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AMENDED AND RESTATED BY-LAWS
FOR
WINDING RIVER PLANTATION COMMUNITY ASSOCIATION, INC.

Prepared by **Ward and Smith, P.A.**, University Corporate Center, 127 Racine Drive, Post Office Box 7068, Wilmington, NC 28406-7068

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AMENDED AND RESTATED BY-LAWS
FOR
WINDING RIVER PLANTATION COMMUNITY ASSOCIATION, INC.

ADOPTED AS OF
OCTOBER 1, 2018

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AMENDED AND RESTATED BY-LAWS
FOR
WINDING RIVER PLANTATION COMMUNITY ASSOCIATION, INC.

ARTICLE 1

NAME AND DEFINITIONS

Section 1.1. Name. The name of the association shall be Winding River Plantation Community Association, Inc. (the "Association").

Section 1.2. Definitions. Terms specifically defined in the Declaration of Covenants, Conditions, and Restrictions for Winding River Plantation, as same may be amended from time to time, and including all attachments (hereinafter referred to as the "Declaration") shall have the same meaning in these By-Laws, unless the context shall otherwise prohibit. All other words shall be given their normal commonly understood meaning. The term "By-Laws" as used herein shall include any amendments made, from time to time, to the By-Laws.)

ARTICLE 2

MEMBERSHIP AND VOTING

Section 2.1. Membership. The Owner or Owners automatically shall become members of the Association upon such Person's acquisition of an ownership interest in title to any Unit and may become a member in no other manner. No Person holding a lien, mortgage, or other encumbrance upon any Unit shall be entitled, by virtue of such lien, mortgage, or encumbrance, to membership in the Association or to any of the rights or privileges of such membership.

Section 2.2. Application for Membership. Application for membership shall consist of notice to the Association that the applicant has acquired title to a Unit.

Section 2.3. Transfer of Membership. Memberships are not transferable. Membership occurs only upon the occurrence of those events set out in this Article and the Declaration.

Section 2.4. Suspension or Termination of Membership. The membership rights of a member shall not be suspended so long as the Person continues to hold title to a Unit, is not in violation of any provision of the Declaration, these By-Laws, and any rule or regulation adopted by the Association, and is not in arrears in the payment of any assessment. The membership of any Owner or Owners in the Association shall terminate automatically upon such Owner or Owners being divested of such Person's ownership interest in the title to a Unit, regardless of the means by which such ownership may be divested.

Section 2.5. Vote/Voting Rights. Each Owner(s) (collectively, if applicable) shall have the vote specified in the Declaration. Members shall each be entitled to one (1) vote for each Unit owned; provided, however, when more than one Person holds an interest in any Unit, then all such Persons collectively shall be entitled to one (1) vote for each Unit collectively owned. The vote of such multiple Owners of a Unit shall be exercised as they, among themselves, shall determine (subject to the provisions of Section 2.6(b) below), but in



no event shall any fractional vote be counted with respect to any Unit. Members shall be entitled to vote on all matters as to which members may be entitled to vote under the North Carolina Nonprofit Corporation Act and the North Carolina Planned Community Act, unless specifically provided otherwise in these By-Laws, the Articles of Incorporation, or the Declaration. In addition, members shall have any voting rights as may be specified in the Declaration. Except as specifically stated in Section 2.6 of these By-Laws, the voting rights of members of the Association shall be as set forth in N.C. Gen. Stat. § 47F-3-110.

Section 2.6. Additional Provisions Governing Voting.

(a) Association Votes. If the Association is an owner of a Unit, the Association shall not cast the vote appurtenant to such Unit, nor shall any such vote be counted for the purpose of establishing a quorum.

(b) Multiple-Person Owners. In the event that any Unit is owned by more than one Person, and if only one of such Person is present at a meeting of the Association, that Person so present shall be entitled to cast the vote for that Unit. If more than one of such Persons is present, the vote appurtenant to that Unit shall be cast only in accordance with unanimous agreement of such Persons who are present at the meeting and such agreement shall be conclusively presumed if any of them purports to cast the vote appurtenant to that Unit without protests being made forthwith to the individual presiding over the meeting by any of the other Persons having an ownership interest in the Unit.

(c) Voting Certificate. If a member is not a natural person, the vote by such member may be cast by any natural person authorized by such member. Such natural person must be named and a certificate signed by an authorized officer, partner, member, or trustee of such Person and filed with the Secretary; provided, however, that any vote cast by a natural person on behalf of such member shall be deemed valid unless successfully challenged prior to the adjournment of the meeting at which the vote is cast. Such certificate shall be valid until revoked by a subsequent certificate similarly executed and filed with the Secretary. Wherever the approval or disapproval of a member is required by the Association Documents, such approval or disapproval may be made by any person who would be entitled to cast the vote of such member at any meeting of the Association.

(d) Delinquency. No member may vote at any meeting of the Association or be elected to serve on the Board or be appointed to serve on any committee if payment by such member of any financial obligation to the Association is delinquent more than thirty (30) days and the amount necessary to bring the account current has not been paid by the record date set pursuant to Section 3.7 hereof for the applicable members' meeting (in the case of a member voting or being elected to serve on the Board) or has not been paid by the date of appointment, in the case of appointment to serve on any committee.

Section 2.7. Manner of Voting. Voting by members at a meeting, except for the election of directors which shall be by written ballot, shall be by voice vote or a show of hands unless any member present at the meeting requests, and by an affirmative vote of a majority of the votes cast, the members consent to a vote by written ballots. Except for the election of directors as provided in Section 4.1 herein, if a quorum is present, action on a matter at a meeting of members shall be deemed approved if approved by the affirmative vote of a majority of the votes cast, unless a greater vote is required by the North Carolina Nonprofit Corporation Act, the Association's Articles of Incorporation, the By-Laws, or the Declaration.

Section 2.8. Proxies. Members may vote either in person or by an agent authorized by written proxy signed by the Owner of a Unit. If a Unit is owned by more than one Person, each Owner of the Unit may vote or register protest to the casting of votes by the other Owners of the Unit through a duly executed proxy. A proxy is void if not dated. A proxy shall be valid for eleven (11) months unless a shorter term is provided therein. All proxies shall be filed with the Secretary of the Association. A proxy given by a member may be revoked by such member by giving actual notice of its revocation to the person presiding over a meeting of the Association in oral or written form.

ARTICLE 3

MEETING OF MEMBERS

Section 3.1. Place of Meeting. All meetings of members shall be held at the principal office of the Association or at such other place within Brunswick County, North Carolina as shall be designated in the notice of the meeting.

Section 3.2. Annual Meetings. The annual meetings of members of the Association shall be held at least once a year. The annual meeting of members shall be held at such date and time as may be determined on an annual basis by the Board of Directors and stated in the notice of such members' meeting; provided, however, it must be held during the fourth (4th) quarter of each calendar year. The annual meeting of members shall be held for the purpose of electing directors of the Association, and for such other purposes as may be included in the notice of such meeting.

Section 3.3. Special Meetings. Special meetings of the members may be called at any time by (a) the President, (b) the Board of Directors of the Association, or (c) the holders of at least ten percent (10%) of all the votes entitled to be cast on any issue proposed in such request to be considered at the meeting, and in which case shall be noticed by the Secretary of the Association and the meeting shall be held within thirty (30) days of receipt of a written request signed, dated, and received by the Secretary. The signatures on a petition requesting a special meeting shall be valid for a period of ninety (90) days after the date of the first signature. The member written request for a special meeting shall: (1) specify the purposes for which the meeting is to be held; (2) the purposes listed must be items upon which the members have the right to vote; and (3) be delivered to the Secretary in writing. No business shall be transacted at a special meeting except as stated in the notice.

Section 3.4. Notice of Meetings. Notice of meetings of members shall be given by the President, Secretary, or other person calling the meeting by any means that is fair and reasonable, and for this purpose, written or printed notice stating the time, place, and date of the meeting shall be delivered by hand-delivery, electronic mail, or by United States mail (postage prepaid) not less than ten (10) nor more than sixty (60) days before the date thereof, to each member of record entitled to vote at such meeting, unless the North Carolina Nonprofit Corporation Act or the Association's Articles of Incorporation require that such notice be given to all members with respect to such meeting. If mailed, such notice shall be deemed to be effective when deposited in the United States mail, correctly addressed to the member at the member's address as it appears on the current record of members of the Association, with postage thereon prepaid. For this purpose, a member's address shall be the mailing address of each Unit or to any other mailing address designated in writing by the Owner to the Secretary of the Association. If sent electronically, such notice shall be deemed

effective when sent to the recipient, correctly addressed to the member at the member's email address as it appears on the current record of the members of the Association, without the sender receiving a failed email delivery return notice.

Notwithstanding the foregoing, if the notice provided for the above clearly would not be fair and reasonable under the circumstances then existing, then notice appropriate for the circumstances shall be given; PROVIDED, HOWEVER, THAT notice of a meeting where any of the following matters are to be voted on in all events shall be given as provided in the first paragraph of this Section: (i) director conflict of interest or indemnification, (ii) amendment to the Association's Articles of Incorporation, By-Laws, or Declaration, PROVIDED, HOWEVER, THAT the Declaration shall only be amended pursuant to the Declaration, (iii) plan of merger or dissolution, or (iv) a sale of assets other than in the regular course of the Association's activities; and PROVIDED, FURTHER, HOWEVER, THAT any special notice procedure set forth in the Declaration for any of the foregoing or any other matter shall be followed in addition to the notice provisions set forth herein.

The notice of any meeting shall state the items on the agenda, including a summary or copy of any proposed amendment to the Declaration, the By-Laws, or Articles of Incorporation; any budget changes, and any proposal to remove a director or officer, and shall include any other matters and a copy or summary of any proposed action that expressly is required by the provisions of the North Carolina Nonprofit Corporation Act or the North Carolina Planned Community Act. Only those matters which are stated in the notice may be acted upon at a meeting of members.

Also, notice of an annual, regular, or special meeting of members shall give notice of any matter a member intends to raise at the meeting if the Association receives a written request of any matter the members intend to raise by members entitled to call a special meeting pursuant to Section 3.3 ("Special Meetings") of this Article, and such written request is received by the Secretary or President of the Association at least ten (10) days before the Association gives notice of such meeting.

In the event business cannot be conducted at any meeting of members because a quorum is not present, that meeting may be adjourned to a later date by the affirmative vote of a majority of those present in person or by proxy. If any meeting of members is adjourned by the vote of a majority of votes cast on the motion to adjourn to a different date, time, or place, notice need not be given of the new date, time, or place if the new date, time, or place is announced at the meeting before adjournment and if a new record date is not fixed for the adjourned meeting. If a new record date for the adjourned meeting is or must be fixed pursuant to North Carolina law, notice of the adjourned meeting must be given as provided in this Section to the members of record entitled to vote at the meeting as of the new record date. As is provided in the North Carolina Planned Community Act, the quorum requirement at the next meeting of members, in the event of an adjournment because a quorum is not present, shall be one-half of the quorum requirement applicable to the meeting adjourned for lack of a quorum. This provision will continue to reduce the quorum by fifty percent (50%) from that required at the previous meeting, until such time as a quorum is present and business can be conducted.

Section 3.5. Waiver of Notice of Meetings. Any member may waive notice of any meeting before or after the meeting. The waiver must be in writing, signed by the member, and delivered to the Association for inclusion in the minutes or filing with the corporate records. A member's attendance, in person or by proxy, at a meeting (a) waives

objection to lack of notice or defective notice of the meeting, unless the member or the member's proxy at the beginning of the meeting objects to holding the meeting or transacting business thereat, and (b) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the member or the member's proxy objects to considering the matter before it is voted upon.

Section 3.6. Quorum. Unless provided otherwise by the Association's Articles of Incorporation or these By-Laws, ten percent (10%) of the votes entitled to be cast on a matter, represented in person or by proxy, shall constitute a quorum on that matter at the opening of a meeting of members. Once a member is present or represented by proxy for any purpose at a meeting, such member is deemed present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting unless a new record date (set forth in Section 3.7 below) is or must be set for that adjourned meeting under the North Carolina Nonprofit Corporation Act.

Section 3.7. Record Date to Determine Members and List of Members. The record date for determining which Persons are members and therefore entitled to vote shall be the close of business on the seventieth (70th) day prior to the date of the meeting, unless the Board of Directors shall determine a record date closer to the meeting date. The Board of Directors is not permitted to set a record date retroactively. The membership list shall be current as of the record date. Before each meeting of members, the Association shall prepare an alphabetical list of the members entitled to notice of the meeting and entitled to vote at the meeting, showing each such member's address and the number of votes each such member is entitled to cast at the meeting. As a part of the aforementioned membership list and prepared on the same basis, the Association shall list, current through the time of the membership meeting, a list of members, if any, who are entitled to vote at the meeting, but not entitled to notice of the meeting. The list shall be kept on file at the principal office of the Association for the period beginning two (2) business days after notice of the meeting is given and continuing through the meeting, and shall be available for inspection by any member, personally or by or with such member's representative, at any time prior to the meeting. A determination of members entitled to notice of, or to vote at, a membership meeting is effective for any adjournment of the meeting unless the Board of Directors fixes a new date for determining the right to notice or the right to vote, which the Board of Directors shall do if the meeting is adjourned to a date more than one hundred twenty (120) days after the date fixed for the original meeting.

Section 3.8. Conduct of Meetings. The President shall preside over all meetings of the Association and the Secretary shall keep the minutes of the meetings and record all resolutions adopted at the meetings and proceedings occurring at such meetings. The President may appoint a parliamentarian at any meeting of the Association. The President shall, in his sole discretion, determine the procedural manner in which each meeting shall be conducted and it shall be according to Robert's Rules of Order Newly Revised unless a specific determination is made by the President at the beginning of the meeting otherwise.

Section 3.9. Action by Written Ballot. Any action that may be taken at any annual, regular, or special meeting of Members may be taken without a meeting if the Association delivers a written ballot to every Member entitled to vote on the matter. A written ballot shall: (a) set forth each proposed action, (b) provide an opportunity to vote for or against each proposed action, and (c) indicate the time by which a ballot shall be received by the Association in order to be counted. Approval by written ballot pursuant to this section shall be

valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the same total number of votes were cast. A written ballot may not be revoked.

ARTICLE 4

BOARD OF DIRECTORS

Section 4.1. Number, Election of Directors, and Terms of Office of Directors.

(a) Election of Directors. The number of directors of the Association shall be not less than three (3) and not more than seven (7) as from time to time may be fixed or changed within said minimum and maximum by the members or by resolution of the Board of Directors. Except as provided in Section 4.4 hereof, the directors shall be elected at the annual meeting of members; those persons who receive the highest number of votes by the members entitled to vote in the election at a meeting at which a quorum is present shall be deemed to have been elected. All ties shall be broken by coin-toss. Cumulative voting is not permitted. The Board of Directors of the Association shall be referred to herein from time to time as the "Board".

(b) Terms of Directors. Each newly elected director shall hold office for a term of two (2) years or until such director's death, resignation, retirement, removal, or disqualification. Despite the expiration of a director's term, the director continues to serve as such until the director's successor is elected and qualifies, or there is a decrease in the number of directors. Directors elected to fill a vacancy shall hold the directorship until the expiration of the term of the person they are replacing.

Section 4.2. Election Procedures and Qualifications.

(a) Nominations Committee. Nominations for election to the Board of Directors may be made by a Nominations Committee. If appointed by the Board of Directors, the Nominations Committee shall develop election procedures and administer such procedures as are approved by the Board of Directors providing for election of directors by members at the annual meetings, and, where appropriate, at special meetings. If appointed, the Nominations Committee shall serve from the date of their appointment through the close of the annual meeting or, where appropriate, the special meeting, at which the election for members of the Board of Directors is to be held.

(b) Nominations. Persons qualified to be directors may be nominated for election by the Nominations Committee and the names of such persons nominated shall be submitted in writing to the President of the Association and the Board of Directors forty-five (45) days before the meeting at which the election is to be held. The Nominations Committee may make as many nominations for election to the Board of Directors as it shall in its discretion determine but in no event less than the number of vacancies or terms to be filled. Any written nominations presented by the Nominations Committee shall be accompanied by a statement signed by the nominees indicating the willingness of such nominees to serve as directors. Additional nominations may be made from the floor at the meeting at which the election is held for each vacancy on the Board of Directors. If no Nominations Committee is appointed, nominations for directors may be made by the Board of Directors and/or may be made from the floor by any member at the



meeting at which the election is held for any vacancy on the Board of Directors. Any nominee must either be present at said meeting, and consent to the nomination or have indicated in writing his or her willingness to serve as a director.

(c) Qualifications. No person shall be eligible for election by the members of the Association as a director unless such person is an Owner, legal spouse of an Owner, or is the individual nominee of an Owner which is other than an individual. No Owner or representative of such Owner shall be elected as a director (a) if such Owner is more than thirty (30) days delinquent in meeting any financial obligation owed to the Association, and if such delinquency is not cured by the record date set pursuant to Section 3.7 hereof for such members' meeting in the case of an election of directors, or (b) if the Owner is otherwise in violation of any provision of the Declaration, By-Laws, Articles of Incorporation, or Association Rules and Regulations. In addition, only one (1) Owner or legal spouse of an Owner from each Unit may serve on the Board at the same time.

Section 4.3. Voting, Quorum, and Manner of Acting. Each director shall be entitled to one (1) vote on all matters that come before the Association. A majority of the directors in office immediately before a meeting begins shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. Unless a vote of greater percentage is required by the Association's Articles of Incorporation, these By-Laws, the North Carolina Nonprofit Corporation Act, or the Declaration, the act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. A director who participates in a meeting by any means of communication by which all directors may simultaneously hear each other during the meeting shall be deemed present at a meeting for all purposes.

Section 4.4. Removal or Resignation of Directors and Filling of Vacancies.

(a) Any director may be removed from office at any time with or without cause by at least a majority vote of all members present and entitled to vote at any meeting of members at which a quorum is present. A director may not be removed by the members at a meeting unless the notice of the meeting states that the purpose or one of the purposes of the meeting is the removal of the director so removed. If any directors are so removed, new directors may be elected at the same meeting and the notice of the removal meeting shall include that new directors may be elected at the same meeting.

(b) A vacancy in the Board of Directors caused by a removal of a director by the members shall be filled by a vote of the members. A vacancy among the directors caused by any reason other than the removal of a director by the members shall be filled by the remaining directors at a meeting of the Board of Directors held for such purpose promptly after the occurrence of such vacancy. If the directors remaining in office do not constitute a quorum of the Board of Directors, the directors may fill the vacancy by the affirmative vote of a majority of the remaining directors, or by the sole remaining director, as the case may be. The term of a director elected to fill a vacancy in a directorship elected by members expires at the next election of directors by members, and the term of the director filling any other vacancy expires at the end of the unexpired term that such director is filling.

(c) A director may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. Unless otherwise specified, such resignation shall take effect upon the receipt thereof and the acceptance of such resignation shall not be necessary to make it effective. A director shall be deemed conclusively to have

resigned upon disposition by the Owner of the Unit which made such individual eligible to be a director or upon any other event of disqualification set forth in these By-Laws.

(d) A director may be removed by a majority vote of the Board of Directors if such director has missed three (3) consecutive Board meetings.

Section 4.5. Powers and Duties of the Board of Directors. The business and affairs of the Association shall be managed and directed by the Board of Directors. Except as provided below, the Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Association, including, but not by way of limitation, all powers as set forth in Article 3 of Chapter 55A of the North Carolina General Statutes (North Carolina Nonprofit Corporation Act) and Section-47F-3-102 of the North Carolina Planned Community Act but may not do any such acts and things which are required by the Declaration, the By-Laws, or the Articles to be exercised and done by the members; provided, however, that all such powers, duties, acts, and things shall be exercised consistent with the provisions of the Declaration, the By-Laws, and Articles of Incorporation. The Board of Directors may delegate to one of its members or to a Person employed for such purpose the authority to act on behalf of the Board on such matters relating to the duties of the managing agent (as defined in Section 5.2 hereof), if any, which may arise between the meetings of the Board of Directors as the Board of Directors deems appropriate. In addition to the duties imposed by any other provision of the Declaration or by any resolution of the Association that hereafter may be adopted, the Board of Directors shall perform the following duties and take the following actions on behalf of the Association, subject to any voting rights of the members provided by the Declaration, these By-Laws, and the Articles, or by law:

(a) Provide goods and services to the members in accordance with the Declaration, and shall administer the operation and management of the Association pursuant to the Declaration.

(b) Designate, hire, dismiss, and, where appropriate, compensate the personnel necessary to operate and manage the Common Areas provided in the Declaration, and provide goods and services to the Owners, as provided for in the Declaration, as well as purchase equipment, supplies, and materials to be used by such personnel in the performance of their duties.

(c) Collect the assessments specified in the Declaration, deposit the proceeds thereof in depositories designated by the Board of Directors, and use the proceeds to administer the operation and management of the Common Element to the extent the Association is so authorized by the Declaration.

(d) Adopt, amend, and repeal any reasonable rules and regulations not inconsistent with the Declaration and these By-Laws.

(e) Open bank accounts on behalf of the Association and designate the signatories thereon.

(f) Enforce by legal means the provisions of the Association Documents as are in effect from time to time.



- (g) Act with respect to all matters arising out of any eminent domain proceeding affecting the Common Area.
- (h) Notify the members of any litigation against the Association involving a claim in excess of ten percent (10%) of the amount of the annual budget.
- (i) Obtain and carry insurance pursuant to the Declaration and pay the premiums therefor and adjust and settle any claims thereunder.
- (j) Pay the cost of all authorized goods and services rendered to the Association and not billed to Owners of individual Lots or otherwise provided for in the Declaration.
- (k) Acquire, hold, and dispose of Lots and mortgage the same without the prior approval of the Association if such expenditures and hypothecations are included in the budget.
- (l) Suspend the right of any Owner or other user of a Unit, and the right of such Person's household, guests, employees, customers, tenants, agents, and invitees to use the Common Element, pursuant to the hearing procedure provided in these By-Laws.
- (m) In advance of each fiscal year, the Board of Directors shall cause to be prepared and adopted a proposed budget in compliance with the Declaration. Within thirty (30) days after the adoption of any proposed budget for the Association, the Board shall provide a copy or summary of the budget to all Owners, and shall set a date and give notice for a meeting of the Owners to consider ratification of the budget. The date of the meeting of the Owners to consider ratification of the budget shall be not less than ten (10) nor more than sixty (60) days after the mailing of the copy or summary and notice. There shall be no requirement that a quorum be present at the meeting. The budget is ratified unless at the meeting a majority of all of the Owners of the Association rejects the budget. In the event the proposed budget is rejected, the periodic budget last ratified by the Owners shall be continued until such time as the Owners ratify a subsequent budget proposed by the Board.
- (n) Adopt an annual budget and make assessments (general or special) against the Owners to defray the Common Expenses of the Association pursuant to the Declaration, establish the means and methods of collecting such assessments from the Owners and establish the period of the installment payment, if any, of the assessments for Common Expenses.
- (o) Borrow money on behalf of the Association when required for any valid purpose; provided, however, fifty-one percent (51%) of the members present (in person and by proxy) at a meeting must approving borrowing money for acquiring or constructing any Capital Improvement.
- (p) Enter into contracts to carry out the business and activities of the Association.
- (q) Purchase tools and equipment for maintenance, repair, and replacement of the Common Elements.

(r) Grant easements, rights-of-ways, or licenses over and through the Common Elements pursuant to N.C. Gen. Stat. § 47F-3-102(9).

Section 4.6. Meeting of Directors.

(a) Types of Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the directors; provided, however, such meetings shall be held at least quarterly during each fiscal year. The Board shall hold its first meeting within ten (10) days following each annual meeting of the membership at such time and place as the Board shall fix. Special meetings of the Board of Directors may be called by the President, and shall be called by the President or Secretary upon the written request of at least two (2) directors. At all open meetings, the Board shall provide the Owners an opportunity to attend a portion of a Board Meeting and to address the Board at such meeting. The Board may place reasonable restrictions on the number of persons who speak on each side of an issue and may place reasonable time restrictions on persons who speak. The President or presiding officer may call the Board of Directors into closed session on sensitive matters such as personnel, legal strategy, or hearings with respect to violations of the Declaration or Rules and Regulation. Any final action taken by the Board of Directors in closed session shall be recorded in the minutes.

(b) Notice. Regular meetings of the Board of Directors may be held without notice. The Chairperson, if any, the President, or any two (2) directors may call ~~and call~~ and give notice of a meeting of the Board of Directors. The person or persons calling a special meeting of the Board of Directors, at least four (4) days before the meeting, shall give notice thereof by any usual means of communication, including, but not limited to, electronic mail, personal delivery, first class U.S. mail, postage prepaid, telephone, or fax. Such notice need not specify the purpose for which the meeting is called. Any duly convened regular or special meeting may be adjourned by the directors to a later time without further notice.

(c) Waiver of Notice. Any director may waive notice of any meeting before or after the meeting. The waiver must be in writing, signed by the director entitled to the notice, and delivered to the Association for inclusion in the minutes or filing with the corporate records. The attendance by a director at, or the participation of a director in, a meeting shall constitute a waiver of any required notice of such meeting, unless the director, at the beginning of the meeting (or promptly upon the director's arrival thereat), objects to holding the meeting or to transacting any business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

(d) Conduct of Meetings. The President shall preside over meetings of the Board of Directors and the Secretary shall keep the minutes of the meeting and record all resolutions adopted at the meetings and proceedings occurring at the meetings.

Section 4.7. Action by Directors Without Meeting. Action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if the action is taken by all members of the Board of Directors and evidenced by one or more written consents signed by each director before or after such action, describing the action taken, and delivered to the Secretary of the Association for inclusion in the minutes or filing with the corporate records.

Section 4.8. Teleconference Participation in Meetings. Members of the Board or any committee designated by the Board may participate in a meeting of the Board or committee by means of teleconference or similar communications equipment, by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this Section shall constitute presence in person at such meeting.

ARTICLE 5

MANAGING AGENT

Section 5.1. Compensation. The Board of Directors may employ for the purpose of administering the Association a "managing agent" at a compensation to be established by the Board of Directors. The managing agent shall be a bona fide business enterprise or individual which manages common interest communities. Otherwise, the managing agent may be a full-time employee of the Association who shall organize, staff, train, and administer the in-house personnel solely to perform the managing agent duties set forth below. The Board of Directors shall impose appropriate standards of performance upon the managing agent.

Section 5.2. Duties. The managing agent shall perform such duties and services as the Board of Directors shall direct. Such duties and services may include, without limitation, the duties listed in Section 4.5(a), (b), (c), and (j). However, the Board of Directors may not delegate to the managing agent the powers and duties set forth in Section 4.5(d), (e), (f), (g), (h), (i), (k), (l), (m), (n), (o), (p), (q) and (r). In addition and generally, the managing agent shall perform the obligations, duties, and services relating to the management of the Association in compliance with the provisions of these By-Laws, the Association's Articles of Incorporation, and the Declaration.

ARTICLE 6

OFFICERS

Section 6.1. Designation and Duties of Officers. The principal officers of the Association shall be the President (who shall also serve as Chairman of the Board of Directors), the Vice President, the Secretary, and the Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may also elect an assistant treasurer, an assistant secretary, and such other officers as in its judgment may be necessary. All officers shall be Owners, officers of corporate Owners, partners of partnership Owners, or members of limited liability company Owners and, except for the Treasurer, shall be members of the Board of Directors. Each officer shall perform such duties as are normally associated with such office in parliamentary organizations, except to the extent, if any, inconsistent with the Declaration and these By-Laws, and shall perform such other duties as may be assigned to such office by resolution of the Board of Directors. If any officer is unable for any reason to perform the duties of the office, the President (or the Board of Directors if the President fails to do so) may appoint another qualified individual to act in such officer's stead on an interim basis.

Section 6.2. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board of Directors and shall hold office at the pleasure of the Board of Directors. Any officer may hold more than one position; provided, however, that the offices of President, Vice President,

and Secretary shall be held by three (3) different individuals. Each officer shall hold office for a term one (1) year or until such officer's death, resignation, retirement, removal, or disqualification, or until the election and qualification of such officer's successor. The Board shall hold its first meeting within ten (10) days following each annual meeting of the membership at such time and place as the Board shall fix.

Section 6.3. Removal and Resignation. Any officer or agent may be removed by the Board of Directors at any time with or without cause; but such removal shall be without prejudice to the contract rights, if any, of the person so removed. An officer may resign at any time by notifying the Association in writing of such resignation. A resignation shall be effective upon receipt by the Association unless it specifies in writing a later effective date. In the event a resignation so specifies a later effective date, the Board of Directors may fill the pending vacancy prior to such date; however, the successor to the resigning officer may not take office until the effective date. An officer's resignation does not affect the Association's contract rights, if any, with such officer.

Section 6.4. Vacancies. A vacancy in any office may be filled by appointment by the Board of Directors. The individual appointed to fill a vacancy shall serve for the remainder of the term of the officer such individual replaces.

Section 6.5. President. The President shall be the principal executive officer of the Association and, subject to the control of the Board of Directors, shall supervise and control the management of the Association in accordance with these By-Laws. The President, when present, shall preside at all meetings of members. The President, with any other proper officer, may sign any deeds, leases, mortgages, bonds, contracts, or other instruments which lawfully may be executed on behalf of the Association, except where required or permitted by law otherwise to be signed and executed and except where the signing and execution thereof shall be delegated by the Board of Directors to some other officer or agent. In addition, the President shall prepare, execute, certify, and record amendments to the Declaration on behalf of the Association. In general, the President shall perform all duties incident to the office of President and such other duties as from time to time may be assigned by the Board of Directors.

Section 6.6. Vice President. In the absence of the President or in the event of the President's death, inability, or refusal to act, the Vice President, unless otherwise determined by the Board of Directors, shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President shall perform such other duties as from time to time may be assigned by the President or by the Board of Directors.

Section 6.7. Secretary. The Secretary shall keep the minutes of all meetings of the Association and of the Board of Directors; have charge of such books and papers as the Board of Directors may direct and as may be required by Article 16 of the North Carolina Nonprofit Corporation Act and Article 3 of the North Carolina Planned Community Act; give or cause to be given all notices required to be given by the Association; give each Owner notice of each assessment against such Owner's Unit as soon as practicable after assessment is made; provide for each Owner, upon request, a copy of the rules and regulations of the Association; maintain a register setting forth the place to which all notices to members and First Mortgagees hereunder shall be delivered; make it possible for any member to inspect and copy at reasonable times and by appointment the records of the Association in

accordance with and as required by the North Carolina Nonprofit Corporation Act; and, in general, perform all the duties incident to the office of Secretary.

Section 6.8. Assistant Secretary. In the absence of the Secretary or in the event of the Secretary's death, inability, or refusal to act, the Assistant Secretary, unless otherwise determined by the Board of Directors, shall perform the duties of the Secretary, and when so acting shall have all the powers of and be subject to all the restrictions upon the Secretary. The Assistant Secretary shall perform such other duties as from time to time may be assigned by the Secretary, by the President, or by the Board of Directors.

Section 6.9. Treasurer. The Treasurer shall have custody of all funds and securities belonging to the Association and shall receive, deposit, or disburse the same under the direction of the Board of Directors. The Treasurer shall maintain appropriate accounting records as may be required by law and, in general, perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the President or by the Board of Directors.

Section 6.10. Assistant Treasurer. In the absence of the Treasurer or in the event of the Treasurer's death, inability, or refusal to act, the Assistant Treasurer, unless otherwise determined by the Board of Directors, shall perform the duties of the Treasurer, and when so acting shall have all the powers of and be subject to all the restrictions upon the Treasurer. The Assistant Treasurer shall perform such other duties as from time to time may be assigned by the Treasurer, by the President, or by the Board of Directors.

ARTICLE 7

COMMITTEES

Section 7.1. Nominations Committee. The Board of Directors may establish a Nominations Committee as set forth in Section 4.2(a) of these By-Laws.

Section 7.2. Architectural Review Board. The Declaration sets forth the appointment and the members of the Architectural Review Board of the Association ("ARB"). The ACC shall have the powers as set forth in the Declaration.

Section 7.3. Covenants Committee. In addition to any other committees which the Board may establish pursuant to Section 7.5, the Board may appoint a covenants committee ("Covenants Committee") consisting of at least three (3) and no more than seven (7) members, none of which may be members of the Board of Directors. Acting in accordance with the provisions of the Declaration, these By-Laws, and resolutions the Board may adopt, the Covenants Committee, if established, shall be the hearing tribunal of the Association and shall conduct all hearings as an adjudicatory panel pursuant to N.C. Gen. Stat. §47F-3-107.1. Unit Owners may appeal the decision of the Covenants Committee to the full Board of Directors by delivering written notice of appeal to the Board within fifteen (15) days after the date of the decision. The Board may affirm, vacate, or modify the prior decision of the adjudicatory panel.

Section 7.4. Committees of the Board of Directors. The Board of Directors, by resolution of a majority of the number of directors in office, may designate two or more directors to constitute an Executive Committee and such other committees as the Board of Directors shall deem advisable, each of which, to the extent authorized by the North Carolina

Nonprofit Corporation Act and provided in such resolution, shall have and may exercise all of the authority of the Board of Directors in the management of the Association. Each committee member serves at the pleasure of the Board of Directors. The provisions of these By-Laws governing meetings, action without meeting, notice and waiver of notice, and quorum and voting requirements of the Board of Directors apply to any committees of the Board of Directors established pursuant to this Section. The designation of any committee of the Board of Directors and the delegation thereto of the Board of Directors' authority shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed upon him or her by law.

Section 7.5. Other Committees. Other committees not having and exercising the authority of the Board of Directors in the management of the Association may be designated by resolution adopted by a majority of the directors present at a meeting at which a quorum is present. Such committee shall have such duties and responsibilities as may be set forth in the resolution designating the committee. For committees set up under this Section 7.4 to which decision making authority is delegated by the Board of Directors or in any Association Documents, the provisions of these By-Laws governing meetings, action without meeting, notice and waiver of notice, quorum and voting requirements of the Board of Directors shall apply to any such committees. Further, such committees shall keep a written record of actions taken by such committees. It is provided, however, that the authority of any such committees shall not exceed the power granted to the Association in the Declaration.

ARTICLE 8

INDEMNIFICATION AND OTHER DIRECTOR AND OFFICER ISSUES

Section 8.1. Execution of Documents. Unless as may otherwise be provided in a resolution of the Board of Directors, all agreements, contracts, deeds, leases, checks, and other instruments of the Association for expenditures or obligations for Common Expenses and all checks drawn upon reserve accounts, shall be executed by any two (2) individuals designated by the Board of Directors. Any officer of the Association may be designated by Board of Directors resolution to sign a statement of Common Expenses on behalf of the Association.

Section 8.2. Indemnification. The Association shall indemnify, to the fullest extent permitted by law and this Article, any person who is or was a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding (and any appeal therein), whether civil, criminal, administrative, arbitrative, or investigative and whether or not brought by or on behalf of the Association, by reason of the fact that such person is or was a director, officer, or committee member of the Association, or is or was serving at the request of the Association as a director, officer, partner, trustee, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise or as a trustee or administrator under an employee benefit plan, or arising out of such party's activities in any of the foregoing capacities, against all liability and litigation expense, including reasonable attorney fees; PROVIDED, HOWEVER, THAT the Association shall not indemnify any such person against liability or expense incurred on account of such person's activities which were at the time taken known or believed by such person to be clearly in conflict with the best interests of the Association or if such person received an improper personal benefit from such activities. The Association likewise shall indemnify any such person for all reasonable costs and expenses (including attorney fees) incurred by such person in connection with the enforcement of such person's right to indemnification granted herein.

The Association shall pay all expenses incurred by any claimant hereunder in defending a civil or criminal action, suit, or proceeding as set forth above in advance of the final disposition of such action, suit, or proceeding upon receipt of and undertaking by or on behalf of such claimant to repay such amount unless it ultimately shall be determined that such claimant is entitled to be indemnified by the Association against such expenses.

The Board of Directors of the Association shall take all such action as may be necessary and appropriate to authorize the Association to pay the indemnification required by this Bylaw, including without limitation, (a) a determination by a majority vote of disinterested directors (i) that the activities giving rise to the liability or expense for which indemnification is requested were not, at the time taken, known or believed by the person requesting indemnification to be clearly in conflict with the best interests of the Association and (ii) that the person requesting indemnification did not receive an improper personal benefit from the activities giving rise to the liability or expense for which indemnification is requested, and (b) to the extent needed, giving notice to the members of the Association.

Any person who at any time after the adoption of this Bylaw serves or has served in any of the aforesaid capacities for or on behalf of the Association shall be deemed to be doing or to have done so in reliance upon, and as consideration for, the right of indemnification provided herein. Such right shall inure to the benefit of the legal representatives of any such person and shall not be exclusive of any other rights to which such person may be entitled apart from the provision of this Bylaw.

Section 8.3. Compensation of Directors and Officers. No salary or other compensation shall be paid by the Association to any director or officer of the Association for serving or acting as such, but this shall not preclude the payment of salary or other compensation for the performance by any person serving as a director or officer for services provided to the Association in a capacity other than that of director or officer nor shall it preclude the reimbursement of reasonable, ordinary, and necessary expenses incurred in serving or acting as a director or officer.

ARTICLE 9

BOOKS AND RECORDS

Section 9.1. Maintenance of Books and Records and Financial Review. The Association shall keep books and records as required by Article 16 of the North Carolina Nonprofit Corporation Act. The Association may cause to be adopted procedures for such level of financial review and compilation of the Association as the Board of Directors may determine appropriate, which may include an audit or some lesser level of review. The cost of any such financial review shall be a Common Expense.

Section 9.2. Availability. The books and records of the Association shall be available for inspection by the members and their attorneys and accountants pursuant to the terms and conditions of Article 16 of the North Carolina Nonprofit Corporation Act and Article 3 of the North Carolina Planned Community Act and such rules as established by the Board with respect to time, place, and manner. All directors shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. This right includes the ability to

make copies at the Association's expense, provided the director signs a confidentiality agreement.

Section 9.3. Accounts and Reports.

The following management standards of performance shall be followed unless the Board by resolution specifically determines otherwise:

- (a) Accrual Accounting. Accrual accounting, as defined by generally accepted accounting principles, shall be employed;
- (b) Controls. Accounting and controls should conform to generally accepted accounting principles;
- (c) Cash Accounts. Cash Accounts of the Association shall not be commingled with any other accounts;
- (d) Remuneration. No remuneration shall be accepted by the managing agent from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; anything of value received shall benefit the Association;
- (e) Disclosure. Any financial or other interest which the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board of Directors;
- (f) Financial Reporting Requirements. Financial reports shall be prepared for the Association monthly (such financial statements shall include an income statement reflecting all income and expense activity for the preceding period on an accrual basis and may include such other reports as deemed necessary by the Board); and
- (g) Availability of Reports to Members. An annual financial report shall be made available to all Members within one-hundred-twenty (120) days after the close of the fiscal year. Such annual report may be prepared on an audited, reviewed, or compiled basis, as the Board determines; provided however, upon written request of any holder, guarantor, or insurer of any first Mortgage on a Unit, the Association shall provide an audited financial statement.

Section 9.4. Fiscal Year. The fiscal year of the Association shall be the calendar year unless the Board establishes a different fiscal year by resolution.

Section 9.5. Seal. The corporate seal of the Association shall consist of two concentric circles between which is the name of the Association and in the center of which is inscribed "SEAL"; and such seal, in the form approved by the Board of Directors, shall be adopted by the Board as the corporate seal of the Association.

ARTICLE 10

NOTICES FROM THE ASSOCIATION

Except as specifically provided otherwise in the Declaration, these By-Laws, or the North Carolina Nonprofit Corporation Act, all notices, demands, bills, statements, or other communications shall be in writing and shall be deemed to have been duly given if

delivered personally, electronically, or sent by United States mail, postage prepaid, or if notification is of a default or lien, sent by registered or certified United States mail, return receipt requested, postage prepaid: (a) if to an Owner, at the physical or email address which the Owner shall designate in writing and file with the Secretary or, if no such address is designated, at the address of the Unit of such Owner; and (b) if to the managing agent, at the principal office of the managing agent or at such other address as shall be designated by notice in writing to the Association. If a Unit is owned by more than one Person, each such Person who so designates an address in writing to the Secretary shall be entitled to receive all notices hereunder, otherwise the Person receiving the notice shall have the responsibility for notifying the other Persons comprising the Owner.

ARTICLE 11

AMENDMENTS TO BY-LAWS

These By-Laws may be amended or repealed and new By-Laws may be altered, amended, or repealed at any time by the members and by the Board of Directors pursuant to the applicable provisions of the North Carolina Nonprofit Corporation Act.

Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

Any amendment to these By-Laws shall become effective upon recordation in the Public Records, unless a later effective date is specified in the amendment. Any procedural challenge to an amendment must be made within six months of its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of these By-Laws.

ARTICLE 12

PRIORITY

In the event that any of the provisions of these By-Laws conflict with the provisions of the North Carolina Nonprofit Corporation Act, the provisions of the North Carolina Nonprofit Corporation Act shall control. In the event of any inconsistency between the By-Laws and the Declaration, the Declaration shall control; in the event of any inconsistency between the By-Laws and the Articles of Incorporation, the Articles shall control.

The Board of Directors of the Association hereby certifies that the foregoing By-Laws of the Association were duly approved and adopted by the Board of Directors and duly adopted by the Members via written ballot pursuant to N.C. Gen State § 55A-7-08 on October 1, 2018.



IN WITNESS WHEREOF, the undersigned have executed this certificate as
 of the 1st day of October, 2018.

 C. Lee Burton, Director

STATE OF NORTH CAROLINA
 COUNTY OF Brunswick

I certify that the following person personally appeared before me this day, acknowledging to
 me that he/she signed the foregoing document for the purpose(s) stated therein and in the
 capacity indicated, having been first authorized to do so:

C. Lee Burton

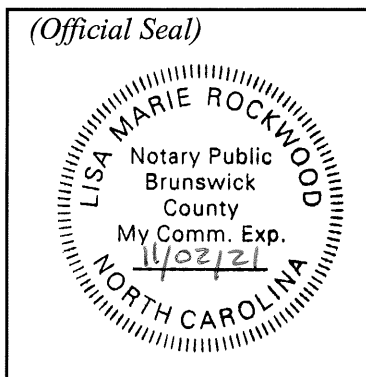
Date October 5, 2018

 Signature of Notary Public

Lisa Marie Rockwood

 Notary's printed or typed name

My commission expires: 11/02/21



Notary seal or stamp must appear within this box.


Richard Banchansky, Director


STATE OF NORTH CAROLINA

COUNTY OF Brunswick

I certify that the following person personally appeared before me this day, acknowledging to me that he/she signed the foregoing document for the purpose(s) stated therein and in the capacity indicated, having been first authorized to do so:

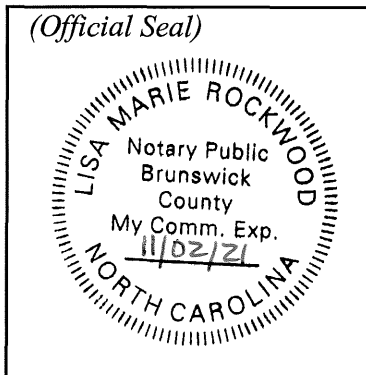
Richard Banchansky

Date October 5, 2018

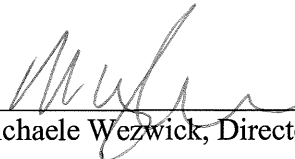

Signature of Notary Public

Lisa Marie Rockwood
Notary's printed or typed name

My commission expires: 11/02/21



Notary seal or stamp must appear within this box.


Michael Wezwick, Director

STATE OF NORTH CAROLINA
COUNTY OF Brunswick

I certify that the following person personally appeared before me this day, acknowledging to me that he/she signed the foregoing document for the purpose(s) stated therein and in the capacity indicated, having been first authorized to do so:

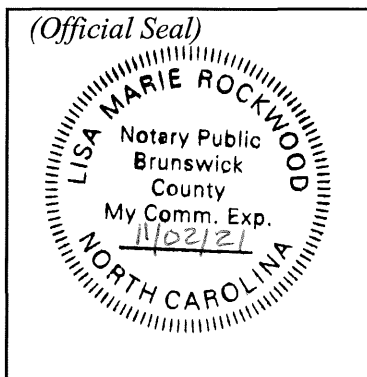
Michael Wezwick

Date October 5, 2018

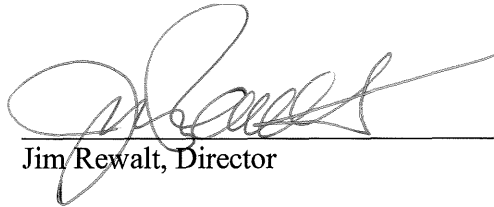

Signature of Notary Public

Lisa Marie Rockwood
Notary's printed or typed name

My commission expires: 11/02/21



Notary seal or stamp must appear within this box.


Jim Rewalt, Director

STATE OF NORTH CAROLINA
COUNTY OF Brunswick

I certify that the following person personally appeared before me this day, acknowledging to me that he/she signed the foregoing document for the purpose(s) stated therein and in the capacity indicated, having been first authorized to do so:

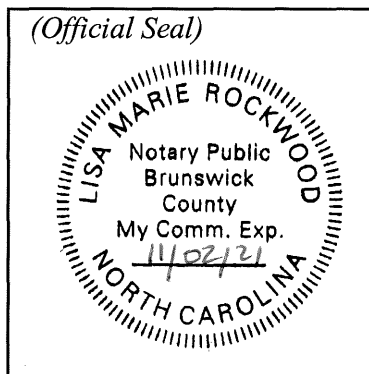
Jim Rewalt

Date October 5, 2018


Signature of Notary Public

Lisa Marie Rockwood
Notary's printed or typed name

My commission expires: 11/02/21



Notary seal or stamp must appear within this box.

Harriette H. Bode
Harriette Bode, Director

STATE OF NORTH CAROLINA
COUNTY OF Brunswick

I certify that the following person personally appeared before me this day, acknowledging to me that he/she signed the foregoing document for the purpose(s) stated therein and in the capacity indicated, having been first authorized to do so:

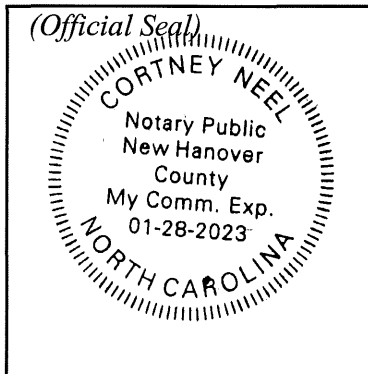
Harriette H. Bode

Date 10/10/2018

Cortney Neel
Signature of Notary Public

Cortney Neel
Notary's printed or typed name

My commission expires: 01/28/2023



Notary seal or stamp must appear within this box.

ND: 4848-2949-6438, v. 1