

**BYLAWS**  
**OF**  
**SOUTH BAY POINTE HOMEOWNERS ASSOCIATION, INC.**  
**A Non Profit Corporation**  
**(the “Association”)**

## ARTICLE 1. DEFINITIONS

These By-Laws are the By-Laws of the Association, which is the corporation created by the Articles of Incorporation filed with the Secretary of State on the 7<sup>th</sup> day of August, 2013 (The "Articles of Incorporation"). All references herein to the "Declaration" shall refer to that certain Declaration of Covenants and Restrictions for the South Bay Pointe Subdivision recorded in Plat Cabinet H, Slides 24-7,24-8, 24-9, 8-7, 8-8, 8-9 and Plat Cabinet I, Slide 51-6 of the Beaufort County Registry, North Carolina, and all capitalized undefined terms used herein shall have the meanings assigned thereto by the Declaration unless the context clearly otherwise requires. The "Subdivision" referred to herein shall mean South Bay Pointe, North Bay Point, and any former names of the same subdivision.

## ARTICLE 2. OFFICES

**2.1 Registered Office and Registered Agent.** The registered office of the Association shall be at 208 East Public Square, Smithville, TN 37166 and such other office as the Board of Directors shall select. The name of the registered agent of the Association is Gina Butler of Butler and Associates, currently the Association Administrator.

**2.2 Other Offices.** The Association may also have offices at such other places both within and without the State of North Carolina as the Board of Directors may from time to time determine or the business of the Association may require.

## ARTICLE 3. MEMBERS AND MEMBERSHIP PRIVILEGES

**3.1 Membership.** Each Owner shall be a Member of the Association and no other person or entity shall automatically be entitled to membership. No person entitled to membership privileges shall be entitled to vote in the Association and shall not be considered a "Member" for any other purpose. No Member shall be required to pay any consideration whatsoever solely for his membership in the Association.

## ARTICLE 4. MEETINGS OF MEMBERS

**4.1 Location of Meetings.** All meetings of the Members of the Association shall be held at such place within or without the State of North Carolina and may be from time to time fixed by the Board of Directors or as shall be stated in the notice of the meeting or in a duly executed waiver of notice thereof, or at the Association's registered office if not so fixed or stated. The Board may elect to hold virtual or electronic meetings, and such meetings shall have the same notification as any in-person meetings.

**4.2 Annual Meeting.** Unless otherwise specified in a written notice from the Board of Directors, an annual meeting of the Members of the Association shall be held each year on the first Saturday of the eleventh calendar month following the close of the fiscal year if not a legal holiday, and if a legal holiday, then on the next secular day following, at 10 a.m. local prevailing time, and shall transact any business as may properly be brought before the meeting. Provided, however, the annual meeting must be held no later than forty-five (45) days from the original scheduled date.

**4.3 Special Meeting.** Unless otherwise prescribed by law, by the Declaration, or by the Articles of Incorporation, special meetings of the Members, may be called for any purpose or purposes by the President (if applicable), the Board of Directors, or by Members having not less than fifty (50%) percent of the total percentage values of those votes entitled to be cast at such meeting. Business transacted at all special meetings shall be confined to the objects stated in the notice of such meeting.

**4.4 Notice.** Written or printed notice stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than fifteen (15) nor more than sixty (60) days before the date of the meeting, either personally or by mail, by or at the direction of the officer or person calling the meeting, to each Member of the Association entitled to vote at such meeting.

**4.5 Quorum.** The presence in person or by proxy of more than ten (10%) percent of the votes entitled to vote, present in person or by proxy, shall constitute a quorum at all meetings of the Members for the transaction of business except as otherwise provided by law. If, however, a quorum shall not be present, the members present in person or by proxy shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. At such adjourned meeting at which a quorum shall be present or represented any business may be transacted at which might have been transacted at the meeting as originally notified.

**4.6 Majority Vote; Withdrawal of Quorum.** When a quorum is present at any meeting, the vote of a majority of the Members entitled to vote and represented at the meeting in person or by proxy, shall decide any question brought before such meeting, unless the question is one upon which by express provision of the Declaration, the Articles of the Association or these Bylaws, a different vote is required, in which case such express provision shall govern and control the decision of such question. A unanimous vote of all members entitled to vote and represented at the meeting shall be required to approve matters at a special meeting of the members with respect to which matters no notice had been given in the notice of such special meeting. The Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum.

**4.7 Method of Voting; Proxies.** Anything herein to the contrary notwithstanding, all voting contemplated by these By-Laws shall be governed by the Declaration and any reference herein to the voting rights of any Member shall be governed by the relevant provisions of the Declaration. Each Member shall be entitled to a vote for each Lot owned by such Member. No Member shall be entitled to vote at any meeting of the Association until such Member has presented evidence of ownership of a Lot in South Bay Pointe to the Board of Directors, and is sufficiently current on any past due Assessments owed, of which may be made current in the same meeting with cash or certified check drawn on a North Carolina bank and verified by the Treasurer on the amount(s) to bring dues current. The vote of each Member may only be cast by such Member or by a proxy given by such Member to his duly authorized representative bearing a date not more than eleven months prior to such meeting. Such proxy shall be filed with an officer or Director of the Association prior to or at the time of the meeting. If title to a Lot shall be in the name of two or more persons as Co-owners, all of such persons shall be Members of the Association and are referred to herein as "Joint Co-owners". Any one of such Joint Co-owners may vote at any meeting of the Members of the Association and such vote shall be binding upon such other Joint Co-owners who are not present at such meeting until written notice to the contrary has been received by the Board of Directors in which case the unanimous vote of all such Joint Co-owners (in person or by proxy) shall be required to cast their vote as Members. If two or more of such Joint Co-owners are present at any meeting, their unanimous action shall also be present at any meeting, their unanimous action shall also be required to cast their vote as Members of the Association.

**4.8 Cumulative Voting Denied.** Cumulative voting for Directors shall not be permitted. Each Member is allowed one vote, and the majority of these votes will rank the candidates starting with the most votes, and Directors are chosen from the candidates who have the highest ranking until there are no more positions to fill.

## ARTICLE 5. DIRECTORS

**5.1 Management.** The business and affairs of the Association shall be managed by its Board of Directors who may exercise all such powers of the Association and do all such lawful acts and things as are not by statute, the Declaration, the Articles, or these Bylaws, directed or required to be exercised or done by the Members.

**5.2 Number; Qualifications; Election; Term.** The initial Board of Trustees (for purposes of these By-Laws and the Declaration the term "Trustees" shall be interchangeable with "Directors" and possess the same meaning) shall act through a three (3) member Board of Trustees, which shall manage the affairs of the Association. The initial Trustees of the Association shall be selected by Declarant and shall consist of no less than three (3) owners. Each initial Trustee shall serve for an initial term of 3 (3) years and, thereafter, until his successor is duly elected and qualified. After the expiration of the term of the initial Trustees, the Members shall elect three (3) Board of Directors. Each Board member will serve for a period of two (2) years. Any vacancy, from whatever cause, occurring in the Board of Directors shall be filled by appointment made by the remaining Board members and/or Trustees. The person appointed to fill the position will serve for the remainder of the said term until his successor is duly elected and qualified. Directors shall serve without compensation.

**5.3 Removal; Change in Number; Vacancies.** Any Director may be removed either for or without cause, at any special meeting of the Members of the Association by the affirmative vote of a majority of the Members present in person or by proxy at such meeting and entitled to vote (of which at least ten (10) Members shall be present to vote), if notice of the intention to act upon such matter shall have been given in the notice calling such meeting. If any vacancy occurs in the Board of Directors, caused by death, resignation, retirement, disqualification or removal from office of any Director or otherwise, a successor or successors may be chosen at a special meeting of Members called for that purpose, and each successor Director so chosen shall be elected for the unexpired term of his predecessor in office. Any Directorship to be filled by reason of an increase in the number of Directors shall be filled by election at an annual meeting of Members or at a special meeting of Members called for that purpose.

**5.4 Place of Meetings.** The Directors of the Association shall hold their meetings, both regular and special, may be held either within or without the State of North Carolina and may be virtual or electronic.

**5.5 Annual Meetings.** The annual meeting of each newly elected Board shall be held without further notice immediately following the annual meeting of Members of the Association, and at the same place, unless by unanimous consent of the Directors then elected and serving such time or place shall be changed.

**5.6 Regular Meetings.** Regular meetings of the Board of Directors may be held without notice at such time and place as shall from time to time be determined by the Board.

**5.7 Special Meetings.** Special meetings of the Board of Directors may be called by the chairman of the Board of Directors, by the President (or if no such position exists then by any two Directors) on three (3) days notice to each Director, either personally or by mail or by telegram; special meetings shall be called by the President or Secretary in like manner and on like notice on the written request of two (2) Directors (or if no such position of President or Secretary exists then by any two Directors). Except as may be otherwise expressly provided by statute, the Articles or these Bylaws, neither the business to be transacted at, nor the purpose of, any special meeting need be specified in a notice or waiver of notice.

**5.8 Quorum.** At all meetings of the Board of Directors the presence of a majority of the Directors shall be necessary and sufficient to constitute a quorum for the transaction of business and the act of a majority of the Directors present at any such meeting at which there is a quorum shall be the act of the Board of Directors. If a quorum shall not be present at any meeting of Directors, the Directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

**5.9 Committees Having Board Authority.** The Board of Directors may, by resolution approved by vote or written consent by a majority of the whole Board, designate an Architectural Control Committee, a Nominating Committee for members of the Board of Directors and such other committees as deemed necessary to consist of two (2) or more of the Directors of the Association. Any such committee, to the extent provided in said resolution, shall and may exercise all of the authority of the Board of Directors in the management of the business and affairs of the Association, except where action of the full Board of Directors is required by statute or the Articles.

**5.10 Other Committees.** Other committees not having and exercising the authority of the Board of Directors in the management of the affairs of the Association may be designated and appointed by a resolution adopted by a majority of the Directors at a meeting at which a quorum is present, or by the President (or if no such position exists then by any two Directors) thereunto authorized by a like resolution of the Board of Directors. Membership on such committees may, but need not be, limited to Directors or Members of the Association.

**5.11 Procedure.** All committees shall keep regular minutes of their proceedings and shall report the same to the Board when required.

**5.12 Managing Agents.** The Board shall have the authority to engage the services of an agent (herein sometimes referred to as the "Managing Agent") to maintain, repair, replace, administer and operate the Property, or any part thereof, to the extent deemed advisable by the Board, subject to the provisions of Subsection (a) below. The Board shall require that such Managing Agent have fidelity bond coverage on its employees handling Association funds. The cost of such services shall be a common expense. Any vote of the Board to adopt any form of

management of the Property without the services of a professional property management company shall be subject to the prior approval of a majority of all first lien deed of trust beneficiaries of Units.

(a) Initial Management Contract. The First Board, appointed as provided herein, shall ratify and approve the Management Agreement between the Developer, on behalf of the Association, and a management corporation, to act as Managing Agent for the Property, for a term as approved by said First Board.

## ARTICLE 6. NOTICES

**6.1 Method.** Whenever under the provisions of applicable law, the Articles of Incorporation, the Declaration or these By-Laws, any notice is required to be given to any Director or Member, and no provision is made as to how such notice shall be given, it shall not be construed to mean personal notice, but any such notice may be given in writing, by mail, postage prepaid, addressed to such Director or Member at such address as appears on the records of the Association. Any notice required or permitted to be given by mail shall be deemed delivered three (3) days after it was deposited in the United States mails as aforesaid. Notice given by any other means shall be deemed delivered when received by the addressee.

**6.2 Waiver.** Whenever under the provisions of applicable law, the Articles of Incorporation, the Declaration or these By-Laws, any notice is required to be given to any Member or Director of the Association, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated in such notice, shall be deemed equivalent to the giving of such notice.

## ARTICLE 7. OFFICERS

**7.1 Number; Titles.** After the initial term of the Board of Trustees, the officers of the Association shall be elected by the Directors from among the members of the Board of Directors and shall be a President, a Secretary and a Vice President. Any two (2) or more offices may be held by the same person except the offices of President and Secretary shall not be held by the same person.

**7.2 Election.** Future Boards of Trustees shall be elected by the Members, with majority votes as evidence of their election.

**7.3 Other Officers.** The Board of Directors may appoint such other officers, including vice presidents, assistant secretaries and assistant treasurers, and agents as it shall deem necessary. Such officers and agents shall be appointed for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors.

**7.4 Salaries.** All officers and Directors of the Association shall not be paid, except as provided in Article 8.5.

**7.5 Term of Office; Removal.** The initial Board of Trustees shall serve a three (3) year term. After the expiration of the term of the initial Trustees, the Members shall elect a Board of Directors. Any vacancy, from whatever cause, occurring in the Board of Trustees during the initial three (3) year term shall be filled by appointment made by the remaining Trustee or Trustees. The person appointed by the remaining Trustee or Trustees to fill such vacancy shall serve for the remainder of the Three year term until his successor is duly elected and qualified.

**7.6 President.** The President shall be the chief executive officer of the Association, shall preside at all meetings of the Members and the Board of Directors, shall have general and active management of the affairs of the Association, shall see that all orders and resolutions of the Board of Directors are carried into effect, and shall perform such other duties as the Board of Directors shall prescribe. He or she shall have the authority and power to execute on behalf of the Association bonds, mortgages, notes, contracts, leases and other documents and instruments (whether or not requiring a seal of the Association) except where such documents or instruments are required by law to be otherwise signed and executed and except the signing and execution thereof shall be expressly delegated by the board of directors to some other officer or agent of the Association.

**7.7 Secretary and Assistant Secretary.** The Secretary shall attend all sessions of the Board of Directors and all meetings of the Members and record all votes and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for any committees when required. He or she shall give, or cause to be given, notice of all meetings of the Members and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or President, under whose supervision he shall be. He or she shall have custody of the corporate seal of the Association and he shall have authority to affix it to any instrument requiring it and when so affixed it may be attested by his signature. The assistant secretary, or if there be more than one, the assistant secretaries in the order determined by the Board of Directors, shall, in the absence or disability of the secretary, perform the duties and exercise the powers (including affixation of the Corporate Seal) of the secretary and shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe. The Secretary, in the absence of a Managing Agent whose services have been retained as set forth in Article 5.12, may be assigned the duties of maintaining corporate funds and securities. Other duties may include, but not limited to maintaining full accounting records, receipts and disbursements in books belonging to the Association and shall deposit all monies in the name and to the credit of the Association in such depositories as may be designed by the Board of Directors. He or she shall disburse the funds of the Association as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the president and the Board of Directors, at its regular meetings, or when the Board of Directors so requires, an account of all his transactions as treasurer and of the financial condition of the Association. If required by the Board of Directors, he or she shall give the Association a bond in such sum and with surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of his or her office and for the restoration to the Association, in case of his or her death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his possession or under this control belonging to the Association.

**7.8 Vice President.** The Vice President shall attend all sessions of the Board of Directors and all meetings of the Members. He shall assist the President in the accomplishment of his/her duties, replace the President in his/her absence or when he/she vacates the chair, and shall perform such other duties as may be prescribed by the Board of Directors or President, under whose supervision he shall be, as stipulated by the Covenants and Bylaws.

## ARTICLE 8. MISCELLANEOUS PROVISIONS

**8.1 Reserves.** There may be created by resolution of the Board of Directors such reserve or reserves as the Directors from time to time, in their discretion, think proper to provide for contingencies, or to repair or maintain any portion of South Bay Pointe, or for such other purposes as the Directors shall think beneficial to the Association, and the Directors may modify or abolish any such reserve in the manner in which it was created.

**8.2 Checks.** All checks, drafts, demands for money and notes of the Association shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

**8.3 Fiscal Year.** The fiscal year of the Association shall be fixed to the calendar year, but may be changed by resolution of the Board of Directors if allowed by law.

**8.4 Seal.** The corporate seal of the Association, if any, shall be in such form as may be determined by the Board of Directors. Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

**8.5 Indemnification.** The Association shall indemnify any Director, officer, or employee, or former Director, officer, or employee of the Association, against expenses actually and necessarily incurred by him, and any amount paid in satisfaction of judgments, in connection with any action, suit or proceeding, whether civil or criminal in nature, in which he is made a party by reason of being or having been such a Director, officer, or employee (whether or not a Director, officer or employee at the time such costs or expenses are incurred by or imposed upon him) except in relation to matters as to which he shall be adjudged in such action, suit, or proceeding to be liable for gross negligence or willful misconduct in the performance of duty. The Association may also reimburse to any Directors, officer or employee the reasonable costs of settlement of any such action, suit or proceedings, if it shall be found by a majority of a committee of the Directors not involved in the matter of controversy, whether or not a quorum, that it was to the interests of the Association that such settlement be made and that such Director, officer or



employee was not guilty of gross negligence or willful misconduct. Such rights of indemnification and reimbursement shall not be deemed exclusive of any other rights to which such Director, officer, or employee may be entitled by law or under bylaw, agreement, vote of Members or otherwise.

**8.6 Inconsistencies.** In the event any conflict between these Bylaws shall be inconsistent with the Declaration, then the Declaration shall be controlling. In the event of any conflict between the Declaration and the laws of the State of North Carolina, then the laws of the State of North Carolina shall be controlling.

**8.7 Amendment of Bylaws.** These bylaws may not be altered, amended or repealed except by the affirmative vote of more than fifty percent (50%) of the percentage values of those votes entitled to be cast by Members qualified to vote.

**8.8 Table of Contents; Headings.** The table of contents and headings used in these bylaws have been inserted for administrative convenience only and do not constitute matter to be construed in interpretation.

**8.9 Books and Records.** The Association shall cause to be kept or keep correct and complete books and records of accounts and shall keep minutes of the proceedings of its Members, Board of Directors, and committees of Directors.

Not later than three (3) months after the close of each fiscal year, and in any case prior to the next annual meeting of the members, the Association shall prepare a balance sheet showing in reasonable detail the financial condition of the Association as of the close of its preceding fiscal year, and a profit and loss statement showing the results of its operations during such fiscal year. Upon written request, the Association promptly shall mail to any member of record a copy of such balance sheet and profit and loss statement.

**CERTIFICATION**

I hereby certify that the foregoing Bylaws were adopted by the Members of South Bay Pointe Homeowner,s Association, Inc. on the 15 day of May, 2022.

SOUTH BAY POINTE HOMEOWNER'S ASSOCIATION, INC

 , President