

BY-LAWS OF FOXFIRE MEADOW  
RECREATIONAL ASSOCIATION, INC.

ARTICLE I

Name of Corporation

The name of the corporation is **FOXFIRE MEADOW RECREATIONAL ASSOCIATION, INC.** (hereinafter referred to as the "Corporation").

ARTICLE II

Offices

The principal office of the Corporation in Delaware shall be located in Sussex County. The Corporation may have such other offices, either within or without the State of Delaware, as the directors may from time to time determine.

The Corporation shall have and continuously maintain in Delaware a registered office and a registered agent whose office is identical with such registered office, as required by the General Corporation Law of Delaware. The address of the registered office and the registered agent may be changed from time to time by the directors. The registered office may be, but need not be, identical with the principal office of the corporation in Delaware.

ARTICLE III

Members

Section 1. Membership in the Corporation.

The members of the Corporation shall be every Owner of a Lot, Living Unit or Multifamily Structure (as such terms are defined in the Declaration hereinafter described) of the property (hereinafter referred to as the "Property") subject to the provisions of a Declaration made by Murray's Enterprises, Inc. (hereinafter referred to as the "Developer") dated September 3, 1982, and recorded in the Office of the Recorder of Deeds of Sussex County, in Deed Book 1135, Page 152 through 190; provided, however, that any person or entity who holds merely a lien or security interest on an Owner's interest in a Lot, Living Unit or Multifamily Structure for the performance of an obligation shall not be a member unless and until such person or entity has succeeded to such Owner's interest by enforcement of such lien or security interest.

The Board of Directors of the Corporation may suspend any person from membership in the Corporation during any period of time when such person is in default of any of his

obligations under the Declaration (including, without limitation, the failure to pay any assessment), provided that such default has continued uncured for a period of ten (10) days after written notice thereof to such member.

Section 2. Membership Classes. There shall be the following two classes of voting membership in the Corporation:

(a) The Class A member shall be all Lot and Condominium Unit owners (with the exception of the Developer) who shall be entitled to one (1) vote for each Lot and Condominium Unit. The Class A membership shall be an expanding class and each lot or condominium unit created in the Development shall have created with it mandatory membership as a Class A member in the Association. When more than one person holds an interest in any Lot or Condominium Unit, all such persons shall be members. The vote of such Lot or Condominium Unit 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 or Condominium Unit. Class A members shall be added to the Association in accordance with the number of Condominium Units or Lots created in the Development by the Developer upon the recording of the first deed for each such Lot or Condominium Unit from the Developer to the Owner.

(b) The Class B member shall be the Developer, and shall be entitled to a total number of votes equal to the total number of votes of all Class A members, plus one, so that the Developer will have a number of votes equal to a majority of the total votes of all members of the Association. The Class B membership shall cease and terminate at such time that the Developer owns no land in the Development, but shall, in any case, terminate on the twentieth (20th) anniversary of the date of September 3, 2002.

Section 3. Voting Rights in the Corporation.

The members of the Corporation shall have the right to vote for the election and removal of directors and upon such other matters with respect to which a vote of members is required under the Declaration or under the provisions of the General Corporation Law of Delaware.

## ARTICLE IV

### Meetings of Members

Section 1. Annual Meeting. The annual meeting of the members shall be held on the first Saturday in February of each year commencing with the \_\_\_\_\_. Such annual meetings shall be held for the purpose of such other business as may come before the meeting.

Section 2. Special Meetings. Special meetings of the members may be called by the President, the Board of Directors or, subsequent to the first annual meeting, members of the Corporation holding not less than one-fifth of the votes.

Section 3. Place of Meeting. The Board of Directors may designate any location within Sussex County, Delaware, as the place for any annual meeting or special meeting called by the Board of Directors, and the President may designate any location as the place for any special meeting called by him. If no designation is made or if a special meeting is called by the members of the Corporation, the place of meeting shall be the principal office of the Corporation within Sussex County, Delaware.

Section 4. Notice of Meetings. Written notice stating the place, day, and hour of the meeting, and in case of a special meeting, the purpose or purposes for which the meeting is called, shall be mailed or delivered not less than ten (10) nor more than fifty (50) days before the date of the meeting, either personally or by mail, by or at the direction of the President or the Secretary or the person calling the meeting, to each member of the Corporation at his address as shown on the records of the Corporation. A member may, in writing signed by him, waive notice of any meeting before or after the date of the meeting stated therein.

Section 5. Informal Action by Members. Any action required or permitted by law to be taken at a meeting of the members of the Corporation may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the members of the Corporation, which consent shall be filed with the Secretary of the Corporation as part of the corporate records.

Section 6. Quorum and Manner of Acting. Members or proxies constituting one-tenth (1/10) of the total votes of each class of membership shall constitute a quorum at any meeting unless provided otherwise in the Declaration. The act of a majority of the membership, in interest, present at a meeting at which a quorum is present shall be the act of

the members, unless the act of a greater number is required by law, the Certificate of Incorporation, these By-Laws or by the Declaration.

Section 7. Conduct of Meetings. The directors may make such regulations as they deem advisable for any meeting of the members, including proof of membership in the Corporation, evidence of the right to vote and the appointment and dues of inspectors of votes. Such regulations shall be binding upon the Corporation and its members.

## ARTICLE V

### Directors

Section 1. General Powers. The affairs of the Corporation shall be managed by its directors. The directors shall be members of the corporation, and no more than one director shall be elected from each Phase or Section of Foxfire Meadow. This restriction shall not apply to the Developer, its directors, officers or agents, who may be elected to the Board regardless of whether they own a lot or unit within Foxfire Meadow, or any Phase or Section thereof.

Section 2. Number and Tenure. The number of directors shall be not less than five nor more than eight. At no time shall the number of directors exceed the number of developed phases or sections in Foxfire Meadow. At the first annual meeting the members shall elect one director for a term of one year, two directors for a term of two years and two directors for a term of three years. At each annual meeting thereafter, the members shall elect directors for a term of three years. Any vacancy occurring in the initial or any subsequent Board of Directors may be filled at any meeting of the Board of Directors by the affirmative vote of a majority of the remaining directors, though less than a quorum of the Board of Directors, or by a sole remaining director and, if not previously so filled, shall be filled at the next succeeding meeting of the members of the Corporation. Any director elected to fill a vacancy shall serve as such until the expiration of the term of the director whose position he was elected to fill. Election of directors may be conducted by mail ballot if the Board of Directors so determines.

Section 3. Annual Meetings. Annual meetings of the Board of Directors shall be held annually immediately following the annual meeting of the Members. The Board of Directors may provide by resolution the time and place for

the holding of additional regular meetings of the Board without notice.

Section 4. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two directors by giving notice thereof as provided in Section 5 of this Article V. Such persons calling a special meeting of the Board of Directors may fix any location as the place for holding such special meeting.

Section 5. Notice. When notice of any meeting of the Board of Directors is required, such notice shall be given at least three days previous to such meeting by written notice delivered personally or sent by mail to each director at his address as shown on the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited postage prepaid in the United States mail in a sealed envelope properly addressed. Any director may waive notice of any meeting before or after the time of the meeting stated therein and attendance of a director at any meeting shall constitute a 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 the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law, the Certificate of Incorporation, these By-Laws or the Declaration.

Section 6. Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board; but if less than a majority of the directors are present at said meeting, a majority of the directors present may adjourn the meeting without further notice.

Section 7. Manner of Acting. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 8. Compensation. Directors as such shall not receive any stated salaries for their services, but by resolution of the Board of Directors any director may be reimbursed for his actual expenses incurred in the performance of his duties as director but nothing herein contained shall be construed to preclude any director from serving the Corporation in any other capacity and receiving compensation therefor.

Section 9. Informal Action by Directors. Any action required or permitted by law to be taken at a meeting

of directors may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by a majority of the directors, which consent shall be filed with the Secretary of the Corporation as part of the corporate records.

Section 10. Removal of Directors. Any director may be removed from the Board of Directors, with or without cause, by a majority vote of the members of the Corporation. The vacancy thus created by such a removal shall be filled as provided in Section 2 of this Article V.

## ARTICLE VI

### 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 Areas and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Corporation. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days from infraction of published rules and regulations;

(c) exercise for the Corporation all powers, duties and authority vested in or delegated to the Corporation and not reserved to the membership by other provisions of these By-Laws, the Certificate of Incorporation, or the Declaration; and

(d) employ a manager, an independent contractor, or such other agents or employees as they deem necessary, and to prescribe their duties.

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 and Class B members who are entitled to vote;

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

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

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

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

(3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after the 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 and hazard insurance on property owned or leased by the Corporation;

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

(g) cause the Common Areas to be maintained.

## ARTICLE VII

### Officers

Section 1. Officers. The officers of the Corporation shall be a President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Secretary, and a Treasurer. The Board of Directors may elect such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board of Directors. Any two or more offices may be held by the same person. The President shall be a

director of the Corporation. Other officers may be, but need not be, directors of the Corporation.

Section 2. Election, Term of Office and Vacancies. The officers of the Corporation shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the members as herein set forth in Article IV. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 3. Removal. Any officer may be removed by the Board of Directors whenever, in its judgment, the best interests of the Corporation will be served thereby.

Section 4. Powers and Duties. The officers of the Corporation shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time be specifically conferred or imposed by the Board of Directors, except as otherwise determined by the Board of Directors. The President shall be chief executive officer of the Corporation.

Section 5. Resignation. 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 of the 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.

## ARTICLE VIII

### Committees

Section 1. Committees of Directors. The Board of Directors, by resolution adopted by a majority of the directors in office, may designate one or more committees, each of which shall consist of two or more directors, which committees, to the extent provided in the resolution, shall have and exercise the authority of the Board of Directors in the management of the affairs of the Corporation; provided, however, that no such committee shall have the authority of the Board of Directors as to the following matters: (a) the dissolution, merger or consolidation of the Corporation; the amendment of the Certificate of Incorporation of the Corporation; or the sale, lease or exchange of all or substantially all of the property of the Corporation; (b) the designation of any such committee or the filling of vacancies in the Board of Directors or in any such



committee; (c) the amendment or repeal of these By-Laws or the adoption of new By-Laws; and (d) the amendment or repeal of any resolution of the Board of Directors which by its terms shall not be so amendable or repealable.

Section 2. Other Committees. Other committees not having and exercising the authority of the Board of Directors in the management of the affairs of the Corporation may be designated by a resolution adopted by a majority of directors present at a meeting of which a quorum is present. Such committees shall perform such duties and have such powers as may be provided in the resolution.

Section 3. Rules. Each committee, subject to the approval of the Board of Directors, may adopt rules for its own government not inconsistent with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors.

## ARTICLE IX

### Certificates of Membership, Passes, etc.

The Board of Directors may provide for the issuance of certificates, passes or other documents evidencing membership in the Corporation, which shall be in such form as may be determined by the Board. Such certificates shall be signed by the President or a Vice President and shall be sealed with the seal of the Corporation. Such certificates, passes or other documents shall be signed by the President or a Vice President, or may be in such other form as the Board of Directors shall approve. All certificates evidencing membership shall be consecutively numbered. The name and address of each member and the date of issuance of the certificate shall be entered on the records of the Corporation. If any certificate shall become lost, mutilated, or destroyed, a new certificate may be issued therefor upon such terms and conditions as the Board of Directors may determine.

## ARTICLE X

### Books and Records

The books, records and papers of the Corporation shall at all times be subject to inspection by any member during reasonable business hours. The Declaration, the Certificate of Incorporation and the By-Laws of the Corporation shall be available for inspection and purchase by any member at the principal office of the Corporation.

## ARTICLE XI

### Proxies

Section 1. Each member entitled to vote may vote in person or by proxy at all meetings of the Corporation.

Section 2. All proxies shall be executed in writing by the member or by his duly authorized attorney-in-fact and filed with the Secretary. No proxy shall extend beyond the date of the meeting for which it is given unless such meeting is adjourned to a subsequent date and no proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in the proxy. Any proxy shall automatically cease upon sale by the member of his Lot or Living Unit.

## ARTICLE XII

### Construction

In the event of a conflict between the Declaration and the Certificate of Incorporation or the By-Laws, the Declaration shall control; and in the case of any conflict that the Declaration does not resolve, the Certificate of Incorporation shall control.

## ARTICLE XIII

### Assessments

As more fully provided in the Declaration, each member is obligated to pay to the Corporation annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall, unless waived by the Board of Directors, bear interest from the date of delinquency at the then legal rate of interest in Delaware, and the Corporation may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Areas or abandonment of his Lot, Living Unit or Multifamily Structure.

ARTICLE XIV

Corporate Seal

The Association shall have a seal in circular form having within its circumference the words: Foxfire Meadow Recreational Association, Inc., Corporate Seal Delaware; 1982.

ARTICLE XV

Amendments

These By-Laws may be altered, amended, or repealed and new By-Laws may be adopted, by the Board of Directors, or at a regular or special meeting of the members by a vote of a majority of the votes of the membership of the Corporation.