

Amended and Restated

BYLAWS

of

SHERWOOD FOREST HOMEOWNERS ASSOCIATION, INC.

BYLAWS TABLE OF CONTENTS

Article I – Name and Location	2	Section 3. Method of Election	
Article II – Seal	2	Section 4. Resignation and Removal	
Article III – Definitions	2	Section 5. Vacancies	
Section 1. Declaration		Section 6. Compensation	
Section 2. Association		Section 7. Indemnification	
Section 3. Board		Article VII – Meetings of Directors	6
Section 4. Member		Section 1. Regular Meetings	
Section 5. Properties		Section 2. Special Meetings	
Section 6. Unit		Section 3. Quorum	
Section 7. Common Elements		Section 4. Actions	
Section 8. Green Areas		Section 5. Action Taken Without a Meeting	
Section 9. Facilities		Article VIII – Powers and Duties of the Board	6
Section 10. Reserve Fund Study		Section 1. Duties	
Article IV – Meetings of Members	2	Section 2. Powers	
Section 1. Annual Meetings		Article IX – Procedures for Establishing Regulations and Community Standards	8
Section 2. Special Meetings		Section 1. Definitions	
Section 3. Proxies		Section 2. Proposal of a Regulation or Community Standard	
Section 4. Quorum		Section 3. Consideration of a Proposed Regulation	
Section 5. Notice		Section 4. Enactment of a Regulation or Community Standard	
Section 6. Forums		Section 5. Reporting, enforcing and appealing of alleged violations	
Article V – Officers	3	Section 6. Community Standards	
Section 1. Officers		Article X – Common Elements	9
Section 2. Election of Officers		Article XI – Amendment	10
Section 3. Terms		Section 1. Bylaws	
Section 4. Resignation or Removal		Section 2. Restated Bylaws	
Section 5. Vacancies		Ratification of Restatements and Amendments	11
Section 6. Duties			
Article VI – Board of Directors	5		
Section 1. Term			
Section 2. Method of Nomination			

ARTICLE 1 – NAME, LOCATION AND PURPOSE

The name of the Corporation is **Sherwood Forest Homeowners Association, Inc.**, hereinafter called the “Association”.

The principal office of the Association is located at the Robin Hood Centre, 70 Robin Hood Road, Sherwood Forest, Brevard, Transylvania County, NC 28712. The mailing address is 70 Robin Hood Road, Brevard, North Carolina 28712.

These Bylaws shall replace all prior Bylaws of the Association.

ARTICLE II - SEAL

The corporate seal of the Association shall be circular in form and shall bear the name of the Association and the words "Corporate Seal, Sherwood Forest Homeowners Association, Inc.”

ARTICLE III - DEFINITIONS

Section 1. "Covenants" shall mean and refer to the covenants, conditions, restrictions and all other provisions set forth in the Declaration of Covenants of the Association as the same may from time to time be amended.

Section 2. "Association" shall mean and refer to the Sherwood Forest Homeowners Association, Inc. its successors and assigns.

Section 3. "Board" shall mean and refer to the Board of Directors of the Association.

Section 4. "Member" shall mean every person or entity that holds membership in the Association as defined in Article V of the Amended and Restated Articles of Incorporation.

Section 5. "Properties" shall mean and refer to all real property described in the Amended and Restated Declaration of Covenants of the Association.

Section 6. "Unit" shall mean the real property unit defined in the Amended and Restated Declaration of Covenants.

Section 7. "Common Elements" shall mean and refer to all properties owned by the Association. Portions of the common elements are designated in the Covenants, as being reserved for use through contractual agreements or by certain lessees.

Section 8. "Green Areas" as set forth in Article X of these Bylaws, shall mean and refer to unimproved areas of Sherwood Forest owned by the Association, which shall be maintained in, or returned to, a natural ecological state for use by members in non-destructive ways.

Section 9. "Facilities" shall mean and refer to those properties, buildings, and equipment owned and maintained by the Association for the benefit of its members.

Section 10. "Reserve Study" shall mean and refer to those studies performed for the purpose of providing the Board with information concerning funds (reserves) that ought to be set aside annually in anticipation of repair or replacement of major common area components such as the swimming pool, roads, bridges, dams, structures, other amenities and equipment.

ARTICLE IV - MEETINGS OF MEMBERS

Section 1. Annual Meetings.

The Annual Meeting of the Members shall be held in June of each year. A Membership Meeting shall be held in December of each year. The meetings shall be held at a time and place designated by the Board. The meetings shall be conducted in accordance with the most recent edition of *Robert's Rules of Order Newly Revised*.

Section 2. Special Meetings.

Special meetings of the Members may be called at any time by the President, the Board or upon the written request of ten percent (10%) of the total Association vote. The meetings shall be conducted in accordance with the most recent edition of *Robert's Rules of Order Newly Revised*.

Section 3. Proxies.

A Member may, by means of a written proxy, appoint another Member or the Association President to vote on his/her behalf. The Member holding the proxy must be present at the meeting in order to vote and must cast the proxy vote as directed. If no directions have been given, the Member may vote the proxy in his/her own discretion. Proxies that are assigned to the Association President without voting directions shall be voted in accordance with the position taken by the Board of Directors on the issue. If a Member who has designated a proxy is present and available to vote, the proxy is revoked. Written proxies must be received by the Association Secretary no later than 5:00 PM on the day prior to the meeting and may be submitted by mail, email, fax, or in person.

Only one proxy per unit will be accepted; if multiple proxies are received for a unit, all will be rejected. A proxy signed by one owner of a real property unit shall be conclusively presumed to have approval of all other owners of the unit.

Section 4. Quorum.

A quorum shall consist of Members entitled to cast, in person or by proxy, forty percent (40%) of the total votes of the Association.

Section 5. Notice.

Not less than ten (10) nor more than sixty (60) days in advance of any meeting, the Secretary shall cause notice to be hand-delivered or sent prepaid by United States mail to the mailing address of each Member or to any other mailing address designated in writing by the Member. The notice may be sent by electronic means, including by electronic mail over the Internet, to an electronic mailing address designated in writing by the lot owner. The notice of any meeting shall state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Articles of Incorporation, Bylaws or Covenants, any budget changes, and any proposal to remove a director or officer.

Section 6. Forums.

Forums may be called for discussion and/or information exchange on a specified subject. A special notice by mail of such forums shall not be required. No actions may be voted upon at such forums.

ARTICLE V - OFFICERS

Section 1. Officers.

Officers of the Association shall consist of a President, a Vice-President, a Secretary, a Treasurer, and an Assessments Secretary. The President, Vice-President, and Secretary shall be members of the Board. No one person shall hold more than one office at a time.

Section 2. Election of Officers.

The Board shall elect the President, Vice-President, and Secretary at its first meeting after the annual meeting of the Members. It shall appoint the Treasurer and Assessments Secretary at its first meeting after the annual meeting of the Members. The Association shall publish the names and addresses of all elected and appointed officers within thirty (30) days of their election or appointment.

Section 3. Terms.

Officers shall hold office until their successors are duly elected or appointed, unless they resign, are removed, or are otherwise disqualified to serve. No person may serve as Treasurer for more than five (5) consecutive years.

The Assessments Secretary shall serve at the pleasure of the Board.

Section 4. Resignation or Removal.

Any officer may be removed from office by the Board whenever in its judgment the best interests of the Association will be served. Any officer may resign at any time by giving written notice to the President or the Secretary. Such resignation shall be effective on the date of receipt of such notice or at the time specified therein. No acceptance of such notice shall be necessary.

Section 5. Vacancies.

A vacancy in any office may be filled for the duration of the term of office by a majority vote of the Board.

Section 6. Duties.

The duties of the officers are as follows:

- a) **President.** The President shall preside at all meetings of Members and at all meetings of the Board; see that the orders and resolutions of the Board are implemented; oversee the day-to-day operation of the Association; and sign all written agreements or other written instruments authorized by the Board.
- b) **Vice-President.** In the event of any absence, inability, or refusal by the President to act, the Vice-President shall discharge the duties of the President.
- c) **Secretary.** The Secretary shall record the votes and keep minutes of all meetings of Members and of the Board; keep a separate record of resolutions adopted; keep the corporate seal, and attest and affix it to all documents requiring such seal; be custodian of the Association's records; and perform such other duties as may be required by the Board.
- d) **Treasurer.** The Treasurer shall be a member of the Finance Committee and participate in preparing an annual budget estimating income and expenses; present financial reports at all Membership and regular Board meetings; maintain all moneys of the Association in appropriate bank accounts and disburse therefrom as directed by the Board; assure that books of account are properly maintained; and perform such other duties as may be required by the Board. The financial records shall be made available for examination in accordance with current law. The Treasurer shall make available an annual income and expense statement and balance sheet to all Members at no charge within seventy-five (75) days after close of the fiscal year. The Board of Directors, by a majority vote may require a more extensive compilation, review and audit.
- e) **Assessments Secretary.** The Assessments Secretary shall be a member of the Finance Committee and shall keep current a list of the names and addresses of all Members; prepare and send by U.S. mail assessment invoices to all Members and non-Member(s); deposit all money received by the Association in the appropriate bank account(s); maintain records of the receipt of assessments; and perform such other duties as may be required by the Board.
- f) **An officer of the Association** may delegate duties to other members of the Association provided that the duties are specified in a resolution passed by the Board of Directors. The delegation of tasks or duties in no way relieves any officer of responsibility for performance of those duties required of the office.

ARTICLE VI - BOARD OF DIRECTORS

Section 1. Term.

A Board of seven (7) Directors shall manage the affairs of the Association. They shall be elected for a term of two (2) years on a staggered basis so that no more than four (4) terms expire in any one (1) year. No Board member shall serve consecutive terms.

To serve on the Board an individual must be and have been a Member, a Member's spouse or a Member's Domestic Partner in good standing for at least two years. The candidate will represent one of two types of residency: full-time and part-time residents. The Board shall be comprised of at least five (5) full-time residents and not more than two (2) part-time residents of developed single-family units including owners of condominiums, cluster or villa units.

A full-time resident as used in this section is a Member, a Member's Spouse or Member's Domestic Partner who is regularly able to attend monthly Board meetings and to participate in Board decision-making outside of the monthly structured Board of Director meetings without having to come to the Forest from somewhere else.

A part-time resident as used in this section is a Member, a Member's Spouse or Member's Domestic Partner who might have to come to the Forest from somewhere else to attend Board meetings.

Section 2. Method of Nomination.

The Board shall appoint a Nominating Committee having five (5) members, one of whom shall be a past President of the Association. Said Committee shall present a list of candidates to the Board at least six (6) weeks prior to the annual meeting.

The Board shall provide Members with a summary of each candidate's qualifications at least ten (10) days before the annual meeting. Additional nominations may be made from the floor with the consent of the proposed candidate whose qualifications shall be presented and eligibility confirmed. The nominating committee shall solicit suggestions for nominees from the Association.

Section 3. Method of Election.

Election shall be by written ballot. Cumulative voting is not permitted. The Association shall publish the names and addresses of all elected Board members within thirty (30) days of their election.

Section 4. Resignation and Removal.

Any Director may resign at any time by giving written notice to the President or Secretary. Such resignation shall be deemed effective on the date of the receipt of such notice, or at the time specified therein. If a Director has unexcused absences for three (3) consecutive regular meetings of the Board, the Director may be asked to resign. Ceasing to be an Association Member shall be deemed a resignation.

The Association by an affirmative vote of members voting in person or by proxy entitled to cast at least two-thirds (2/3) of the votes present at a meeting duly called for such purpose, may remove any Board member with or without cause.

Section 5. Vacancies.

The Board shall have the right to fill any vacancy for the remainder of the unexpired term.

Section 6. Compensation.

Directors shall not receive compensation for their services but may be reimbursed for actual expenses incurred in the performance of their duties.

Section 7. Indemnification.

Any Director or Officer of the Association and any other person specified in Article 8, Directors and Officers, Part 5, Indemnification, of Chapter 55A of the North Carolina General Statutes, shall be entitled to indemnification from the Association in any litigation brought or threatened against said individual, to the fullest extent provided in such sections.

ARTICLE VII - MEETINGS OF DIRECTORS

Section 1. Regular Meetings.

The Board shall establish a time and place for regular meetings by unanimous consent of the Directors. At regular intervals, the Board shall provide Members an opportunity to attend a portion of the meeting and speak to the Board about their issues or concerns. The Board may place reasonable restrictions on the number of persons who speak on each side of an issue and may place reasonable time restrictions on persons who speak.

All meetings held by the Board shall be conducted in accordance with the most recent edition of *Robert's Rules of Order Newly Revised*.

Section 2. Special Meetings.

The President or any two (2) Directors may call a special meeting of the Board at any time by notifying all other Directors.

Section 3. Quorum.

A majority of the Board shall constitute a quorum.

Section 4. Actions.

Any action by the Board shall require an affirmative vote by a majority of Directors present.

Section 5. Action Taken Without a Meeting.

The Board may act without a meeting by obtaining the written, telephonic and/or e-mail approval of a majority of all Directors. Reasonable effort must be made to contact all members of the Board. A ratifying motion will be made at the following meeting.

ARTICLE VIII- POWERS AND DUTIES OF THE BOARD

Section 1. Duties.

The Association requires that the Board:

- a) Exercise for the Association all the powers, duties and authority vested in or delegated to the Association by law or by the Covenants, as amended and/or restated, and not reserved to the Members by other provisions of these Bylaws, the Amended and Restated Articles of Incorporation, and the Amended and Restated Declaration of Covenants.
- b) Cause to be kept a complete record of all its corporate affairs and make such record available for inspection by any Member or Member's agent.
- c) Supervise all officers, agents and employees of the Association and see that their duties are properly performed.
- d) Designate depositories for Association funds, designate those officers, agents and/or employees who shall have authority to withdraw funds from such accounts and, if deemed appropriate, provide for bonding of such persons.
- e) Hold an annual meeting in June to conduct business of the Association.
- f) Fix annual and special assessments within previously set limits in amounts sufficient to meet the obligations imposed by the Covenants; determine interest rates and a payment schedule for delinquencies.

- g) Hold a Membership meeting in December of each year to present the budget and the proposed assessments for the following year; and conduct any other business of the Association. Membership approval within previously set limits is not required for such assessments.
- h) Send by U.S mail written invoices for such assessments to each Member at least thirty (30) days in advance of the due date.
- i) Provide for the filing and foreclosure of liens or cause other actions at law to be instituted to collect past due assessments and fines when and as deemed appropriate.
- j) Assure that the financial books are reviewed annually by either an internal committee or by an external accounting firm. There must be a review at least every five (5) years by an entity external to the Association.
- k) Procure and maintain adequate property and liability insurance.
- l) Convene at least six (6) Governance Committee meetings per calendar year with Committee Chairpersons.
- m) Conduct periodic Reserve Studies.

Section 2. Powers.

Acting on behalf of the Association the Board shall:

- a) Enter into mortgage agreements and obtain capital debt financing subject to the provisions of the Covenants and with the affirmative vote of members voting in person or by proxy entitled to cast at least two-thirds (2/3) of the votes present, at a meeting duly called for such purpose.
- b) Adopt appropriate guidelines for action on matters where a potential conflict of interest exists.
- c) Appoint an Architectural and Environmental Review Committee (AERC) that shall consist of not less than five (5) nor more than seven (7) Association members.

The Board will delegate to such committee the power to prescribe reasonable regulations, subject to approval by the Board, concerning the use of private property of members within Sherwood Forest, including federal, state and county requirements. Such regulations may relate to removal of trees and shrubbery, style and placement of structures not attached to the home, color of paint used on all structures, and other uses affecting the general appearance of the property.

The AERC approves plans for construction of new residences, and additions to, or exterior changes to, existing residences in Sherwood Forest, which approval shall not be unreasonably withheld. The AERC also may approve variances from its regulations, and from restrictions relating to setback lines. Notification of approval or denial of a requested variance by the AERC shall be given to the Board at least five (5) days prior to notification to the applicant. The Board shall take such action as it deems appropriate, if any, before the notification is given to the applicant.

All AERC regulations, after approval by the Board, shall be published by the Committee in pamphlet form (presently titled: *Architectural and Environmental Review Committee Regulations & Design Standards*.) The AERC shall keep written records of all its business. Committee meeting minutes must be submitted to the Secretary of the Board within ten (10) days after approval by the Committee.

- d) The Board shall appoint and delegate powers to such committees as the Board shall from time to time determine appropriate, as set forth in the Amended and Restated Declaration of Covenants.

ARTICLE IX – PROCEDURES FOR ESTABLISHING REGULATIONS AND COMMUNITY STANDARDS

Section 1. Definitions.

- A. “Regulation” shall mean conduct that is considered both reasonable and necessary to:
1. preserve, protect and enhance the community’s property values and assets;
 2. promote harmonious living; or
 3. ensure that residents can use and enjoy the Common Elements.
- B. “Violation” will be recognized when:
1. a formal written report of the alleged violation is submitted to the Board, and
 2. the report is investigated by the Board or its designated agent and determined to be valid.
- C. “Community Standard” shall mean conduct that is considered desirable to promote harmonious living within the community. Conduct that does not conform to Community Standards may be viewed as detrimental to the overall well-being, but is not judged as a violation nor subject to regulations. These Standards are published in the Association’s Booklet titled: *Regulations and Community Standards*.

Section 2. Proposal of a Regulation.

A regulation may be proposed by any committee chairperson, by any special committee chairperson, or by a member of the Board. A Member petition may also propose a regulation. To receive consideration by the Board, a Member petition must be signed by ten percent (10%) of the Association Members in good standing. If signed by one-third (1/3) or more of these Members, the proposed regulation must be submitted to the full membership for a vote.

Any proposed regulation must define clearly the conduct desired should the regulation be enacted.

All proposed regulations must be submitted to the Board for review and consideration. Any regulation lacking clarity will be returned to the submitting party(s) for further development.

Section 3. Consideration of a Proposed Regulation by the Board.

Upon review of the proposed regulation, the Board may take any one or more of the following actions:

- a) Reject the proposed regulation. If rejected, the reasons for rejection must become a matter of record in the minutes of the Board meeting, and must be communicated to the submitting party(s).
- b) Enter the proposed regulation into the review process and:
 - i. Refer it to a designated committee for further evaluation and development; and/or
 - ii. Review the proposed regulation with all committee chairpersons to develop a broader sense of community reaction to said proposal; and/or
 - iii. Review the proposed regulation at a Forum.

Section 4. Enactment of a Regulation or Community Standard.

After the proposed regulation has been considered, the Board may take any one of the following actions:

- a) Publish the proposed regulation as a Community Standard, as set forth in Section 6, rather than a Regulation.
- b) Submit the proposed regulation to the membership for a vote. If the proposed regulation is voted upon, an affirmative vote of members voting in person or by proxy entitled to cast at least two-thirds (2/3) of the votes present at a meeting duly called for such purpose is binding, and the Board must act on it in accordance with the vote. In all other forms of review and consideration, the Board retains the power to enact or reject a proposed Regulation or Community Standard.

- c) Adopt the proposed Regulation or Community Standard by a simple majority vote of the Board and publish it in the next *Sherwood Forest Newsletter*.

If the Board adopts a regulation by any means other than a membership vote, the membership may request that the adopted regulation be voted upon at the next regular membership meeting. Such request must be submitted to the Board by a membership petition. If the petition is signed by one-third (1/3) or more of the membership eligible to vote, the regulation must be put on the agenda and submitted to membership for vote. If less than one-third (1/3) of the eligible members sign the petition, the Board may, or may not, elect to hold a membership vote on the regulation. Once a proposed regulation becomes an affirmed regulation, through any of the described methods, it must be communicated to all members through appropriate and effective means at least thirty (30) days prior to enforcement.

Section 5. Reporting, Enforcing and Appealing of Alleged Violations.

To be conducted as set forth in Articles V and VI of the Covenants.

Section 6. Community Standards.

A Community Standard is a specific recommendation for conduct by Members, their guests, or renters, which maintains or enhances the quality of life for the community as a whole.

Unlike Regulations, Community Standards are not subject to formal enforcement action with penalties. Recognizing that the creation and enforcement of regulations is a process that can create stress and division within the community, defining conduct through Community Standards may often be preferable to influencing conduct through Regulations.

The Community Standard process assumes a high level of voluntary compliance within the community. Failure to comply with a Community Standard will generally be viewed by the community as an expression of disrespect.

Community Standards may be proposed by the Board, or may be proposed to the Board through committees. Once approved by the Board, the Community Standard must be communicated to the Members through appropriate and effective means. The notification should include background information (if appropriate), the intent of the recommended conduct, and the specific recommended conduct. A Community Standard may be restated as a regulation through the process previously described for proposing and creating a regulation.

ARTICLE X - COMMON ELEMENTS

Rights of Members to use the Common Elements shall be subject to and governed by the provisions of the Amended and Restated Articles of Incorporation, Amended and Restated Declaration of Covenants, and Amended and Restated Bylaws. The right of Members to use of the Common Elements of the Association shall extend only to members in good standing, their household, their overnight house guests, their renters, and their accompanied guests. The exceptions are the golf course, Robin Hood Barn, and the Robin Hood Centre, which are Common Elements but are subject to user fees to individual Members as well as non-members. The Board may authorize variations.

Establishment of Green Areas:

Green Areas shall be designated by the Board and such designation approved by the affirmative vote of members entitled to cast at least two-thirds (2/3) of the votes present, voting in person or by proxy, at a meeting duly called for such purpose.

ARTICLE XI – AMENDMENT

Section 1. Bylaws.

These Bylaws may be amended by an affirmative vote of members voting in person or by proxy entitled to cast at least two-thirds (2/3) of the votes present, at a meeting duly called for such purpose.

Section 2. Restated Bylaws.

These Bylaws as of the date of adoption thereof are the complete and restated Bylaws of the Association.

[Continued on the next page]

The foregoing restatements and amendments have been duly ratified by the affirmative vote of members voting in person or by proxy entitled to cast at least two-thirds (2/3) of the votes present, at a meeting held on the 11th day of December, 2010.

IN WITNESS WHEREOF, these Restated and Amended Bylaws have been executed by the duly authorized officers of Sherwood Forest Homeowners Association, Inc., and the corporate seal has been hereunto affixed, this ____ day of _____ 20__.

SHERWOOD FOREST HOMEOWNERS ASSOCIATION, INC.

(Corporate Seal)

By: _____ President

ATTEST: **By:** _____ Secretary

STATE OF NORTH CAROLINA

COUNTY OF TRANSYLVANIA

I, a Notary Public of the County and State aforesaid, certify that _____, personally came before me this day and acknowledged that he/she is President of Sherwood Forest Homeowners Association, Inc., a North Carolina Corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by _____, as its Secretary.

WITNESS my hand and official stamp or seal, this ____ day of _____, 20__.

Notary Public

My Commission Expires:
