignation, retirement, removal, disqualification, or his successor is elected and qualified.
- Section 3.** Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the vote of a majority of Directors then holding office, with or without cause; but such removal shall be without prejudice to the contract rights, if any, of the person so removed.
- Section 4.** Compensation. The officers of the corporation shall serve without compensation.
- Section 5.** President. The President shall be the principal executive officer of the Corporation and, subject to the control of the Board of Directors, shall supervise and control the management of the Corporation in accordance with these bylaws. He shall sign, with any further proper officer, any deeds, mortgages, bonds, contracts, or other instruments which may be lawfully executed on behalf of the Corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be delegated by the Board of Directors to some officer or agent and, in general, he shall perform all duties incidental to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.
- Section 6.** Vice President. The Vice Presidents, in the order of their election, unless otherwise determined by the Board of Directors, shall, in the absence of disability of the President, perform the duties and exercise the powers of that office. In addition, they shall perform such other duties and exercise such other powers as the Board of Directors shall prescribe.

**Section 7.** Secretary. The Secretary shall keep accurate records of the acts and proceedings of all meetings of shareholders and Directors. He shall give all notices required by law and these bylaws. He shall have general charge of the corporate records and of the corporate seal, and he shall affix the corporate seal to any lawfully executed instrument requiring it. He shall sign such instruments as may require his signature and, in general, shall perform all duties incident to the office of the Secretary and such other duties as may be assigned him from time to time by the President or by the Board of Directors.

**Section 8.** Treasurer. The Treasurer shall have custody of all funds and securities belonging to the Corporation and shall receive, deposit or disburse the same under the direction of the Board of Directors. He shall keep full and accurate accounts of the finances of the Corporation in books specially provided for that purpose; and he shall cause a true statement of its assets and liabilities as of the close of each fiscal year and of the results of its operations, all in reasonable detail, to be made and filed at the registered or principal office of the Corporation within four months after the end of such fiscal year. The Treasurer shall, in general, perform all duties incident to his office and such other duties as may be assigned to him from time to time by the President or by the Board of Directors.

**Section 9.** Assistant Secretaries and Assistant Treasurers. The Assistant Secretaries and Assistant Treasurers shall, in the absence or disability of the Secretary or Treasurer, respectively, perform all of the duties and exercise the power of these offices, and they shall, in general, perform such other duties as shall be assigned to them by the Secretary or the Treasurer, respectively, or by the President or the Board of Directors.

**Section 10.** Bonds. The Board of Directors may by resolution require any and all officers, agents and employees of the Corporation to give bond to the corporation, with sufficient sureties conditioned on the faithful performance of the duties of their respective offices or positions, and to comply with such other conditions as may from time to time be required by the Board of Directors.

## ARTICLE VI

### CONTRACTS, LOANS, CHECKS AND DRAFTS, AND DEPOSITS

**Section 1.** Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any instrument or execute and deliver any instrument on behalf of the Corporation, and such authority may be general or confined to specific instances.

**Section 2.** Loans. No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

**Section 3.** Checks and Drafts. All checks, drafts or other orders for the payment of money issued in the name of the Corporation shall be signed by such officer or officers, agent or agents, of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

**Section 4.** Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such depositories as the Board of Directors shall direct.

## ARTICLE VII

### DISSOLUTION AND LIQUIDATION

**Section 1.** Dissolution. The Corporation may be dissolved at any time in accordance with the applicable provisions of Article 7, Chapter 55A of the General Statutes of North Carolina.

**Section 2.** Liquidation. Upon dissolution of the Corporation, the assets of the Corporation shall be applied and distributed in accordance with the provisions of G.S. § 55A-45, subject always to the limitations contained in the Articles of Incorporation.

## ARTICLE VIII

### AGREEMENT BETWEEN THE CORPORATION AND FIRST CAROLINA INVESTORS OF MECKLENBURG, INC.

The Corporation and First Carolina Investors of Mecklenburg, Inc. entered into an agreement dated May \_\_\_\_, 1984, for the conveyance to the Corporation of certain real estate on which is located a clubhouse and related amenities in the Park Crossing community. Notwithstanding anything herein to the contrary, the terms, covenants and agreements contained therein shall be binding on the Corporation and a copy of that agreement is annexed hereto as Exhibit A and incorporated herein by reference as if fully set forth herein.

## ARTICLE IX

The Board of Directors of the Corporation shall have authority to amend the bylaws of the Corporation by a vote of a majority of the directors then holding office.

As amended on December 19, 1994.