

**BYLAWS  
OF BALLYBUNION PARK**

**ARTICLE I.  
BUSINESS ADDRESS**

The business address of Ballybunion Park Maintenance Company ("BPMC") shall be 1305 East Broad Avenue, Suite 36, Rockingham, North Carolina 28379. The business address may be changed by the Board of Directors of BPMC if required by the U.S. Postal Service, or, upon approval of the membership, for any other reason.

**ARTICLE II.  
MEMBERSHIP IN BPMC**

Subject to the limitations, qualifications, terms and conditions of the Restrictive Covenants and Conditions for the Cottages at Ballybunion Park dated June 15 2016 and recorded in Book 4660, Page 443-470 of the Moore County Registry (the "Declaration"), every person or entity who is a record owner of a fee or undivided fee interest in any of the Lots (the "Development"), located in Moore County, North Carolina, shall be a member of BPMC. Ownership of such interest shall be the sole qualification for membership, and membership shall be appurtenant to and may not be separated from such ownership.

**ARTICLE III.  
PURPOSES OF BPMC**

The purposes and duties of BPMC shall be:

- A. To maintain the real property as described in the Declaration pursuant to the terms and provisions of these Bylaws, any Rules and Regulations promulgated by BPMC or its Board of Directors and the Declaration;
- B. To enforce the provisions of these Bylaws, the Declaration, and any Rules and Regulations promulgated by BPMC or its Board of Directors;
- C. To collect sufficient funds on an annual basis from Lot Owners to pay BPMC's responsibilities under the Declaration in order to pay Improved Lot common assessments due to the NPOA on Lots 355, 356 and 357 as shown on Plat Cabinet 4 Slide 122 of the Moore County Registry which are the three (3) Lots on which the Park (the "Park") is constructed, to form a reserve fund for future replacement of landscape materials, entrance monument, park amenities, park benches, irrigation, water lines, water well, well pump and other Park fixtures and for the cost of any liability insurance required for the Park, all notwithstanding the NPOA's ownership and control of the Park.

No part of the net earnings of BPMC shall inure to the benefit of its members, the

members of its Board of Directors or its officers, or to any other person, except that BPMC shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the above stated purposes.

ARTICLE IV.  
ASSESSMENTS

BPMC shall make and collect assessments against the Lots as stated in the Declaration.

ARTICLE V.  
MEETINGS OF MEMBERS

**Section 1. Place of Meetings.** All meetings of members shall be held at such place in Moore County, North Carolina, as shall be designated on the notice of the meeting or agreed upon by a majority of the members entitled to vote thereat.

**Section 2. Annual Meetings.** Subject to the provisions of the Declaration, the annual meeting of the members shall be held during the last fifteen (15) days of January of each year on any day during that period (except a legal holiday) as determined by the Board of Directors, for the following purposes:

1. to ratify or reject the summary of the proposed budget submitted by the Board of Directors pursuant to Article VI below;
2. to elect the Board of Directors of BPMC pursuant to the terms hereof for the coming fiscal year; and
3. to transact any other business that may come before the membership, including but not limited to the adoption, modification and/or repeal of any Rules and Regulations governing the Development.

Notwithstanding 1 through 3 of this Section 2, until such time as Tri-City, Inc (the "Developer") does not own any Lots in the Development, the Developer shall have the unilateral right to name the members of the Board of Directors of BPMC.

**Section 3. Substitute Annual Meeting.** If the annual meeting shall not be held on the day designated by these Bylaws, a substitute annual meeting may be called in accordance with the provisions of Section 4 of this Article V. A meeting so called shall be designated and treated for all purposes as the annual meeting.

**Section 4. Special Meetings.** Subject to the Declaration, special meetings of the members may be called at any time by the President or the Board of Directors of BPMC, or upon the written request of not less than twenty percent (20%) of the members.

**Section 5. Notice of Meetings.** Written notice of the meeting shall be delivered not less than ten or more than fifty days before the date of any members' meeting, either personally or by

mail, by or at the direction of the President, the Secretary, or other person who calls the meeting, to each member of record. The notice shall state the time and place of the meeting and shall also state the items on the agenda, including the general nature of any proposed amendment to the Declaration or these Bylaws, any budget changes and any proposal to remove an Officer/Director. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail, addressed to the member at his/her address as it appears on the record of members of BPMC, with postage thereon prepaid. It shall be the responsibility of the individual members to keep the Secretary informed of their current addresses. In the absence of instructions from an individual member as to his/her address, the Secretary shall be entitled to rely on the most recent records of the Moore County Tax Collector to determine the addresses of the owner(s) of a Lot. The notice of meeting must state the time and place of the meeting and all items on the agenda for the meeting.

When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. When a meeting is adjourned for less than thirty days in any one adjournment, it is not necessary to give any notice of the adjourned meeting other than by announcement at the meeting at which the adjournment is taken.

**Section 6. Voting Rights.** On matters of BPMC's business submitted to vote of the membership, the Developer shall have two (2) votes for each Lot owned by the Developer and each Owner of a Lot shall have one (1) vote for each Lot owned for so long as the Developer owns a lot in the Development (the "Developer Control Period"). In addition, during the Developer Control Period, any material change to these By-Laws shall require the express written approval of the Developer to become effective. There shall be no requirement of a quorum for submitting any matter to a vote at any Annual Meeting or Substitute Annual Meeting properly called and convened pursuant to these Bylaws. At any special meeting of members, twenty percent (20%) of the Lots (represented either in person or by proxy) shall constitute a quorum for the purposes of submitting any matter to a vote. Subsequent to the end of the Developer Control Period each Owner shall have one (1) vote for each owned. Except as otherwise provided by the North Carolina General Statutes, or these Bylaws, all matters submitted to a vote at any meeting held in accordance with these Bylaws shall be decided by a simple majority of the total votes cast.

**Section 7. Voting by Proxy.** Votes may be cast either in person or by one or more agents authorized by a dated, written proxy executed by the member or his/her attorney-in-fact. A proxy terminates one year after its date, unless it specifies a shorter term. Any form of proxy which is sufficient in law may be used, but the following form of proxy shall be deemed sufficient:

The undersigned hereby irrevocably constitute and appoint \_\_\_\_\_ their attorney-in-fact and proxy for the sole purpose of casting the vote allocated to Lot \_\_, on all matters submitted to vote at that meeting of The Ballybunion Park Maintenance Company, to be held on \_\_\_\_\_, \_\_\_\_\_. The undersigned hereby ratify and confirm all such votes cast on behalf of said Lot at that meeting, and certify that they are fully authorized to execute this instrument of proxy on behalf of all owners of any fee interest in said Lot.

This the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
(Lot Owners' Signature)

**Section 8. Voting List.** At least ten days before each meeting of members, the Secretary of BPMC shall prepare an alphabetical list of the members entitled to vote at such meeting or any adjournment thereof, with the address of each, which list shall be kept on file with the book of records of BPMC. This list shall be produced and kept open at the time and place of the meeting and shall be subject to inspection by any members during the whole time of the meeting.

**Section 9. Waiver of Notice.** Any member may waive notice of any meeting. The attendance by a member at a meeting shall constitute a waiver of notice of such meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

## ARTICLE VI. BOARD OF DIRECTORS

**Section 1. Purpose, Number and Term of Office.** The business and affairs of BPMC shall be managed by a Board of Directors of not less than three (3) or more than five (5) individuals, who shall be entitled to act on behalf of BPMC; provided, however, during the Developer Control Period the number of Directors may be as few as three (3). The Board of Directors shall initially consist of the initial members of the Board of Directors as named in the Articles of Incorporation of BPMC. Subsequently, the Board of Directors shall be appointed by the Developer until such time as the Developer Control Period of BPMC has terminated pursuant to the provisions of these By-Laws. At the first meeting of the membership of BPMC following the termination of the Developer Control Period, the members of the Board of Directors shall be elected by the membership of BPMC and those persons who receive the highest number of votes at a meeting at which a quorum is present shall be elected. Each member of the Board of Directors shall hold office until his/her death, disability, resignation or removal, or until the expiration of his/her term and the election of his/her successor. Subsequent to the end of the Developer Control Period, all Directors elected by the membership of BPMC must be Lot owners.

**Section 2. Powers and Duties.** The Board of Directors shall have the power and the duty to act on behalf of BPMC in all instances, except that the Board may not amend the Declaration, terminate the Development, elect members of the Board (except to fill any vacancy in its membership for the unexpired portion of a term) or determine the qualifications, powers, duties or terms of office of members of the Board. In addition the Board of Directors shall have the following specific powers, duties and responsibilities:

A. The Board will keep a complete record of all of its acts and all affairs of BPMC and make the same reasonably available for examination by any member, his agents or mortgagees.

B. The Board will adopt a proposed budget for BPMC to be approved or rejected by the membership of BPMC at its Annual Meeting. The proposed budget shall be adopted at a meeting of the Board to be held not more than thirty (30) days before the Annual Meeting of the membership of BPMC. A summary of the proposed budget,

including the amount of any proposed assessments against the Lots, shall be mailed to the membership not more than fourteen (14) nor less than thirty (30) days after the adoption of the proposed budget. The proposed budget shall be deemed ratified unless at the meeting more than fifty percent (50%) of the Lots existing at that time vote to reject it. In the event the proposed budget is rejected, the periodic budget last ratified shall be continued until such time as the membership ratifies a budget subsequently proposed by the Board of Directors.

C. The Board may fine any Lot owner an amount not to exceed One Hundred Fifty Dollars (\$150.00) for any single violation of the Declaration, these Bylaws or any Rules and Regulations promulgated by the Board. In such event, the Board shall provide the Lot owner fined an opportunity to be heard before an Adjudicatory Panel to be appointed by the Board pursuant to Article X below. Multiple fines may be assessed against any Lot owner for multiple violations. Any such fines shall be deemed assessments against the Lot of such owner, and shall be collectable as provided in the Declaration.

D. The Board may contract a management agent to perform and execute such duties, functions and responsibilities of the Board as the Board may deem appropriate; however, no such contract shall relieve the Board from its fiduciary duty to BPMC.

Notwithstanding any other provision herein, the Board of Directors is authorized, on behalf of BPMC, to submit any dispute with or claim against the owner(s) of any Lot(s) to voluntary arbitration pursuant to any arbitration program then in effect in the General Court of Justice of Moore County, North Carolina.

**Section 3. Removal of Directors.** After the end of the Developer Control Period, any director may be removed at any time with or without cause by a vote of at least sixty-seven percent (67%) of all persons present and entitled to vote at any meeting of the membership of BPMC at which a quorum is present. However, directors who are appointed by the Developer may only be removed by the Developer.

**Section 4. Vacancies.** In the event of the death, disability, resignation or removal of a director, his/her successor shall be selected and appointed by the remaining members of the Board of Directors to serve until the next meeting of the membership of BPMC or until a successor is appointed by the Developer if such vacancy is the result of the death, disability, resignation or removal of an initial director or a director who was appointed by the Developer.

## ARTICLE VII. MEETINGS OF THE BOARD OF DIRECTORS

**Section 1. Called Meetings.** Meetings of the Board of Directors may be called by or at the request of the President or any two directors.

**Section 2. Notice of Meeting.** The person or persons calling a meeting of the Board of Directors shall, at least ten (10) days before the meeting, give notice thereof by any usual means of communication. Such notice need not specify the purpose for which the meeting is called.

**Section 3. Waiver of Notice.** Any member of the Board of Directors may waive notice of any meeting. The attendance by a member of the Board of Directors at a meeting shall constitute a waiver of notice of such meeting, except where a member of the Board of Directors attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

**Section 4. Quorum.** A majority of the number of the members of the Board of Directors fixed by these Bylaws shall constitute a quorum for the transaction of business at any meeting of the members of the Board of Directors.

**Section 5. Manner of Acting.** Except as otherwise provided in these Bylaws, the act of the majority of the members of the Board of Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

**Section 6. Informal Action by Members of the Board of Directors.** Action taken by a majority of the members of the Board of Directors without a meeting is nevertheless Board action if written consent to the action in question is signed by all of the members of the Board of Directors and filed in the book of records of BPMC, whether done before or after the action so taken.

**Section 7. Committees of the Board.** The Board of Directors may establish either standing or ad hoc committees of the members to assist it in its work. Such committees shall be chaired by a member of the Board of Directors.

## ARTICLE VIII OFFICERS

**Section 1. Designation.** The officers of BPMC shall consist of a President, a Vice-President, a Secretary, and a Treasurer, and such other officers as the membership may from time to time elect. The offices of Secretary and Treasurer may be held by the same person; otherwise, no two offices may be held by the same person.

**Section 2. Election and Term.** The initial officers of BPMC shall be elected by the initial members of the Board of Directors of BPMC. Subsequently, the officers of BPMC shall be appointed by the Board of Directors. Members of the Board shall be eligible for appointment to serve as officers of BPMC. The officers shall be appointed to one-year terms, and each officer shall hold office until his/her death, disability, resignation or removal, or until the expiration of his/her term and the appointment of his/her successor.

**Section 3. President.** The President shall be the principal executive officer of BPMC and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of BPMC. He/she shall, when present, preside at all meetings of the members. He/she shall sign, with the Secretary, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of BPMC, or shall be required by law to be otherwise signed or executed; and in general he/she shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time. The President, together with the Secretary, shall execute any amendments to the Declaration approved by the membership of BPMC.

**Section 4. Vice President.** In the absence of the President or in the event of his/her death, inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President, and shall perform such other duties as from time to time may be assigned to him/her by the President or the Board of Directors.

**Section 5. Secretary.** The Secretary shall: (a) keep minutes of the meetings of members, of the Board of Directors and of all Executive Committees in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records and of the seal of BPMC and see that the seal of BPMC is affixed to all documents the execution of which on behalf of BPMC under its seal is duly authorized; (d) be authorized to certify and oversee the recordation of amendments to the Declaration on behalf of BPMC; (e) keep a register of the post office address of each member which shall be furnished to the Secretary by such member; and (f) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors.

**Section 6. Treasurer.** The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of BPMC; (b) receive and give receipts for moneys due and payable to BPMC from any source whatsoever, and deposit all such moneys in the name of BPMC in such depositories as shall be selected in accordance with the provisions of Section 4 of Article IX of these Bylaws; (c) prepare, execute and deliver certificates of Assessments as provided by the Declaration; and (d) in general perform all of the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors.

ARTICLE IX.  
CONTRACTS, LOANS, CHECKS, AND DEPOSITS

**Section 1. Contracts.** The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on the behalf of BPMC, and such authority may be general or confined to specific instances.

**Section 2. Loans.** No loans shall be contracted on behalf of BPMC and no evidence of indebtedness shall be issued in its name unless authorized by the Board of Directors. Such authority may be general or confined to specific instances.

**Section 3. Checks and Drafts.** All checks, drafts or other orders for the payment of money, issued in the name of BPMC, shall be signed by the President or the Treasurer of BPMC.

**Section 4. Deposits.** All funds of BPMC not otherwise employed shall be deposited from time to time to the credit of BPMC in such depositories as the Board of Directors may select.

ARTICLE X  
ADJUDICATORY PANEL

**Section 1. Appointment of Adjudicatory Panel.** The Board of Directors may, not less than annually, appoint an Adjudicatory Panel of three (3) individuals, all of whom shall be residents of the Development to act on behalf of the Board of Directors in matters set forth in this Article X. Members of the Board shall be eligible to serve as members of the Adjudicatory Panel. Members of the Panel shall be appointed to one-year terms, and each member shall sit until his/her death, disability, resignation or removal, or until the expiration of his/her term and the appointment of his/her successor.

**Section 2. Hearings.** In the event that a fine is assessed against a Lot owner by the Board of Directors pursuant to Subsection 2(C) Article VI above, the Adjudicatory Panel shall provide to the Lot owner so fined notice of the violation and an opportunity to be heard regarding the alleged violation and the assessed fine. If within ten (10) days of receipt of the notice the Lot owner requests in writing a hearing, the Adjudicatory Panel shall hear the matter within twenty (20) days of the date of the written request. Three (3) members of the Panel shall constitute a quorum for the purpose of conducting a hearing. Following such a hearing, the Adjudicatory Panel shall confirm, deny or modify the fine imposed by the Board and shall notify the Lot owner of its decision. The decision of the Panel with regard to the fine shall be final.

ARTICLE XI.  
INDEMNIFICATION

Any person who at any time serves or has served as an officer, member of the Board of Directors and/or member of the Adjudicatory Panel of BPMC shall have a right to be indemnified by BPMC to the fullest extent permitted by law against (a) reasonable expenses, including attorneys' fees, incurred by him/her in connection with any threatened, pending, or completed civil, criminal, administrative, investigative, or arbitral action, suit, or proceeding (and any appeal therein), whether or not brought by or on behalf of BPMC, seeking to hold him/her liable by reason of the fact that he/she is or was acting in such capacity, and (b) reasonable payments made by him/her in satisfaction of any judgment, money decree, fine, penalty or settlement for which he/she may have become liable in any such action, suit or proceeding.

Upon request for payment, the President of BPMC shall promptly call a special meeting of the Board of Directors to obtain approval to pay the indemnification required by this bylaw. Such approval may be general or confined to specific instances, and shall not be unreasonably withheld. Upon approval by the Board of Directors, the President shall promptly cause the indemnification to be paid to the requesting party.

Any person who at any time after the adoption of this bylaw serves or has served as an officer, member of the Board of Directors and/or member of the Adjudicatory Panel of BPMC shall be deemed to be doing or to have done so in reliance upon, and as consideration for, the right of indemnification provided herein. Such right shall inure to the benefit of the legal representatives of any such person and shall not be exclusive of any other rights to which such person may be entitled apart from the provision of this bylaw.

The foregoing notwithstanding, nothing set forth in this Article XI shall require BPMC to indemnify a person who is guilty of a criminal act or whose acts were not within the scope of authority for such person as set forth in these bylaws.

ARTICLE XII.  
DISSOLUTION

In the event of dissolution of BPMC, the residual assets of BPMC will be distributed to a nonprofit organization with purposes similar to those of BPMC, or to any other organization eligible under the provisions of Chapter 55A of the General Statutes of North Carolina. However, in no event shall the residual assets of BPMC be distributed in a fashion that terminates BPMC's exempt status under Section 528 of the Internal Revenue Code of 1986 or any corresponding sections or provisions of any future United States Internal Revenue law.

ARTICLE XIII.  
SECTION 528 STATUS

BPMC shall elect and shall be managed in such fashion as to maintain tax-exempt status under Section 528 of the Internal Revenue Code of 1986. BPMC shall not carry on any activities prohibited by an association electing tax-exempt status under Section 528, or any corresponding sections or provisions of any future United States Internal Revenue law.

ARTICLE XIV.  
GENERAL PROVISIONS

**Section 1. Seal.** The corporate seal of BPMC, if one is adopted, shall consist of two concentric circles between which is the name of BPMC and in the center of which is inscribed SEAL; and such seal, as impressed on the margin hereof, is hereby adopted as the corporate seal of BPMC.

**Section 2. Fiscal Year.** The fiscal year of BPMC shall be January 1 through December 31.


**Section 3. Amendments.** Following the termination of the Developer Control Period as provided for herein, the members of BPMC may amend these Bylaws, repeal these Bylaws and/or adopt new Bylaws by the vote of at least sixty-seven percent (67%) of all existing Lots at any meeting of the membership of BPMC properly held and conducted pursuant to Article V above.

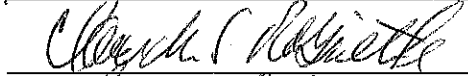
**Section 4. Conflicts.** In the event of any conflict between the terms and provisions of these Bylaws and the terms and provisions of the Declaration, the terms and provisions of the Declaration shall control.

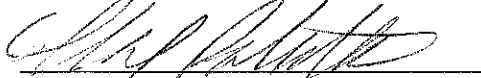
**Section 5. References to Statutes.** All references herein to any statutory provision shall be construed to include and apply to any subsequent amendments to or replacements of such provisions.

The foregoing instrument, consisting of 10 pages, is hereby approved, accepted and adopted by the undersigned as the Bylaws of The Ballybunion Park Maintenance Company.

In witness whereof, the initial members of the Board of Directors of BPMC have set their hands and seals, effective the 17 day of June, 2016.

 (SEAL)

 (SEAL)

 (SEAL)