



**DECLARATION OF BY-LAWS
OF
COLINGTON HARBOUR ASSOCIATION, INC.**

PREAMBLE

IN RECOGNITION OF THE FACT THAT COLINGTON HARBOUR ASSOCIATION, A NONPROFIT HOME OWNERS ASSOCIATION INCORPORATED UNDER THE LAWS OF THE STATE OF NORTH CAROLINA, HAS A DUTY TO ITS MEMBERS TO CONDUCT BUSINESS AND PROVIDE GOVERNMENTAL RULES AND REGULATIONS FOR THE WELL-BEING OF THE OWNERS AND THOSE RESIDING WITHIN THE PLANNED DEVELOPMENT COMMUNITY KNOWN AS COLINGTON HARBOUR, IT IS NECESSARY AND APPROPRIATE THAT BY-LAWS BE ADOPTED FOR THE ORDERLY TRANSACTION OF BUSINESS, AND GOVERNMENT OF, AND FOR THE ASSOCIATION. PURSUANT TO ARTICLE THREE (g) OF THE ARTICLES OF INCORPORATION OF COLINGTON HARBOUR ASSOCIATION, INC., A NON-PROFIT CORPORATION, AND THE STATE OF NORTH CAROLINA GENERAL STATUTES §47F-1-104 and CHAPTER 55A, THE FOLLOWING BY-LAWS ARE ADOPTED FOR THE REGULATION AND MANAGEMENT OF THE AFFAIRS OF SAID CORPORATION. SAID BYLAWS HAVE BEEN APPROVED BY THE BOARD OF DIRECTORS AND RATIFIED BY MAJORITY VOTE OF THE COLINGTON HARBOUR ASSOCIATION MEMBERSHIP AT THE 1989 ANNUAL MEETING, WITH REVISIONS APPROVED BY THE BOARD OF DIRECTORS AND RATIFIED BY A MAJORITY VOTE OF THE COLINGTON HARBOUR ASSOCIATION MEMBERSHIP AT THE 2017 ANNUAL MEETING.

**ARTICLE I
Definitions**

The following terms as used in these By-Laws are defined as follows:

- (a) "Colington Harbour Association, Inc.", hereinafter referred to as the "Association", means the Association of owners of properties in the planned community development known as Colington Harbour.
- (b) "Board" means the Board of Directors of the Association.
- (c) "By-Laws" means the By-Laws of the Association which establish the form and method for the government and the rules and regulations of the Association.
- (d) "Common Property" means those areas and other parcels of property, including lakes and roads, together with any buildings or other improvements thereon or thereto owned, maintained, acquired or brought under the jurisdiction of the Association.
- (e) "Resolution" means any equity, administrative, special or general resolution adopted by the Board.

Return To: Colington Harbour Association
1000 Colington Drive
Kill Devil Hills, NC 27948

(f) "Community Standards of Architectural Control" means the rules adopted by the membership of the Association governing construction or other improvements on any lot, lake or waterway in the community.

(g) "Bulkhead Standards" means the rules and regulations adopted by the membership of the Association governing construction of Bulkheads on any waterfront lot in the community.

(h) "Declaration" means the Declaration of Restrictive Covenants and Agreements dated July 12, 1968, and duly recorded in Book 150 at Page 365 in Public Registry of Dare County, North Carolina, or any properly amended versions thereof. The Declaration of Restrictive Covenants as hereinabove set forth is incorporated in the By-Laws as if fully set forth herein.

(i) "Lot" means any original lot within the community as defined by Section Letter and Lot Number, or by metes and bounds description on the plats defining the community.

(j) "Owner" means person or entity holding title to any original lot, whether as land contract or fee holder, except as a security interest for a debt, being subject to the assessments by the Association.

ARTICLE II

Membership, Guests and Lessees

Section 1. Classes of Members. There shall be (1) Members; (2) Associate Members; and (3) Honorary Members.

Section 2. Members. Each Owner shall, by reason of ownership, become a Member of the Association.

Section 3. Associate Members. If not otherwise a Member, each of the following shall be entitled to associate membership in the Association: the spouse, children or legal wards of a Member or Honorary Member who have the same principal residence as the Member or Honorary Member.

Associate Members shall have no vote or right to notice of any annual or special meeting of the members. The privileges and duties of Associate Members shall be as those of Members, unless otherwise established from time to time by the Board by Resolution.

Section 4. Honorary Members. If not otherwise a Member, any person whose services contribute directly to the Association and its purposes shall be entitled to honorary membership in the Association. Honorary Members must be sponsored by a Member of the Board of Directors of the Association and shall require unanimous approval by the Board. This class of membership shall be limited to fifty (50) Honorary Members and shall extend from year-to-year, unless suspended or otherwise terminated. Honorary Members shall have no vote

or notice of any annual meeting or special meeting of the Members. The privileges and duties of Honorary Members shall be established from time to time by the Board by Resolution.

Section 5. Rights of Members. Members shall have the right to use the common property and facilities subject to the provisions of the Declaration and these By-Laws.

Section 6. Guests. A guest is an individual present on common property at the invitation of a Member who has the right to use the common property. If not actually a house guest, a Member must accompany the guest.

Section 7. Lessees. Lessees of homes owned by Members with the right to use common property will be offered the use of the same common property subject to the same provisions as stated in Article II, *Section 5* above.

Section 8. Suspension of Privileges of Membership.

- (a) The Board may suspend the voting privileges (If any) and the right to use Common Property of the Association of any Member, Associate Member or Honorary Member for:
 - (1) The period during which any Association charge levied on the Member under the authority of *Article V* (Covenant for Maintenance Assesments) *of the Declaration* and these By-Laws is overdue and remains unpaid.
 - (2) The period of any continuing violation of the Declaration or the By-Laws after due hearing on the matter and the existence of such violation has been declared by the Board and notice of such violation has been given to the Member in writing by the Board.
- (b) Voting privileges shall be automatically reinstated upon satisfactory payment of all charges due the Association.
- (c) The right of use of the common property shall be automatically reinstated by remedy of the violation cited by the Board to the Member. The Board shall make the determination that the violation has been remedied.

ARTICLE III Cessation of Membership

When a Member ceases to be an Owner, such Membership, and those Associate Memberships existing through relationship to that Member shall cease. The ex-Member shall remain liable for all Association charges incurred prior to the transfer of the property. Written notice to the Association of the transfer is the obligation of the ex-Member.

ARTICLE IV Meeting of Members

Section 1. Place of meetings of the Members. Meetings of Members of the Association shall be held in the Club House at Colington Harbour or at such other place within the general area as may be stated in the notice of such meeting.

Section 2. Annual Meeting of the Members. The Annual Meeting of the Association shall be the second Saturday in April, at a time designated by the Board.

Section 3. Special Meetings of the Members. Special Meetings of the Association Members may be called by the President, a majority of the Executive Board, or by written petition by Owners having ten percent (10%) of the votes of the Association, and that would be eligible to vote at such meeting, pursuant to NCGS §47F-3-108. Such petition by the Owners shall set forth the purposes of the Special Meeting. At a Special Meeting, however called, no other business shall be conducted except that stated in the notice of said meeting. A majority vote of those present, plus proxies, shall be controlling with regard to any question presented at said meeting.

Section 4. Notice of Meetings of Members of the Association. Written notice of the place, date and hour of the Annual Meeting and, in the case of a Special Meeting, the purposes for which the meeting is called, shall be mailed at least thirty days (30) before the date of the meeting to each person entitled to vote at said meeting. Further, the notice must include a description of any matter or matters that shall be approved by the Members pursuant to NCGS §47F-3-108(a) and/or NCGS §55A-7-05(c)(2), or information about a matter that a Member intends to raise pursuant to NCGS §55A-7-05(e)

Notice shall be deemed effective when deposited in the United States mail, addressed to the address as it appears on the record of the Association, with postage prepaid.

Or, notice may be published in any newspaper, newsletter, or publication under the auspices of the Association and distributed generally among the members of the Association.

Section 5. Quorum. A quorum at the annual meeting or a special meeting shall be the members entitled to cast at least ten (10%) percent of the votes at such meeting in person or by proxy and entitled to vote at any meeting at which a quorum is present shall be necessary to decide any question, unless a greater proportion is required by law or the Declaration.

Section 6. Continuation of Meeting. The Members of the meeting at which a quorum is present may continue to do business, including voting, until adjournment, notwithstanding the withdrawal of sufficient Members to leave less than a quorum.

Section 7. Proxies. During meetings, each Member in good standing may vote in person or by proxy. A proxy may only be vested in a person eligible and entitled to vote in meetings of the Members of the Association and shall be in writing and filed with the Secretary. Each proxy shall be revocable and shall automatically cease upon conveyance by the member of his lot in Colington Harbour. No proxy shall be valid after eleven (11) months from the date of its execution.

Section 8. Mail ballot. At the discretion of the Board, a mail ballot of the membership may be authorized pursuant to NCGS §55A-7-08 in the case of Special Meetings. In this event, proxies will not be permitted. A vote cast by mail shall have the same effect as if the Member was in attendance at the Special Meeting.

Section 9. Voting

(a) In the event a lot is owned by more than one person, the owners of such lot shall execute and deliver to the Secretary of the Association a notice duly executed by all such owners designating the person who shall be authorized to cast the vote allocated to the owners of said lot or to signify approval or disapproval of any matter on behalf of the said owners.

In the event the lot is owned by a corporation or entity, an individual shall be similarly designated in writing who shall be authorized to cast the vote allocated. Said notice shall be valid until revoked by a subsequent certificate. Unless and until said notice is filed with the Secretary of the Association, the vote of such owners shall not be considered for the purpose of determining a quorum or for any other purpose.

Fractional votes for subdivided original lots may be cast as provided in the Declaration.

The requirements of this section shall not apply if the owners are husband and wife.

(b) No Member shall be eligible to vote if said Member is delinquent in payments due the Association or has been notified by the Board of and failed to remedy a violation of the Declaration or By-Laws.

Section 10. Order of business.

At the Annual Meeting of the Association, the order of business shall be as follows:

- (a) Reading of the minutes of the previous meeting for information and approval.
- (b) Reports of the officers, including specifically, the President's report.
- (c) Unfinished business.
- (d) New business, including adoption of a budget for the ensuing fiscal year.

ARTICLE V
The Directors

Section 1. Powers. The Board shall:

- (a) Govern and manage the affairs of the Association.
- (b) Designate a banking institution or institutions as depository for the Association's funds; and the officer or officers and agents authorized to make deposits thereto and withdrawals therefrom and to execute obligations on behalf of the Association.

- (c) Perform other acts the authority for which has been granted by the Declaration, including the borrowing of money when such has been approved by the membership in accordance with *Article IV (Property Rights in the Common Properties) of the Declaration*.
- (d) Employ a sufficient number of persons to adequately maintain Association property and administer Association affairs.
- (e) Adopt annually an operating budget to be presented for approval by the Members at each Annual Meeting. The operating budget shall encompass anticipated expenditures and income for an ensuing period, which shall conform to the fiscal year of the Association established by the Board. Upon the adoption and approval of the budget by the Members at an Annual Meeting, the Board shall be bound by the same and shall not authorize expenditures in total in that fiscal year which exceed the total amount budgeted as aforesaid by more than fifteen percent (15%), without having called a Special Meeting of the Association to approve such variations.
- (f) Appoint members of the Architectural Control Committee (ACC), which committee shall develop and keep current guidelines governing construction of improvements in the community. These guidelines, when approved by the Board, shall be presented to an Annual or Special meeting for adoption by the Membership and shall, collectively, be known as "Community Standards for Architectural Control".
- (g) Appoint other committees of the Association which may be either temporary or permanent. They shall have such powers and responsibilities as the Board may by resolution direct.
- (h) Adopt rules of order for the conduct of the meetings of the Association, and unless otherwise designated, Robert's Rules of Order shall prevail in all parliamentary matters arising at meetings of Members or Directors.

Section 2. Number of Directors. The Board shall be composed of seven (7) Directors.

Section 3. Term. Each Director shall be elected for a term of three (3) years.

Section 4. Election of Directors.

- (a) Election of Directors shall be by written ballot as is herein provided. In all elections of Directors, each Member is entitled to vote as is set forth in Article III, Section 2. Each Member entitled to vote as previously defined shall be entitled to cast one vote for each lot owned. In all elections of Directors, the persons receiving the largest number of votes shall be elected to fill the longer term of the Board. In the event of non-contest, vacancies will be filled in order in which applications were filed for candidacy with the Secretary of the Association.
- (b) Between the first and fifteenth day of February of each year, any member in good standing, may file with the Secretary of the Association, a statement of candidacy for election as a Director of the Association for the term beginning immediately following the Annual Meeting of the Association, together with endorsements of candidacy signed by ten (10) members in good standing and a brief statement of not more than one hundred (100) words limited to biographical background for each candidate to be included in the notice of such Annual Meeting.
- (c) All elections to the Board shall be made on written ballot which shall:
 - 1. Describe the vacancy to be filled; and,

2. Set forth the names of those persons who have become candidates for the office of Director in the order in which they filed their statements and endorsements of candidacy with the Secretary of the Association.

Such ballots shall be prepared and mailed by the Secretary to each person entitled to vote simultaneously with the mailing of the notice of the Annual Meeting of the Association.

(d) Each Member entitled to vote shall receive one (1) ballot for each lot for which he is the voting Member.

(e) The completed ballots shall be returned as follows: Each ballot shall be placed in a sealed envelope marked "Ballot" but not marked in any other way. Each such "Ballot" envelope shall contain only one (1) ballot, and each voting member shall be advised that because of the verification procedures hereinafter set forth, the inclusion of more than one (1) ballot in any one "Ballot" envelope shall disqualify the return. Such "Ballot" envelope shall be placed in another sealed "carrier" envelope which shall bear on its face adequate identification of sender, and such other information as the Board may determine will serve to establish the right to cast the vote or votes presented in the ballot or ballots contained therein. The ballots shall be returned to the Secretary of the Association no later than ten (10) days prior to the Annual Meeting at such address as the Board may from time to time determine.

(f) Upon receipt of each return, the Secretary or his/her designated representative shall verify the identification of the property owner and whether such owner is in good standing. The carrier envelopes will also be checked for any other material included with the ballot and such material shall be removed for processing. The carrier envelopes containing ballots only, will then be placed in a safe or other locked place until the day fixed by the Board for the counting of such ballots. On that day, the carrier envelopes containing the ballot envelope(s) shall be turned over to an Election Committee consisting of the Secretary, the then existing Board and a representative of each candidate for the office of Director. The ballot envelope(s) will then be removed from the carrier envelope and counted by the Election Committee without reference to the carrier envelope to insure the confidentiality of the vote. The carrier envelopes shall thereupon be placed in a safe or other locked place, and the Election Committee shall then proceed to count the votes.

If any "Ballot" envelope is found to contain more than one (1) ballot, all ballots contained in such envelope shall be disqualified. The Election Committee shall certify the results of the count at the Annual Meeting, and the terms of office of the Directors so elected shall commence immediately following such Annual Meeting.

(g) All carrier envelopes, ballots, and statements of candidacy shall be retained until adjournment of the applicable Annual Meeting.

Section 5. Proxies. Proxies may not be cast in an election of Directors.

Section 6. Removal of Directors. A Director may be removed only for just cause with formal charges stated in writing and bearing the signatures of twenty-five (25) Members in good standing. Upon receiving said charges, the Board will appoint a committee of twelve (12) Members to hold hearings on the charges. No signer of the charges or no officer or member of the Board shall be a member of the impeachment committee. The chairman of this committee shall be elected by the members, and shall have full voting powers in the committee. A finding

of "just cause for impeachment" sustained by two-thirds (2/3) vote of the committee shall automatically remove the impeached officer from his office.'

Section 7. Meetings of the Board of Directors. The Board shall meet at least quarterly. Special Meetings of the Board may be called by the Chairman or by a majority of the Board and shall be held at such place in the State of North Carolina as the call or notice of the meeting shall designate. Notice of a Special Meeting of the Board must be given to all Directors in writing or orally at least twenty-four (24) hours prior to the date of said Special Meeting, or notice thereof must be waived by the Directors in writing. After adoption of a resolution setting forth the times of regular meetings, no notice of such meetings shall be required, or waived, but notice of Special Meetings of the Board shall be given.

Section 8. Action Without Meeting. Unless the action would be prohibited by law, any action which may be taken at a meeting of the Board may be taken without a meeting. All Directors who would be entitled to vote upon said action must agree with the action and subsequently ratify it in a writing filed with the Secretary of the Association.

Section 9. Quorum. A majority of the Directors shall constitute a quorum to transact business of the Board, and the act of the majority of the Directors present at any meeting shall be deemed to be the act of the Board.

Section 10. Vacancies. If any vacancy exists on the Board, such vacancy shall be filled through appointment by the remaining Directors even though those remaining Directors might be less than a quorum. Any person so named a Director shall serve until the next Annual Meeting election, at which time a Director will be elected by the Association Members to serve the unexpired portion of the term.

Section 11. Succession. No Director shall be eligible for election to more than two successive terms.

Section 12. Compensation. No compensation shall be paid to Directors for their services as Directors. Directors and officers may be compensated for reasonable expenses incurred while so acting.

Section 13. Resignations. Any Director may resign at any time by giving written notice to the Chairman or the Secretary of the Association. Such resignation shall take effect at the time specified therein, or if no time is specified therein, at such time as the resignation is received by the Chairman of the Board or Secretary of the Association. Directors who fail to attend three consecutive meetings of the Board in the same calendar year without due cause, as determined by the remaining members of the Board, shall be considered to have resigned.

ARTICLE VI

The Officers

Section 1. Officers. The Officers of the Association shall be the Chairman of the Board, the President, one or more Vice Presidents, the Secretary, the Treasurer and such other officers and assistant officers as the Board may from time to time elect. Any member of the Association in good standing may hold office. The Chairman shall be chosen from among the elected members of the Board as hereinafter provided in Section 2 below. Officers shall serve at the will of the Board. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary. If more than one Vice-President shall be elected, there shall be a designation as to First Vice-President and Second Vice-President insofar as authority to act in the absence of the President.

Section 2. Chairman. At the first meeting of the Board after the election of new Directors, as set forth in Article VI, Section 4, the Board shall elect one of its Board members by majority vote, a quorum being present, as Chairman for a one-year term. The Chairman shall preside at all meetings of the Board of Directors. He shall have all rights, privileges and obligations of other Board members. He shall, from time to time, make recommendations to the Board and to other officers as he may see fit.

Section 3. President. The President shall be the executive officer of the Association and shall preside over all meetings of the Members of the Association. He shall be an Ex-Officio member of all committees except those concerned with nominations and election. He shall conduct the affairs of the Association in accordance with these By-Laws and those policies promulgated by the Board of Directors. He shall be responsible for the preparation of a full and true report as to the prior year to be submitted to the Annual Meeting and shall file said report with the Secretary where it shall be available for inspection by the membership.

Section 4. Vice-Presidents. In the absence of the President, or in the event of his inability or refusal to act, the First Vice-President is empowered to act and, in lieu thereof, the Second-Vice President is empowered to act and shall thereupon be vested with the powers and duties of the President.

Section 5. Secretary. The Secretary of the Association shall keep, or cause to be kept, Minutes of all meetings of Members of the Association and/or the members of the Board. The Secretary shall cause to be mailed all notices required under the By-Laws; shall have the responsibility for the safekeeping of the corporate seal and records; shall see that a list of Members and their addresses shall be maintained; and perform duties incident to the office of Secretary. In order to carry out the above and other duties described in these By-Laws, the Secretary may appoint assistants from among the membership as deemed necessary.

Section 6. Treasurer. The Treasurer shall have custody of the funds of the Association, collect monies due, pay the obligations of the Association out of its funds, and perform such other duties as are incident to the office of Treasurer. In order to carry out the above and other duties described in the By-Laws, the Treasurer may appoint assistants from among the membership as deemed necessary.

Each check payable from the Association funds shall be signed by at least two persons, each of whom shall have been authorized by the Board of Directors to perform this function. The Board may designate authorized persons not to exceed six (6) in number providing the list shall include President, Vice-President, Treasurer and Administrative Secretary. Each such person, before signing any such checks, shall have been bonded by such surety as determined by the Board. Indemnity bond premiums shall be paid by the Association.

Section 7. Terms of Office. Terms of officers of the Association shall be one year, commencing with the Annual Meeting.

Section 8. Removal of Officers. Any Officers may be removed when, in the judgment of the Board, the best interest of the Association will be served by such removal.

Section 9. Succession. Officers shall be eligible to succeed themselves to the same or other office, except that the Chairman and the President may not serve in the office for more than two one-year terms in succession.

Section 10. Community Manager. By action of the membership at the June 1987 Annual Meeting, a Community Manager is employed by the Association. The Community Manager shall report to the President of the Association. Among the Community Manager's duties shall be the day-to-day management of the community, supervision of personnel, attendance at all meetings of the Board and Annual Meetings, representing the Association in dealing with other governmental units, and preparation of the annual budget.

ARTICLE VII

Distribution of Assets After Termination

Section 1. No Member of this Association shall have, as an individual, any interest in or title to the assets of the Colington Harbour Association, and such assets shall be devoted exclusively to the purposes of the Association.

Section 2. In the event of dissolution or other termination of this Association, all of its assets shall be distributed in accordance with Article IX of its Corporate Charter pursuant to a plan of distribution which shall be adopted by the members of the Association and which shall be in accord with the appropriate revenue provisions of the Internal Revenue Service and the Department of Revenue of the State of North Carolina, such plan being selected and approved by the Board.

ARTICLE VIII

Indemnification of Directors, Officers, and Employees

Any person who is involved without his/her consent in any legal action due to the fact that he/she is or was a Director, Officer, Committee Member or employee of the Association shall be indemnified by the Association against all expenses reasonable incurred by him/her in

connection with or resulting from such legal action. Such expenses shall also include amounts paid by him/her with the consent of the Association acting through its Board of Directors in reasonable settlement of such actions except for those matters as to which it shall be determined that such person was derelict in the performance of his/her duties to the Association. This right of indemnification shall apply to matters arising both before and after the time of adoption of this By-Law and shall not exclude any other legal right of indemnification which such person may be entitled.

ARTICLE IX

Assessments

Section 1. Amount of Assessment. An annual assessment per lot (divided among fractional lots owners on the fractional basis of their interest in their original lot), the amount of which is to be determined by a vote of the Membership as provided for in *Article V (Covenant for Maintenance Assessments), sections 5 and 6 of the Declaration*, shall be levied effective May 1st of each year on the then Owners of such lots. The Board may, after consideration of current costs and future needs of the Association, fix the actual assessment for any year at a lesser amount.

Section 2. Payment and Non-Payment of Assessment. Assessments levied by the Association as provided in *Article V (Covenant for Maintenance Assessments) of the Declaration* as recorded in Book 150, Page 365 Dare County Registry shall be paid to it as provided therein.

Written notice of assessment and the due date of payment shall be sent to each Owner at the address last given by such Owner to the Association. If any charge levied or assessed against any lot remains unpaid for a period of thirty (30) days after the due date, then such assessment shall, together with interest at the rate of six percent (6%) per annum, a penalty fee of two USD ^{\$25.00} (~~\$2.00~~), and the cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the property which shall bind such property in the then hands of the then owner, his/her heirs, devisees, personal representatives and assigns.

Payment on account shall be first applied to accrued interest and penalties and then to any assessment payments then due. Liens will be filed for record in the Office of the Register of Deeds of Dare County or the Clerk of Superior Court of Dare County, North Carolina as appropriate. Upon such lien being duly filed, it shall be prior to all other liens except the following:

- (1) Assessments, liens and charges for real estate taxes due and unpaid on the lot, and
- (2) All sums unpaid on Deeds of Trust Mortgages and other encumbrances duly of record against the lot prior to the docketing of the aforesaid lien; and
- (3) Materialsman's and Mechanics' Liens.

Provided the aforesaid lien is duly filed, such lien may be foreclosed by suit by the Association, the Board of Directors or any Director thereof, acting on behalf of the Association and the Members, in like manner as a Deed of Trust of real property. The Board may, on behalf of the Association, institute such other procedures, either in law or in equity, either by way of foreclosure of such lien or otherwise, to collect the amount of said charges in any court of competent jurisdiction.

The Owner of the lot or lots subject to the charge, shall, in addition to the amount of the charge at the time legal action is instituted, be obliged to pay any expense or cost, including attorney's fees, incurred by the Association in collecting the same.

Section 3. Basis for Assessments. All assessments shall be made in accord with terms and conditions of *Article V of the Declaration entitled "Covenant for Maintenance Assessments"*.

ARTICLE X Amendments

These By-Laws may be amended by the Board in accordance with North Carolina General Statute, Chapter 55A-14. Said changes shall be ratified by a majority vote of Members at an Annual or Special Meeting at which a quorum is present.

ARTICLE XI Miscellaneous

Section 1. Conflict. These By-Laws are subordinate and subject to all provisions of the Declaration as recorded in Book 150, Page 365, Dare County Registry; the Articles of Incorporation of the Association; and the General Statutes of North Carolina. All of the terms hereof, except where clearly repugnant to the context shall have the same meaning as in the Declaration, said Articles of Incorporation or said Statutes. Every provision of these By-Laws shall be construed, if possible, so as not to conflict with said Declaration or the Articles of Incorporation.

Section 2. Severability. In the event that any provision(s) of these By-Laws shall be determined to be invalid, void, or unenforceable, such determination shall not render invalid, void or unenforceable any other provision(s) hereof which can be given effect.

Section 3. Waiver. No restriction, condition, obligation or provision of these By-Laws shall be deemed to have been abrogated or waived by reason of any failure(s) to enforce the same.

Section 4. Seal. The corporate seal of the Association shall consist of two concentric circles between which is the name of the Association and the center of which is inscribed SEAL; and such seal, as impressed on the margin hereof, is hereby the corporate seal of the Corporation.

Section 5. Waiver of Notice. Whenever any notice is required to be given to any Association Member or Director by law, or by these By-Laws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated herein, shall be equivalent to the giving of such notice.

Section 6. Captions. The captions contained in these By- Laws are for convenience only. They are not a part of these By- Laws and are not intended in any way to limit or enlarge the terms and provisions of these By-Laws.

Section 7. Non-Discrimination. It is the policy of the Colington Harbour Association to follow a non-discrimination policy in all of its actions, including membership, the holding of office and committee memberships, the right of owners to enter into lease or rental agreements, the extension of guest privileges, as well as employment, promotion and/or termination of employees and all other interpersonal relationships whether within or without the Association. This policy shall preclude the consideration of race, sex, religion or national origin as a factor in any decision-making process, either by the Association or by Members on behalf of the Association.

ARTICLE XII RESOLUTIONS

SECTION 1. THE BOARD SHALL ADOPT SUCH RESOLUTIONS AS ARE NECESSARY TO INTERPRET THE DECLARATION AND BY-LAWS AND CONDUCT BUSINESS AND GOVERNMENT OF THE ASSOCIATION. RESOLUTIONS SHALL BE DIVIDED INTO FOUR CATEGORIES, VIZ.,

(a) EQUITY RESOLUTIONS ARE THOSE WHICH MAY OR ACTUALLY DO AFFECT PROPERTY RIGHTS.

(b) ADMINISTRATIVE RESOLUTIONS ARE THOSE WHICH ENABLE THE BOARD TO DEAL WITH OPERATING PROCEDURES OF THE ASSOCIATION.

(c) SPECIAL RESOLUTIONS ARE THOSE PROCEDURES BY WHICH A MEMBER MAY APPEAL A RULING BY THE ARCHITECTURAL CONTROL COMMITTEE.

(d) GENERAL RESOLUTIONS ARE THOSE WHICH AUTHORIZE ROUTINE ACTIONS SUCH AS CONTRACTS, ANNUAL BUDGETS, EXPENDITURES AND, IN GENERAL, ACTIONS OF A TEMPORARY, NON-PRECEDENT-SETTING NATURE.

SECTION 2. NOTICE SHALL BE GIVEN THE MEMBERS OF THE ASSOCIATION AS REGARDS AMENDMENTS, CHANGES AND NEW EQUITY RESOLUTIONS. WHERE THE AMENDMENT, CHANGE OR NEW EQUITY RESOLUTION WILL HAVE A SUBSTANTIAL AND MATERIAL EFFECT ON A MEMBER, THE BOARD, AT ITS DISCRETION, MAY SEEK RATIFICATION OF THE PROPOSED AMENDMENT, CHANGE OR NEW EQUITY RESOLUTION BY VOTE OF THE MEMBERS ELIGIBLE TO VOTE EITHER AT THE ANNUAL MEETING OR BY SPECIAL BALLOT.

SECTION 3. RESOLUTIONS CODIFIED AND ADOPTED DIRECTLY FROM PREVIOUS APPROVED ASSOCIATION DOCUMENTS, INCLUDING COMMUNITY ORDINANCES, COMMUNITY STANDARDS OF ARCHITECTURAL CONTROL AND BULKHEAD STANDARDS, SHALL BE EFFECTIVE ON THE DATE

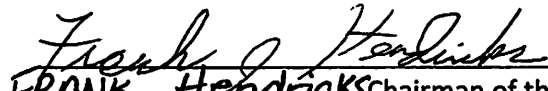
THESE BY-LAWS ARE RECORDED BY THE DARE COUNTY REGISTER OF DEEDS AND THE ORIGINAL DOCUMENTS SHALL THEN CEASE TO HAVE EFFECT.

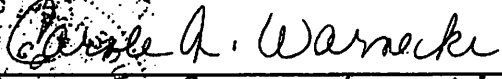
ARTICLE XIII

Obligation to Comply with the By-Laws and Resolutions

Members, Associate Members and Honorary Members of the Association and others residing in the community as lessees, licensees or guests shall abide by the provisions of these By-Laws and Resolutions. Failure to do so shall cause the Board to impose sanctions or take other appropriate action against said persons including, but not limited to those provisions specified to in *Article II, Section 8* hereof.

I attest that these revised Bylaws were adopted by the Board of Directors as of the 8TH day of APRIL, 2017, and were ratified by the Members of the Association as of the 8TH day of APRIL, 2017.


FRANK Hendricks Chairman of the Board


CAROL Warnecki Secretary

Acknowledgment of Individuals

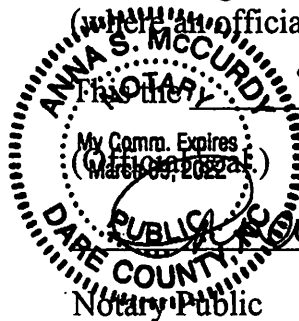
STATE OF NORTH CAROLINA

COUNTY OF Dare

I, a Notary Public, do hereby certify that

Frank Hendricks and Carol Warnecki (here give the name of the grantors or makers) personally appeared before me this day and acknowledged the due execution of the foregoing instrument. Witness my hand and (where an official seal is required by law) official seal

This is the 8th day of April 2017 (year).



Anna S McCurdy
Notary Public

Printed Name: Anna S McCurdy

My Commission Expires:

03/09/2022