

NORTH CAROLINA

WAKE COUNTY

BOOK 2669 PAGE 427

This Declaration of Bylaws made this 13th day of October,
1978 by BUNN LAKE PROPERTY OWNER'S ASSOCIATION, INC.;

W I T N E S S E T H:

WHEREAS, the residents and property owners of BUNN LAKE ESTATES
have formed a non-profit corporation for the advancement of that area
in Little River Township, Wake County, North Carolina and in Dunn
Township, Franklin County, North Carolina known as BUNN LAKE ESTATES; and

WHEREAS, said corporation has adopted certain bylaws governing the
use of BUNN LAKE and the operation of BUNN LAKE PROPERTY OWNER'S
ASSOCIATION, INC.;

NOW, THEREFORE, BE IT KNOWN THAT the following are the Bylaws of
BUNN LAKE PROPERTY OWNER'S ASSOCIATION, INC. as adopted by resolution
of its Board of Directors:

BY-LAWS
OF
BUNN LAKE PROPERTY OWNER'S ASSOCIATION, INC.

ARTICLE I.

NAME AND OBJECT

This corporation is incorporated and organized under the laws of North Carolina under the name of Bunn Lake Property Owner's Association, Inc. and for the main purpose of establishing and maintaining a lake, a suitable club house and recreational facilities for members and their families.

ARTICLE II.

MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot at Bunn Lake Estates, including contract sellers, shall be a member of the Association upon payment of the dues and assessments as set out herein. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot with a water right shall be the sole qualification for membership.

ARTICLE III.

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of nine (9) Directors, who must be members of the

elect one-third of the directors for a term of one year, one-third of the directors for a term of two years and one-third of the directors for a term of three years; and at each annual meeting thereafter the members shall elect one-third of the directors for a term of three years, and until their successors are elected and qualified.

The Board of Directors shall have power to make and amend the rules; receive and redress complaints, and care for and expend the funds of the club.

The Board shall have power to fix penalties for violation of the constitution and rules, and also to remit penalties for violation.

ARTICLE IV.

OFFICERS (ELECTION, AUTHORITY)

The Officers of the club shall be a President, Vice President, Secretary, Treasurer and Board of Directors. The office of Secretary and Treasurer may be vested in one person.

The President and Vice President shall be elected annually by the Board of Directors either from the Board of Directors or from the membership at large. The President and Vice President may serve a maximum of three (3) consecutive terms.

The Secretary and Treasurer shall be elected annually by the Board of Directors either from the Board of Directors or from the club membership at large.

Section 1. President: The President, or in his absence the Vice President, shall preside at all meetings of the club and shall exercise supervision and control over all of the affairs of the club.

Section 2. Secretary: The Secretary shall keep the minutes of all meetings of the club and of the Board, and have charge of the records of the club; he shall give notice of all meetings of the club to all voting members hereof; he shall give notice of all meetings of the Board to all members thereof; he shall give appropriate notice of dues and delinquencies and assessments and he shall conduct the general correspondence of the club. The Secretary shall collect all money due the club including dues, fines, and assessments and he shall deposit all money in the club designated depository and turn the deposit slip over to the Treasurer.

Section 3. Treasurer: The Treasurer shall receive all monies from the Secretary and keep an accurate account of same. He shall pay all bills and accounts against the club when properly certified by the proper committee and approved by the President. He shall keep an accurate record of all money that is paid out, keeping record of expenditures that are appropriately suitable for a club of this type. He shall make a report to the Board of Directors whenever called upon to do so. His accounts shall be audited by the Audit Committee each year prior to the Annual Meeting and the results of the audit shall be reported at the Annual Meeting by the Audit Committee.

The Treasurer shall at the request of the Board of Directors give bond in such amount and with such surety

company as may be determined by the Board; Provided, however, that the Club shall pay the expense or premium of such guarantee bond.

ARTICLE V.

COMMITTEES (APPOINTMENT, DUTIES)

The following committees shall be appointed by the President as soon as practical after his election and approval by the Board: Dam, Lake, Roads, Building, Food, House, Auditing, Grounds, Finance, Bylaws, Grievance, and such other committees as the Board deems advisable. The number of people to serve on the various committees shall be decided by the President.

Committee members are appointed to serve for a period of one year and may succeed themselves.

The President, and in his absence, the Vice President shall be ex officio a member of all committees.

Meetings of the standing committees shall be held on call of the respective chairman thereof or by the President.

ARTICLE VI.

DUTIES OF COMMITTEES

Section 1. Dam Committee: The Dam Committee shall have full responsibility for the care and maintenance of the dam and spillway. It shall be the duty of the Dam Committee to maintain the dam in accordance with good engineering practices.

Section 2. Lake Committee: The Lake Committee shall have charge of the lake. Length of piers - each individual

for the members to obey, thereby eliminating all hazards possible and insuring as far as possible the safety of members or friends who participate in water activities of any kind.

Section 3. The Roads Committee: The Roads Committee shall see that roads are kept in good order, make decisions regarding the location of new roads and attend to whatever duties arise regarding the laying out of and general upkeep of roads and entrance gate.

Section 4. Building Committee: The Building Committee will be primarily concerned with the Club Buildings, but will also have charge of all projects relating thereto. Major decisions regarding any building must be passed on by the Board of Directors.

Section 5. Food Committee: The Food Committee will direct the preparation and serving of whatever food is served in conjunction with clubhouse and club activities.

Section 6. House Committee: The House Committee shall have charge of the Club House and recreational facilities. It shall make rules and regulations regarding the use and activities of the Club House and recreational facilities subject to the approval of the Board of Directors. Such rules should be specific regarding the total use of the Club House, recreational facilities and Club House grounds. It shall be the duty of this committee to see that the rules are carried out, charges, if any, collected and the premises, both inside and out, cleaned and put in order promptly. Each member to make a Twenty Dollar deposit when reserving the Club House.

Section 7. Audit Committee: The Audit Committee shall audit the accounts of the Secretary and Treasurer fifteen days prior to the annual meeting and such time or times as the Board may direct, submitting a report of such audit in writing to the Board.

Section 8. Grounds Committee: The Grounds Committee are to see that all grounds are kept in safe and orderly condition. Beautifying whenever and wherever practical.

Section 9. Finance Committee: The Finance Committee shall handle finances the same as in comparable associations or organizations. Any substantial expenditure or financial obligations undertaken must be approved by the Board. The Finance Committee shall work in close alliance with the Secretary and Treasurer in working out the financing of the Club. All expenditures beyond those considered as fixed expenses are to be approved by the Board of Directors before being contracted.

Section 10. Bylaws Committee: The Bylaws Committee will make recommendations to the Board of Directors with reference to any changes they feel will benefit the Club, then to the general membership. The Board of Directors, Officers, and Committees will furnish this committee with a complete list of the Bylaws, rules and regulations, approved and adopted by the membership or Board of Directors and any amendments made thereto from time to time. Then it will be the duty of this committee to maintain a suitable permanent record of these Bylaws, rules and regulations that will be

primary purpose will be to receive and redress grievances. Where a member or one of a member's family is involved with violation of the bylaws or rules of the Club, members of this committee shall make effort to resolve grievances for the good order, welfare, and character of the Club.

Such health, safety and other regulations as may be promulgated from time to time by the various club operating committees will be obeyed by the individual lot owners and all the membership shall be notified of those regulations by the Board of Directors every 90 days.

Any committee is empowered to recommend to the Board of Directors changes, amendments or elaboration of rules relating to or governing them in their duties, as defined by the rules and Bylaws.

ARTICLE VII.

MEMBERSHIP MEETINGS (TIME, PURPOSE)

The annual meeting of the membership of the Club shall be held on the second Monday night in September, or at other such place as designated by the President.

The Election of officers and directors of the Club shall be by ballot, and a majority of the votes cast shall be required to elect. The President, at the August meeting of the Board of Directors, shall appoint a nominating committee consisting of not less than three members to propose a slate of Directors. Nominations may also be made from the floor.

The Board of Directors, upon their own motion or upon written request of six members, may or upon the request of twenty members, shall call a special meeting of the Club by giving ten days' notice by mail to the voting members, and

also by posting said notice on the bulletin board of the club. The notice of every special meeting shall state the object or objects for which it is called, and no other business shall come before the meeting.

ARTICLE VIII.

QUORUM

At the regular Annual Meeting of the membership of the Club, there will be required at least one third of the total membership to constitute a quorum. In order to raise dues and assessments, there shall be required at least two-thirds majority vote at any such meeting. At a special or called meeting of the membership, there shall be required at least twenty percent (20%) members to constitute a quorum.

If a quorum should not be present at the Annual Membership meeting, and cannot duly elect the three new directors, then the President shall call not more than two special meetings for this specific purpose at the earliest possible date. If a quorum is not present at the first or second called meeting, then it shall be the duty of the Board of Directors to appoint the three new Directors from the membership.

ARTICLE IX.

DUES AND ASSESSMENTS

All dues or assessments that shall be charged against the membership for the general operation of the club shall first be proposed by the Board of Directors and thereafter

assessments will be considered.

Should a member fail to pay his (or her) dues, or fines for a period of three months after due date, then the Board of Directors shall be vested with the authority to suspend such member from all privileges of membership until all amounts due are paid in full. In such case, the Board of Directors shall notify said member by registered mail and said member shall be given 15 days before official action is taken.

ARTICLE X.

LAKE OPERATING PROCEDURES

Section 1. No member shall construct, erect, or allow to be placed on his lot any commercial venture or enterprise without the express written consent of the Board of Directors of BUNN LAKE PROPERTY OWNER'S ASSOCIATION, INC. However, nothing herein shall prohibit the maintenance of an office in the home of any member.

Section 2. No member shall construct, erect or allow to be placed on his lot any trailer, housetrailer, tent, shack, garage, barn or other outbuilding to be used as a residence. Provided, however, that the Board of Directors in its discretion may allow the temporary residential use of a trailer, housetrailer, tent, shack, garage, barn or other outbuilding for a period not to exceed nine months.

Section 3. No unlawful activity shall be carried on or conducted on any lot.

Section 4. Each member shall be allowed to have one power boat on the lake. A power boat shall be defined as any motor boat requiring numbering and registration by the State of North Carolina with the Wildlife Resources Commission. Each member may also have two non-power boats upon the lake. All boats shall be registered with the Association

Power boats shall travel in a counter clockwise direction around the lake at a distance not less than fifty (50) feet from the shore line. Each property owner may use a flotation device to indicate fifty (50) feet from the shore line. All boat operators shall use good, safe boating practices and shall adhere to boating rules and regulations promulgated by the State of North Carolina. Members shall be responsible for informing guests of the rules of the Association and shall be accountable for the conduct of his guests. Only one guest power boat per lot shall be allowed on the lake at any time. Guest power boats shall not be operated on the lake unless the sponsoring member is physically present to supervise the operation of the guest power boat. A guest power boat shall not be operated on the lake at the same time a member's power boat is being operated on the lake.

Section 5. Fishing shall be permitted by members and their family (including husbands, wives, children, parents, grandchildren) and by guests of members. While fishing from the shore there shall be no limit upon the number of guests being sponsored by any member. However, each guest should possess the identification card of the sponsoring member or be accompanied by a member. Only one guest fishing, non-powered boat per lot shall be allowed on the lake at any time.

Section 6. Non-members shall have no sanctioned right to use the lake and shall not be allowed to possess a key to the boat ramp.

Section 7. Should a member rent or lease his lot or house, the lessee or tenant shall be considered the guest of the member. Said lessee or tenant shall not be entitled to any privileges except those

of its Board of Directors, the day and year first above written.



BUNN LAKE PROPERTY OWNER'S ASSOCIATION, INC.

BY:

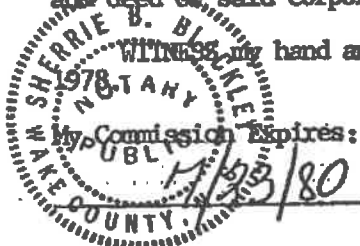
Douglas Y. Perry
President

Lewis O. Liles
Secretary

NORTH CAROLINA

WAKE COUNTY

This is to certify that on the 13th day of October, 1978, before me personally came DOUGLAS Y. PERRY, (President), with whom I am personally acquainted, who, being by me duly sworn, says that he is the President, and LEWIS O. LILES, is the Secretary of BUNN LAKE PROPERTY OWNER'S ASSOCIATION, INC., the corporation described in and which executed the foregoing instrument; that he knows the common seal of said corporation; that the seal affixed to the foregoing instrument is said common seal, and the name of the corporation was subscribed thereto by the said President, and that the said President and Secretary subscribed their names thereto, and said common seal was affixed, all by order of the Board of Directors of said corporation, and that the said instrument is the act and deed of said corporation.



Witness my hand and official seal, this 13th day of October, 1978.

Sherrie B. Blackley
NOTARY PUBLIC

NORTH CAROLINA—WAKE COUNTY

The foregoing certificate

of Sherrie B. Blackley