

BY-LAWS
OF
PLANTATION ESTATES HOMEOWNER'S ASSOCIATION, INC.

A corporation not for profit under
the laws of the State of North Carolina

ARTICLE I

OFFICES

Section 1. Principal Office. The principal office of the corporation shall be located at Swansboro, North Carolina.

Section 2. Registered Office. The registered office of the corporation required by law to be maintained in the State of North Carolina may be, but need not be, identical with the principal office.

Section 3. Other Offices. The corporation may have offices at such other places, either within or without the State of North Carolina, as the Board of Directors may designate or as the affairs of the corporation may require from time to time.

ARTICLE II

MEETINGS OF MEMBERS

Section 1. Place of Meetings. All meetings of members shall be held at the principal office of the corporation, or at such other place, either within or without the State of North Carolina, as shall be designated on the notice of the meeting or as agreed upon by a majority of the members entitled to vote there at.

Section 2. Annual Meetings. The annual meetings of the

members shall be held at one o'clock p.m., on the 4th Saturday of February of each year for the transaction of such business as may be properly brought before the meeting. If the day fixed for the annual meeting shall be a legal holiday, such meeting shall be held on the next succeeding Saturday.

Section 3. Special Meetings. Special meetings of the members may be called at any time by the Chairman, Secretary or Board of Directors of the corporation, or by the members pursuant to the written request of not less than sixty (60) percent of the total membership of the corporation entitled to vote at the meeting.

Section 4. Notice of Meetings. Written printed notice stating the time and place of the meeting shall be delivered not less than five nor more than fifty days before the date of any members' meeting, either personally or by mail, by or at the direction of the Chairman, the Secretary or other person calling the meeting, to each member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail, addressed to the member at his address as it appears on the record of members of the corporation, with postage thereon prepaid.

In the case of a special meeting, the notice of meeting shall specifically state the purpose or purposes for which the meeting is called; but, in the case of an annual meeting, the notice of meeting need not specifically state the business to be transacted there at unless such a statement is required by the provisions of the North Carolina Nonprofit Corporation Act.

Section 5. Voting Lists. At least fifteen (15) days before each meeting of members the Secretary of the corporation shall prepare an alphabetical list of the members entitled to vote at such meeting, which list shall be kept on file at the registered office of the corporation for a period of fifteen days prior to such meeting, and shall be subject to inspection by any of the members at any time during the usual business hours. This list shall also be produced and kept open at the time and place of the meeting and shall be subject to inspection by any member during the whole time of the meeting.

• Section 6. Quorum. Forty (40) percent of the members of the corporation entitled to vote shall constitute a quorum at a meeting of members.

The members present at a duly organized meeting either in person or by proxy may continue to transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

→ In the absence of a quorum at the opening of any meeting of members, such meeting may be adjourned from time to time by a vote of the majority of the members voting on the motion to adjourn; and at any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the original meeting.

Section 7. Proxies. At all meetings of members, a member shall be deemed present and may vote by proxy executed in writing by the member or by his duly authorized attorney in fact. Such proxy shall be filed with the Secretary of the corporation

before or at the time of the meeting.

Section 8. Voting of Shares. Subject to the provisions of Section 4 of Article III, each member is entitled to one vote on each matter submitted to a vote at a meeting of members.

The vote of a majority of the members on any matter at a meeting of members at which a quorum is present shall be the act of the members on that matter, unless the vote of a greater number is required by law, by the charter or by the By-Laws of this corporation.

Section 9. Order of Business. The order of business at all meetings of the members shall be as follows:

- (a) Roll call, unless waived by the majority of the members present.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of Officers.
- (e) Reports of Committees.
- (f) Unfinished business.
- (g) New business.

Section 10. Informal Action by Members. Any action which may be taken at a meeting of the members 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 who would be entitled to vote upon such action at a meeting and filed with the Secretary of the corporation to be kept as part of the corporate records.

ARTICLE III.

BOARD OF DIRECTORS

Section 1. General Powers. The business and affairs of the corporation shall be managed by its Board of Directors.

Section 2. Number, Term and Qualifications. The number of directors constituting the Board of Directors shall be five (5). Each director shall hold office until his death, resignation, retirement, removal, disqualification or his successor shall have been elected and qualified. Directors must be members of the corporation.

Section 3. Election of Directors. Except as provided in Section 5 of Article III, the directors shall be elected at the first meeting of Members during each fiscal year with each member being entitled to cast one (1) vote per seat on the Board; and those persons who receive the highest number of votes shall be deemed to have been elected.

Section 4. Removal. Any director may be removed at any time with or without cause by a majority vote of the remaining directors present at any meeting at which a quorum is present. Notwithstanding the provisions herein set forth, a director who misses three consecutive meetings without being excused, whether such meetings are regular or special meetings shall be removed without the necessity of a formal vote. If any directors are so removed, new directors may be elected at the same meeting.

Section 5. Vacancies. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining directors even though less than a quorum, or by the sole remaining director. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

Section 6. Chairman of Board. There may be Chairman of

the Board of Directors elected by the directors from their number at any meeting of the Board. The Chairman shall preside at all meetings of the Board of Directors and perform such other duties as may be directed by the Board.

Section 7. Compensation. The Board of Directors shall receive no compensation for their services as such but may receive payment of any or all expenses incurred by them. Nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity and receiving compensation therefor.

ARTICLE IV

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. A regular meeting of the Board of Directors shall be held on the first Sunday of each June at 1:00 p.m. at the principal office of the corporation. In addition, the Board of Directors may provide, by resolution, the time and place for the holding of additional regular meetings.

Section 2. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chairman or any two directors. Such a meeting may be held at a place as fixed by the person or persons calling the meeting.

Section 3. Notice of Meetings. Regular meetings of the Board of Directors may be held without notice. The person or persons calling a special meeting of the Board of Directors shall, at least five days prior to the meeting, give notice thereof by any usual means of communication. Such notice need not specify the purpose for which the meeting is called.

Section 4. Waiver of Notice. Any director may waive notice of any meeting. The attendance by a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 5. Quorum. A majority of the number of directors fixed by these By-Laws shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section 6. Manner of Acting. Except as otherwise provided in these By-Laws, 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.

Section 7. Presumption of Assent. A director of the corporation who is present at a meeting of the Board of Directors at which action on any matter is taken shall be presumed to have assented to the action taken unless his contrary vote is recorded or his dissent is otherwise entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

Section 8. Informal Action by Directors. Action taken by a majority of the directors without a meeting is nevertheless Board action if written consent to the action in question is

signed by all the directors and filed with the minutes of the proceedings of the Board, whether done before or after the action so taken.

ARTICLE V

OFFICERS

Section 1. Officers of the Corporation. The officers of the corporation shall consist of a Chairman, a Secretary, a Treasurer and such Vice-Chairman, Assistant Secretaries, Assistant Treasurers, and other officers as the Board of Directors may from time to time elect. Any two or more offices may be held by the same person, but no officer may act in more than one capacity where action of two or more officers is required.

Section 2. Election and Term. The officers of the corporation shall be elected by the Members annually at the first meeting of the Board following the beginning of the fiscal year.

Section 3. Compensation of Officers. Officers of the corporation shall receive no compensation for their services as such.

Section 4. Removal. Any officer or agent elected or appointed may be removed by the Board of Directors whenever in its judgment the best interests of the corporation will be served thereby; but such removal shall be without prejudice to the membership rights, if any, of the person so removed.

Section 5. Bonds. The Board of Directors may by resolution require any officer, agent, or employee of the corporation to give bond to the corporation, with sufficient sureties, conditioned on the faithful performance of the duties of

his respective office or position, and to comply with such conditions as may from time to time be required by the Board of Directors.

Section 6. Chairman. The Chairman shall be the principal executive officer of the corporation and, subject to the control of the Board of Directors, shall in general supervise, and control all of the business and affairs of the corporation. He shall, when present, preside at all meetings of the members. He shall sign, with the Secretary, or Assistant Secretary, or any other proper officer of the corporation hereunto authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-laws to some other officer or agent of the corporation, or shall be required by law to be otherwise signed or executed; and in general he shall perform all duties incident to the office of Chairman and such other duties as may be prescribed by the Board of Directors from time to time.

Section 7. Vice-Chairman. In the absence of the Chairman or in the event of his death, inability or refusal to act, the Vice-Chairman shall perform the duties of the Chairman, and when so acting shall have all the powers of and be subject to all of the restrictions upon the Chairman. The Vice-Chairman may sign, with the Secretary or an Assistant Secretary, such instruments and shall perform such other duties as from time to time may be assigned to him by the Chairman or Board of Directors.

Section 8. Secretary. The Secretary shall:

- (a) Keep the minutes of meetings of members of the Board of Directors and of all Executive Committees in one or more books provided for that purpose;
- (b) See that all notices are duly given in accordance with the provisions of these By-laws or as required by law;
- (c) Be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents the execution of which on behalf of the corporation under its seal is duly authorized;
- (d) Keep a register of the post office address of each member which shall be furnished to the Secretary by such member;
- (e) Sign with the Chairman, or a Vice-Chairman, such instruments as required;
- (f) Have general charge of the membership records of the corporation;
- (g) Keep or cause to be kept in the State of North Carolina at the corporation's registered office or principal place of business a record of the corporation's members, giving the names and addresses of all members and prepare or cause to be prepared voting lists prior to each meeting of members as required by law; and,
- (h) In general perform all duties incident to the Office of Secretary and such other duties as from time to time may be assigned to him by the Chairman or by the Board of Directors.

Section 9. Treasurer. The Treasurer shall:

- (a) Have charge and custody of and be responsible for all funds of the corporation; receive and give receipts for moneys due and payable to the corporation from any source whatsoever, and deposit all such moneys in the name of the corporation in such depositories as shall be selected in accordance with the provisions of these By-laws;
- (b) Prepare, or cause to be prepared, a true statement of the corporation's assets and liabilities as of the close of each fiscal year, all in reasonable

detail, which statements shall be made and filed at the corporation's registered office or principal place of business in the State of North Carolina within four months after the end of such fiscal year and there at kept available for a period of at least ten years; and,

- (c) In general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the Chariman or by the Board of Directors or by these By-laws.

ARTICLE VI

CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the corporation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

Section 3. Checks and Drafts. All checks, drafts or other orders for payment of money, issued in the name of the corporation, shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 4. Deposits. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such depositories as the Board of

Directors may select.

ARTICLE VII.

GENERAL PROVISIONS

Section 1. Seal. The corporate seal of the corporation shall consist of two concentric circles between which is the name of the corporation and in the center of which is inscribed SEAL; and such seal, as impressed on the margin hereof, is hereby adopted as the corporate seal of the corporation.

Section 2. Waiver of Notice. Whenever any notice is required to be given to any member or director by law, by the charter or by these By-laws, a waiver hereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

Section 3. Indemnification. Any person who at any time serves or has served as a director, officer, employee or agent of the corporation, or in such capacity at the request of the corporation for any other corporation, partnership, joint venture, trust or other enterprise, shall have a right to be indemnified by the corporation to the fullest extent permitted by law against:

- (a) Reasonable expenses, including attorney's fees, actually and necessarily incurred by him in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, and whether or not brought by or on behalf of the corporation, seeking to hold him liable by reason of the fact that he is or was acting in such capacity; and,

- (b) Reasonable payments made by him in satisfaction of any judgment, money decree, fine, penalty or settlement for which he may have become liable in any such action, suit or proceeding.

The Board of Directors of the corporation shall take all such action as may be necessary and appropriate to authorize the corporation to pay the indemnification required by these By-laws, including without limitation, to the extent needed, making a good faith evaluation of the manner in which the claimant for indemnity acted and of the reasonable amount of indemnity due him and giving notice to, and obtaining approval by, the members of the corporation.

Any person who at any time after the adoption of these By-laws serves or has served in any of the aforesaid capacities for or on behalf of the corporation 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 provisions of these By-law.

Section 4. Fiscal Year. The fiscal year of the corporation shall end on the 31st day of December of each year.

Section 5. Amendments. Except as otherwise provided herein, these By-laws may be amended or repealed and new By-laws may be adopted by the affirmative vote of the majority of the directors then holding office at any regular or special meeting of the Board of Directors.

The Board of Directors shall have no power to adopt a By-

law prescribing quorum or voting requirements for action by members or directors different from those prescribed by law.

ARTICLE VIII

EARNINGS AND ASSETS

Under no circumstances shall any net earnings or assets of the corporation inure to the benefit of any of its members, officers, directors or any other private individual. In the event that the corporation shall be dissolved or cease to exist for any reason, all remaining assets of the corporation shall be paid to the members to be used for chairtable purposes.