

B: 1916 P: 147

12/17/2012 11:23 AM

Doc Code: BYLAW

Vanzolla McMurrin-Smith, Register of Deeds Dare CO, NC

Doc Id: 6320922

Receipt #: 12-16476

BYLAWS OF
PAMLICO POINT CONDOMINIUM ASSOCIATION (PPCA)
A NORTH CAROLINA UNINCORPORATED ASSOCIATION

THE UNIT OWNERS ASSOCIATION OF
PAMLICO POINT CONDOMINIUM
IN DARE COUNTY, NORTH CAROLINA
ADOPTED 1987 (Bk 547 Pgs 0533-0547)
AMENDED AND ADOPTED APRIL 2012

6320922 B: 1916 P: 147 Page 1 of 15 12/17/12 11:23 AM



Return to; and Prepared by
William M. Shufflebarger, pres., PPCA
1311 Woodward Drive
Carlisle PA 17013

BYLAWS
TABLE OF CONTENTS

<u>ARTICLE</u>	<u>SECTION</u>
I	NAME AND LOCATION
II	DEFINITIONS
III	MEMBERSHIP
IV	MEETINGS 4.1 Unit Owner Meetings 4.2 Executive Board Meetings 4.3 Robert's Rules
V	MANAGEMENT OF THE CONDOMINIUM 5.1 Managerial Powers of the Executive Board 5.2 Duties 5.3 Qualifications of the Executive Board 5.4 Nomination of members of the Executive Board; and Association Officers 5.5 Election of Members and Association Officers 5.6 Number, Terms, and Descriptions of Officers and Board Members 5.7 Vacancies 5.8 Compensation 5.9 Committees of the Board of Directors
VI	POWERS AND DUTIES RESERVED FOR UNIT OWNERS 6.1 Election of Association Officers and Board Members (aka Executive Board) 6.2 Removal 6.3 Qualifications 6.4 Monthly Management Fee 6.5 Annual Budget 6.6 Challenging Amendments to Bylaws
VII	ASSESSMENTS, LIENS AND PENALTIES 7.1 Assessments for Common Expense 7.2 Lien for Assessments 7.3 Responsibility for Maintenance 7.4 Damage Caused by Unit Owners to Common Elements 7.5 Damage to Units Caused by an Agent of the Association 7.6 Adjudicatory Panel 7.7 Procedures for Fines and Suspension of Condo Privileges and Services
VIII	OFFICERS 8.1 President 8.2 Vice President 8.3 Treasurer 8.4 Secretary 8.5 Board Members (non-officers) 8.6 Business Manager 8.7 Bonds
IX	MISCELLANEOUS 9.1 Fiscal Year 9.2 Inspection of Books and Records 9.3 Indemnification 9.4 Waiver of Notice

9.5 Amendment
9.6 Self-Dealing
9.7 Conveyance or Encumbrance of Common Elements

X

RULES

10.1 Entertaining
10.2 Parking Automobiles, Boats, and Rvs
10.3 Personal Property
10.4 Pool Area
10.5 General
10.6 American and State Flags and Political Signs

BYLAWS OF
PAMLICO POINT CONDOMINIUM ASSOCIATION

ARTICLE I

NAME AND LOCATION

The name of the Association is the Pamlico Point Condominium Association. The principal office of the association shall be located at the Pamlico Point Condominium, Village of Avon, N.C. 12, Hatteras Island, Dare County, North Carolina, but annual meetings of the Unit Owners may be held at such places within the State of North Carolina, County of Dare, as may be designated by the Executive Board. Special meetings of the Board may be held at the same location, or held electronically throughout the year.

ARTICLE II

DEFINITIONS

Section 2.1 "Declaration" shall mean that certain Declaration of Condominium for Pamlico Point Condominium recorded in Book 547, Page 0536, Dare County Registry, and such amendments to said Declaration as are duly filed for record in the Dare County Registry.

Section 2.2 The terms defined in Article I of the Declaration, or 47C-1-103 of the North Carolina Condominium Act, shall have the same meanings as set forth therein in the Bylaws.

ARTICLE III

MEMBERSHIP

An owner of the condominium unit shall automatically become a member of the Association upon taking title to the condominium unit and shall remain a member for the entire period of ownership. If title to a condominium unit is held by more than one person, the membership shall be shared in the same proportion as the title, but there shall be only one membership per condominium unit. Membership does not include a mortgagee, and the giving of a mortgage shall not terminate the unit owner's membership. Membership shall be appurtenant to the condominium unit to which it appertains, shall be transferred automatically by conveyance of that condominium unit, and may be transferred only in connection with the conveyance of title of that condominium unit.

ARTICLE IV

MEETINGS

Section 4.1 Unit Owner Meetings. A meeting of the association shall be held at least once each year on the first Saturday in May at 11:00 a.m. EST, unless the date is changed by a majority vote of members at the annual meeting; at a condominium unit designated by the President. Special meetings of the association may be called by the president, a majority of the executive board, or by unit owners having sixty-six percent (66%) of the vote of the association. Not less than 10, or more than 50 days before any meeting the secretary or president shall have notice of the meeting hand delivered, or sent prepaid by US mail to the mailing address of each unit owner, or sent by electronic means, including by electronic mail over the Internet, to an electronic mailing address designated in writing by the unit owner. The notice of any meeting must state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the declaration or bylaws, any budget changes, and any proposal to remove a board member or officer.

4.1.1 A passing vote necessitates the presence of a quorum and a simple majority vote of meeting attendees and their proxies; ties fail passage. The order of business, president presiding, will be:

- (a) Call to order; Call of roll; and certifying proxies.
- (b) Proof of notice of meeting, as noted in bylaws, or waiver of notice
- (c) Reading and disposal of any unapproved minutes
- (d) Unfinished business
- (e) New business, including budget review and election of board/officers
- (f) Adjournment

Section 4.2 Executive Board Meetings. Meetings of the executive board shall convene twice a year in July and January by electronic mail, or, if practical, at the Condominium. A board meeting might convene by electronic mail in the event of an

emergency at the call of the president. Proposals arising at such meetings will be disseminated to all unit owners by electronic mail or US Mail for their input before final action is conducted on any issue. All actions will be disposed of within two weeks of delivery.

Section 4.3 Robert's Rules. Unless otherwise provided for in the bylaws, meetings of the association and executive board shall be conducted in accordance with the most recent edition of *Robert's Rules of Order Newly Revised*.

Section 4.4 Quorum

4.4.1 Quorum for Unit Owners' Meeting.

A quorum is deemed present throughout any meeting of the association if persons entitled to cast twenty percent (20%) of the votes which may be cast for election of the executive board are present or by proxy at the beginning of the meeting.

4.4.2 Quorum for Executive Board Meeting.

A quorum is deemed present throughout any meeting of the executive board of persons entitled to fifty percent (50%) of the votes on that board are present at the beginning of the meeting.

Section 4.5 Voting and Proxies

4.5.1 Multiple Owners. If only one of the multiple owners of a unit is present at a meeting of the association, that person is entitled to cast all the votes allocated to that unit. If more than one of the multiple owners are present the votes allocated to that unit may be cast only in accordance with the agreement of a majority in interest of the multiple owners, unless the declaration or bylaws expressly provides otherwise. Majority agreement is conclusively presumed if any one of the multiple owners casts the votes allocated to that unit without protest being made promptly to the person presiding over the meeting by any of the other owners of the unit.

4.5.2 Unit Votes. Votes allocated to a unit may be cast pursuant to a proxy duly executed by a unit owner. 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 unit owner may not revoke a proxy given pursuant to this section except by written notice of revocation delivered to the person presiding over a meeting of the association. A proxy is void if it is not dated. A proxy terminates one year after its date, unless it specifies a shorter term. Proxies count toward quorum.

4.5.3 Association Owned Units. No votes allocated to a unit owned by the association may be cast.

ARTICLE V

MANAGEMENT OF THE CONDOMINIUM

The Association shall be managed by the condominium membership. The membership of the Association at all times shall consist exclusively of all the unit owners, or following the termination of the condominium, of all persons entitled to distributions of proceeds under Section 47C-2-118 of the North Carolina Condominium Act. In either case, the executive board is conferred certain powers by the Association's unit owners, hereafter noted. The association shall be organized as a profit or nonprofit corporation or as an unincorporated nonprofit association.

Section 5.1 Managerial Powers of the Executive Board. Except as provided in the declaration, the bylaws, or subsection (b) or other provisions of this chapter, the executive board may act in all instances on behalf of the association. In the performance of their duties, the officers and members of the executive board shall be deemed to stand in fiduciary relationship to the association and the unit owners and shall discharge their duties in good faith, and with that diligence and care which ordinarily prudent persons would exercise under similar circumstances in like positions. Unless the declaration expressly provides to the contrary, the association, even if unincorporated, may:

1. Adopt and amend bylaws and rules and regulations;
2. Adopt and amend budgets for revenues, expenditures, and reserves and collect assessments for common expense from unit owners;
3. Hire and terminate managing agents and other employees, agents, and independent contractors;
4. Institute, defend, or intervene in its own name in litigation or administrative proceedings on matters affecting the condominium;
5. Make contracts and incur liabilities;
6. Regulate the use, maintenance, repair, replacement, and modification of common elements;
7. Cause additional improvements to be made as a part of the common elements;
8. Acquire, hold, encumber, and convey in its own name any right, title, or interest to real or personal property, provided that common elements may be conveyed or subjected to a security interest only pursuant to G.S. 47C-3-112;
9. Grant easements, leases, licenses, and concessions through or over the common elements;

10. Impose and receive any payments, fees, or charges for the use, rental, or operation of the common elements other than limited common elements described in subsections 47C-2-102 (2) and (4) and for services provided to unit owners;
11. Impose charges for late payment of assessments, other than the monthly management fee (see section 7.1.1), not to exceed the greater of twenty (\$20.00) per month or ten percent (10%) of any assessment installment unpaid and, after notice and an opportunity to be heard, suspend privileges or services provided by the association (except rights of access to lots) during any period that assessments or other amounts due and owing to the association remain unpaid for a period of 30 days or longer, and levy reasonable fines not to exceed one hundred dollars (\$100.00) (G.S. 47C-3-107.1) for violations of the declaration, bylaws, and rules and regulations of the association.
12. Impose reasonable charges for the preparation and recordation of amendments to the declaration, resale certificates required by G.S. 47C-4-109, or statements of unpaid assessments;
13. Provide for the indemnification of and maintain liability insurance for its officers, executive board, directors, employees and agents;
14. Assign its right in future income, including the right to receive common expense assessments.
15. Exercise all other powers that may be exercised in this State by legal entities of the same types as the association; and
16. Exercise any other powers necessary and proper for the governance and operation of the association.

Section 5.2 Duties

It shall be the duty of the Executive Board to:

- (a) Cause to be kept a complete record of all its acts and affairs and to present a statement thereof to the unit owners at the annual meeting of the unit owners, or at any special meeting which such statement is requested in writing by one-fourth (1/4) of the unit owners who are entitled to vote;
- (b) Supervise all officers, agents and employees of the Association, and to see that their duties are properly performed;
- (c) As more fully provided in the Declaration to:
 - (1) Fix the amount of the monthly assessment (aka monthly management fee) against each condominium unit at least thirty (30) days in advance of each monthly assessment period;
 - (2) Send written notice of each change in the monthly assessment to every owner subject thereto at least thirty (30) days in advance of each monthly assessment period; and
 - (3) Foreclose the lien against any condominium unit for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same in accordance with and as authorized by the Declaration.
- (d) Issue or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (e) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate, unless the Executive Board shall, in their sole discretion, waive the requirement for said bond;
- (f) Cause the Common Elements to be maintained;
- (g) To perform all other duties imposed by the Declaration (if any);
- (h) Procure adequate property and liability insurance coverage, notify each unit owner by United States mail in the event that such insurance coverage is lapsed or cancelled; and to otherwise maintain any provision of Section 47C-3-113, North Carolina Condominium Act.
- (i) Keep financial records sufficiently detailed to enable the Association to comply with the North Carolina Condominium Act, Chapter 47C of the N.C. General Statutes. All financial and other records shall be made reasonably available for examination by any unit owner and his authorized agents, provided that if it is necessary for the custodian of the records to produce and mail photocopies, the charge to the recipient by the Association will be twenty-five cents (.25) per one-sided copy and postage amount and any copies scanned and delivered electronically by the custodian on personal equipment will be twenty-five cents per one sided copy to the recipient, due to the Association; and
- (j) To perform such other duties as imposed by the Declaration and Bylaws.

Section 5.3 Qualifications of the Executive Board. Officers and members of the board must be unit owners.

Section 5.4 Nomination of Members of the Board; and Association Officers. Members of the board, including association officers will be nominated by voice or proxy at the annual unit owners' meeting, the first Saturday in May.

Section 5.5 Election of Members and Association Officers. Members of the board, including association officers will be elected by majority of the attending quorum on paper ballot or proxy at the annual unit owners' meeting.

Section 5.6 Number, Terms, and Descriptions of Officers and Board Members. The Executive Board includes at least three (3) officers and as many as two (2) unit-owner board members who do not serve as officers. At no time will there be less than three (3) members of the executive board. Board members include the president of the association, the vice president, the treasurer, and two at-large board members. Should a majority of unit owners present the motion, a separate officer may be nominated and elected

as Secretary of the Association, adding a sixth member to the executive board. All board members/officers will be nominated and elected by paper ballot at the annual meeting and serve for one year, beginning with the annual meeting in May. The Treasurer will tally the votes.

Section 5.7 Vacancies. The board may remove an officer or board member, with or without cause, from the executive board by majority vote. If the member's seat is absent from three regular meetings, a replacement may be elected by a majority of the board, but the replacement must be reelected at the subsequent annual meeting to maintain a seat on the board. An officer or any board member may be ordered to vacate their seat by a sixty-six percent (66%) of unit owners, during a legally held meeting.

Section 5.8 Compensation. Members of the Executive Board shall not receive compensation for their services as members of the Executive Board. A board member may serve the association in another capacity and receive compensation, if disclosed to the Board in advance in writing.

Section 5.9 Committees of the Executive Board. The Executive Board may designate from among its members, an executive committee and one or more other committees, each consisting of at least two (2) board members. Each committee shall have the authority set forth in the resolution establishing the committee.

ARTICLE VI

POWERS AND DUTIES RESERVED FOR UNIT OWNERS

Section 6.1 Election of Association Officers and Board Members (aka Executive Board). With a legal quorum present (20%) at the annual meeting, unit owners will nominate and elect all association officers and board members.

Section 6.2 Removal. While the board may cause a member to vacate a seat, unit owners in special meeting have the exclusive right to remove any member of the Executive Board at any time, with a petition showing 66% of unit owners in favor of removal, providing a notice of removal, stating the cause (unlike board removal) for removal, must be sent to the general membership with a 30-day waiting period for the individual named to be heard.

Section 6.3 Qualifications. The qualifications for office, whether for association officer or board member, will be set exclusively by home owners. The current qualification for office is ownership of a unit.

Section 6.4 Monthly Management Fee. Any proposed increase or decrease in the monthly assessment, commonly referred to as the Management Fee, will be affixed to the proposed annual budget and subject to a majority vote of annual meeting attendees for passage. However, a legal quorum preceding passage is not necessary in the case of voting for an increase or decrease in the management fee, if it is packaged with the proposed budget.

Section 6.5 Annual Budget. A majority of unit owners' votes at the annual meeting is necessary for passage. Failing a majority vote for passage, the previous year's budget is used until such time that a new one can be passed. A quorum is not necessary during the annual meeting's vote for the proposed budget.

Section 6.6 Challenging Amendments to Bylaws. When the Board presents an amendment to a bylaw to unit owners, a majority of unit owners may call for a special meeting to pass a negative advisory resolution against the board's proposed amendment provided the resolution is presented to the board by hand delivery or electronic delivery within 30 days of the amendment's advertisement. The board, by majority vote, will have two weeks thereafter to incorporate or decline the resolution. If no action is taken upon resolution, the proposed amendment fails. This provision does not apply to adopted provisions mandated by the N.C. Legislature's passage of updates to Chapter 47C, North Carolina Condominium Act, for which the Association as represented by the Executive Board has the legal responsibility to adopt.

ARTICLE VII

ASSESSMENTS, LIENS AND PENALTIES

Section 7.1 Assessments for common expense.

7.1.1 Except for assessments under subsections (7.1.2; 7.1.3; and 7.1.4) all common expenses must be assessed against all the units in accordance with the allocations set forth in the declaration pursuant to G.S. 47C-2-107 (equal undivided shares of common



elements). Any past due common expense assessment or installment thereof bears interest at the rate established by the Association not exceeding eighteen percent (18%) per year.

7.1.2 To the extent required by the declaration, any common expense associated with the maintenance, repair, or replacement of a limited common element must be assessed against the units to which that limited common element is assigned, equally; any common expense or portion thereof benefiting fewer than all of the units must be assessed exclusively against the units benefited; and the costs of insurance must be assessed in proportion to risk and cost of utilities must be assessed in proportion to usage.

7.1.3 Assessments to pay a judgment against the Association (G.S. 47C-3-117(a)) may be made only against units in the condominium at the time the judgment was entered, in proportion to their common expense liabilities.

7.1.4 If any common expense is caused by the misconduct of any unit owner, the association may assess that expense exclusively against his or her unit.

7.1.5 If common expense liabilities are reallocated, common expense assessments and any installment thereof not yet due shall be recalculated in accordance with the reallocated common expense liabilities.

Section 7.2 Lien for assessments.

7.2.1 Any assessment levied against a unit remaining unpaid for a period of 30 days or longer shall constitute a lien on that unit when a claim of lien is filed of record in the office of the clerk of the superior court, Dare County, providing the association possesses the owner's current mailing address; and informs the owner by U.S. Mail of the intent to file lien, noting amount due at least 15 days prior to filing. All association charges and legal fees incurred during the collection and lien processes are enforced upon the owner in addition to the delinquent assessment. (See Association limitations 47C-3-116 (a1) (a2)).

7.2.2 An Assessment Lien is prior to all other liens against a unit, except (but not limited to) a pre-existent mortgage and deed of trust; real estate tax liens; and other governmental assessments or charges against the unit.

7.2.3 A lien for unpaid assessments is extinguished unless proceedings to enforce the lien are instituted within three years after the docketing thereof in the office of the clerk of the superior court.

7.2.4 A judgment, decree, or order in any lien action shall include costs and reasonable attorneys' fees for the prevailing party. If the unit owner does not contest the collection of debt and enforcement of a lien after the expiration of the 15-day period following notice (subsection 7.2.1), then reasonable attorneys' fees shall not exceed one thousand two hundred dollars (\$1,200), not including costs or expenses incurred. The collection of debt and enforcement of a lien remain uncontested as long as the unit owner does not dispute, contest, or raise any objection, defense, offset, or counterclaim as to the amount or validity of the debt and lien asserted or the association's right to collect the debt and enforce the lien as provided in this section. The attorneys' fee limitation does not apply to foreclosures or unrelated procedures.

7.2.5 A unit owner may not be required to pay attorneys' fees and court costs until the unit owner is notified in writing of the Association's intent to seek payment of attorneys' fees and court costs. Such communication must be sent to the unit owner, as indicated in subsection 7.2.1. Additional information regarding liens for assessments is detailed in 47C-3-116.

7.2.6 The Association may take a deed in lieu of foreclosure; and through the Executive Board, allow payments in installments.

7.2.7 A claim of lien must follow the legal format, noted specifically in Section 47C-3-116(g).

Section 7.3 Responsibility for maintenance. Except as provided in G.S. 47C-3-113(h), the association is responsible for causing the common elements to be maintained, repaired, and replaced when necessary and to assess the unit owners as necessary to recover the costs of such maintenance, repair, or replacement except that the cost of maintenance, repair, or replacement of a limited common element shall be assessed as provided in G.S. 47C-3-115(b). Each unit owner is responsible for maintenance, repair and replacement of their unit. Each unit owner shall afford to the association and when necessary to another unit owner access through his or her unit reasonably necessary for any such maintenance, repair or replacement activity.

Section 7.4 Damage caused by unit owner to common element. If damage, for which a unit owner is legally responsible and which is not covered by insurance provided by the association pursuant to G.S. 47C-3-113 is inflicted on any common element, the association may direct such unit owner to repair such damage or the association may itself cause the repairs to be made and recover the costs thereof from the responsible unit owner.



Section 7.5 Damage to units caused by an agent of the Association. If damage is inflicted on any unit by an agent of the association in the scope of his or her activities as such agent, the association is liable to repair such damage or to reimburse the unit owner for cost of repairing such damages. The association shall also be liable for any losses to the unit owner.

Section 7.6 Adjudicatory Panel. The bylaws of the association may in cases when the claim under subsection (b) or (c) is five-hundred dollars (\$500.00) or less provide for hearings before an adjudicatory panel to determine if a unit owner is responsible for damages to any common element or whether the association is responsible for damages to any unit. Such panel shall accord to the party charged with causing damages notice of the charge, opportunity to be heard and to present evidence, and deliver notice of the decision. The panel may assess a liability for each damage incident not in excess of five-hundred dollars (\$500.00) against each unit owner charged or against the association. Liabilities of unit owners so assessed shall be assessments secured by lien under G.S. 47C-3-116. Liabilities of the association may be offset by the unit owner against sums owing the association and if so, offset shall reduce the amount of any lien of the association against the unit in issue.

Section 7.7 Procedures for fines and suspension of condominium privileges or services. Unless a specific procedure for the imposition of fines or suspension of condominium privileges or services is provided for in the declaration, a hearing shall be heard before the executive board or an adjudicatory panel appointed by the executive board to determine if any unit owner should be fined or if condominium privileges or services should be suspended pursuant to the powers granted to the association in G.S. 47C-3-102(11). Any adjudicatory panel appointed by the executive board shall be comprised of members of the association who are not officers of the association or members of the executive board. The unit owner charged shall be given notice of the charge, opportunity to be heard and to present evidence, and notice of decision. If it is decided that a fine should be imposed, a fine not to exceed one-hundred dollars (\$100.00) may be imposed for the violation and without further hearing, for each day more than five days after the decision that the violation occurs. Such fines shall be assessments secured by liens under G.S. 47C-3-116. If it is decided that a suspension of condominium privileges or services should be imposed, the suspension may be continued without further hearing until the violation or delinquency is cured. A unit owner may appeal a decision of an adjudicatory panel to the full executive board by delivering written notice of appeal to the executive board within 15 days after the date of the decision. The executive board may affirm, vacate, or modify the prior decision of the adjudicatory body.

ARTICLE VIII

OFFICERS

8.1 President. The president shall be the chief executive officer of the Association and shall have responsibility for the general supervision of business of the Association; and shall see that all orders and resolutions of the Executive Board are carried into effect. The president shall perform such other duties as may from time to time be delegated by the board and have all the general powers and duties which are incident to the office of the president of an unincorporated association under the laws of North Carolina. The President is a cosigner for the Association.

8.2 Vice President. The Vice President shall, in the absence or disability of the President, or at the direction of the board, have the duties and powers of the President. Vice Presidents shall have whatever duties and powers the board may from time to time assign, and is an un-nominated candidate for President at the succeeding annual, unit-owners' meeting. The Vice President is a cosigner for the Association.

8.3 Treasurer. The Treasurer shall have oversight of all funds and securities belonging to the Association and shall, with the assistance of a business manager; receive, deposit, or disburse them under the direction of the board. The Treasurer shall keep full and true accounts of all receipts and disbursements and shall make reports to the Board and President upon request. The Treasurer shall perform all the duties as may be assigned from time to time by the Board. The Treasurer shall prepare or cause to be prepared all required financial statements, tax returns and budgets. If the Association employs, or has a member who serves as business manager, property manager, accountant, attorney, or other agent, the duties may be delegated to the agent. However, the Treasurer shall remain responsible for supervising the member or agent. The Treasurer is a cosigner for the Association.

8.4 Secretary. The Secretary shall keep accurate and complete records of all meetings of unit owners, board members and committees of board members. Records will include, but are not limited to minutes of the meetings, all resolutions adopted, and all consents to actions without a meeting. The secretary shall have the authority to give all notices required by law, or these bylaws. The Secretary is a cosigner for the Association.

8.5 Board Members (2). Two unit owners, who do not serve as officers, may be elected annually as Board Members, with full voting powers on any matter before the Executive Board.



8.6 Business Manager. Appointed by the Board, the business manager reports directly to the Treasurer, and at the Treasurer's direction, shall be custodian of the Association's financial books, records, contracts, and other documents; and shall report delinquent assessments to the board, maintain the Association checking account, pay all bills on a current basis, and provide information as needed to the Treasurer. The Business Manager is a cosigner for the Association.

8.7 Bonds. The Board may require, at its sole discretion, any or all of the officers, agents or employees of the Association to give bonds to the Association with sufficient surety, conditioned on the faithful performance of the duties of their respective positions.

ARTICLE IX

MISCELLANEOUS

Section 9.1 Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the thirty-first day of December of every year, except that the first year shall begin on the date the Association files a Certificate of Assumed Name in the Dare County Registry.

Section 9.2 Inspection of Books and Records. All accounts books and records of the Association, including the Condominium Instruments, shall be open to inspection by the unit owners, mortgagees, and prospective purchasers during normal business hours subject to such reasonable rules as the Board may establish.

Section 9.3 Indemnification. Each Executive Board Member or Officer shall be indemnified by the Association against those expenses which are allowed by the laws of North Carolina and which are reasonably incurred in connection with any action, suit or proceeding, whether completed, pending or threatened, in which such persons may be involved by reason of their being or having been a board member or officer. Indemnification shall be made only in accordance with the laws of North Carolina. The Association may purchase and maintain insurance on behalf of any such officers and directors against any liabilities asserted against them whether or not the Association would have the power to indemnify the officers and board members against the liability under the laws of North Carolina. If any expense or other amounts are paid by way of indemnification, other than by court order, by action of unit owners or by an insurance carrier, the Association shall provide such notice of payment to the unit owners in accordance with the laws of North Carolina.

Section 9.4 Waiver of Notice. Whenever any notice is required to be given to any unit owner or board member, a waiver signed by the board member or unit owner entitled to such notice, whether before or after the meeting to which the waiver pertains, shall be deemed equivalent to proper notice. Attendance at a meeting, whether in person or by proxy, shall be a waiver of notice of the time and place unless specific objection to improper notice is made when the meeting is called to order. Attendance shall also be a waiver as to all business transacted unless specific objection is made before the objectionable business is put to vote.

Section 9.5 Amendment. These bylaws may be amended in the same manner in which the Declaration may be amended without the filing of record of such amendment in the Dare County Registry.

Section 9.6 Self-Dealing. Each Board Member and Officer and any Business or Property Manager shall disclose in the written minutes of the Board any contract or agreement of any kind between the Association and any person or entity to which he or she is related by blood or marriage or in which he has an interest, whether direct or indirect.

Section 9.7 Conveyance or encumbrance of common elements.

9.7.1 Portions of the common elements may be conveyed or subjected to a security interest by the association by persons entitled to cast at least 80% of the votes in the association, provided that all the owners of units to which any limited common element is allocated must agree in order to convey that limited common element or subject it to a security interest. Distribution of the proceeds of the sale of a limited common element shall be provided as by agreement between the unit owners to which it is allocated and the association. Proceeds of the sale or financing of a common element (other than a limited common element) shall be an asset of the association.

9.7.2 An agreement to convey common elements or subject them to a security interest must be evidenced by the execution of an agreement, or ratifications thereof, in the same manner as a deed, by the requisite number of unit owners. The agreement must specify a date after which the agreement will be void unless recorded before that date. The agreement and all ratifications thereof must be recorded in Dare County, and is effective only upon recordation.



9.7.3 The association, on behalf of the unit owners, may contract to convey common elements, or subject them to a security interest, but the contract is not enforceable against the association until approved pursuant to subsections (9.7.1) and (9.7.2). Thereafter, the association has all powers necessary and appropriate to affect the conveyance or encumbrance, including the power to execute deeds and instruments.

9.7.4 Any purported conveyance, encumbrance, judicial sale or other voluntary transfer of common elements, unless made pursuant to this section, is void.

9.7.5 A conveyance or encumbrance of common elements pursuant to this section shall not deprive any unit of its rights of access and support.

ARTICLE X

RULES AND REGULATIONS

Section 10.1 Entertaining. All parties or other activities conducted indoors or outdoors must end on or before 11:00 PM; the Renter or Owner hosting the party is responsible at all times for the noise level; the Renter or Owner is responsible for all cleanup; the cleanup must be conducted immediately, neglecting to do so will result in the cleanup being outsourced at a cost to the owner; the Renter or Owner is responsible for any damage to the property that is the result of the entertainment activities; no grill, BBQ, or other open flame cooker is permitted on the balconies, decks, or stairs; and extreme caution should always be exercised when using these under the building or in grassy areas.

Section 10.2 Parking Automobiles/Boats/RVs. Parking spaces are on a first come, first served basis; there are no assigned parking spaces; all parking under the building and in the paved lot is perpendicular to Hwy 12; Parking in the overflow area (grass lot) is parallel to Hwy 12; any vehicle blocking another vehicle will be towed at the expense of the blocking vehicle's owner; parking under the building is permitted for those vehicles meeting the maximum height limitation; vehicles may not be parked partially under the building and partially in the driveway; a vehicle is not permitted to block an exit from the stairways or the walkway between the stairways; if a Renter or Owner has multiple vehicles, one should be parked in the overflow area (grass lot); all vehicles must be legally tagged and maintained in good running order; no continual oil, antifreeze, or other fluid's seepage onto Association property will be allowed; no vehicle washing, repair, or long term storage is allowed on Association property; RVs cannot be parked on Association property.

Section 10.3 Personal Property. Renters' and Owners' personal property must be collected and stowed on a daily basis, including, but not limited to: beach equipment, fishing gear, children's toys, tools, coolers, and windsurfing gear; no personal property is to be stored in boxes, crates, or other storage containers outside of the individual's unit and designated storage locker; storage containers are not permitted on the balconies, stairs, decks, parking lot, or grassy areas.

Section 10.4 Pool Area. The rules posted on the pump-house wall represent North Carolina state law, and are to be followed without exception; Renters and Owners will be considerate to others in their use of loud musical devices, the volume of voices, and use of inappropriate language; Owners and Renters will clean up personal trash and waste when leaving the pool area; nonresidents may not use the swimming pool if not accompanied by a Renter or Owner; keys to the swimming pool are to be issued only to Owners and to Renters for the duration of their stay only; children should never be left alone at the swimming pool and all who enter the pool will exercise safe conduct at all times; any Owner or Renter who engages in the willful destruction of property at the pool, or any other Common Element, will be suspended from the use of said Pool or Common Element, and will be financially responsible for the damage (vis. Art. VII, Sect. 7.1 (a) 1988).

Section 10.5 General. Individuals are expected to pickup and discard all waste created and left on the grounds, i.e. cans, bottles, papers, bags, wrappers, cigarette butts, etc.; Individuals should clean the fish cleaning table immediately after use; all water


spigots and outside showers are required to be completely shut off after use; report maintenance needs to an officer, board member, or our maintenance vendor as soon as observed; a renter or non-owner is never permitted to make decisions on behalf of the Association, its Board, or Members; nor can any unit owner or lessee enter into any contract, or purchase any license, permit, or other official entitlement in the name of the Association, without a vote of approval by the Executive Board. It is imperative that anyone curbing pets on the premises clean-up after their pet.

Section 10.6 American and State flags and political sign displays. Notwithstanding any provision in any declaration of covenants, pertaining to the following:


10.6.1 American and North Carolina Flag. ... no restriction on the use of land shall be construed to regulate or prohibit the display of the flag of the United States or North Carolina, of a size no greater than four feet by six feet, which is displayed in accordance with or in a manner consistent with the patriotic customs set forth in U.S.C. 5-10, as amended, governing the display and use of the flag of the United States unless any restriction is passed by sixty-six percent (66%) of unit owners at an annual or special meeting. The restriction shall be written on the first page of the instrument or conveyance in print that is in boldface type, capital letters, and no smaller than the largest print used elsewhere in the instrument of conveyance. The restriction shall be construed to regulate or prohibit the display of the United States or North Carolina flag only if the restriction specifically states: "THIS DOCUMENT REGULATES OR PROHIBITS THE DISPLAY OF THE FLAG OF THE UNITED STATES OF AMERICA OR STATE OF NORTH CAROLINA : This subdivision shall apply to owners of property who display the flag of the United States or North Carolina on property owned exclusively by them and does not apply to common areas, easements, rights-of-way, or other areas owned by others.

10.6.2 Political Signs. ... no restriction on the use of land shall be construed to regulate or prohibit the indoor or outdoor display of a political sign by an association member on that member's property, owned exclusively by the member, unless a restriction is amended by sixty-six percent (66%) of unit owners, and causing the restriction to be written on the first page of the instrument or conveyance in print that is in boldface type, capital letters, and no smaller than the largest print used elsewhere in the instrument or conveyance. The restriction shall be construed to regulate or prohibit the display of political signs only if the restriction specifically states: "THIS DOCUMENT REGULATES OR PROHIBITS THE DISPLAY OF POLITICAL SIGNS:" Even when display of a political sign is permitted under the subdivision, an association (i) may prohibit the display of political signs earlier than 45 days before the day of election and later than seven days after an election day, and (ii) may regulate the size and number of political signs that may be placed on a member's property if the association's regulation is no more restrictive than any applicable city, town, or county ordinance that regulates the size and number of political signage on residential property. If the local government in which the property is located does not regulate the size and number of political signs on residential property, the association shall permit at least one political sign with the maximum dimensions of 24 inches by 24 inches on a member's property. For the purposes of this subdivision, "political sign" means a sign that attempts to influence the outcome of an election, including supporting or opposing an issue on the election ballot. This subdivision shall apply to owners of property who display political signs on property owned exclusively by them and does not apply to common areas, easements, rights-of-way, or other areas owned by others. (2005-422, s. 18; 2006-226, s. 14(b); 47C-3-121)

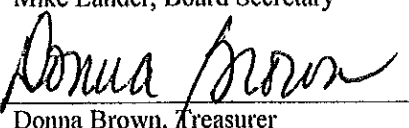
IN WITNESS WHEREOF, we, the officers of Pamlico Point Condominium Association, have hereunto set our hands as follow:



William M. Shufflebarger, President



Mike Lander, Board Secretary



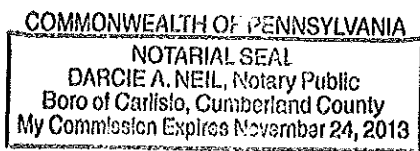
Donna Brown, Treasurer

PA State
Cumberland County

This 9 day of November, 2012, personally came before me, Darcie A. Neil
William M. Shufflerbarger, Notary Public for said County and State,
who, being by me duly sworn, says that he (she) is President of the Pamlico
Point Condo Association, an corporation, and that the seal
affixed to the foregoing instrument in writing is the corporate seal of said company, and that said writing was
signed and sealed by him (her) in behalf of said corporation by its authority duly given. And the said
William M. Shufflerbarger, acknowledged the said writing to be the
act and deed of said corporation.

Witness my hand and official seal, this the 9 day of November 2012.

(Official Seal)



Notary Public

My commission expires Nov 24, 2013.

Virginia State
Alexandria - County City

This 24th day of October, 2012, personally came before me, Tracy Luke
_____, Notary Public for said County and State, Donna Brown

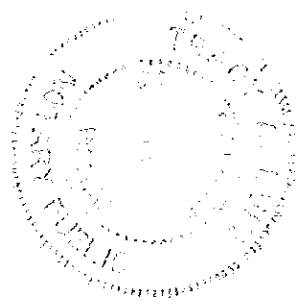
who, being by me duly sworn, says that he (she) is Treasurer of the Pamlico Point
Condominium Association, an corporation, and that the seal

affixed to the foregoing instrument in writing is the corporate seal of said company, and that said writing was
signed and sealed by him (her) in behalf of said corporation by its authority duly given. And the said

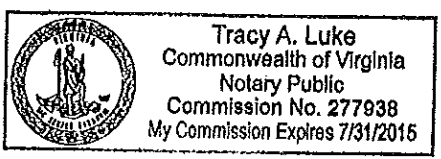
Donna Brown, acknowledged the said writing to be the
act and deed of said corporation.

Witness my hand and official seal, this the 24th day of October, 2012.

(Official Seal)



Tracy A Luke
Notary Public



My commission expires July 31, 2015.

