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ARTICLES OF INCORPORATION
OF
THEE ROCK PLANTATION
PROPERTY OWNERS ASSOCIATION, INC.

EFFECTIVE
ELAINE F MARSHALL
SECRETARY OF STATE

The undersigned, acting as incorporator of a non-profit corporation under Chapter 55A of the North Carolina General Statutes, does hereby adopt the following Articles of Incorporation for such corporation.

ARTICLE I

NAME

The name of the corporation (hereinafter called the Association) is THEE ROCK PLANTATION PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE II

PURPOSE

The primary purposes for which the Association is formed is to carry out the functions as set out for the Association in the Master Declaration and Development Plan for Thee Rock Plantation.

In furtherance of such purposes, the Association shall have the power to:

(a) Perform all duties and obligations of the Association as set forth in the Master Declaration for Thee Rock Plantation Property Owners Association, Inc. applicable to the development and to be recorded in the Public Records of Brunswick County, North Carolina;

(b) Affix, levy, collect, and enforce payment by any lawful means of all charges and assessments pursuant to the terms of the

Master Declaration and pay all expenses in connection therewith, and all office and other expenses incidental to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied on or imposed against the property of the Association;

(c) Acquire (by gift, purchase or otherwise), own, hold and improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate to public use, or otherwise dispose of real and personal property in connection with the affairs of the Association;

(d) Borrow money and, subject to the consent by vote or written instrument of two-thirds (2/3) of each class of members, mortgage, pledge, convey by deed of trust, or hypothecate any and all of its real or personal property as security for money borrowed or debts incurred;

(e) Dedicate, sell, or transfer all of any part of the common areas to any municipality, public agency, authority, or utility for such purposes;

(f) Have and exercise any and all powers, rights, privileges that a non-profit corporation organized under Chapter 55A of the North Carolina General Statutes by law may now or hereafter have;

(g) Retain a management entity to perform any of the services or duties set forth above or in the Declaration.

The Association is organized and shall be operated exclusively for the purposes set forth above. The activities of the Association will be financed by assessments against members

as provided in the Declaration, and no part of any net earnings of the Association will inure to the benefit of any member.

ARTICLE III

DURATION

The period of duration of the Association shall be perpetual.

ARTICLE IV

NAME OF INCORPORATOR

The name and mailing address of the incorporator is:

Mason H. Anderson
P. O. Box 345
Shallotte, NC 28459

ARTICLE V

MANAGEMENT

The affairs of the Association shall be managed by a Board of Directors; a President and a Vice President. Prior to turnover as defined in the Master Declaration, the Board of Directors will be appointed by the Declarants of Thee Rock Plantation. Neither the officers or the directors need be members of the Association. After turnover, both the officers and directors must be members of the Association (or an officer of any corporate member). The officers shall be elected at the first meeting of the Board of Directors each year.

The names of the officers who are to serve until the first election are:

<u>Name</u>	<u>Office</u>
<u>R.D. White, III</u>	President

Robert H. White, Sr.

Vice President

Roy Mintz

Secretary/Treasurer

ARTICLE VI

INITIAL BOARD OF DIRECTORS

The number of persons constituting the first Board of Directors of the Association shall be three (3); and thereafter, the membership shall consist of not more than five (5). The names and addresses of the persons who shall serve as Directors until the first election are:

<u>Name</u>	<u>Addresses</u>
1. R. D. White, III	P.O. Box 352, Main Street Shallotte, NC 28459
2. Robert H. White, Sr.	P.O. Box 352, Main Street Shallotte, NC 28459
3. Roy Mintz	P.O. Box 352, Main Street Shallotte, NC 28459

ARTICLE VII

BYLAWS

The initial Bylaws shall be adopted by the Board of Directors. Thereafter, the Board of Directors shall have the power to alter, amend, repeal or adopt new Bylaws provided such action and the resulting Bylaws are not inconsistent with the Articles of Incorporation or the Master Declaration.

ARTICLE VIII

AMENDMENT

These Articles may be amended at any annual meeting of the Association, or at any special meeting duly called and held for such purpose, on the affirmative vote of a majority of each class of voting members existing at the time of, and present in person

or by proxy at such meeting. The procedure for proposing an amendment shall be as set out in N.C.G.S. Section 55-A-35.

ARTICLE IX

MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership: Every person or entity who is an Owner of a Lot, Dwelling, Recreational Amenity or any other separate Business Entity subject to the Master Development Plan shall be a member of the Association, provided that any such person or entity who holds an interest merely as security for the performance of an obligation shall not be a member.

Section 2. Voting Right: The Association shall have three classes of voting membership:

(a) Class "A"

Class "A" Members shall be all those Owners as defined in Section 1 of this Article with the exception of the Declarants, the Owner of the Recreational Amenity and the Owner of any other separate Business Entity. Class "A" Members shall be entitled to one vote for each Lot or Dwelling in which they hold the interest required for membership by Section 1. When more than one person holds such interest in any Lot or Dwelling, all such persons shall be members and the vote for such Lot or Dwelling shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot or Dwelling. The Bylaws may establish procedures for voting when the title to a Dwelling or Lot is held in the name of a corporation or more than one person or entity.

(b) Class "B"

Class "B" Member(s) shall be the Owner(s) of (1) the Recreational Amenity and (2) any other separate Business Entity. The Owner of the Recreational Amenity shall be entitled to 50 votes. Should there be any other separate Business Entity(ies) built and operated as an ongoing business enterprise on The Property, the Declarants shall have the right to assign the number of votes in the Association to such entity, provided such assignment shall be made in good faith by the Declarants.

(c) Class "C"

(i) The Declarants collectively shall constitute as a group The Class "C" Member. The Class "C" Member (casting its vote through a designated representative by the Declarants) shall be entitled to three votes for each Lot or Dwelling in which they hold the interest required for membership by Section 1; provided that The Class "C" membership shall cease and become converted to Class "A" membership on the happening of the earlier of any of the following events:

1. When the total votes outstanding in the Class "A" membership equal the total votes outstanding in the Class "C" membership; or
2. At any earlier time that the Declarants (acting through their designated representative), in their sole discretion, voluntarily convert their Class "C" membership to Class "A" membership.
3. On December 31, 2015, if not sooner converted under (1) or (2).

From and after the happening of the earlier of these events, the Class "C" Member shall be deemed to be a Class "A" Member entitled to one vote for each Lot or Dwelling in which it holds the interest required for membership under Section 1.

ARTICLE X

DISPOSITION OF ASSETS ON DISSOLUTION

On dissolution, the assets of the Association shall be distributed to an appropriate public agency to be used for purposes similar to those for which the Association was created. In the event such distribution is refused acceptance, such assets shall be granted, conveyed, and assigned to any non-profit corporation, association, trust, or other organization organized and operated for such similar purposes.

ARTICLE XI

INITIAL REGISTERED AGENT And Principal Office Address

The address of the initial registered office of the Association is 4745 Main Street, Shallotte, Brunswick County, North Carolina 28459, and the Initial Registered Agent of the Association is R. D. White, III at such address.

ARTICLE XII

EFFECTIVE DATE

The effective date of this corporation shall be upon filing with the Office of the Secretary of State of North Carolina.

ARTICLE XIII

INDEMNIFICATION OF DIRECTORS

Each Director and Officer of this Association shall be indemnified by the Association against all costs and expenses

reasonably incurred or imposed upon him in connection with or arising out of any action, suit or proceeding in which he may be involved or to which he may be made a party by reason of his having been a Director or Officer of this Association, such expense to include the cost of reasonable settlements (other than amounts paid to the Association itself).

IN WITNESS WHEREOF, the undersigned incorporator has executed these Articles of Incorporation on this 25th day of September, 1997.


Mason H. Anderson (Seal)

STATE OF NORTH CAROLINA

COUNTY OF BRUNSWICK

I, TANYA L. GRAY, Notary Public, do hereby certify that MASON H. ANDERSON personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purposes therein set forth.

WITNESS my hand and official seal this the 25th day of September, 1997.


Notary Public

My Commission Expires:

12-11-99