

ARTICLES OF INCORPORATION

OF

TABERNA HOMEOWNERS ASSOCIATION, INC.

(A NONPROFIT CORPORATION)

I, the undersigned individual, hereby do make and acknowledge these Articles of Incorporation for the purpose of forming a nonprofit corporation under and by virtue of the laws of the State of North Carolina as contained in Chapter 55A of the General Statutes of North Carolina, entitled "North Carolina Nonprofit Corporation Act," and the several amendments thereto, and to that end hereby do set forth:

1. Name: The name of the corporation is Taberna Section III Homeowners Association, Inc.

2. Duration: The period of duration of the corporation shall be perpetual.

3. Principal Office Address: The street and mailing address of the corporation's principal office is 1003 Red Banks Road, Greenville, Pitt County, North Carolina 27858.

4. Registered Office and Agent: The street address of the initial registered office of the corporation is 501 Greenville Blvd SE, Greenville, Pitt County, North Carolina 27858; the mailing address of the initial registered office of the corporation is Post Office Box 8188, Greenville, Pitt County, North Carolina 27835-8188; and the name of the initial registered agent at such address is Amy Alston Wells.

5. Purposes: The corporation is organized and will be operated as a planned community under the North Carolina Planned Community act (Chapter 47F of the North Carolina General Statutes) undertake and perform any and all activities, responsibilities and obligations applicable to the Corporation set forth in Declaration of Conditions, Restrictions and Covenants Running With the Land for Taberna, Phase III, which are recorded at Book 2191, Page 363 in the Office of the Pitt County Register of Deeds (the "Declarations"), the corporation's bylaws and these Articles of Incorporation. It is intended that the corporation be exempt under the provisions of Section 528 of the Internal Revenue Code of 1986, as amended (the "Code") or any corresponding provision of any future United States Internal Revenue Laws (hereinafter the Code and the corresponding provisions of any future United States Internal Revenue Laws shall collectively be referred to as the "Code"). Within those limitations, the corporation is organized as a nonprofit, non-stock, membership corporation for the sole purpose of performing certain functions for the common good and general welfare of the residents of the certain neighborhood known as "Taberna, Phase III" in Pitt County, North Carolina.

In order to achieve the foregoing purposes, the corporation shall have the following powers and authority:

(a) shall have all the power and duty to exercise all of the rights, powers and privileges and to perform all of the duties and obligations of the corporation as set forth in the Declaration, the bylaws of the corporation and these Articles of Incorporation;

(b) shall have all the power and duty to exercise and enforce the provisions of the Declarations;

(c) To undertake any activity whatsoever that is in furtherance, directly or indirectly, of the purposes of the corporation;

(d) To take any and all action necessary and appropriate to qualify the corporation under Section 528 of the Code and to elect that the corporation be taxed thereunder, if such qualification and election is determined by the directors of the corporation to be in the best interests of the corporation; and,

(e) To take any and all action necessary and appropriate to qualify the corporation under Sections 105-125(a)(8) and 105-130.11(a)(11) of the North Carolina General Statutes, as such sections are applicable to the corporation; and,

(f) To exercise any and all powers that may be conferred upon nonprofit corporations under Chapter 55A of the North Carolina General Statutes or any corresponding provisions of any future North Carolina Statutes in furtherance of the purposes of the corporation.

Provided, however, and notwithstanding any power or authority set forth above in this Article, the corporation shall have the power and authority to engage only in activities that meet each of the following requirements:

(a) Such activities are not broader than those activities that may be undertaken by a nonprofit corporation pursuant to Chapter 55A of the North Carolina General Statutes or any corresponding provisions of any future North Carolina statutes;

(b) Such activities are not broader than those activities that may be undertaken by the Corporation pursuant to these Articles, the bylaws of the Corporation or the Declaration; and,

(c) Such activities are not broader than those activities that may be undertaken by a planned community pursuant to Chapter 47F of the North Carolina General Statutes (North Carolina Planned Community Act).

6. Membership: The corporation shall have members, and the class or classes of members and the qualifications and rights of members shall be set forth in the bylaws of the corporation.

7. Initial Directors: The number of directors constituting the initial board of directors shall be one, and the name and address of the person who shall serve as director until a successor shall be elected and qualified, is as follows:

<u>Name</u>	<u>Address</u>
Robert D. Parrott	1003 Red Banks Road Greenville NC 27858

Subsequent Boards of Directors, the number of directors, their terms of office, and the method of their selection shall be provided for and determined as is set forth in the bylaws of the corporation.

8. Nonprofit Issues: The corporation is not organized and shall not be operated for pecuniary gain or profit. No part of the property or net earnings of the corporation shall inure to the benefit of, or be distributable to its members (if any), directors, officers, or any other individuals, except that reasonable compensation may be paid by the Corporation for services actually rendered or other value received, including but not limited to management, maintenance and care activities or by rebated executes membership, dues, fees or assessments, if any, pursuant to the North Carolina Nonprofit Corporation Act.

9. Dissolution: In the event of dissolution of the corporation, any net assets remaining after the satisfaction of the corporation's liabilities shall be transferred and delivered to one (1) or more of the following, as shall be selected by the Board of Directors of the corporation:

(a) one or more nonprofit corporations formed under the North Carolina Nonprofit Corporation Act as determined by the board of directors of the corporation, that are organized for purposes similar or related to those set forth in these Articles of Incorporation; or

(b) as otherwise permitted by law.

The Corporation may be dissolved only upon the affirmative vote of not less than eighty-five percent (85%) of all members of the Corporation entitled to vote.

10. Limitation on Personal Liability: To the fullest extent provided by law, no director of the corporation shall be personally liable for monetary damages arising out of an action, whether by or in the right of the corporation or otherwise, for breach of any duty as a director.

11. Incorporator: The name of the incorporator is Amy Alston Wells and the address of the incorporator is 501 Greenville Blvd SE, PO Box 8188, Greenville, North Carolina 27835-8188.

12. Amendment: Any amendment of these Articles of Incorporation shall require the affirmative vote of not less than seventy-five (75%) of the members of the corporation.

13. Veto Power of Declarant. Pursuant to the authority granted in Section 55A-8-01(c) of the North Carolina General Statutes, the trustee of the Frank Hart Trust ("Declarant") shall have veto power over all actions taken by the board of directors of the corporation or by any committee thereof established by the board of directors or the bylaws of the corporation. The Declarant's veto power shall begin as of the date of filing of these Articles of Incorporation with the North Carolina Secretary of State and shall end on the later of: (A) the date on which the Declarant gives the corporation formal written notice of his irrevocable surrender of any and all veto powers hereunder or (B) the date which is fifteen (15) years after the date of incorporation of this corporation. During such time as Declarant's veto power is in effect as set forth above, the board of directors and any committee of the corporation shall provide the Declarant, in writing, with notice of any and all action taken by the board of directors or committee, as applicable, within forty-eight (48) hours of taking such action, and the Declarant shall have ten (10) business days after receipt of such communication in which to veto such action by delivering written notice of said veto to the secretary of the corporation.

14. Approval of Amendment to or Modification of these Articles of Incorporation or the Bylaws of the Corporation. Any proposed amendment to or modification of the Articles of Incorporation of the corporation or the bylaws of the corporation shall be subject to the prior approval of the Declarant, which shall be given or withheld solely in the discretion of the Declarant. The provisions contained in this Section 14 shall terminate on the later of: (A) the date on which the Declarant gives the corporation formal written notice of his irrevocable surrender of the approval authority contained in this Section 14 or (B) the date which is fifteen (15) years after the date of incorporation of this corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand, this the 1<sup>st</sup> day of November, 2006.

  
Amy Alston Wells, Incorporator

Prepared by and return to:  
Amy Alston Wells  
McLawhorn & Associates, P.A.  
501 Greenville Blvd SE  
Post Office Box 8188  
Greenville, North Carolina 27835-8188  
Telephone: (252) 321-0473  
Fax: (252) 321-0482