

FOUR CORNERS BUSINESS CENTER CONDOMINIUM ASSOCIATION, INC.

BYLAWS

ARTICLE I

DEFINITIONS

For the purposes of these “**Bylaws**,” capitalized terms and definitions not specifically defined herein shall have the meanings ascribed to them in the Declaration of Condominium establishing “Four Corners Business Center Condominium, a Land Condominium”, as amended from time to time (collectively, the “**Declaration**”) unless otherwise defined herein.

ARTICLE II

**PRINCIPAL OFFICE AND REGISTERED AGENT
AND LOCATION OF MEETINGS**

Section 2.1 **Name:** The name of the corporation is **FOUR CORNERS BUSINESS CENTER CONDOMINIUM ASSOCIATION, INC.** (the “**Association**”).

Section 2.2 **Principal and Registered Office:** The Association shall (i) maintain a principal and registered office (the “**Registered Office**”), and (ii) have a registered agent whose business address is identical with such Registered Office. The Board of Directors (the “**Board**”) may change the Registered Office (which may be, but need not be, identical with the Association’s North Carolina principal office) from time to time by provided proper notification is filed with the office of the North Carolina Secretary of State.

Section 2.3 **Other Offices:** In the Board’s discretion, the Association may have other offices in such locales as the Board may deem appropriate.

Section 2.4 **Meetings of Members and Directors:** Meetings of Association Members and Board may be held at such places within the County of Wake, North Carolina as the Board may designate.

ARTICLE III

PLAN OF UNIT OWNERSHIP

Section 3.1 **Lands Submitted to Unit Ownership.** W. Glenn Adams; Samuel Boyce; T. Edward Bailey and Red Eagle Companies, LLC, the collective “**Declarant**” under the Declaration (the “**Declarant**”) is the owner of certain real property located in Wake County, North Carolina, as more particularly described in the Declaration (the “**Property**”). Declarant has submitted or shall submit the Property to a scheme of unit ownership pursuant to the North Carolina Condominium Act codified in Chapter 47C of the North Carolina General Statutes (the “**Act**”) by filing the Declaration in the office of the Wake County Registry (the “**County Registry**”). The Property submitted to unit ownership by the Declaration and all of the lands subsequently added to such condominium scheme as provided therein shall be known as “*Four Corners Business Center Condominium*” (the “**Condominium**”). Although the Units may contain buildings and improvements, *each Unit shall be deemed as “in land” only.*

Section 3.2 **Applicability of Bylaws.** Any party (i) accepting a deed or other instrument of conveyance; (ii) entering into a lease or otherwise occupying a Unit shall conclusively be deemed to accept and ratify these Bylaws, as amended from time to time, and agree to comply with these Bylaws and all Condominium Documents including the Rules and Regulations adopted pursuant hereto. All present and future Unit Owners and Occupants, and their respective mortgagees, employees, contractors, licensees, invitees, guests, family members, and customers (collectively, “**Authorized Persons**”) or tenants and the respective Authorized Persons of such tenants of the Units shall be, as appropriate, subject to and abide by the Declaration, these Bylaws, the Association Articles and the Rules and Regulations (collectively, the “**Condominium Documents**”), as from time validly supplemented or amended.

ARTICLE IV MEMBERSHIP AND MEETINGS OF MEMBERS

Section 4.1 **Members:** Each Unit Owner shall be a Member of the Association and shall remain a Member until ceasing to be a record owner of a Unit.

Section 4.2 **Annual Meetings:** The Association shall hold the first annual meeting of the Members at a place designated by the Board within one (1) year from the date of the Association’s incorporation as evidenced by the date of the filing of its Articles with the North Carolina Secretary of State (the “**Secretary of State**”). Each subsequent annual meeting of the Association membership (the “**Annual Meeting**”) shall be held on the same day of the same month of each year thereafter; provided, however, that in the event such date is a “**Legal Holiday**” (as defined in N.C.G.S. §103-4), the Annual Meeting will be held at the same hour on the first day of the following week which is not a Legal Holiday. At each Annual Meeting, (i) the Association president (or his designee) shall submit to the membership a report of the Association’s past year’s activities, a financial summary, proposed annual budget for the next fiscal year and such other matters as may be raised consistent with the notice requirements of § 55A-7-05 and § 55A-7-22(d) of the Act and (ii) subsequent to the end of the Declarant Control Period, the Members shall elect such Directors of the Board as is appropriate during the particular year in which such meeting is held.

Section 4.3 **Special Meetings:**

4.3.1 A special meeting of the Members (“**Special Meeting**”) may be called at any time by the Association president or pursuant to a majority vote of the Board of Directors.

4.3.2 A special meeting of the Members may also be called pursuant to a written demand or petition (the “**Petition**”) signed and dated by Members holding at least twenty percent (20%) of the Total Association Vote (as defined in the Declaration)¹ and setting forth the specific purpose(s) for which the meeting is requested. Upon the petitioning Member’s delivering the Petition to the Association Secretary (the “**Delivery Date**”), the meeting requested in the Petition shall be held within thirty (30) days of the Petition Date.

4.3.3 Except as specifically stated in the notice to the Members calling such special meeting, no other Association business may be transacted at the called Special Meeting.

Section 4.4 **Notice of Meetings:** Written notice of any authorized meeting of the Members

¹ N.C.G.S. 74C-3-108 requires “unit owners having twenty percent (20%) or any *lower* percentage specified in the Bylaws . . .”
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shall be given by, or at the direction of, the Declarant during the Declarant Control Period, and thereafter by the Association secretary (the “**Notice**”). Not less than ten (10) days nor more than fifty (50) days in advance of any Association meeting, Declarant or the Association secretary (as applicable) shall cause Notice to be made to each Member in good standing and eligible to cast a vote (“**Eligible Member**”) to be hand-delivered or sent prepaid by United States mail to the mailing address of each Unit or to any other mailing address designated in writing to the secretary by the Unit owner. In the alternative, pursuant to § 47-C-3-108, as amended, the secretary may also give notice *by electronic means*, including electronic mail over the Internet, to an electronic “mailing” address designated in writing by the Unit owner. The Notice shall specify (i) the place, date and hour of the meeting; (ii) the meeting’s agenda including if applicable, the general nature of any proposed amendment to the Condominium Documents; any proposed budget changes, or any proposal to remove a director or officer. As respectively applicable, Notice shall be deemed given when written notice is (i) appropriately addressed and deposited in the United States mail, with the postage thereon prepaid or (ii) is hand delivered to the appropriate physical address or (iii) electronically forwarded to the appropriate address with no return response being received that such notice was “undeliverable.”

Section 4.5 Waiver of Notice: At any time, any Unit Owner or lessee (if given the right to vote pursuant to the Articles) may waive Notice of any Association meeting in writing and such waiver shall be deemed equivalent to the delivery and receipt of such notice. Actual attendance by a Member at any Association shall constitute waiver of notice to such member as to the time, place and purpose thereof except where a Unit Owner is in attendance solely for the express purpose of objecting to the transaction of any business because such meeting unlawfully called. In the event of multiple ownership of any Unit, attendance at a meeting by one co-Owner shall be considered a waiver of notice as to all co-Owners of that Unit and notice to one of two or more co-Owners of a Unit shall constitute notice to all co-Owners. Every Member shall be obligated to immediately notify the Association in writing of any change in address from that previously given and any new Unit owner shall be responsible to immediately notify the Association secretary the transfer of ownership of his respective Unit.

Section 4.6 Quorum: The presence at an Association meeting of Eligible Members (either in actual attendance or by valid proxy) entitled to cast fifty percent (50%) of the Total Association Vote shall constitute a quorum for any action except as otherwise provided in the Condominium Documents or the Act. If less than a quorum is present (including by valid proxy), the authorized presiding officer shall adjourn the meeting from time to time until a quorum is present provided that a subsequent meeting must be called pursuant to the notice requirements of subsection 4.4.

Section 4.7 Proxies: At all Association meetings, 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 (i) conveyance by the Member of the respective Unit to which such vote or votes is appurtenant, (ii) upon written notice of revocation filed with the secretary, or (iii) upon the lapse of twelve (12) months from the date of such proxy’s execution, unless the proxy provides a shorter term.

Section 4.8 Voting: At every Association meeting, each Member shall have the right to cast on each question called, the number of votes provided in the Declaration for the Units he owns. Fifty-One percent (51%) of the eligible votes entitled to be cast by Members present at the meeting, in person or by proxy, shall constitute a majority unless the question is one expressly requiring a different vote pursuant to the provisions of statute or law, or the Condominium Documents, in which event such express provision shall govern. If more than one person or entity is the Owner of any Unit, then co-Owners of such Unit shall exercise such Unit’s appurtenant voting right among themselves as they shall determine; provided, however, that no fraction of one vote may be cast by any Member. In the event and so long as such co-Owners of a Unit are unable to agree on the manner in which such appurtenant votes shall be

cast, then their respective vote shall be disregarded and not be counted in the final tally. The vote of any corporate or other legal business entity or non-natural person shall be cast by its duly authorized officer, trustee, partner, or manager, as the case may be, and unless objection by other such officer, trustee or partner of such Owner is noted at the meeting, the presiding officer shall have no duty to inquire as to the authority of the person casting such vote.

Section 4.9 **Loss of Right to Vote:** Any Member shown on the books or records of the Association to be more than thirty (30) days delinquent on any payment due and payable to the Association shall be ineligible to vote and shall not be counted for the purpose of deciding any question so long as such delinquency remains uncured; nor shall such Member be eligible for election to the Board of Directors.

Section 4.10 **Action Without Meeting:** Any action allowable or required to be taken at a meeting of Members may be taken without meeting if all Members entitled to vote with respect to the subject matter thereof execute a consent in writing, setting forth the action so taken (the “**Members’ Action by Consent**”), and the Action of Consent is filed with and certified by the Association secretary as part of the corporate records, whether done before or after the action so taken.

ARTICLE V BOARD OF DIRECTORS - ELECTIONS - TERM OF OFFICE

Section 5.1 **Number:** The affairs of the Association shall be managed by a board (hereinafter referred to as the “**Board**” or the “**Board of Directors**”) of no less than three (3) and no more than five (5) directors. The initial Board of Directors shall consist of three (3) Directors. The initial Directors are those named in the Articles, or, if none are named in the Articles, those named at the organizational meeting of the Association. At each Annual Meeting of the Association, the Members shall determine by resolution the number of and the persons who shall serve as Directors on the Board of Directors until the next Annual Meeting.

Section 5.2 **Term of Office and Qualifications:** At the first Annual Meeting, the Board shall consist of three (3) members appointed by the Declarant.

During the Declarant Control Period, the Declarant or their designee, shall have the right to appoint and remove Directors, with or without cause; provided that not later than sixty (60) days after conveyance of seventy-five percent (75%) of the Units (including Units which may be created pursuant to Special Declarant Rights) to Unit Owners other than the Declarant, at least one (1) Director and not less than twenty-five percent (25%) of the Directors shall be elected by Unit Owners other than the Declarant; not later than sixty (60) days after conveyance of fifty percent (50%) of the Units (including Units which may be created pursuant to Special Declarant Rights) to Unit Owners other than the Declarant, not less than thirty-three percent (33%) of the Directors shall be elected by Unit Owners other than the Declarant; not later than the termination of the Declarant Control Period, the Unit Owners shall elect the Directors.²

At the first Annual Meeting immediately after the termination of the Declarant Control Period, all Directors shall be elected or re-elected as the case may be by the Association membership; one (1) of the Directors so elected shall serve for a term of one (1) year; one (1) of the Directors so elected shall serve for a term of two (2) years; and one (1) Director shall serve for a term of three (3) years; their respective successors shall be thereafter elected for two (2) year terms.

² As required by §47C-3-103(e) of the Act.
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Once elected, a Director shall hold office until his successor has been duly elected and has been certified as qualified to serve. The term of a Director filling a Board vacancy pursuant to subsection 5.6 shall expire at the end of the unexpired term of his predecessor.

Section 5.3 **Removal/Resignation:** Until the end of the Declarant Control Period, but in no event for a period of less than two (2) years from the effective date hereof, Declarant may remove any Director from the Board with or without cause. After termination of the Declarant Control Period, but in no event earlier than one (1) year from the effective date hereof, any Director may be removed, with or without cause, by majority of the Total Association Vote. In the event of any Director's death, resignation or removal, his successors shall be selected by the remaining Directors and shall serve for the unexpired term of his predecessor. A Director may resign at any time by communicating his resignation Board acceptance of such resignation shall not be required to make it effective.

Section 5.4 **Compensation:** No Director shall receive any compensation from the Association merely by virtue of his holding a directorship, but the Board may reimburse any officer for any direct expense incurred in the performance of authorized Board duties, and such reimbursement shall be a Common Expense.

Section 5.5 **Action Without Meeting:** Any action allowable or required to be taken at a meeting of the Directors may be taken without meeting if all Directors execute a consent and approval in writing, setting forth the action so taken (the "**Directors' Action by Consent**"), and the Directors' Action of Consent is filed with and certified by the Association secretary as part of the corporate records, whether done before or after the action so taken.

Section 5.6 **Vacancies:** In the event of any Director's death, resignation or removal, his successors shall be selected by the remaining Directors and shall serve for the unexpired term of his predecessor. Any Director may resign at any time by giving written notice to the Board. Such resignation is effective when communicated and delivered unless it specifies a later effective date; provided, however, that Board acceptance of such resignation shall not be required to make it effective. As appropriate and necessary the Board shall also fill any directorship created by reason by an increase in the number of Directors.

Section 5.7 **Elected Board Members.** Unless designated by Declarant or should the Declaration provides otherwise, every elected Director shall be a Unit Owner or co-Owner, or their respective spouse; provided further, however, that if any Unit Owner is a corporate, or any other legal business or non-natural person(s) then any corporate officer or director, partner, member, manager, trustee or trust beneficiary, as appropriate, of such entity shall be eligible to serve as a member of the Board; Directors designated by the Declarant need not be Unit Owners.

ARTICLE VI MEETINGS OF DIRECTORS

Section 6.1 **Regular Meetings:** The Board shall hold regular board meetings without notice at least annually at such place and hour as may be fixed from time to time by Board resolution. In the event such meeting falls upon a Legal Holiday (as defined in subsection 4.2), the Board shall hold such meeting at the same time on the next day which is not a Legal Holiday.

Section 6.2 **Special Meetings:** After not less than ten (10) days notice to each Director, the Board shall hold special Board meetings when called by the Association President, or by any two (2) Directors.

Section 6.3 **Quorum**: Unless a greater number is required by law or the Condominium Documents, a majority of the number of Directors shall constitute a quorum for the transaction of business. Every such 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 deemed as the act of the Board. If less than a quorum is present at any Board meeting, the majority of those present may adjourn the meeting from time to time; at the reconvened meeting any resumption of business which might have been transacted at the meeting as originally scheduled or called may be transacted without notice.

Section 6.4 **Notice**: the notice or written notice of any meeting of the Board need not specify either the purpose of the meeting or the nature of the business to be transacted.

ARTICLE VII POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 7.1 **Powers**: The Board of Directors shall have the power to:

7.1.1 Adopt, amend, enforce and publish the Rules and Regulations (as defined in the Declaration) and prescribe penalties for any infractions;

7.1.2 Suspend a Member's voting rights during any period in such Member's default in the payment of any assessment levied by the Association, including, or any Annual or Special Assessments (as defined in the Declaration) or other charges payable to the Association by law or the Declaration. After notice and hearing to the responsible Owner, for a period not to exceed thirty (30) days the Board may also suspend such rights any infraction of the Rules and Regulations;

7.1.3 Exercise all powers, duties and authority vested in or delegated to the Association and not reserved to the Membership by other provisions of these Bylaws and the other Condominium Documents or the Act;

7.1.4 Declare the office of a Board member vacant in the event any such member is absent without cause for three (3) consecutive regular Board meetings;

7.1.5 Purchase, lease or otherwise acquire in the name of the Board, or its designee (corporate or otherwise) Units for sale or lease on behalf of the Association and all Unit Owners;

7.1.6 Purchase Units within the Condominium at foreclosure or other judicial sale in the name of the Board or its designated trustee or legal entity on behalf of all Unit Owners and in connection therewith organize or empower such trustee or entity to act as designees of the Board in acquiring title to Units on behalf of the Association (the "**Board Designated Purchaser**");

7.1.7 Subject to the Declaration and other applicable restrictions, sell, mortgage, or otherwise deal with Units acquired by the Board or its Designated Purchaser,

7.1.8 Enter any Unit when reasonably necessary in connection with any emergency, maintenance, replacement or improvements for which the Association is responsible; provided, except as permitted by North Carolina law, such entry shall be made during reasonable hours with as little inconvenience to Unit Owners as practicable and any damage caused thereby (except as the result of remedying a bona fide emergency) shall be repaired by the Association and such expense shall be treated as a Common Expense;

7.1.9 Employ or engage a manager, independent contractor, attorney, accountant, design professional or such other employees and agents as deemed necessary to assist the Board in carrying out its duties and to prescribe the respective duties of such consulting professionals; and

7.1.10 Delegate any of the above named powers to such Person(s) as the Board may in its discretion may deem necessary and proper.

Section 7.2 **Duties:** It shall be the duty of the Board of Directors to:

7.2.1 Cause to be kept a complete record of all its acts and all Association affairs and to present a statement thereof to the Members at the Annual Meeting or at any special meeting when such statement is requested in writing by twenty percent (20%) of the Members to vote;

7.2.2 Supervise all officers, agents and employees of the Association and ensure that their respective duties are properly performed;

7.2.3 As more fully provided in the Declaration to (1) fix, levy any and collect the amount of the annual or special assessment(s) against each Unit in advance of each assessment period, provided that during the first year of operation or any portion thereof, the Board may fix the annual assessment for a pro rata portion of that initial assessment period; (2) send written notice of each assessment to every Owner at least thirty (30) days in advance of each annual assessment period; (3) foreclose the lien against any Unit for which assessments or other amounts remain unpaid for sixty (60) days after due and payable or to bring an action at law against the Owner personally obligated to pay such amount;

7.2.4 Issue, or cause to be issues by Condominium management, upon request by any person (subject to the Board's reasonable discretion and any applicable privacy laws) and for a reasonable charge established by the Board, a certificate certifying the status of the payment of all assessments levied against any particular Owner's Unit;

7.2.5 Procure and maintain adequate liability and hazard insurance on property owned by the Association as prescribed by the Declaration and the Act;

7.2.6 Cause all Association officers or employees having fiscal responsibilities to be bonded or covered by fidelity insurance pursuant to subsection 15.1 and the premiums payable for such fidelity insurance shall constitute a Common Expense;

7.2.7 Cause the Common Elements to be maintained in a manner consistent with the provisions of these Bylaws and the other Condominium Documents;

7.2.8 Prepare and make available to each Member an annual report including an annual financial statement summarizing the operation and actions of the Association and its income, expenditures and reserves; and

7.2.9 Pay any licenses or governmental charges levied or imposed against the Association property.

**ARTICLE VIII
OFFICERS AND THEIR DUTIES**

Section 8.1 **Enumeration of Officers:** The officers of this Association shall be (i) a President and Vice President, who shall at all times be Members of the Board, (ii) a Secretary, and (iii) a Treasurer.

Section 8.2 **Election of Officers:** Unless otherwise allowable by law or the Condominium Declaration, the election of officers shall take place at the first meeting of the Board following each Annual Meeting.

Section 8.3 **Term:** The officers of this Association elected annually by the Board shall hold office for one (1) year unless any individual officer shall sooner resign, be removed, or otherwise be disqualified to serve.

Section 8.4 **Qualifications:** All officers must be at least twenty-one (21) years of age and be Members of the Association.

Section 8.5 **Special Appointment:** The Board may elect such other officers and assistant 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 from time to time determine.

Section 8.6 **Removal and Resignation:** The Board may remove any officer from office, with or without cause, provided that such action shall be without prejudice to the contract rights, if any, of the officer so removed; provided, however, election or appointment of an officer or agent or of the election of any director shall be deemed in and of itself vest contract rights in such person. Any officer may resign at any time by giving written notice to the Board, Such resignation is effective when communicated and delivered unless it specifies a later effective date. Board acceptance of such resignation shall not be required to make it effective.

Section 8.7 **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 his predecessor in office.

Section 8.8 **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 8.5 hereof.

Section 8.9 **Officer Compensation:** No officer shall receive any compensation from the Association merely by virtue of his holding office, but the Board may reimburse any officer for any direct expense incurred in the performance of his authorized duties, and such reimbursement shall be a Common Expense.

Section 8.10 **Duties:** The duties of the officers are as follows:

8.10.1 President: The President, when present, shall preside at all meetings of the Board of Directors; see that Board orders and resolutions are carried out; sign all leases, mortgages, deeds and other written instruments and agreements and co-sign all checks and promissory notes, and, in general, perform all duties incident to the office of President and such other duties as may be prescribed

from time to time by the Board.

8.10.2 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 by the President and/or the Board.

8.10.3 Secretary - Assistant Secretary: The Secretary or Assistant Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and the Association membership; keep and maintain the corporate seal and affix it to all instruments required to be “under seal”; serve all notices required by law and these Bylaws; keep appropriate current records listing all Association Members together with their addresses; and perform such other duties as required from time to time by the President and the Board.

8.10.4 Treasurer: The Treasurer shall have custody of all Association funds and securities which are assets of the Association; receive and deposit in appropriate bank accounts all monies of the Association and disburse such funds as directed by resolution of the Board; countersign (with the President) all checks and promissory notes of the Association; keep proper account books and financial records; and prepare an annual budget and a statement of income and expenditures to be presented to the membership at the annual meeting, and deliver a copy of each to the Members. The Treasurer shall also prepare and file (or cause to be prepared and filed) all reports and returns required by Federal, State or local laws and generally perform all other duties as required from time to time by the President or the Board.

ARTICLE IX COMMITTEES

By resolution adopted by a majority of the number of Directors then in office, the Board may designate one or more committees (collectively, the “**Committee**”) each consisting of two or more Directors. To the extent provided in such resolution, the Committee shall have and may exercise all of the authority of the Board of Directors in the management of the Association, except no committee shall have any authority as to the following matters:

- (1) The dissolution, merger or consolidation of the Association; the amendment of the Articles of the Association; or the sale, lease or exchange of all (or substantially all) of the property of the Association;
- (2) The designation of any committee or the filling of vacancies on the Board of Directors or in any such committee;
- (3) The amendment or repeal of these Bylaws or adoption of new Bylaws; and
- (4) The amendment or repeal of any Board resolution which by its terms shall not be so amendable or repealable.

Any Committee, or any member thereof, may be respectively dissolved, discharged or removed by action of the majority of the Board. Any resolutions adopted or other action taken by the Committee within the scope of authority delegated to it by the Board shall be deemed for all purposes to be adopted or taken by the Board. The Committee shall create their own governing rules subject to Board approval.

**ARTICLE X
BOOKS AND RECORDS**

By appointment during reasonable business hours, the books, records and papers of the Association shall at all times be subject to inspection by any Member or Mortgagee, or their respective duly authorized agent or attorney, for any proper purpose. All Condominium Documents including 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 purchased at a reasonable price. The Board or the Condominium manager, if any, shall keep (i) detailed records of all Board and management action; (ii) the minutes of the Board and Association meetings, and (iii) all financial records, books and accounts of the Condominium, including a chronological listing of receipts and expenditures, charges and amounts levied against each Unit, together with the date when due and payable, the amount paid to date and the remaining unpaid balance (the **"Financial Records"**). The Financial Records shall be available for examination by any Unit Owner or their duly authorized agents or attorneys during business hours by prior arrangement with the Secretary, President or the manager. The Board shall render a written report summarizing all receipts and expenditures of the Condominium covering the Condominium's preceding fiscal year to all Unit Owners on or before the fifteenth (15th) day of the third month following the close of each calendar year and at the Annual Meeting.

**ARTICLE XI
ASSESSMENTS**

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and/or special assessments (in such installments as designated by the Board) which are secured by a continuing lien (the **"Lien"**) upon the Unit against which the assessment is levied. Any assessments not paid when due shall be delinquent. Any assessment not paid within thirty (30) days after the due date shall bear interest from the date of delinquency at the rate of eighteen percent (18%) per annum (or if unlawful, the highest rate of interest permitted by law). Subsequent to sixty (60) days after payment is due, the Association may bring an action at law against the delinquent Owner personally and/or foreclose the Lien, and interest, costs, and reasonable attorneys' fees of any such action shall be added to the delinquent amount owed. No Owner may waive or otherwise escape liability for any assessment by non-use of the Common Elements or abandonment of his Unit.

In any action brought by the Board to foreclose on the Lien because of the unpaid assessments, attendant late fees or other charges due and payable the Association, the Unit Owner shall be required to pay a reasonable rental for the continued use of his Unit, and the Association in such foreclosure action also shall be entitled to the appointment of a receiver to collect such rental. The Board, acting on behalf of all Unit Owners, or on behalf of any one or more individual Unit Owners, shall have the power to purchase such Unit at the foreclosure sale and to acquire, hold, lease, mortgage, vote the votes appurtenant to, convey or otherwise deal with same, subject, however, to applicable restrictions of record. The Association may maintain a suit to recover money judgments for unpaid common charges, attendant late fees and other monies due and payable the Association against any delinquent Owner without the Association first foreclosing the Lien; provided, however, that such action shall not constitute a waiver of the Association's future right to foreclose its Lien in the future.

**ARTICLE XII
ASSESSMENTS FOR DAMAGES AND OTHER FINES**

Section 12.1 **Damages to Common Elements:** If any damage is inflicted or caused to be inflicted to any Common Elements (the **"Damage"**) for which a Unit Owner (or Owners) is legally

responsible and is not covered by insurance provided by the Association (pursuant to § 47C-3-113 of the Act or otherwise) the Association may (i) direct the responsible or otherwise legally liable Unit Owner to repair such damage or (ii) in the alternative, the Association may direct that it undertake the necessary repairs and recover the reasonable costs thereof from the Responsible Owner. In cases where the damage to any Common Element is five hundred dollars (\$500.00) or more, a hearing may be held before an adjudicatory panel consisting of three (3) individual appointed by the Board (the "Panel") to determine whether each allegedly responsible Unit Owner (or his agent or other person under or who should have been under such Owner's control) or the Association is responsible for the Damage. The Panel shall accord the allegedly responsible Owner an opportunity to be heard and to present evidence and notice of the Board's decision. The Panel may also assess liability for any Damage not in excess of five hundred dollars (\$500.00) against each responsible owner. Liabilities of Unit Owners adjudicated responsible for the Damage shall be secured by a lien upon their respective Unit or Units pursuant to § 47C-3-116 of the Act.

Section 12.2 Other Fines: The Panel (as defined in subsection 12.1) shall also have the authority to determine if a Unit Owner should be fined (in an amount not to exceed one hundred fifty dollars (\$150.00)) for a violation of the Declaration, Bylaws or Rules and Regulations of the Association. By himself or any person under his control or who should have been under his control. The Panel shall give the alleged responsible Owner charged with the violation notice of the charge, an opportunity to be heard and to present evidence and notice of the decision. The resulting fine shall be secured by a lien upon the respective Owner's Unit or Units pursuant § 47C-3-116 of the Act.

ARTICLE XIII OPERATION PRIOR TO INITIAL MEETING OF BOARD

Prior to the first meeting of the initial Board of Directors, all Association and Board functions shall be performed and carried out by Declarant or its members, managers, officers, employees and/or agents, as appropriate.

ARTICLE XIV AMENDMENTS

Section 14.1 Amendment by Owners. These Bylaws may be amended by the affirmative vote of the eligible voting Members having at least seventy-five percent (75%) of the Total Association Vote cast in person or by proxy at a meeting duly held in accordance with the provisions of these Bylaws.

Section 14.2 Amendment by Declarant or the Board. Notwithstanding section 14.1, the Declarant, for so long as it controls the Board, and, thereafter, the Board of Directors may amend these Bylaws without the consent of the Unit Owners in order to:

14.2.1 Correct any obvious error or inconsistency in their drafting, typing, or reproduction; and

14.2.2 Conform the these Bylaws to the requirements of any law or governmental agency having legal jurisdiction over the Condominium or to qualify the Condominium or any Units therein for mortgage or improvement loans made or insured by a governmental agency.

Section 14.3 Conflicts. In case of any conflict between the Articles and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control. In all instances, however, the provisions of the Act or any other applicable law

shall supercede any inconsistency.

ARTICLE XV MISCELLANEOUS

Section 15.1 Indemnity: Each person who is or was a director, officer, employee and agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another affiliated corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Association to the maximum extent permitted under North Carolina law against any and all claims and liabilities to which he has or shall become subject to by reason of serving or having served as such director, officer, employee or agent or by reason of any action alleged. In connection therewith, the Association shall reimburse each such person for all expenses, including reasonable attorneys' fees, reasonably incurred by him to the maximum extent permitted by law in connection with any such claim or liability (collectively, the "**Right of Indemnification**"). The Right of Indemnification, however, shall not be exclusive of any rights to which any such Director, officer, employee or agent may be entitled by law, agreement, vote of the Board of Directors or Members or otherwise with respect to any liability or litigation expenses arising out of his activities in such capacity. The Association shall have the power to purchase and maintain fidelity insurance on behalf of any person who is or was a Director, officer, employee or agent of the Association, or who is or was serving at the request of the Association as a Director, officer employee or agent of another affiliated corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability.

Section 15.2 Fiscal Year: The fiscal year of the Association shall begin on the first day of January (the "**Commencement Date**") and end on the 31st day of December of every year, except for the first fiscal year of the Association which shall begin on the date of the Association's incorporation and end on the 31st of December of that calendar year. The Commencement Date may be modified by the Board of Directors should corporate practice subsequently and appropriately dictate.

Section 15.3 Construction and Definitions: Unless the context requires otherwise, the general provisions, rules of construction, and definitions in Chapter 55A of the North Carolina General Statutes and the Declaration shall govern the construction of these Bylaws. Without limiting the generality of the above, the masculine gender includes the feminine and neuter, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both a corporation and a natural person or as otherwise defined in the Declaration. The rules contained in the current edition of Roberts' Rules of Order shall govern the transaction of Association business in all cases in which they are applicable to the extent, and in which they are not inconsistent with these Bylaws, the Articles, the Declaration or any applicable law.

Section 15.4 Waiver of Notice: Whenever any notice is required to be given under the provisions of Chapter 55A of the North Carolina General Statutes, or under the provisions of the Articles, these Bylaws, or the Declaration, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent of the giving and receiving of such notice.

Section 15.5 Distribution of Assets Upon Dissolution: The assets of the Association shall be distributed as provided for in the Articles, the Declaration and the Act.

CERTIFICATION

I, _____, the undersigned, do hereby certify that I am the duly elected and acting Secretary of FOUR CORNERS BUSINESS CENTER CONDOMINIUM ASSOCIATION, INC., a North Carolina nonprofit corporation, and that the foregoing Bylaws constitute the original Bylaws of the Association, as duly adopted by written consent of all Directors of the Association, effective as of the date hereof.

IN WITNESS WHEREOF, I have hereto subscribed my name and affixed the seal of the Association this _____ day of _____, 2006.

FOUR CORNERS BUSINESS CENTER
CONDOMINIUM ASSOCIATION, INC.

By: _____
_____ Secretary