

BYLAWS OF  
WILD DUCK DUNES LAND OWNERS ASSOCIATION, INC.

A NON-PROFIT CORPORATION

ARTICLE I

MEMBERSHIP IN THE CORPORATION

SECTION 1. Membership. The members of the corporation shall consist of all the record owners of lots within the subdivision known as Wild Duck Dunes Land Owners Association, Inc., Dare County, North Carolina. A person, firm, corporation, or any entity capable of holding title to real estate in North Carolina, automatically becomes a member of the corporation upon a deed of conveyance conveying a lot within the subdivision to such person, firm, corporation, or entity being recorded in the Register of Deeds' office of Dare County, or upon the probate of the Will of a deceased owner, the devisees named therein become members or upon the death of an owner intestate, his heirs at law automatically become members.

SECTION 2. Transfer of Membership. Each membership in the corporation shall be appurtenant to lot ownership and no membership shall be transferred or assigned except upon the transfer of the record title to the lot.

SECTION 3. Suspension of Membership. The Board of Directors shall have the authority to suspend a member's membership which in effect shall deny that member the right to vote on any matter requiring a membership vote and further shall deny that member the right to the use of the common properties of the corporation, if that member is in default in the payment of any assessment for common expenses levied by the corporation, and said suspension shall remain in effect until such assessment has been paid.

ARTICLE II

VOTING RIGHTS AND MEMBERS' MEETINGS

SECTION 1. Voting Rights.

a. Each member of the corporation shall have one vote for each lot owned in the subdivision; where any lot is owned as tenants in common or tenants by the entirety or as joint tenants, said tenants may determine between themselves as to how the vote that they are entitled to shall be cast and shall designate one member of the ownership of said lot to vote.

b. All voting rights shall be exercised by ballot at meeting duly assembled provided that written consent may be given by members as to matters that legally come before a meeting; and provided further that members may vote in person or by proxy.

c. Proxies, in order to be accepted as valid at any meeting, must be in writing, and shall have been granted within eleven months prior to the meeting, unless said proxy shall specifically state therein the length of time for which such proxy is to continue in force in which case the proxy shall be valid until the time of expiration set forth therein. Each instrument designating a proxy shall be exhibited to the Secretary of the meeting and shall be filed with the records of the corporation.

SECTION 2. Annual Meetings. Annual meeting of the members shall be held on the second Saturday of the month of April at 11:00 a.m., each year for the purpose of electing Directors and for the transaction of such other business as may be properly brought before the meeting.

SECTION 3. Notice of Annual Meeting. It shall be the duty of the Secretary to cause written notice of each annual meeting, stating the place, day, and hour thereof, to be mailed, or otherwise sent or delivered, not less than seven days next preceding the date of such meeting, to each member of record entitled to vote. Any business may be transacted at such meeting, whether or not it is mentioned in the notice.

SECTION 4. Special Meetings. Special meetings of the members for any purpose or purposes whatsoever may be held at any time whenever called by the President or by the Board of Directors, or by members with at least twenty-five per cent of the voting power of the corporation. Every such call shall be in writing and shall state the purpose or purposes of the meeting.

SECTION 5. Notice of Special Meetings. Written notice of each special meeting, stating the place, day and the hour thereof, and the nature of the business to be transacted shall be mailed or otherwise sent or delivered by the Secretary or other person authorized or required to give such notice, not less than seven days next preceding the date of such meeting, to each member of record entitled to vote.

SECTION 6. Informal Action by Members. Any action which may be taken by the members at a meeting thereof may be taken without a meeting and sent in writing, setting forth the action taken, shall be signed by all of the persons who would be entitled to vote upon such action at a meeting and filed with the Secretary of the corporation. Any consent so filed with the Secretary of the corporation shall be filed in the corporate

minute book in like manner as minutes of a meeting. Any such consent shall have the same force and effect as a unanimous vote of the members.

SECTION 7. Place of Members' Meeting. Annual meetings and special meetings of the members shall be held on the subdivision, provided that the Board of Directors may designate a place upon or in the immediate vicinity of the property within a distance of not more than twenty-five miles from the subdivision as a place in which any annual or special meeting of the members may be held. The Board of Directors may fix a time and place of any such special meeting by resolution, which time and place shall be stated in the notice. In the absence of any designation of another place by the Board of Directors, special meetings shall be held at the subdivision. Members representing a majority of voting powers of the corporation, present in person, or by proxy, shall be requisite to and shall constitute a quorum at all meetings of the members for the transaction of business, except as otherwise provided by law. If, however, members, representing said majority of voting power, shall not be present or represented at any duly called or annual meeting of such members, the holders of a majority of the voting power present in person or by proxy, shall have the power to adjourn the meeting from time to time, until members representing the requisite voting power are present, and such adjournment and the reasons therefor shall be recorded in the minutes of the meeting. Notice of each such adjourned meeting shall be given in like manner as provided in Section 5 hereof for special meetings except that the time thereof may be fore shortened from seven to three days. The holders of memberships representing the majority of the voting power present, in person or by proxy, shall have the power of adjournment even though a quorum be present. The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal from the meeting of voting power to leave less than a quorum.

SECTION 8. Address of Members. It shall be the duty of each member to keep the corporation advised as to his, her, or its correct address from time to time.

### ARTICLE III

#### BOARD OF DIRECTORS

SECTION 1. Powers. The property, affairs, and business of the corporation shall be managed by the Board of Directors.

SECTION 2. Number, Term of Office, and Qualifications. The number of directors shall be determined by the membership from year to year, but in no event shall be fewer than three or more than seven. Each director shall continue in office until the

annual meeting of the members held next after his election and until his successor shall have been elected and qualified, or until his death, or until he shall resign, or shall have become disqualified or shall have ceased to become a member of the corporation.

Directors need not be residents of the State of North Carolina.

SECTION 3. Election of Directors. The directors may be elected at the annual meeting of the members.

SECTION 4. Place of Meeting. The Board of Directors may meet at the subdivision or such convenient place as may be designated from time to time for any or all such meetings by resolution of the Board designating the place for meetings so provided, any meeting may be held either at such place or at the principal office as determined by call or notice of the particular meeting. All meetings shall be held at the designated place, or in the absence of such designation, at the subdivision.

SECTION 5. Vacancies. All vacancies in the Board of Directors, occasioned by the removal of a director, death of a director or resignation of a director may be filled by a majority of the remaining directors. Each director so appointed shall hold office thenceforth for the remainder of the unexpired term and until the election of his successor.

SECTION 6. Organization Meeting. Immediately after the annual meeting of the members and immediately after any meeting of the members at which the directors shall have been elected (or appointed), the directors shall meet without notice for the election of officers and the transaction of any other business. Pending such meetings, all officers shall hold over, except any officer required by law or by these bylaws to be a director and who would not be re-elected to the Board of Directors.

SECTION 7. Regular Meetings. Regular meetings of the Board of Directors shall be held at such time as the Board may fix by resolution from time to time; and, if any day so fixed shall fall upon a legal holiday, then upon the next meeting business day at the same hour. No notice of any regular meeting of the Board of Directors need be given.

SECTION 8. Special Meetings. Special meetings of the Board of Directors shall be held whenever called by the President, or any Vice President, or by any two members of the Board of Directors.

SECTION 9. Notice of Special Meetings. Notice of time and place of each special meeting of the Board of Directors may be given personally by word of mouth or mailed or telegraphed to each director at least two days before the date of the meeting. No notice of the object or purpose of any special meeting of the

Board of Directors need be given, and unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting.

SECTION 10. Consent of Meetings. The transaction of any meeting of the Board of Directors, however, called and noticed or wherever held, shall be valid as though had at a meeting duly held after regular call and notice, if a quorum be present and if either before or after the meeting, each of the directors, including those not present, signs a written waiver of notice of a consent to holding such meeting or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

SECTION 11. Quorum. A majority of the Board of Directors shall be necessary and sufficient to constitute a quorum for the transaction of business. A majority of the directors present at any meeting of the Board, whether a quorum shall be present or not, may adjourn the meeting from time to time, provided that no such adjourned meeting shall be held unless and until notice has been given as provided for special meetings in this Article, and provided further that the time so fixed shall not extend beyond the time for the next regular meeting of the Board.

SECTION 12. Compensation of Directors. The Board of Directors may not cause the corporation to compensate directors for their services as directors, but it may provide for the payment by the corporation of all expenses incurred by directors in attending regular and special meetings of the Board, provided, however, that nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity and receiving compensation therefor.

SECTION 13. Qualifications. Each director shall be a member of the corporation.

#### ARTICLE IV

##### OFFICERS

SECTION 1. Officers. The officers of the corporation shall be a President, a Vice President, a Secretary, and a Treasurer. The officers shall be directors. Any two offices, or more be held by one person, except the office of President and Secretary, but no officer shall sign or execute any document in more than one capacity.

SECTION 2. Election, Term of Office, and Qualifications. Each officer shall be chosen by the Board of Directors and shall hold office until the annual meeting of the Board of Directors is held next after his or her election, or until his or her

successor shall have been duly chosen and qualified, or until death or until resignation or shall have been disqualified or shall have been removed from office.

SECTION 3. Subordinate Officers. The Board of Directors may elect or authorize the appointment of such other officers as the business of the corporation may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided in the Bylaws or as the Board of Directors may from time to time authorize or determine. The Board of Directors shall have the power to appoint the Architectural Committee, if any, whose duties shall be governed by the Declaration of Protective Covenants.

SECTION 4. Removal and Resignation. Any officer may be removed, either with or without cause, by the majority of the directors at the time in office, at any regular or special meeting of the Board.

SECTION 5. Resignation. Any officer may resign at any time by giving a written notice to the Board of Directors or to the President or to the Secretary of the corporation. Any such resignation shall take effect upon its being accepted by the Board of Directors.

SECTION 6. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other cause, shall be filled in the manner provided or authorized herein for regular elections or appointments to such office.

SECTION 7. President. The President shall be the chief executive officer of the corporation and shall, subject to control of the Board of Directors, have general supervision, direction, and control of the affairs and other officers of the corporation. He shall preside at all meetings of the members and all meetings of the Board of Directors and shall have the general powers and duties of management usually vested in the office of president of a corporation and shall have such other powers and duties as may be prescribed by the Board of Directors and by the Bylaws.

SECTION 8. Vice President. In the absence or disability of the President, the Vice President shall perform all 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. The Vice President shall have such other powers and perform such other duties as from time to time may be prescribed for him, respectively, by the Board of Directors or by the Bylaws.

SECTION 9. Secretary. The Secretary shall keep or cause to be kept a book of minutes of the corporation of all meetings of directors and members, with the time and place of holding,

whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at directors' meetings, the number of memberships, and votes present or represented at members' meetings, and all the proceedings thereof.

The Secretary shall also keep or cause to be kept a membership register showing the names of the members and the number of votes to which each respective member is entitled which said list shall be kept at a place designated by the Board of Directors with notice to members of the corporation as to its whereabouts.

The Secretary shall give or cause to be given notice of all meetings by the members and of the Board of Directors required by the Bylaws or by law to be given and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or by the Bylaws.

SECTION 10. Treasurer. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, and losses. The Treasurer shall also maintain complete records of all assessments and charges levied and the liens securing same under and pursuant to the provisions of any declaration of restrictions, the amounts thereof, the properties against which the same have been assessed, the dates upon which the same are due, and upon which the same are delinquent, and a record of the payments thereof, as well as a record of notices of delinquency which have been recorded pursuant to any declaration of restrictions.

The Treasurer shall deposit all monies and other valuables in the name and to the credit of the corporation with such depositaries as may be designated by the Board of Directors. The Treasurer shall disburse the funds of the corporation as may be ordered by the Board of Directors, shall render to the President and directors, whenever they request it, an account of all of the Treasurer's transactions and of the financial condition of the corporation, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or by the Bylaws.

## ARTICLE V

### GENERAL PROVISIONS

SECTION 1. Corporate Seal. The corporate seal shall be in such form as shall be approved from time to time by the Board of Directors.

SECTION 2. Fiscal Year. The fiscal year of the corporation shall be established by resolution of the Board of Directors.

SECTION 3. Dividends. No dividend shall be paid and no part of the income of the corporation shall be distributed to the members, directors, or officers.

SECTION 4. Stock. The corporation shall not have nor shall issue shares of stock.

SECTION 5. Waiver of Notice. Whenever any notice is required to be given to any member or director under the provisions of the North Carolina Non-Profit Corporation Act or under the provisions of the Charter or Bylaws of this corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

SECTION 6. Inspection of Books and Records. Any member, his authorized agent, or attorney has the right to inspect all the books and records of the corporation for any proper purpose at any reasonable time.

SECTION 7. Amendments. Except as otherwise herein provided, these Bylaws may be amended or repealed and new Bylaws may be adopted by the affirmative vote of those persons representing a majority of the membership in the corporation. All members of the corporation shall be bound by any amendment enacted as herein specified when the same is fully passed and set forth in an amended declaration.

SECTION 8. This corporation is organized on a non-profit basis for the use and benefit of its members and consequently will not have profits from which to pay dividends. After all expenses of the corporation have been paid and a reasonable reserve as determined by the Board of Directors has been set aside, the net earnings of the corporation shall be accumulated and a surplus fund for the purposes of replacing, enlarging, and extending and repairing the recreational facilities, streets and roads, and the common properties of the corporation and for such other purpose as the Board of Directors may determine to be for the best interest of the corporation. The said surplus funds or any portion thereof may from time to time, at the discretion of the Board of Directors, be distributed to the members as provided in the Bylaws, on the basis of assessment and charges made and levied against and paid by such members during the year.