

AMENDED AND RESTATED BY-LAWS
OF
STRATFORD ON PROVIDENCE HOMEOWNERS ASSOCIATION. INC.

ARTICLE I
NAME AND LOCATION

The name of the corporation is Stratford on Providence Homeowners Association, Inc. hereinafter referred to as the "Association." The principal office of the corporation shall be located at 10800 Sikes Place, Suite 250 Charlotte, N. C. 28277, Mecklenburg County, North Carolina, but meetings of members and directors may be held at such places within the State of North Carolina, as may be designated by the Board of Directors.

The Association adopted certain By-laws executed on December 18, 2002 and since that time has determined the need for the amendment of certain provisions contained therein. These Amended and Restated By-Laws shall be the governing By-laws for the Association upon execution by the undersigned officer.

ARTICLE II
DEFINITIONS

Section 1. The definitions for "Association," "Declarant," "Owner," "Property," "Common Property," and "Dwelling Unit," shall be defined pursuant to the terms and conditions of the definitions as set forth in Article I of the Declaration of Covenants, Conditions, and Restrictions of Stratford on Providence Homeowners Association (the "Declaration") of which is or will be duly recorded in the Office of the Register of Deeds for Union County, North Carolina, the terms and conditions of which are incorporated herein and by reference.

Section 2. "Member" shall mean and refer to those persons or entities entitled to membership with voting rights as provided in the Declaration and in Article III, Section 1, of these By-Laws.

ARTICLE III
MEMBERSHIP AND PROPERTY RIGHTS

Section 1. Membership. Every Owner of a Lot which is subject to the Declaration shall be a. Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot, and may not be assigned. If and when the Declarant develops additional sections to Stratford on Providence Subdivision the Owners of those Lots shall be members of the Association. The Owner of a lot or tract shall be a member of the association.

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

Class A

Class A members shall be all owners with the exception of Declarant and shall be entitled to one (1) vote for each lot owned. When more than one (1) person owns an interest in a lot, all such persons shall be members. The vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any lot.

Class B

(a) Class B members shall be entitled to vote ten (10) votes for each lot owned. Class B membership shall consist of the Declarant, or its successors or assigns, until the happening of either of the following events whichever occurs earlier.

1. The earlier of four months after ninety percent (90%) of all the lots in the Subdivision are sold as well as all adjacent undeveloped acreage sold and conveyed by the Declarant to unrelated third parties; or
2. Twelve years from date of recordation of this Declaration; or
3. At such time as Declarant voluntarily relinquishes Majority control of the Association by a duly recorded instrument.

(b) Upon the happening of the earlier of either the three above described events, Class B membership shall cease and terminate and shall be converted to Class A membership.

Section 3. Property Rights. Each Member shall be entitled to the use and enjoyment of the Common Property as provided in the Declaration.

ARTICLE IV
MEETINGS OF MEMBERS

Section 1. Annual Meeting. The first annual meeting of the Members shall be held between January 1, 2002 and December 31, 2002, and each subsequent regular annual meeting of the Members shall be held between January 1 and December 31 of each calendar year thereafter, at the hour of 7:00 o'clock p.m. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special Meetings of the Members may be called at any time at the request of the President of the Association or by any two Board Members.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, not less than 10 days nor more than 60 days before such meeting to each member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting. Waiver by a Member in writing of the notice required herein, signed by him before or after such meeting, shall be equivalent to the giving of such notice.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, twenty percent (20%) of the votes of each class of Membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

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

ARTICLE V

BOARD OF DIRECTORS. SELECTION, TERM OF OFFICE

Section 1. General Powers. The business and affairs of the Corporation shall be managed by its Board of Directors, except as otherwise expressly provided by law, the Articles of Incorporation, the Declaration, or these By-Laws.

Section 2. Number, Term and Qualifications. The number of Board of Directors Members constituting the Board shall be three (3). Each Board of Directors Member shall hold office for a term of one year, or until his earlier death, resignation retirement, removal, disqualification, or his successor shall have been elected and qualified. Board of Directors Members need not be residents of the State of North Carolina. So long as there is Class B membership, the Declarant shall elect or appoint the Board of Directors.

Section 3. Removal. The Declarant or its successors and assigns may remove any Board of Directors Member, with or without cause so long as there is Class B membership. Thereafter, any Board of Directors Member may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal of an Board of Directors Member, or there is no Class B Membership, his successor shall be selected by the remaining members of the Board, and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No Board of Directors Member shall receive compensation for any service he may render to the Association as a Board of Directors Member. However, any Board of Directors Member may be reimbursed for his actual expenses incurred in the performance of his duties.

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

Section 6. Reference in the Declaration. Section 3 of Article III of the Declaration refers to the Board of Directors. The Articles of Incorporation of the Association establishes a "Board of Directors." The term "Board of Directors" in the Declaration shall mean the "Board of Directors" as referred to in the Articles of Incorporation and in the By-Laws.

ARTICLE VI

NOMINATION AND ELECTION OF BOARD OF DIRECTORS

Election and Nomination. The Declarant, its successors or assigns, shall have the right to appoint or remove any member or members of the Board of Directors or any office or officers of the Association so long as the Declarant, or its successors and assigns is the Class B Member. Thereafter, election the Board of Directors shall be by secret written ballot. At such election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The person receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

After the Declarant is no longer the Class B Member as defined in the Declaration, nominations for elections to the Board of Directors shall be made by a Nominating Committee. Nominations for elections to the Board of Directors may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a. Chairman, who shall be a member of the Board of Directors and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting and shall serve until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many Dominations for election the Board of Directors as it shall in its discretion determine but not less than the number of vacancies that are to be filled. Such nominations may be made among members or non-members.

ARTICLE VII

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held annually, or at such other periodic intervals as may be established by the Board of Directors from time to time, without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday then that meeting shall be held at the same time on the next day which is not a legal holiday.

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

Section 3. Quorum. A majority of the number of Board of Directors Members shall constitute a quorum from the transaction of business. Every act or decision done or made by a majority of the Board of Directors Members present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VIII POWERS AND DUTIES OF THE BOARD OF DIRECTORS

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

- (a) adopt and publish rules and regulations governing the use of the Common Property,
and the personal conduct of the Members, and their guests thereon;
- (b) levy fines for specific and general violations or infractions of the Articles of Incorporation, Declaration or these By-Laws, as more fully described in Article XII of these By-laws;
- (c) suspend the voting rights and any other rights of a Member during any period in which
such Member shall be in default in the payment of any assessment, dues or charge levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;
- (d) exercise for the Association all powers, duties and authority vested in or delegated to
this Association, and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;
- (e) declare the office of a member of the Board of Directors to be vacant in the event
such
member shall be absent from three (3) consecutive regular meetings of the Board of Directors;
- (f) employ a manager, an independent contractor, or such other employees as they
deem
necessary, to prescribe their duties; and
- (g) employ attorneys to represent the Association when deemed necessary.

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

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain adequate liability insurance covering the Association, its directors, officers, agents, and employees and to procure and maintain adequate hazard insurance on any real and personal property owned by the Association;

(f) all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) cause the Common Property to be maintained.

Section 3. Personal Liability.

Personal liability for all Board of Directors Members for monetary damages arising out of an action or actions, whether by or in the right of the Association or otherwise for breach for any duty as an Board of Directors Member is eliminated except respect to acts, omissions, liabilities and/or transactions described and defined in North Carolina General Statutes Section 55A-2-02(b)(4)(i), (ii), (iii), and (iv).

ARTICLE IX OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a President and Vice-President, who shall at all times be members of the Board of Directors, a Secretary and a Treasurer, and such other officers as the Board may from time to time appoint by resolution.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members. The Declarant, its successors, or assigns, shall have the right to appoint or remove any office or officers of the association until such time as its Class B Membership has terminated. Thereafter, the appointment or removal of any office or officers of the Association shall be made by the Board of Directors.

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

Section 4. Special Appointments. The Board of Directors may elect 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 of Directors may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board of Directors, the President or the Secretary. Such resignation shall take effect on the date and 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 of Directors. The office appointed to such vacancy shall serve for the remainder of the term of the office he replaces.

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

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

President

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

Vice-President

(b) the Vice-President shall act in the place and stead of the President in the event of his absence, disability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board of Directors.

Secretary

(c) the Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board of Directors and of the Association together with their addresses and shall perform such other duties as required by the Board of Directors.

Treasurer

(d) the Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall authorize payment of all checks and co-sign promissory notes of the Association; keep proper books of account; and shall prepare an annual budget and statement of income and expenditures to be presented to the membership at its annual meeting and deliver a copy of each to the members.

ARTICLE X

BOOKS AND RECORDS

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

ARTICLE XI

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: Stratford on Providence Homeowners Association, Inc., Union County, North Carolina.

ARTICLE XII

FINES

Section 1. The Association shall have the power to levy fines for specific and general violations or infraction of the governing documents against all members of the Association. All member shall receive written notification of the violation and the fee to be levied.

Section 2. The schedule of fines shall be as follows:

PRIOR TO GROUNDBREAKING LOT OWNER

\$100.00 Initial Fine	After 30 day warning, the initial fine will start with a fee of \$100.00
\$25.00 per day	Level 1: After 30 day warning and \$100fee, a per day fee for next 30 days
\$50.00	Level 2: After 30 days the per day fee will increase to \$50 per day

POST CONSTRUCTION HOMEOWNER

\$100.00 Initial Fine	After 30 day warning, the initial fine will start with a fee of \$100.00
\$25.00 per day	Level 1: After 30 day warning and \$100fee, a per day fee for next 30 days
\$50.00	Level 2: After 30 days the per day fee will increase to \$50 per day

Section 3. The Board of Directors by majority vote may amend the fine schedule or repeal its power to levy fines.

[SIGNATURE PAGE TO FOLLOW]

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting secretary of the STRATFORD ON PROVIDENCE HOMEOWNERS ASSOCIATION, INC., and,

That the foregoing By-Laws constitute the original By-Laws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the _____ day of _____, 2005.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this _____ day of _____, 2005.

SECRETARY

CONSENT OF BOARD OF DIRECTORS
OF
STRATFORD ON PROVIDENCE HOMEOWNERS ASSOCIATION, INC.
TO
ACTION WITHOUT MEETING

The undersigned, being all the Board of Directors Members of the Stratford on Providence Homeowners Association, Inc. do hereby adopt the following resolutions by signing their written consent thereto:

ADOPTION OF BYLAWS

RESOLVED, that Amended and Restated Bylaws, which have been inserted into the minute book of the corporation immediately preceding this consent be, and they hereby are, adopted as the Bylaws of this corporation.

This action is effective this the _____ day of April 2005.

By: _____
_____,DIRECTOR

By: _____
_____,DIRECTOR

By: _____

_____,DIRECTOR