

BY-LAWS
Hampton Pointe Homeowners'
Association

ARTICLE I - NAME

The name of this organization shall be the Hampton Pointe Homeowners' Association, referred to hereinafter as the Association.

ARTICLE II - PURPOSES

The Association is organized to promote civic programs by which community standards, safety, education, recreation, and welfare may be maintained and improved. The Association is nonprofit, nonsectarian, and nonpartisan.

ARTICLE III - MEMBERSHIP

Section 1. Each purchaser of a Lot, by acceptance of a deed, avails himself or herself to become a member of the Association and to be bound by all its rules and regulations. A Lot, as used hereinafter, shall mean a certain parcel of land situate in Mill Creek Hundred, New Castle Country, State of Delaware, being 23.1 acres, as shown on the Record Major Subdivision Plan of Hampton Pointe, which land is designated for the construction of thirty-six (36) single family dwellings.

Section 2. Lot owners shall be entitled to one vote for each Lot in all matters relating to voting in the Association. There shall be no proxy votes allowed.

Section 3. Membership entitles members to participate in programs sponsored by the Association.

Section 4. Membership is terminated upon ceasing to be a lot owner.

ARTICLE IV - MEMBERSHIP DUES/ASSESSMENTS

Section 1. The Association shall establish an annual assessment as it deems necessary to carry out the purposes of the Association. Lots shall be subject to such annual assessment for the purposes of the Association as outlined in Article II.

Section 2. The Executive Committee, as defined in Article V, shall have the authority to establish the annual assessment at an amount not to exceed One Hundred-Fifty Dollars (\$150.00) per year. Any proposal to exceed such amount must be approved by a majority vote at a general meeting called for this purpose by the

Executive Committee. Written notice of the amount of the proposed increased assessment via newsletter or special flyer, shall be sent to all members at least two weeks in advance of the time set for this meeting.

Section 3. Payment of these assessments is required by October 1st of each year. Members are required to mail their assessment to the Treasurer. Written notification of the collection of assessment shall be distributed via the community newsletter or special flyer at least two weeks prior to the due date.

Section 4. Members shall be personally liable for payment of such assessments for their respective lots.

ARTICLE V - OFFICERS

Section 1. The officers of the Association shall be: President, Vice-President (who shall be President-Elect), Treasurer, and Secretary; provided, however, no two officers may come from a single dwelling lot.

Section 2. The officers shall be responsible for submitting funding requests to the Treasurer at least one month prior to the presentation of the annual budget at the April general membership meeting.

Section 3.

a. The President shall be the chief executive officer of the Association.

b. The President shall preside at all meetings of the Executive Committee and the general membership; see that all acts of the Executive Committee and the general membership are carried out; and formulate temporary special purpose committees to conduct business not covered by the standing committees.

c. The President shall arrange for a special audit in the event of a vacancy of the office of the Treasurer.

d. The President shall be responsible for contacting new residents to acquaint them with the Association and its by-laws. The President shall be responsible for sending appropriate correspondence in the event of the death of a resident.

Section 4. The Vice-President shall perform all the duties of the President in the absence of the President and shall serve on the Architectural Committee. He or she shall be responsible for arranging for and securing the meeting room for the general membership meetings. When the President's term expires at the general meeting of April, the Vice-President will automatically assume the office of President, with the election of a new Vice-President.

Section 5. The Secretary, or a temporary replacement designated by the President, shall keep an accurate record of the proceedings of the Association and the Executive Committee; conduct all correspondence for the Association; read the minutes from previous meetings when requested; maintain secretarial supplies at the expense of the Association; and keep a record of the names and addresses of all lot owners.

Section 6.

a. The Treasurer shall receive and deposit in appropriate bank accounts all of the monies of the Association and disperse said funds as authorized by the Executive Committee.

b. The Treasurer and the President shall co-sign all checks of the Association. In the absence of the President, the Vice-President may co-sign in lieu of the President.

c. The Treasurer shall be responsible for sending at least two written notices, 30 days apart, to members notifying them of their delinquency in payment of assessments. He or she shall also provide the Executive Committee with a list of all delinquent accounts by October 1st of each year.

d. The Treasurer shall keep proper books of account, which shall be provided at the expense of the Association. A report of the accounts shall be rendered at each general membership meeting. A written financial statement of account for the year shall be available at the April general membership meeting for review by the membership.

e. The Treasurer shall submit all records yearly for an audit, 30 days prior to the April general membership meeting. All expenses for such shall be incurred by the Association. The annual audit must be approved by the Executive Committee.

f. The Treasurer shall be responsible for arranging for the annual audit of the Association's books. A member of the Executive Committee may not do the audit.

g. The Treasurer shall prepare a proposed yearly budget to be presented for approval of the members at the April general membership meeting.

ARTICLE VI - EXECUTIVE COMMITTEE

Section 1. The Association shall be governed by an Executive Committee which shall be composed of the four elected officers, as defined in Article V.

Section 2. Members of the Executive Committee shall be elected by a majority of the membership at a general membership meeting held in April of each year. Elected officers shall serve for a term of two years. Such terms shall commence at the close of the April meeting at which their election is announced.

Section 3. An initial Executive Committee shall be elected at a special membership meeting held in _____. To ensure

continuity between succeeding Executive Committee memberships, the initial terms for the elected officers shall be from such special membership meeting to the April meeting in the first or second succeeding years, as follows:

President - First year
Vice-President - Second year
Secretary - First year
Treasurer - Second year,

thereafter, all such elected officers shall serve two years terms.

Section 4. The floor of the April general meeting shall be open for nominations for officers from the general membership. Election of the officers may be by written ballot if requested by the general membership. Lot owners who are not delinquent in their assessments, may cast one ballot per lot.

Section 5. Vacancies in the Executive Committee shall be filled by a vote of the majority of the remaining Executive Committee members. Any such appointed member shall fulfill the remaining term of the officer he or she has replaced. In the case of the President, exception is made; the Vice-President shall assume that office and a new Vice-President appointed as outlined above.

Section 6. No one shall be permitted to run for office who is delinquent in payment of dues or assessment at the time of the election.

Section 7. Upon petition of the majority of the membership present at a general membership meeting stating specific charges against any member of the Executive Committee, a ballot calling for a vote on the proposal for recall of the individual involved must be presented to the Association members present. Recall will be effected if at least two-thirds (2/3) of the membership present approves by secret ballot the proposal for recall.

Section 8. The Executive Committee shall meet as often as deemed necessary, provided it shall meet at least 4 times per year. All meetings of the Executive Committee shall be open to the membership.

Section 9. A majority of the Executive Committee shall constitute a quorum for the transactions of business. Every act or decision done or made by a vote of at least three members of the Executive Committee present at a meeting shall be regarded as an act of the Executive Committee.

Section 10. In the event that any member of the Executive Committee shall be absent from 3 consecutive regularly scheduled meetings of the Executive Committee, the Executive Committee may

by action taken at the meeting during which the said 3rd absence occurs, declare the office of said officer to be vacant.

Section 11. In the interest of efficiency, any member of the Executive Committee, by obtaining prior written approval of at least two other members of the Executive Committee on each matter, shall have the right to take action on that matter, in the absence of an actual meeting of the Executive Committee.

Section 12. The Executive Committee shall have the following powers and duties:

- a. to collect the assessments on individual dwelling lots,
- b. to call meetings of the Executive Committee as often as deemed necessary, provided it shall meet at least 4 times per year,
- c. to exercise for the Association all powers, duties and authority vested in or delegated to the Association, except those reserved to the membership in the Restrictions,
- d. to keep a complete record of all its acts,
- e. to recommend changes in the assessments to the general membership and to call a general membership meeting to vote on these changes,
- f. to issue a receipt, upon written request by a lot owner, for evidence of payment of annual assessments,
- g. to institute action against Members who are delinquent in payment of their assessment,
- h. to approve or reject the annual audit,
- i. to notify a community resident of a complaint against said resident if 3 or more signed written complaints from 3 different lot owners against said resident are received by the Executive Committee. Said resident has the right to know who signed the written complaint against them, and
- j. to function as a nominating committee by recommending candidates for election to the membership at the April meeting as officers for those offices whose terms will be expiring.

ARTICLE VII - STANDING COMMITTEES

Section 1. The standing committees of the Association shall be: Civic, Publicity, Architectural, and Social, and shall be subject to the supervision of the Executive Committee. The committee members shall serve at the pleasure of the Executive Committee.

Section 2. The chairperson shall be responsible for reporting to the Executive Committee on all actions taken by their committee and for supervising the execution of all duties and functions which come under the committee's jurisdiction.

Section 3. Each committee chairperson shall be responsible for submitting funding requests to the Treasurer at least one month

prior to the presentation of the annual budget at the April general membership meeting.

Section 4. The Civic Committee shall keep the Association informed of all matters and legislation pertaining to community civic problems and needs, including any zoning changes that may affect the integrity of the community.

Section 5.

a. The Publicity Committee shall prepare and distribute the newsletter and any additional community notices. Newsletters shall be distributed at least two weeks prior to all general membership meetings. It shall inform members of all activities and functions. If the newsletter contains notification of a meeting, it should set forth, in general, the nature of the business to be transacted at that meeting.

b. The Publicity Committee shall also be responsible for preparing and distributing a community directory upon the request of the Executive Committee if it is deemed appropriate to distribute a community directory to the lot owners. Such lot owners must accept and acknowledge receipt thereof with the understanding that the directory is for the exclusive use of the lot owners and may not be given, copied or otherwise transferred to a third party who is not a member of the Association.

c. The Publicity Committee shall include only items of an informative nature in the newsletter; they should not include editorials.

d. The Publicity Committee shall publish a recent Treasurer's report in the September and March newsletters.

e. The Publicity Committee shall publish a newsletter after each general membership meeting.

Section 6.

a. The Architectural Committee shall be responsible for contacting the proper authorities to see that the streets, gutters, lights, and sewers are properly maintained. It is the responsibility of the Membership to bring such problems to the attention of the committee. Additionally, the Architectural Committee may be assigned other related responsibilities by the Executive Committee.

Section 7.

a. The Social Committee shall promote and conduct recreational activities for the members of the Association and their families, and shall be empowered to collect such sums as are necessary to support the social/recreational activity sponsored by the Association.

b. A budget prepared and approved by the Social Committee listing tentative community events and the cost of the social dues shall be published in the March newsletter.

ARTICLE VIII - BUDGET

Section 1. An initial budget shall be proposed by those volunteers selected at the informal business meeting held July 9, 1994 for presentation to the first general membership meeting. This budget shall be submitted for majority approval at the first general membership meeting.

Section 2. Except for such initial budget, an annual budget shall be proposed by the Treasurer based upon funding requests from the standing committees and the officers. The annual budget shall then be submitted for approval by majority vote at the October general membership meeting.

Section 3. Changes in approved budget expenditures over \$50 must be approved by a majority vote at a general membership meeting. Notification of this vote should be given at least two weeks prior to the meeting at which the vote will take place.

ARTICLE IX - GENERAL MEMBERSHIP MEETINGS

Section 1. Two general membership meetings shall be held each year. They shall be held in April and October. The time and place for these meetings shall be set by the Executive Committee and announced via the newsletter.

Section 2. Special meetings of the general membership for any purpose may be called by the President or by three or more members of the Executive Committee or upon written request containing signatures of 25% of the entire membership. Such petitions and requests for special meetings should be submitted in writing to the President. The President shall notify the Vice-President who will arrange for the meeting place and date. The President shall also notify the Publicity Committee who will publish and distribute a special flyer notifying the members of the meeting.

Section 3. The quorum for a general membership meeting shall be 25% of the lot owners.

ARTICLE X - BOOKS AND PAPERS

The books, records and papers of the Association shall be subject to the inspection of any member during reasonable hours.

ARTICLE XI - MODIFICATION OF BY-LAWS

The by-laws may be amended by the following procedure:

1. The proposed amendment must be published in the Association newsletter or by special flyer distributed to all lot owners at least 14 days prior to a general membership meeting.

2. The amendment shall be presented to those present at the general membership meeting for discussion and modification. A petition containing the exact wording of the amendment shall be prepared.

3. The amendment shall be in effect upon receipt by the Executive Committee of said petition containing signatures of more than 50% of the lot owners. This petition must be presented within 60 days of said general membership meeting in order to be valid.

4. Upon receipt of a qualifying petition, the Executive Committee shall distribute written notification to the lot owners that the amendment has been approved.

ARTICLE XII - DISSOLUTION OF THE ASSOCIATION

Section 1. The Association shall be dissolved by a 2/3 vote, using the procedure outlined in Article XI of the by-laws.

Section 2. On dissolution of the Association, any funds remaining shall be distributed to one or more regularly organized and qualified charitable, educational, scientific, or philanthropic organizations to be selected by the Executive Committee, and which have been qualified as tax exempt organizations under Section 501(c) 3 of the Internal Revenue Code.

ARTICLE XIII - DEED RESTRICTIONS

No action may be taken by the Association that is inconsistent with the deed restrictions duly recorded with the Recorder of Deeds of New Castle County on March 6, 1990, a copy of which is attached hereto as Exhibit C. The restrictions of Exhibit C shall supersede these by-laws in all cases. Should any articles contained in these by-laws appear to contradict the aforementioned restriction, the deed restrictions of Exhibit C shall control.

ARTICLE XIV - FISCAL YEAR

The Fiscal Year of the Association shall be the calendar year.